



**PJM Interconnection**  
**Finance Committee Meeting Minutes**  
**Chesapeake Bay, MD**  
**May 5, 2009**  
**2:45 p.m. – 3:50 p.m.**

**Finance Committee Members Participating:**

Raj Rana	AEP
Jim Jablonski	Borough of Seaside Heights
Vickey Karandrikas (phone)	McNees Wallace & Nurick, LLC
Dave Scarpignato	ODEC
Dick Lahey	PJM Interconnection, LLC Board of Managers
Neel Foster	PJM Interconnection, LLC Board of Managers
Suzanne Daugherty, Chair	PJM Interconnection, LLC
Paul Napoli	PSEG
Neal Fitch	RRI, Inc.

**Additional Participants:**

Dan Jackson	Virginia Electric and Power Company
Lydia Volmer (phone)	Epic Merchant
Dave Pratzon	Exelon Energy
Joe Bowring	Monitoring Analytics
Rajnish Barua	OPSI
Lisa Drauschak (phone)	PJM Interconnection, LLC
Greg Krajnik (phone)	PJM Interconnection, LLC
Karl Pfirrmann	PJM Interconnection, LLC
Jim Snow (phone)	PJM Interconnection, LLC
Suzanne Glatz	PPL Electric Utilities

**1. MINUTES FROM MARCH 24, 2009 FINANCE COMMITTEE MEETING**

Minutes approved as drafted.

**2. FIRST QUARTER 2009 UNAUDITED FINANCIAL STATEMENTS**

Ms. Daugherty reviewed PJM's unaudited financial information for the three months ended March 31, 2009. Ms. Daugherty reviewed highlights from the balance sheet, income statement, statement of cash flow, and disclosures in PJM's first quarter 2009 unaudited financial statements.



### 3. QUARTERLY FINANCIAL REVIEW

Ms. Daugherty reviewed PJM's financial results for the three months ended March 31, 2009 including:

- First quarter 2009 revenues and expenses by Tariff Schedule 9 service category;
- First quarter 2009 inter-company charges and credits;
- Actual vs. budget variances in the first quarter 2009 expenses by major cost component;
- Actual vs. budget variances in the first quarter 2009 capital expenditures by major component;
- Trends in expenses by major cost component and staffing from second quarter 2007 through first quarter 2009; and
- Year-to-date Deferred Regulatory Liability activity.

### 4. AC<sup>2</sup> – BCP PROJECT FIRST QUARTER 2009 STATUS

Ms. Daugherty reported on the AC<sup>2</sup> program technology, site and facility, and personnel and workforce capability status. She reported that the AC<sup>2</sup> capital spending projection is \$143.3 million as of the first quarter of 2009. She presented a summary of key accomplishments, current capital spending and capital forecast at completion by major program component, and key next steps for the project.

### 5. 2009 FORECAST

Ms. Daugherty reviewed the current revenue, expense, capital, and deferred regulatory liability forecast for 2009.

### 6. PRELIMINARY 2009 OPSI BUDGET

Mr. Barua presented the preliminary 2010 budget for OPSI and requested feedback from the committee by August 31, 2009.

### 7. MONITORING ANALYTICS 2008 FINANCIAL REVIEW

Mr. Bowring reviewed the reporting requirements and the financial results from 2008 for Monitoring Analytics.

### 8. FUTURE MEETINGS

The next planned Finance Committee meeting will be held at PJM's offices in Valley Forge on August 11, 2009. Discussion at that meeting will include the 2<sup>nd</sup> Quarter 2009 Financial Review, AC<sup>2</sup> – BCP update, the 2010 budget targets, preliminary 2010 budget, and five-year revenue, expense, and capital projections.

Prepared By:	J. J. Snow
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