

**A. Christopher Burton, P.E.**  
Senior Vice President  
Gas & Electric Operations & Planning

7309 Windsor Mill Road  
Baltimore, Maryland 21244-2839  
410.470.5280  
443.213.3264 Fax



December 2, 2011

The PJM Board of Directors  
PJM Interconnection, L.L.C.  
955 Jefferson Avenue  
Valley Forge Corporate Center  
Norristown, Pennsylvania 19403-2497

Re: Consideration of Alternatives to the Primary Power Mt. Storm-  
Valley and Meadow Brook SVC Projects in the 2011 RTEP

Dear Board of Managers:

This week, Virginia Electric and Power Company ("Dominion Virginia Power") has shared with Baltimore Gas and Electric Company ("BGE") two letters to the PJM Board of Managers concerning (1) the merits and (2) the flawed process by which a proposed project under which Primary Power, LLC ("Primary Power") would be designated to construct and own 250 MVAR of SVC facilities to interconnect with the existing 500 kV Mt. Storm-Valley transmission line at a point in Hardy County, West Virginia.

BGE does not have a position to state at this time as to the merits of this project. However, BGE agrees with the points raised by Dominion Virginia Power as to the deficiencies in the process by which this project was put before the Transmission Expansion Advisory Committee at its November 3, 2011 meeting. BGE also believes that the same concerns apply to the Meadow Brook 500 kV SVC Project.

Specifically, it is BGE's understanding that these projects were not previously posted, nor was there any opportunity prior to the November 3<sup>rd</sup> TEAC meeting to evaluate the projects, to submit alternatives to the projects, or to consider alternatives to these projects. Nor did the Office of Interconnection of PJM explain at the November 3<sup>rd</sup> TEAC meeting why it was recommending these projects with Primary Power to be designated to construct and operate the project, particularly since these project are located in the service territories of Dominion Virginia Power and First Energy, the holders of the Right of First Refusal/Obligation to Build within those service territories.

BGE does not question the right, even obligation, of the Office of Interconnection to make proposals to TEAC concerning the inclusion of these or any other projects. But the deficiencies in the deliberative planning process, in terms of transparency, stakeholder input, and notice invalidate the actions taken at the November 3<sup>rd</sup> TEAC meeting with respect to these projects.


That is, there was no “open and collaborative process” or “meaningful participation” of stakeholders as required by RTEPP Section 1.5.6 (a). There was no opportunity for members to provide “advice and recommendations,” “aid in development,” and “other input” as required by RTEPP Sections 1.3(b) and 1.5.6(f) and (h). The projects were not “posted for review, evaluation and development of alternative remedies by all interested parties” as required by Manual 14B Section 2.3.12. Nor was the Office of Interconnection’s recommendation posted “in the month prior to the TEAC meeting” as required by this same section.

Dominion Virginia Power has now proposed an alternative to the Mount Storm – Valley project in one of its two letters to the Board. BGE would like the opportunity to evaluate this and any other alternatives that may be submitted.

Based on the failure to follow the required procedures cited above at the November 3<sup>rd</sup> TEAC meeting and the existence of at least one alternative since the November 3<sup>rd</sup> TEAC meeting, BGE requests that the Dominion and First Energy projects be referred back to the Office of Interconnection for a period of approximately 60 to 90 days in order to have these omissions corrected.

BGE appreciates the Board’s consideration of this request. BGE further takes this opportunity to applaud the Board and the Office of Interconnection for maintaining an open and transparent planning process, for which this particular incident constitutes an apparent oversight due to the press of business. The Board’s willingness to redress this grievance in the manner set forth above will be greatly appreciated, and the process will be made that much stronger by the Board’s taking this extra measure to insure that each and every project is subjected to equal scrutiny.

Sincerely,



A. Christopher Burton  
Senior Vice President  
Gas & Electric Operations & Planning