

# Planning Committee

Request for additional information in the M-3 process

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PJM Planning Committee

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# Additional Information that would be useful

- Any details around the estimated project costs of M-3 projects
- An understanding of the utility regulatory oversight of M-3 projects that will take place for each project – does a state utility commission have certificate of public convenience and necessity (CPCN) oversight review authority over the proposed solution?
- Contact information
- Updates on the M-3 project timelines

## **This information would help with:**

- Transparency regarding transmission projects
- Consistent information related to M-3 projects for all projects (e.g. FERC prudency review & consumer review)

# Assistance from the Planning Committee

A few points to note at the onset:

- This is a request for assistance and input. Consumer Advocate offices believe more information would be helpful. Two of the key drivers for this request are wanting more information on the cost of the projects beyond the sticker price – “estimated cost” – and an appreciation of whether a state utility commission has oversight jurisdiction to review.
- The subregional RTEP M-3 process is essentially a notice process (from our perspective):
  - FERC only requires PJM Transmission Owners to receive stakeholder comments on M-3 projects.
  - Transmission Owners do not have an obligation to provide additional information.
  - PJM provides no input on specific projects during the subregional RTEP stakeholder discussions.
- This request is made generally on behalf of consumer advocates. I do not anticipate a request for a stakeholder process on this matter because the transmission owners have control of the information they choose to provide on each project in the M-3 process. I am not aware of any right to more information that consumers have.
- The next step includes asking for the material discussed below in the Planning Community for all M-3 projects and then follow-up (as necessary) during the subregional calls – **starting in April.**

# Review of March 2023 M-3 (subregional RTEP) presentations:

- Subregional RTEP Committee March meetings:
- South Subregional RTEP Committee meeting (3/16)
  - 0 needs
  - 1 solution
    - \$2.5 million
- Mid-Atlantic Subregional RTEP Committee meeting (3/16)
  - 6 needs
  - 11 solutions (The highest estimated project is \$36 million)
    - \$104.09 million
- Western Subregional RTEP Committee meeting (3/17)
  - 17 needs presented
  - 8 solutions presented
    - \$133.355 million
    - Only two alternatives were considered for any solution.

# Additional information that would help

- Details around the cost of the project: Typically, the only cost information for M-3 projects is the price tag – “the estimated cost of the project”
- Contact information, recognizing that this request has been made in the past – and rejected, contact information would really help. For example, if a need is lingering for two years, someone should be available to provide an update.
- Oversight authority for each Need and Solutions slide:
  - PJM only completes a “do no harm” review. Is there any other oversight?
  - Does a state utility commission have oversight of the project?
- Expected timeframe for next step:
  - As outlined and presented on the slides – stakeholders have 10 days to provide comments.
  - Transmission owners do not have a timeframe with which to take action. It would be helpful to know of the expected timeframes from the Transmission Owner to move forward with a project.
- **Incorporating the additional information (e.g. further cost information, and if applicable - oversight review authority) into the existing M-3 process presentation slide template would be the most helpful.**

# Example where more cost information from Solutions is needed

20230316-item-07---ppl-supplemental-projects.ashx

5 / 19



90%



## Solutions

Stakeholders must submit any comments within 10 days of this meeting in order to provide time necessary to consider these comments prior to the next phase of the M-3 process

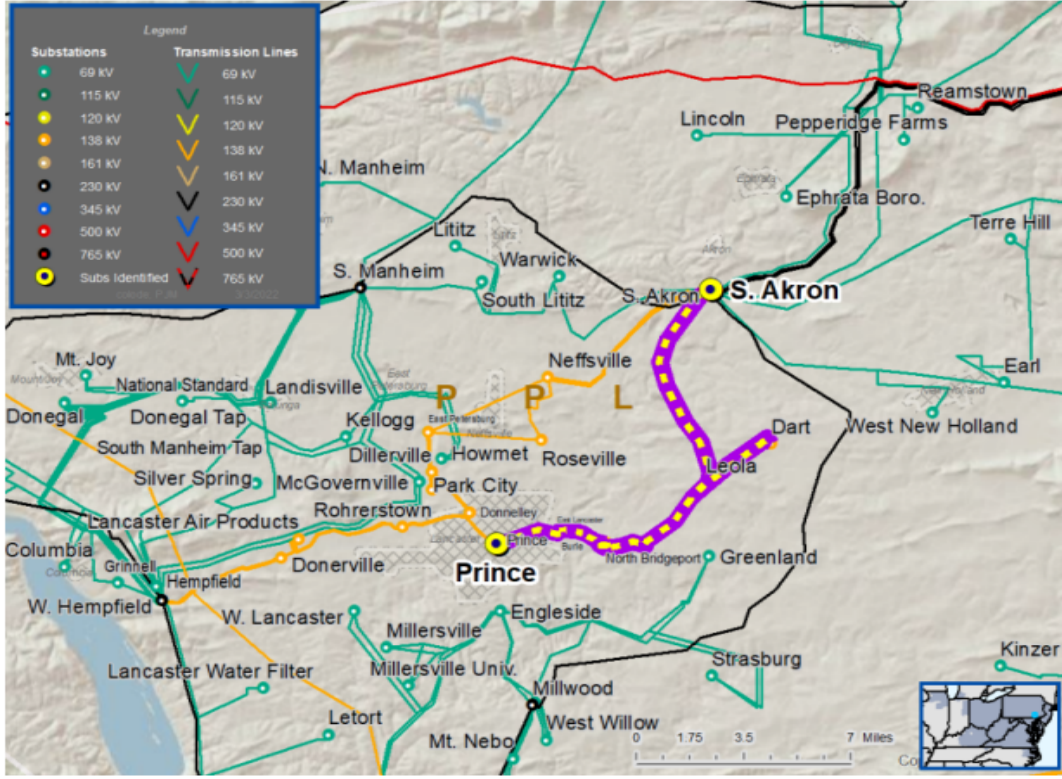
# Example Continued

## PPL Transmission Zone: Supplemental

**Need Number: PPL-2022-0002**  
**Meeting Date: 03/16/2023**  
**Process Stage: Solution**  
**Need Slide Presented: 3/17/2022**  
**Supplemental Project Driver: Equipment Material Condition, Performance and Risk;**

**Problem Statement:**  
 The South Akron-Prince 1&2 138kV lines are a reliability risk due to frequent operations and poor asset health. The lines have experienced a combined 16 operations since 2014. The lines are in poor condition with the majority of the original assets installed in 1950. This is an 11-mile line, installed with 556.5 and 795 kcmil ACSR and a mix of steel monopoles and lattice towers.

**Specific Assumption References:**  
[PPL 2022 Annual Assumptions](#)



\*slide presented as an example to show the initial need was presented to stakeholders just over a year ago.

# Example Continued

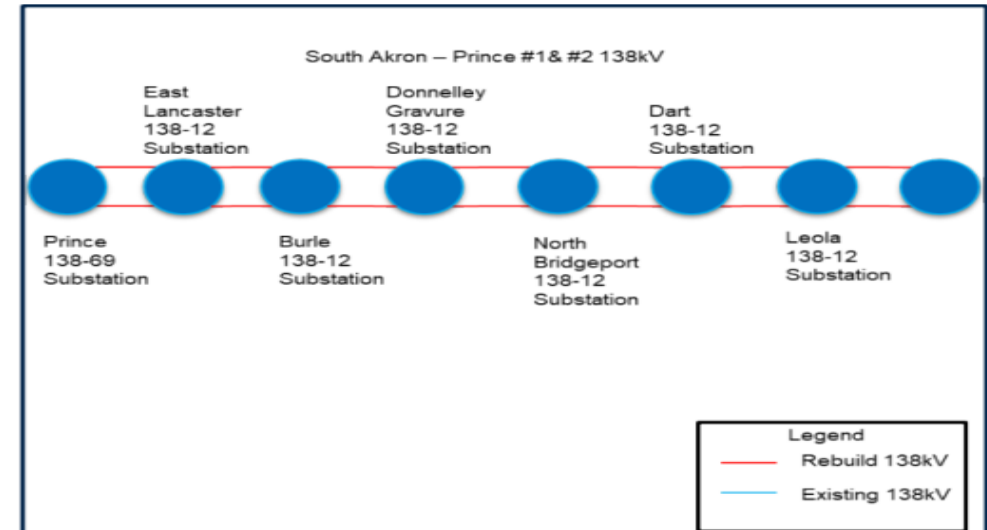
- **Need Number: PPL-2022-0002**
- **Proposed Solution:**
- Rebuild 11 miles of the South Akron – Prince #1 & #2 138kV lines with steel poles and 556 ACSR conductor
- **Alternatives Considered:**
- 1. No feasible alternatives
- **Estimated Project Cost: \$36M**
- **Projected In-Service: 12/30/2025**
- **Project Status: Conceptual**
- **Model: 2026**

#### Specific Assumption References:

[PPL 2022 Annual Assumptions](#)

SRRTEP : Mid-Atlantic – PPL Supplemental 03/16/2023

## PPL Transmission Zone: Supplemental



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\*Slide presented shows that the only cost information for this project is the sticker cost of \$36 million. In addition, there is no record of the regulatory process for this (\$36 Million) project.

8



# Example 2 – need for more cost/regulatory information from Solutions presented



## Solutions

Stakeholders must submit any comments within 10 days of this meeting in order to provide time necessary to consider these comments prior to the next phase of the M-3 process

# Example 2, Cont'd



**Need Number:** PSEG-2023-0002

**Process Stage:** Solutions Meeting 3/16/2022

**Previously Presented:** Need Meeting 02/16/2023

**Supplemental Project Driver:**

- Customer Service

**Specific Assumption Reference:**

[PSEG 2023 Annual Assumptions](#)

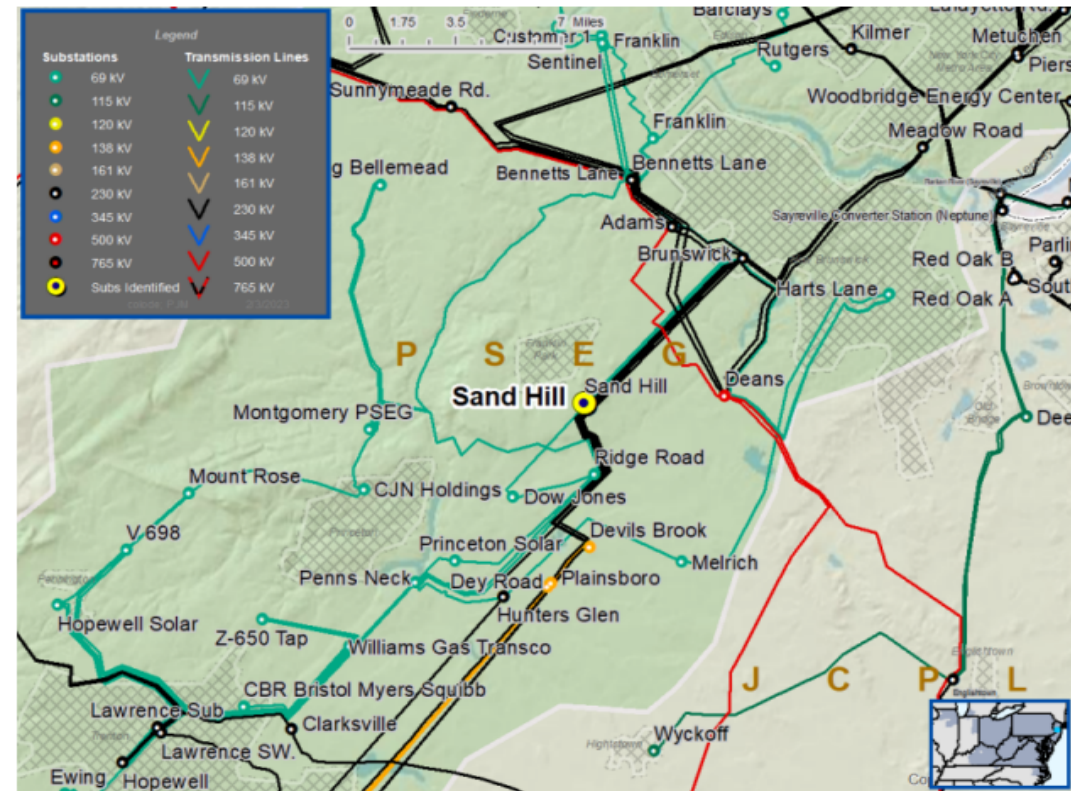
- Localized Load Growth & Contingency Overloads

**Problem Statement:**

- Sand Hills Substation is a station in the South Brunswick area with no additional station capacity.
  - Sand Hills serves over 20,200 customers with a peak load of over 78.5MVA in 2021 and 2022.
  - The actual station capacity is 61MVA. Contingency overload is 128%.

**Model:** 2021 Series 2026 Summer RTEP 50/50

## PSEG Transmission Zone M-3 Process South Brunswick Area



# Example 2, Cont'd



## PSEG Transmission Zone M-3 Process South Brunswick Area

**Need Number:** PSEG-2023-0002

**Process Stage:** Solutions Meeting 03/16/2023

**Proposed Solution:**

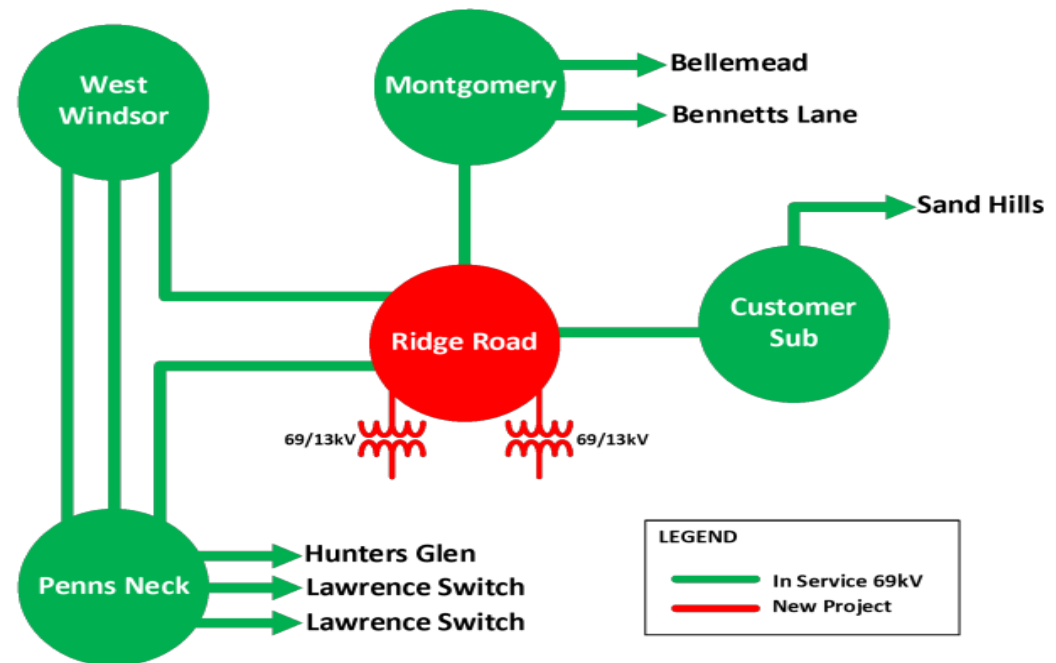
- Expand the existing Ridge Road Substation to a full Class H Substation.
  - Install three (3) 69-kV breakers at Ridge Road.
  - Convert Ridge Road to Class H station, install two (2) 69/13kV transformers and sheltered aisled switchgear.
  - Offload the Sand Hills station to the new Ridge Road Class H substation.
  - **Estimated Cost:** \$22M

**Alternative Considered:**

- Convert the Montgomery Substation to a six (6) breaker Ring Bus and install a 69/13kV Class H substation.
  - No capacity for future growth.
  - Requires crossing the Delaware and Raritan Canal.
  - Reduces capacity at Montgomery to support load in the Princeton area.
  - **Estimated Cost:** \$36M

**Projected In-Service:** 05/2027

**Project Status:** Conceptual



SRRETP Mid-Atlantic – PSEG Supplemental 03/16/2023

\*Slide presented shows that the only cost information for this project is the sticker cost of \$22 million. In addition, there is no record of the regulatory review process of this project. In this case, I believe there is no utility commission review.

# Some details that would be helpful

- We are looking for:
  - Contact information on the slides!
  - Regulatory process review of each project (e.g. state utility commission review)
  - Timeframe updates and projections for needs and solutions:
    - If the Transmission Owner expects the project to take longer than 30 days to meet the next step an update should be provided. (and updates should be provided going forward.)
  - More cost information - perhaps, the next level (or two) of details.
    - Seeking input on the type of information and amount of information
    - We are also looking for consistent types of information for all submittals.
- The preference would be that additional information is incorporated into the M-3 Process Presentation slide templates.

# Thoughts on further cost information

- Looking for input!
- The initial thought is to seek no more than one page of information on each project. (I reviewed the MISO Transmission Cost Estimate Guide for ideas)
- Common Cost Categories include:
  - Project Management
  - Administrative & General Overhead (including ROE)
  - Engineering, environmental studies, and testing and commissioning
  - Right-of-way, land acquisition, and regulatory and permitting
- Perhaps further break down by structures (e.g. lines, conductors, substations)

# Thoughts on further regulatory information, cont'd

- Again, input would be great.
- Some ideas include – a statement with each project that includes:
  - PJM completed a “do no harm” analysis; and
  - State utility commission oversight role – if any

# Thoughts on further regulatory information, cont'd



Public Utilities  
Commission

## Our observations

- In 2018, majority of transmission plant investment relates to supplemental projects
  - Approximately 99% of the total capital investment of \$1.27 B
- 69 kV and below transmission lines/substations constitutes approximately 37% of all transmission voltages
  - Corresponding capital investment is 60% of the total investment
- 100 kV and above falls within OPSB jurisdictional filing requirements
  - In essence, at least 60% of the total 2018 capital investment falls out of OPSB jurisdiction
- Transmission supplemental projects including aging infrastructure replacement or retirement or upgrade, mandates a well thought, coordinated, and prioritized holistic assessment

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\*Public Utilities Commission of Ohio, July 15, 2019 Transmission Planning Meeting, Stakeholder Discussions, Presentation by PUCO chairman, Samuel C. Randazzo, page 8. Bullet point 3 states that approximately 60% of the 2018 capital investment by transmission owners in Ohio falls outside of Ohio regulatory authority.

## Transmission Owner Projects – presented as part of the March PJM M-3 Process

When: [March Subregional](#) meetings

What: Regulatory Public Utility Commission oversight review (e.g. CPCN)

Needs Presented: 23

Solutions Presented: 20 21 at an estimated cost of \$133 million

- 9 of these solutions have no state commission oversight (\$76.645 million)
- I struggle with how to document the re-resolution by FirstEnergy (ATSI)

## **Subregional RTEP Committee – [Southern](#) (March 16, 2023)**

Link: [PJM - Meeting Details](#)

Solutions

Dominion

1. Need Number: DOM-2022-0061
  - a. Need presented: [12/14/2022](#)
  - b. Estimated Project Costs: \$2.5
  - c. Projected-in-Service Date: [4/30/2024](#)
  - d. Projection: VA - Will be subject to state commission oversight.

## **Subregional RTEP Committee – Mid-Atlantic (March 16, 2023)**

Link: [PJM - Meeting Details](#)

Needs offered by:

Met-Ed

JCPL\*

Exelon

PSEG

PPL

Solutions

Exelon

2. Need Number: BGE-2023-001
  - a. Need Presented: [2/16/2023](#)
  - b. Estimated Projects Costs: \$1.3 million
  - c. Projected-in-service date: [6/7/2023](#)
  - d. Projected oversight: MD- No state commission oversight required.
3. Need Number: BGE-2023-002
  - a. Need Presented: [2/16/2023](#)

- b. Estimated Projects Costs: \$1.5 million
- c. Projected-in-service date: [4/6/2023](#)
- d. Projected oversight: MD - yes, subject to commission review - but waived?? ([based on the in-service date of 4/6](#))

PSE&G

4. Need Number: PSEG-2023-002
  - a. Need Presented: [2/16/2023](#)
  - b. Estimated Projects Costs: \$22 million
  - c. Projected-in-service date: 5/2027
  - d. Projected oversight: NJ - No state commission oversight required.

PECO

5. Need Number: PE-2023-006
  - a. Need Presented: [2/16/2023](#)
  - b. Estimated Projects Costs: \$0.59 million
  - c. Projected-in-service date: [9/17/2023](#)
  - d. Projected oversight: PA -No State Commission oversight required.
6. Need Number: PE-2023-007
  - a. Need Presented: [2/16/2023](#)
  - b. Estimated Projects Costs: \$.085 million
  - c. Projected-in-service date: [12/1/2023](#)
  - d. Projected oversight: PA – State Commission oversight required
7. Need Number: PE-2023-008
  - a. Need Presented: [2/16/2023](#)
  - b. Estimated Projects Costs: \$0.65
  - c. Projected-in-service date: 11/5/2023
  - d. Projected oversight: PA – State Commission oversight required.

PPL

8. Need Number: PPL-2022-0001
  - a. Need Presented: [3/17/2022](#)
  - b. Estimated Projects Costs: \$31.5 million
  - c. Projected-in-service date: [4/30/2025](#)
  - d. Projected oversight: PA – State Commission oversight required.
9. Need Number: PPL-2022-0002
  - a. Need Presented: [3/17/2022](#)
  - b. Estimated Projects Costs: \$36 million
  - c. Projected-in-service date: [12/30/2025](#)
  - d. Projected oversight: PA – State Commission oversight required.
10. Need Number: PPL-2022-007
  - a. Need Presented: [7/21/2022](#)
  - b. Estimated Projects Costs: \$8 million
  - c. Projected-in-service date: 12/31/2024
  - d. Projected oversight: PA – State Commission oversight required.
11. Need Number: PPL-2023-002
  - a. Need Presented: [1/17/2023](#)



- b. Estimated Projects Costs: \$1.1 million
  - c. Projected-in-service date: [12/31/2023](#)
  - d. Projected oversight: **PA – no State Commission oversight required.**
12. Need Number: PPL-2023-0003
- a. Need Presented: [1/17/2023](#)
  - b. Estimated Projects Costs: \$0.6 million
  - c. Projected-in-service date: 6/30/2024
  - d. Projected oversight: **PA – no State Commission oversight required.**

## Subregional RTEP – Western (March 17, 2023) -

Link: [PJM - Meeting Details](#)

Needs offered by: AMPT, EKPC, DLCO, FirstEnergy – APS, DEOK, ATSI

FirstEnergy - APS

13. Need Number: APS-2021-011
- a. Need Presented: [6/15/2021](#)
  - b. Estimated Projects Costs: \$0.5 million
  - c. Projected-in-service date: [6/16/2023](#)
  - d. Projected oversight: **PA – State Commission oversight required.**

DEOK

14. Need Number: DEOK-2019-024
- a. Need Presented: [11/22/2019](#)
  - b. Estimated Projects Costs: \$19.5 million
  - c. Projected-in-service date: [12/19/2025](#)
  - d. Projected oversight: **OH – no State Commission oversight required.**
15. Need Number: DEOK-2023-002
- a. Need Presented: [2/17/2023](#)
  - b. Estimated Projects Costs: \$0.655 million
  - c. Projected-in-service date: [3/25/2024](#)
  - d. Projected oversight: **KY – no State Commission oversight required.**

ATSI

16. Need Number: ATSI-2021-16
- a. Need Presented: [8/16/2021](#)
  - b. Estimated Projects Costs: \$31.7 million
  - c. Projected-in-service date: [6/01/2025](#)
  - d. Projected oversight: **OH – State Commission oversight required.**
17. Need Number: ATSI-2022-07
- a. Need Presented: [3/18/2022](#)
  - b. Estimated Projects Costs: \$15.2 million
  - c. Projected-in-service date: [6/01/2026](#)
  - d. Projected oversight: **OH – State Commission oversight required.**
18. Need Number: ATSI-2022-008
- a. Need Presented: [3/18/2022](#)

- b. Estimated Projects Costs: \$33.5 million
  - c. Projected-in-service date: [3/01/2027](#)
  - d. Projected oversight: **OH – State Commission oversight required.**
19. Need Number: ATSI-2021-024
- a. Need Presented: [10/15/2021](#)
  - b. Estimated Projects Costs: \$1.4 million
  - c. Projected-in-service date: [12/30/2023](#)
  - d. Projected oversight: **OH- State Commission oversight required.**
20. Need Number: ATSI-2018-018 (s1803)
- a. Need Presented: [9/28/2018](#)
  - b. Estimated Projects Costs: \$18.8 million
  - c. Projected-in-service date: [12/4/2023](#) (Construction)
  - d. Projected oversight: **OH- No State Commission oversight required.**
21. Need Number: AEP-2022-OH006
- a. Need Presented: [1/21/2022](#)
  - b. Estimated Projects Costs: \$12.1 million
  - c. Projected-in-service date: [12/01/2024](#)
  - d. Projected oversight: **OH-No state Commission oversight required.**

# The Process Moving Forward

- Provide this further update and information to the Planning Committee on April 11. Feedback on the type of information that would be most beneficial is appreciated!
- Provide an update to the members of the TOA-AC on April 14. Thank you for the opportunity! Again, feedback on the type of information that would be most beneficial is appreciated!
- Request information from all the transmission owners offering supplemental project “needs” and “solutions”. The requests would be made through the planning community AND at least initially during the meetings. Again, the hope is that some of this information can be incorporated into the M-3 Process Presentation slide templates moving forward.

# Contact information

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