



Transmission Planning for a Changing Generation Mix

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Public Utilities Engineer for Public Staff

History of the Public Staff

- ▶ Established in 1977 by N.C. Gen. Stat. § 62-15
- ▶ Represents the using and consuming public in North Carolina Utilities Commission (NCUC) proceedings
- ▶ Ninety-two positions organized into nine divisions
 - ▶ Executive
 - ▶ Accounting
 - ▶ Consumer Services
 - ▶ Economic Research
 - ▶ Electric
 - ▶ Legal
 - ▶ Natural Gas
 - ▶ Transportation
 - ▶ Water/Sewer/Communications

Differences Between NCUC and Public Staff

- ▶ Independent agencies
 - ▶ Separate staffs, leadership and budgets
- ▶ NCUC does not direct or oversee the Public Staff's operations
- ▶ Public Staff appears as a party before the NCUC
 - ▶ Public Staff subject to ex parte rules and cannot independently communicate with NCUC on pending matters
 - ▶ Public Staff does not participate in NCUC decision-making
- ▶ Staff roles
 - ▶ NCUC staff is an advisory staff
 - ▶ Public Staff is an audit/advocacy staff

Consumer Advocate Interests

- ▶ Reliability at the least cost (75% of projects flow through M-3)
- ▶ Planning (Proactive, collaborative, transparent)
- ▶ Independent Transmission Monitor

Reliability at least cost

- ▶ In January 2018, Annual Transmission Revenue Requirement (ATRR) for all PJM Zones was \$7.3B
- ▶ Through September 2022, the ATRR has grown to \$10.1B, a 38% increase
- ▶ Network Integration Transmission Service (NITS) Rates are calculated based on Zonal Peaks
 - ▶ Doesn't always align with PJM RTO Coincident Peaks (5CP)
 - ▶ Does it flow through to retail rates?
 - ▶ Load growth has been slow

Planning (M-3 Supplemental Projects)

- ▶ PJM OATT Attachment M-3 or the “M-3 Process” is efficient (75% of projects in 2021)
 - ▶ High-level M-3 Process can be completed in 3 to 4 months
 - ▶ PJM role is to conduct a “Do No Harm” study
 - ▶ Integration of Local Plan into RTEP
- ▶ M-3 Projects can be justified under a range of criteria
 - ▶ End-of-life ranges can be quite wide (40-60 years)
- ▶ Can we remove barriers to provide meaningful engagement for Consumers?
 - ▶ Required Standard Slide Elements don't include responsible party or contact information
 - ▶ 10 days for stakeholder comments
 - ▶ Expectation for questions to flow through Planning Community
 - ▶ Are costs commiserate with time allocated for stakeholder engagement?

Independent Transmission Monitor (ITM)

- ▶ Transmission Planning Expertise
 - ▶ Most consumer advocates lack dedicated transmission staff with expertise to model and replicate local planning
- ▶ Oversight
 - ▶ Public reporting to the extent possible
 - ▶ Comparative reporting of RTO and Non-RTO plans
- ▶ Regulatory
 - ▶ Participate in IRP and certificate proceedings
- ▶ Cost Controls
 - ▶ Evaluate Needs and Solutions Selection Process for cost effectiveness
 - ▶ Review of costs after project is placed in service