

ORR PJM Queue Reform New Interconnection Process

Items worthy of discussion beyond the “Transition” topic

10/29/21



Suspension Provisions

- The past 18 months have showcased how issues outside of ICs control can impact delivery timing (ex. supply delays from trade tariffs/forced labor tariffs/COVID), and therefore, we believe that a minimum of 12 months of “secure” suspension rights (subject to fully funded ISA security) is important going forward. Leaving discretion to PJM project manager/legal to address in the ISA/CSA milestones is inadequate for project financing.
- PJM has proposed “Not permitted. Issues outside of the customer's control will be dealt with using the ISA/CSA milestones.”
- ORR has proposed “One year suspension rights. Site control must be maintained during suspension period.”

Project Site Move

- Provided that relocating the POI facilities a short distance up or down a circuit (i.e. 1,000 to 2,000 feet) does not impact any of the powerflow and stability considerations, ORR advocates for flexibility on POI facility relocations throughout the process. We do not believe it is appropriate for a POI to be relocated outside of the two substation endpoints being studied, but having a degree of flexibility on the final POI location can enable more project CODs and support good community relations.
- PJM has proposed “Permitted on adjacent parcels of land only where site control has previously been provided with the application.”
- ORR has proposed “Permitted provided the relocation does not change the POI circuit endpoints and there is not any change to the powerflow or stability considerations.”

Inter-queue funding of NU >\$5M

- We recognize PJM's desire to have no inter-queue funding for clusters going forward, however, we believe that current executed ISAs that have NU >\$5M or any transitional serial NUs should be included in the AE1-AG1 transitional cluster(s).
- PJM has proposed "No inter-cycle cost allocation. All contained within a cycle."
- ORR has proposed "For ISAs signed pre-transition and/or transitional serial ISAs, NUs that are greater than \$5M should have allocation throughout any/all projects that benefit from the upgrades through AE1-AG1 transitional cycle(s)."

Feasibility Study....

- Is a Feasibility Study needed/valuable? Or should this step in the process be removed and projects go straight into SIS?
- ORR would support removing the Feasibility Study phase from the process going forward.

Site Control

- Projects must have sufficient site control (from an ENG perspective) to initiate the study process (i.e. 5 acres/MWac for SAT Solar). However, injection a requirement at PJM's discretion to determine whether "100% site control" has been met is problematic, as this is often a commercial decision vs. a technical determination.
- Accordingly, we are concerned with PJM's proposal for SIS & Facilities Study site control requirements, specifically:
 - Provide 50% of site control for customer interconnection facilities and interconnection switchyard (if applicable) & 100% of site control for generation facility site (SIS)
 - Customer to provide 100% of site control for generating site, customer interconnection facilities, and interconnection switchyard (if applicable). If the customer is unable to provide the aforementioned, a requirement to produce this evidence within 6 months of the execution of the ISA will be included in the final agreement (Facilities)
- Also, with regards to Site Control, ORR has significant concerns about imposing new Site Control requirements, especially on late-stage projects for which the form of real estate agreements are fully mature (ex. 5 years was previously discussed).
 - Ex. Some lease forms allow the developer to initiate construction/operations phases by simply paying \$ vs. starting construction/operations.

Thank you

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