

6. Please reference page 11 of Mr. Lucas’s direct testimony, where he states that “An affected system such as DEP could build network upgrades that go unused for extended periods of time because some interconnection projects withdraw from the interconnection queue late in the review process.” Please describe in detail the basis for this assertion. Is it the Public Staff’s position that DEP would construct Affected System Upgrades for projects that ultimately would not go into operation, and that the cost of those Upgrades would be reimbursed by DEP ratepayers?

The statement on page 11 of Mr. Lucas’s testimony is a general statement regarding DEP upgrades to the seam with DENC and is not solely based on a single ASOA agreement. To the Public Staff’s knowledge, DEP and Macadamia have not entered into an ASOA for the Facility. If DEP built transmission infrastructure above and beyond the ASOA in order to mitigate stranded assets caused by future upgrades, the amount of new transmission infrastructure needed is presently unknown given the amount of generation that has withdrawn or been suspended in the PJM interconnection queue.