

Planning Committee

Update: Request for additional information in the M-3 process

Revisions made: slide 3 (numbers modified), removed EKPC example (formerly slide 10), added specific analysis of projects to appendix

Greg Poulos

Poulos@pjm-advocates.org

614-507-7377

PJM Planning
Committee
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Additional information that would help

- Details around the planning 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.**

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

- Subregional RTEP Committee April meetings:
- South Subregional RTEP Committee meeting (4/20)
 - 3 needs
 - 0 solutions
- Mid-Atlantic Subregional RTEP Committee meeting (4/20)
 - 9 needs
 - ~~7~~ 6 solutions (5 original solutions + one re-solution)
 - \$108.96 million
 - 5 of 6 do not have state oversight based on my evaluation (\$85 million)
 - *PPL need number PPL-2019-0005 (\$103 million) was pulled
- Western Subregional RTEP Committee meeting (4/21)
 - 40 needs presented (20 by AEP)
 - 17 solutions presented (including two re-solutions)
 - \$301.36 million
 - 12 of 17 do not have state oversight based on my evaluation (\$110.960 million)

Requests For More Information made in April

- Three questions posted for the 22 solutions presented.
- Some of the transmission owners responded by May 1. For those that responded, thank you! I appreciate the simple acknowledgement of the question.
- Responses for two questions were evasive:
 - How did the transmission owner develop the estimated project cost?
 - **Please provide a breakdown of the project budget for the identified solution?**
 - None of the responses provided information regarding the breakdown of the project **budget**. (In part, it would have been interesting to see how some of the estimated solution costs are rounded to 4 digits (e.g. \$955,000) while others are estimates are rounded to the closest 9 digit number (e.g. \$100 million). Quite the difference.
 - All of the responses referred to a process to seek some after-the-fact cost details.
 - Was the modification of the response to a different topic intentional?
 - Currently, the canned responses are not meaningful [to consumers] to the question asked.
 - **Does the state utility commission have planning oversight over this solution. Which State?**
 - All of the responses provided the same canned response that did not answer the solution specific question. (for example, some of the diagrams make it hard to tell which state(s) the project is in. I am making an educated guess, but it would be helpful to have confirmation from the transmission owner.)
 - Currently, the canned responses are not meaningful [to consumers.]

Moving Forward

- The three questions presented for each solution will be asked again – unless there are suggestions on better ways to get the information:
 - How did [the transmission owner] develop the estimated project cost?
 - Please provide a breakdown of the **project budget** for the identified solution (the expected cost that is identified).
 - Does the state utility commission have planning oversight over this solution? Which state(s)?
- In addition, moving forward: Questions about grid enhancing technologies being considered for “needs” will also be included.

PJM Guidelines

- Per the PJM Guidelines, Transmission Owners **must** consider comments received by stakeholders within 10 days of the solutions meeting. This is a low threshold since the guidelines also state there is no requirement to respond or provide feedback (or a timeframe for responses.)
- Questions – to PJM:
 - What obligation is there for a transmission owner to “consider” stakeholder comments?
 - How can a stakeholder comment receive consideration if the project is already under construction – or in some situations completed. (Like the examples identified in the last few slides.)
 - Are there consequences for situations where a transmission owner do not wait to receive comments?
- The transmission owner guidelines for the M-3 process can be found at the following location: [Microsoft Word - Guidelines for Attachment M-3 Project Planning Process V0.2 081522 \(pjm.com\)](#)

PJM M-3 Guidelines

- M-3 Guidelines developed by the transmission owners – no one else

These guidelines have been developed and adopted by the PJM Transmission Owners that plan Attachment M-3 Projects through the M-3 Process and that are listed in Appendix 1 (“Transmission Owners”). These guidelines are subject to change from time to time and the Transmission Owners plan to review them periodically. Additional PJM Transmission Owners that plan Attachment M-3 Projects may also adopt these guidelines.

- The M-3 Guidelines State the process is open and transparent:

Attachment M-3 describes the open and transparent process through which the Transmission Owners conduct planning for Attachment M-3 Projects to complement and coordinate with PJM’s preparation of the RTEP.

- Open, yet, solutions completed prior to the date for stakeholder input.
- Transparent, yet, responses regarding the estimated cost of planning projects and oversight authority appear evasive.
- **What does “open and transparent” mean?**

Example of concerns regarding the presentations – projects completed prior to opportunity for M-3 Process solution framework

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

Concern



APS Transmission Zone M-3 Process Misoperation Relay Projects

| Need Number | Transmission Line / Substation Locations | New MVA Line Rating (SN / SE) | Scope of Work | Estimated Cost (\$ M) | Target ISD |
|--------------|--|-------------------------------|---|-----------------------|------------|
| APS-2021-007 | Oak Grove – Johns Jct 138 kV Line | 292 / 314 | • Oak Grove 138 kV Substation – Replace substation conductor | \$ 1.10 M | IN SERVICE |
| | Johns Jct – Parkersburg 138 kV Line | 292 / 314 | • Parkersburg 138 kV Substation – Replace substation conductor | | |
| APS-2021-008 | Belmont – Trissler 648 138 kV Line | 308 / 376 | <ul style="list-style-type: none"> • Belmont 138 kV Substation – Replace substation conductor and wave trap • Trissler 138 kV Substation – Replace substation conductor, circuit breaker, and wave trap | \$ 2.08 M | IN SERVICE |
| APS-2021-009 | French Creek – Pickens 138 kV Line | 308 / 376 | <ul style="list-style-type: none"> • French Creek 138 kV Substation – Replace substation conductor, circuit breaker, and wave trap • Pickens 138 kV Substation – Replace substation conductor, circuit breaker, and wave trap | \$ 2.15 M | 4/21/2023 |

Alternatives Considered: Maintain existing condition

Project Status: In construction

Model: 2022 RTEP model for 2027 Summer (50/50)

*slide presented as an example to show some projects are completed prior to deadline to submit comments.

The Process Moving Forward

- (Again) provide this further update and information to the Planning Committee on May 8. 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

Greg Poulos,
Executive Director, CAPS

Phone: 614-507-7377

E-mail: poulos@pjm-advocates.org

Appendix

Some material from March

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.

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.**

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

When: April Subregional meetings

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

Needs Presented: 49

Solutions Presented: ~~24~~ 23 at an estimated cost of ~~\$579.38~~ \$476.38 million

- ~~17~~ 16 of these solutions have no state commission oversight (~~\$298.78~~ \$195.78 million)

Subregional RTEP Committee – Southern (April 20, 2023)

Link: [PJM - Meeting Details](#)

Needs: 3 Dominion

Solutions: 0

Subregional RTEP Committee – Mid-Atlantic (April 20, 2023)

Link: [PJM - Meeting Details](#)

Needs offered by: 9 (UG1, JCPL, Met-Ed, PPL, and BGE)

Solutions offered: 6 + 1 re-solution [revised 5 +1]

- **No state utility commission oversight = 5 projects \$178.25 million**
- **Revised: No state utility commission oversight = 4 projects \$75.25 million**
 - o **PPL stated in the Planning Community that PPL-2019-0005 need/solution was withdrawn (\$103 million)**
- **State utility commission oversight = 1 (\$23.96)**

Re-solutions offered: 1 (DPL) \$9.57 million

Total no state utility commission oversight = \$178.25 + \$9.57 = \$187.82 million

Revised: Total no state utility commission oversight = \$75.25 + \$9.57 = \$84.82 million

Solutions

FirstEnergy (Met-Ed)

1. Need Number: ME-2022-003
 - a. Need Presented: 4/19/2022
 - b. Estimated Projects Costs: \$0.8 million
 - c. Alternatives considered: None
 - d. Projected-in-service date: 12/29/2023
 - e. **Projected oversight: PA-No state utility commission regulatory oversight**

2. Need Number: ME-2019-044
 - a. Need Presented: [7/31/2019](#)
 - b. Estimated Projects Costs: \$10.3 million
 - c. Projected-in-service date: [12/31/2027](#)
 - d. Alternatives considered: *Maintain existing [condition](#)
 - e. Projected oversight: PA?? - No state utility commission regulatory oversight

PSEG

3. Need Number: PSEG-2023-0003
 - a. Need Presented: [3/16/2023](#)
 - b. Estimated Projects Costs: \$63 million
 - c. Projected-in-service date: 12/2027
 - d. Alternatives considered: [yes](#)
 - e. Projected oversight: NJ - No state utility commission regulatory oversight

FirstEnergy (Penelec)

4. Need Number: PN-2023-002
 - a. Need Presented: [3/16/20](#)
 - b. Estimated Projects Costs: \$1.15 million
 - c. Projected-in-service date: [5/12/2023](#)
 - d. Alternatives considered: no
 - e. Projected oversight: PA - No state utility commission regulatory oversight
5. Need Number: PN-2022-004
 - a. Need Presented: [12/14/2022](#)
 - b. Estimated Projects Costs: \$23.96 million
 - c. Projected-in-service date: [4/1/2025](#)
 - d. Alternatives considered: [yes](#)
 - e. Projected oversight: PA - State utility commission regulatory oversight

PPL

- ~~6. Need Number: PPL-2019-0005~~
 - ~~a. Need Presented: [2/22/2019](#)~~
 - ~~b. Estimated Projects Costs: \$103 million~~
 - ~~c. Projected in service date: [12/30/2028](#)~~
 - ~~d. Alternatives considered: [yes](#)~~
 - ~~e. Projected oversight: PA - No state utility commission regulatory oversight~~

**Note: Re-solution

1. Need Number: DPL-2021-001
 - a. Need Presented: [5/20/2021](#)
 - b. Prior solution meetings: 10/14/2021 (and now 4/20/2023)
 - e. New Estimated Projects Costs: \$9.75 ~~million~~ [\\$10.5 million](#)

- d. Projected-in-service date: [12/31/2026](#)
- e. Alternatives considered: [yes](#)
- f. Projected oversight: DE? - No state utility commission regulatory oversight???

Subregional RTEP – Western (April 21, 2023) -

Link:

Needs offered: [40](#) (AMPT, Com Ed, ATSI, APS, AES-Ohio, Duke, AEP - 20)

Solutions: 17 (\$301.36 million)

- **State oversight – 5 (\$190.4 million)**
 - o DLCO - \$100
 - o ATSI - \$1.1
 - o APS – \$42.6
 - o APS – \$45.8
 - o AEP – 0.9
- **No state oversight = 10 (\$65.25 million)**
 - o EKPC - \$3.7
 - o ATSI - \$12.2
 - o APS = \$5.23
 - o APS - \$0.3
 - o AES – \$7.1
 - o AES – \$0.35
 - o Duke (OH) - \$3.1
 - o AEP = \$19.3
 - o AEP – \$12.48
 - o AEP - \$1.49
- **Re-solution = 2 w/ no state oversight (\$45.71 million)**
 - o Re-solution ATSI = \$45 million
 - o Re-solution AES – DPL = \$0.71

Total no state oversight

10 solutions (\$65.25 million) + 2 re-solutions (\$45.71 million) = \$110.96 million

DLCO

7. Need Number: DLC-2023-001
 - a. Need Presented: 3/17/2023
 - b. Estimated Projects Costs: \$100 million
 - c. Projected-in-service date: 1/1/2026
 - d. Alternatives considered: yes
 - g. Projected oversight: PA- **State utility commission regulatory oversight**

EKPC

8. Need Number: EKPC-2023-001
 - a. Need Presented: 3/17/2023
 - b. Estimated Projects Costs: \$3.7 million
 - c. Projected-in-service date: 5/1/2023 *under construction
 - d. Alternatives considered: *yes
 - e. Projected oversight: **KY – No state utility commission regulatory oversight**
 - f. Note: not required per M-3 guidelines – provided for transparency

ATSI

9. Need Number: ATSI-2021-005
 - a. Need Presented: 10/15/2021
 - b. Estimated Projects Costs: \$12.2 million
 - c. Projected-in-service date: 6/1/2025
 - d. Alternatives considered: no
 - e. Projected oversight: **PA? - No state utility commission regulatory oversight**
10. Need Number: ATSI-2022-023
 - a. Need Presented: 9/16/2022
 - b. Estimated Projects Costs: \$1.1 million
 - c. Projected-in-service date: 12/31/2023
 - d. Alternatives considered: *No - existing
 - e. Projected oversight: **OH - State utility commission regulatory oversight**

APS-FirstEnergy

11. Need Number: APS-2021-007
 - a. Need Presented: 8/16/2021
 - b. Estimated Projects Costs: \$5.23 million *3 parts
 - c. Projected-in-service date: in construction – completed by 4/21/2023
 - d. Alternatives considered: No - existing
 - e. Projected oversight: **WV – No state utility commission regulatory oversight ??? - completed**
12. Need Number: APS-2023-003
 - a. Need Presented: 2/17/2023
 - b. Estimated Projects Costs: \$0.3 million
 - c. Projected-in-service date: 5/8/2023 *under construction
 - d. Alternatives considered: yes

e. Projected oversight: WV - No state utility commission regulatory oversight?? - under construction

13. Need Number: APS-2023-004

a. Need Presented: [3/17/2023](#)

b. Estimated Projects Costs: \$42.6 million

c. Projected-in-service date: [12/1/2027](#)

d. Alternatives considered: yes (somewhat)

e. Projected oversight: VA - state utility commission regulatory oversight

14. Need Number: APS-2023-005

a. Need Presented: [3/17/2023](#)

b. Estimated Projects Costs: \$45.8 million

c. Projected-in-service date: [6/1/2026](#)

d. Alternatives considered: Yes* greenfield

e. Projected oversight: VA - state utility commission regulatory oversight

AES-Ohio

15. Need Number: Dayton-2022-006

a. Need Presented: [9/16/2022](#)

b. Estimated Projects Costs: \$7.1 million

c. Projected-in-service date: [12/31/2026](#)

d. Alternatives considered: yes

e. Projected oversight: OH? - No state utility commission regulatory oversight

16. Need Number: Dayton-2023-001

a. Need Presented: [2/17/2023](#)

b. Estimated Projects Costs: \$0.35 million

c. Projected-in-service date: [12/31/2025](#)

d. Alternatives considered: no

e. Projected oversight: OH? - No state utility commission regulatory oversight

Duke

17. Need Number: DEOK-2021-007

a. Need Presented: [6/15/2021](#)

b. Estimated Projects Costs: \$3.1 million

c. Projected-in-service date: [12/13/2024](#)

d. Alternatives considered:

e. Projected oversight: OH - No state utility commission regulatory oversight

AEP

18. Need Number: AEP-2022-AP037

a. Need Presented: [9/16/2022](#)

b. Estimated Projects Costs: \$0.9 million

c. Projected-in-service date: None provided

- d. Alternatives considered: no
- e. Projected oversight: OH - State utility commission regulatory oversight

- 19. Need Number: AEP-2022-IM004
 - a. Need Presented: 1/21/2022
 - b. Estimated Projects Costs: \$19.3 million
 - c. Projected-in-service date: 5/7/2027
 - d. Alternatives considered: yes
 - e. Projected oversight: IN - NO state utility commission regulatory oversight
- 20. Need Number: AEP-2022-IM015
 - a. Need Presented: 9/16/2022
 - b. Estimated Projects Costs: \$12.48 million
 - c. Projected-in-service date: 8/1/2028
 - d. Alternatives considered: yes
 - e. Projected oversight: IN - No state utility commission regulatory oversight
- 21. Need Number: AEP-2022-OH060
 - a. Need Presented: 7/22/2022
 - b. Estimated Projects Costs: \$1.49 million
 - c. Projected-in-service date: 10/1/2024
 - d. Alternatives considered: yes
 - e. Projected oversight: WV - No state utility commission regulatory oversight

Re-present solution ATSI

- 1. Need Number: s1712
 - a. Need Presented: 8/31/2018 & solution 9/28/2018
 - b. Estimated Projects Costs: \$45 million ~~\$16 million~~
 - c. Projected-in-service date: 12/1/2025
 - d. Alternatives considered: yes
 - e. Projected oversight: PA?? - No state utility commission regulatory oversight?
- 2. Need Number: S2695 Dayton-2021-11
 - a. Need Presented: 12/17/2021 & solution 2/18/2022
 - b. Estimated Projects Costs: \$0.71 million ~~\$0.31 million~~
 - c. Projected-in-service date: 6/30/2026
 - d. Alternatives considered: no
 - e. Projected oversight: OH - No state utility commission regulatory oversight