

PJM Cycle 1 Deficiency Cure Playbook

How to respond to deficiency notices and cure application defects

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What to Do When PJM Flags Your Application -- And How to Prevent It

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How Deficiency Notices Work

After you submit your Cycle 1 application, PJM reviews it for completeness and compliance. If your application has issues:

1. PJM issues a deficiency notice within 5 business days of submission (or sooner)
2. You have 10 business days to cure the deficiency
3. If you fail to cure within 10 business days -> your application is automatically terminated and you are withdrawn from Cycle 1
4. There is no extension. The 10-day window is firm.

This means your cure window is approximately 2 calendar weeks. Weekends count toward the calendar, though "business days" exclude weekends and PJM holidays.

The 7 Most Common Deficiencies

Deficiency 1: Entity Name Mismatch

What PJM flags: The legal entity name on your application does not match the name on one or more site control documents, financial instruments, or certifications.

Why it happens:

- * Parent company name used on application, project SPE name on site control docs (or vice versa)
- * Abbreviation differences: "LLC" vs. "L.L.C." vs. omitted entirely
- * Recent entity name change not reflected on all documents
- * Site control originally in a different entity that assigned rights, but assignment documentation is incomplete

How to cure (within 10 days):

1. Identify every document with a name mismatch
2. Option A: Amend the mismatched documents to reflect the correct entity name (fastest if counterparties are cooperative)
3. Option B: Execute assignment agreements transferring rights from the named entity to the applicant entity, with complete chain of documentation
4. Option C: If the mismatch is a minor formatting difference (e.g., "LLC" vs. "L.L.C."), provide a certification letter from an officer confirming the entities are the same

Prevention:

- * Create a name consistency matrix before submission: list every document and the entity name on each
- * Standardize entity name format across all documents
- * If using an SPE, ensure the SPE (not the parent) is named on everything

Cure difficulty: Moderate -- depends on counterparty responsiveness for document amendments

Deficiency 2: Insufficient Site Control Coverage

What PJM flags: Site control documents do not demonstrate control over the full project footprint, or the controlled area is insufficient for the proposed MW capacity.

Why it happens:

- * Site control covers the main parcel but not access roads, easements, or setback zones
- * For solar: controlled acreage is insufficient for the proposed panel arrangement at the requested MW
- * Lease or option covers a portion of the needed land, with the remainder assumed but not documented

How to cure (within 10 days):

1. Identify the specific gap PJM identified
2. If the gap is access/easement: execute an access easement or right-of-way agreement with the adjacent landowner
3. If the gap is acreage: either (a) reduce the project MW to match available acreage, or (b) acquire additional site control on adjacent land
4. If the gap is documentation: provide supplemental evidence (survey, plot plan, or legal description) clarifying that existing site control covers the needed area

Prevention:

- * Commission a survey or plot plan that explicitly shows the full project footprint overlaid on site control boundaries
- * For solar: complete the engineering analysis demonstrating land adequacy BEFORE submission
- * Include setbacks, access, and construction laydown areas in your site control scope

Cure difficulty: High -- acquiring new site control in 10 days is extremely challenging. If this is your deficiency, you likely need pre-existing relationships with adjacent landowners.

Deficiency 3: Site Control Term Too Short

What PJM flags: Site control documents expire before the required minimum term (1 year from application deadline, i.e., before April 2027).

Why it happens:

- * Option agreement was executed 18 months ago with a 2-year term and is about to expire
- * Lease has a fixed term that ends before the study process completes
- * Automatic renewal clause exists but is ambiguous

How to cure (within 10 days):

1. Execute a lease/option amendment extending the term through at least April 2027
2. If the landowner requires renegotiation, obtain a signed amendment or extension agreement
3. If using an option: exercise the option (converting to lease or purchase) to establish a longer-term right

Prevention:

- * When negotiating site control, set terms with PJM's study timeline in mind (2+ years minimum from application)
- * Build option extension rights into the original agreement
- * Track expiration dates on a master calendar -- flag anything expiring within 18 months of expected application date

Cure difficulty: Moderate -- if you have a good relationship with the landowner, amendments can be executed quickly. If not, this may be terminal.

Deficiency 4: Vague or Invalid Point of Interconnection

What PJM flags: The proposed POI does not identify a specific substation or transmission line, or identifies a facility that doesn't exist or isn't accepting requests.

Why it happens:

- * Application says "nearest 138kV transmission line" instead of naming a specific facility
- * Named substation has been decommissioned or renamed
- * POI is on a facility owned by a different transmission provider (affected system issue)

How to cure (within 10 days):

1. Identify the specific substation or transmission line by name and voltage
2. Verify it exists in PJM's system and is currently operational
3. Verify it's within PJM's footprint (not an affected system POI)
4. Resubmit with the corrected, specific POI

Prevention:

- * Review PJM's transmission maps before selecting POI
- * Cross-reference recent queue data at your proposed POI (how many other projects are targeting the same facility?)
- * Call PJM Interconnection Support (InterconnectionSupport@pjm.com) to verify the POI is valid before submission

Cure difficulty: Low -- this is typically a documentation fix, not a substantive issue

Deficiency 5: Incorrect Deposit Amount

What PJM flags: Study deposit or Readiness Deposit No. 1 does not match the required amount based on project capacity.

Why it happens:

- * Used incorrect MW figure for calculation (nameplate vs. capacity vs. energy value)
- * Used outdated deposit tier
- * Calculation error (especially for RD1: forgot to use the greater of energy or capacity value)
- * Surplus interconnection request formula misapplied

How to cure (within 10 days):

1. Recalculate using PJM's Deposit Calculator (<https://www.pjm.com/planning/service-requests/application-and-forms/deposit-calc>)
2. Fund the correct amount via the same payment form (cash, ILOC, or surety bond)
3. Provide PJM with updated payment confirmation

Prevention:

- * Use PJM's official Deposit Calculator -- don't calculate manually
- * Double-check whether your project should use energy value or capacity value (use the greater of the two)
- * Have a second person verify the calculation

Cure difficulty: Low -- this is a funding issue, not a documentation issue. As long as capital is available, cure is straightforward.

Deficiency 6: Missing or Outdated Forms

What PJM flags: Application uses prior-cycle forms, is missing required attachments, or references incorrect PJM manual revisions.

Why it happens:

- * Forms were downloaded months ago and PJM has since updated them
- * Using Transition Cycle forms instead of Cycle 1 forms
- * Checklist was incomplete -- a required attachment was overlooked
- * Incorrect version of the ASA or Officer Certification

How to cure (within 10 days):

1. Download current forms from PJM's Application Portal (<https://www.pjm.com/planning/service-requests/application-and-forms>)
2. Complete the current version of each form
3. Resubmit the corrected/missing forms

Prevention:

- * Download ALL forms fresh from PJM's portal in the week before submission
- * Create a document index listing every required form with version/revision number
- * Cross-reference against PJM Manual 14H (current revision) to confirm completeness

Cure difficulty: Low -- these are administrative fixes

Deficiency 7: Technology-Specific Documentation Gaps

What PJM flags: For storage: missing or inadequate operating assumptions. For solar: inverter fault current not documented. For hybrid: component interaction not described.

Why it happens:

- * PJM's requirements for storage and hybrid projects have been evolving (FERC rejected PJM's initial storage assumptions and required revisions in 2025)
- * Solar projects may need to address fault current impacts that weren't traditionally required
- * Hybrid project documentation requirements are relatively new and developers may not be familiar with them

How to cure (within 10 days):

1. Storage: Document charging source (grid, co-located generation, or both), duration (hours), and dispatch profile (peak shaving, arbitrage, capacity, etc.)
2. Solar: Obtain and submit inverter manufacturer data including fault current contribution specifications
3. Hybrid: Describe the operational interaction between generation and storage components -- how do they charge, discharge, and coordinate?
4. Engage your EPC or equipment vendor for technical documentation support

Prevention:

- * Review PJM's October 2025 further compliance filing (Docket ER24-2045) for the latest technology-specific requirements

- * For storage: contact PJM Interconnection Support to confirm current operating assumption requirements before submission
- * For solar: request fault current data from your inverter manufacturer during equipment selection
- * For hybrid: document the operational concept of your facility as part of your technical package

Cure difficulty: Moderate -- requires engineering input but usually doesn't require new agreements or site control

Deficiency Response Template

When you receive a deficiency notice, respond in a structured format. Below is a template:

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To: PJM Interconnection Support
 Re: Deficiency Cure -- [Project Name] -- [Queue/Application ID]
 Date: [Date]

Dear PJM Interconnection Team,

This letter responds to the deficiency notice issued on [date] regarding the Cycle 1 interconnection application for [Project Name], submitted by [Legal Entity Name].

DEFICIENCY IDENTIFIED:

[Quote the specific deficiency from PJM's notice]

CURE PROVIDED:

[Describe what you are providing to cure the deficiency]

SUPPORTING DOCUMENTATION:

The following documents are attached to cure this deficiency:

1. [Document name and description]
2. [Document name and description]
3. [Document name and description]

CONFIRMATION:

[Legal Entity Name] confirms that the above documentation fully addresses the identified deficiency and that all information provided is accurate and complete.

Respectfully submitted,

[Name]
 [Title]
 [Legal Entity Name]
 [Date]

,

Deficiency Response Checklist

When you receive a deficiency notice:

- * Day 0: Read the deficiency notice carefully. Identify exactly what PJM is flagging.
 - * Day 0: Notify your legal counsel and internal team immediately.
 - * Day 1: Classify the deficiency (which of the 7 categories above?).
 - * Day 1: Assess curability -- can this be resolved in 10 business days?
 - * Day 1-2: Gather or create the required cure documentation.
 - * Day 3-5: Draft the cure response using the template above.
 - * Day 5-7: Legal review of cure response and supporting documents.
 - * Day 7-8: Submit cure response to PJM.
 - * Day 8-10: Buffer for PJM follow-up questions or additional documentation requests.
 - * After cure: Update your master document index with the corrected information.
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When a Deficiency May Be Terminal

Some deficiencies are effectively incurable in 10 business days:

- * No site control at all -- You cannot negotiate, execute, and record a lease or purchase agreement in 10 days in most cases
- * Site control in a completely different entity with no assignment mechanism -- Corporate restructuring takes longer than 10 days
- * Fundamental project design mismatch -- If your site plan shows 50 MW but your application says 100 MW and you don't have land for 100 MW, this requires a redesign

If you receive a potentially terminal deficiency:

1. Contact PJM Interconnection Support immediately to discuss
 2. Consult legal counsel on whether a partial cure buys time
 3. Assess whether withdrawing now (before study costs accrue) is the better economic decision
 4. Document everything for potential future applications (Cycle 2)
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Key Contacts

Zonevex -- Interconnection compliance, simplified.