

CIRS for ELCC Resources Polling – Verbatim Responses without Attribution

7. Please provide feedback as to why you cannot support these options.

We are unable to complete this page at this time - our lack of response should not be interpreted as support of or willingness to accept any of these aspects of the packages we do not support.

Package E and I are most consistent with cost causation principles. Package I offers a reasonable accommodation for wind/solar that may have had upset expectations; so long as the provision of residual headroom is temporary.

1. We do not support packages which award higher CIRs without utilizing the queue process. The queue process should be utilized to maintain reliability. Processes which utilize a Fast Track may be a reasonable compromise. 2. We do not support packages which assign baseline transmission upgrades to Load. We believe these packages do not align with cost causation principles.

All the packages give preferential treatment to existing units, existing queue units, and the new units which he available headroom or shift the cost to load, which is an issue, so we do NOT support those packages. We support the LS power package, which is straightforward and does not need any tariff changes. As a result, The headroom (or related effective use of the transmission network) will essentially be Taken away from the resources in the interconnection queue that could have potentially utilized the headroom to reduce their interconnection costs

'Participant Pays' construct must be maintained. Any resource needing or wanting higher CIR value needs to submit a new interconnection queue request and re-enter the queue to obtain desired CIRs as present status quo requires. 'Queue jumping', regardless of in-service status or queue/cycle position should not be permitted.

Concerns with packages D, F, H: Load customers being charged for generation driven upgrades. Also, concerns that the true costs are unknown considering that upgrades driven by light load study needs are not reflected in the estimated \$2 B cost. Discriminatory against some generation fuel types in a variety of ways. Concerns with the way in which Generator Deliverability proposal is treating energy and common mode events and the potential impact it may have on reliability. Additionally, concerns with use of lower ambient temperatures for light load studies considering the reality that DER will likely bring a future where 50/50 light load conditions could occur in summer months. Concerns that smooth implementation into FERC Order 1000 process and new generation cycle process will be unlikely considering time required to stand up Generation Deliverability proposal and the impacts the new process will have on the new generation cycle process. Concerns with Package G: Concerns with the way in which Generator Deliverability proposal is treating energy and common mode events and the potential impact it may have on reliability. Additionally, concerns with use of lower ambient temperatures for light load studies considering the reality that DER will likely bring a future where 50/50 light load conditions could occur in summer months. Concerns that smooth implementation into FERC Order 1000 process and new generation cycle process will be unlikely considering time required to stand up Generation Deliverability proposal and the impacts the new process will have on the new generation cycle process. Retention of CIRs based on maximum of 3 years of output between May and September 9 AM to 10 PM not appropriate.

Like E and I because they minimize cost shifting while the other options do not.

All the packages give preferential treatment to existing units, existing queue units and the new units which utilizes the available headroom and/or shifts the cost to load which is an issue and so we do NOT support those packages. we support LS power package which is straightforward and does not need any tariff changes.

All alternatives try to void the contracted CIRs in the signed ISA with PJM. PJM should apply the new generation deliverability test prospectively.

Package E: All units have to go back to the queue, which will create more projects in the queue and a capacity deficit. Majority of the queue will be CIR requests rather than actual real projects. Capacity clearing prices will elevate and load will pay for it. PJM has been clear that \$0.7 billion is not definitive and that number will vary depending on the assumptions. Package G: Tariff mechanisms would need to be developed in order to accommodate requests for additional CIRs within Transition Cycles 1 and 2. Purpose of the Fast Track is nullified with this option. Package H: Fast Track and Transition Cycle 1 projects have already been studied. New changes should begin for projects that have not been studied (Transition Cycle 2) to be consistent with the study reports. Package I: Same reason as Package E.

Packages E and I provide little to no support for existing and existing queued projects.

This poll question construct is very hard to navigate and is also phrased in the negative which will likely create confusion in the responses. More reliable poll responses would result if each package component and actual options were listed and then asking people to respond in the affirmative.

My company can not support any proposal that deviates from the participation model which allocates transmission upgrade costs associated with initial CIRs to the resources requesting the CIRs and causing the need for transmission upgrades.

9. Is there any additional feedback you wish to provide?

For Design Element 3A, it is recommended that there be an addback to account for curtailments in the determination of AUCAP. Consider developing a CIR bilateral market or expanding the ability for existing resources to transfer/trade excess CIRs, not just retiring resources.

Package I's transition deliverability studies provides an appropriate transition for existing ISA holders while required CIR upgrade requests proceed through Interconnection Queue process.

Clarify how Package D changes the CIRs in already executed ISAs.

The Generation Deliverability process and the base case dispatch associated with RTEP reliability assessment cases are long-standing processes in need of reassessment in light of the recent Long-Term Planning and Extreme Event NOPRs and the inevitable changes coming with respect to the generation fleet of the future. However, these two issues can be taken separately resolving the latter less complex issue (the base case dispatch concern) first by adopting the block dispatch component of the PJM Gen Deliv proposal. The Generation Deliverability methodology is a much more complex subject and it is our position that such a complex topic should be brought through a dedicated CBIR process focused on it so as not to have it lost in discussions over other matters, and also to give it time to be resolved in a manner that takes into consideration the changing grid of the future. Additionally, the ongoing FERC NOPRs stand to provide some insight on how to proceed with regard to the Generation Deliverability process as well since matters such as interregional transfers, and how to address more extreme events can help shape direction around this subject.

9. Strongly prefer Packages I then E

PJM once again asks stakeholders the question, would you like to pay or would you like someone else too?

We believe the cleanest transition option is to 1) automatically grant existing ISA holders the CIRs, and 2) allow existing queued projects (TC1 and TC2 at the very least) to request additional CIRs in their current queue positions. The transitional headroom study that PJM is proposing is very ambiguous because 1) it's never been done before and, 2) it's uncertain how many interim CIRs a resource will actually be granted. PJM instead should give interconnection customers the chance now to request CIRs and pay for the headroom they're asking for. PJM should take advantage of this opportunity, while everything is suspended in queue reform, and there is already a lot of uncertainty in costs and timelines that the stakeholder community has accepted. PJM is concerned the additional CIR requests will delay clearing the queue backlog. However, PJM is also aware that the projects are essentially being "re-queued" and restudied as Phase 1 new projects.

Interconnection customers are aware their upgrade costs are changing by switching to the cluster process. And PJM is willing to update the planning parameters in TC1 in Packages H and I, which would change another VERY significant variable in the initial studies and would also take additional time to execute. The timing of when TC1 and TC2 begins is still ambiguous because it's based on the progress of Fast Lane projects, so there is time while PJM is processing the Fast Lane and TC1 projects to make these changes. We also agree that storage projects should be allowed to increase their CIR requests. The best package would have Package G while automatically granting existing ISA holders CIRs. If this can't be done, then our next preference is the PJM transitional headroom to allow soon-to-be existing generators to maximize their potential contribution to resource adequacy. We do not support packages where there is no consideration for existing ISA holders and queue positions.

No package should force a project to take the higher CIR level at a cost to that project. The project should have the choice.

My company generally supports the following principles, aligning with our preferences for D, F, and H and opposition to I, G, and E. Solution H seems like a possible compromise. Principles: (1) Existing ISA holders have a right to continue capacity participation - CIRs should be granted/grandfathered; (2) Well developed projects also should be grandfathered; (3) We should avoid disrupting an orderly Interconnection queue reform transition (4) Queue order should be preserved for projects that wish to get back in line and get more CIRs if they're not granted them automatically. (5) PJM should share transparent information as to the expected capacity value for units that need to seek more CIRs (or higher levels to begin with for new units) when they are not granted the CIRs automatically. Transparency is critical for an orderly transition and to maintain fair market competition.