

Analysis of ARR Allocation Proration for Stage 1 regarding the Bedington-Black Oak Transfer Interface with consideration of the installation of the Static Var Compensator in 2008 as specified in the PJM RTEP

2006/2007 allocation process required proration to reduce requested flow on Bedington-Black Oak Transfer Interface by 169 MW

The Static Var Compensator will increase the Bedington-Black Oak Transfer Interface capability by 250 MW

Projection of incremental MW flow as a result of Stage 1 (A and B) requests in the future is shown in the following table. Note: this analysis assumes worst case ARR request pattern (i.e. no counterflow requests on the Bedington-Black Oak Transfer Interface).

Year	2006 /2007	2007 /2008	2008 /2009	2009 /2010	2010 /2011	2011 /2012	2012 /2013	2013 /2014	2014 /2015
Incremental MW due to load growth	-	10	9	8	8	7	6	6	3
Capability increase based on SVC			250						
MW of flow margin remaining after stage 1 allocation	(169)	(179)	62	54	46	39	33	27	24

Conclusion

After the SVC is installed, the Stage 1A and 1B ARR requests will not experience proration due to the Bedington-Black Oak transfer interface through 2015.