



PJM Interconnection
Finance Committee Meeting Minutes
Conference Call
November 23, 2010
2:05 p.m. – 3:10 p.m.

Finance Committee Members Participating:

Jim Jablonski	Borough of Seaside Heights
Ron Carrier	Direct Energy Services, LLC
Hal Siegreest	Mirant
Paul Napoli	Public Service Electric & Gas
John Brodbeck	Shell Energy North America
Neel Foster	PJM Interconnection, LLC Board of Managers
Dick Lahey	PJM Interconnection, LLC Board of Managers
Suzanne Daugherty, Chair	PJM Interconnection, LLC

Additional Participants:

Dana Horton	Appalachian Power Company
Bill Schofield	Customized Energy Solutions
Chris Orzel	NextEra Energy Power Marketing, LLC
Lisa Drauschak	PJM Interconnection, LLC
Jim Snow	PJM Interconnection, LLC

1. MINUTES FROM SEPTEMBER 22^{DN} AND OCTOBER 21ST FINANCE COMMITTEE MEETING

The September 22nd minutes were approved as drafted. The October meeting minutes were amended with a minor change and approved.

2. THIRD QUARTER 2010 UNAUDITED FINANCIAL STATEMENTS

Ms. Drauschak reviewed PJM's unaudited financial information for the three and nine months ended September 30, 2010. Ms. Drauschak reviewed the balance sheet, income statement, statement of cash flow, and disclosure highlights from PJM's unaudited financial statements.



3. THIRD QUARTER FINANCIAL REVIEW

Mr. Snow reviewed PJM's financial results for the three and nine months ended September 30, 2010 including:

- Revenues and expenses by Tariff Schedule 9 service category;
- Intercompany charges and credits;
- Actual vs. budget expense variances by major cost component;
- Actual vs. budget capital expenditure variances by major component;
- Trends in expenses by major cost component and staffing from the fourth quarter 2008 through third quarter 2010; and
- Year-to-date Deferred Regulatory Liability activity.

4. ADVANCED CONTROL CENTER (AC²) – BCP PROJECT THIRD QUARTER 2010 STATUS

Ms. Daugherty reported on the AC² program key accomplishments in technology. She reported that the AC² capital spending projection is \$155.5 million with a breakdown of spending by major program component and total forecast by major program component. Ms. Daugherty highlighted the team's near-term focus on integration and business process testing.

5. THIRD QUARTER 2010 FORECAST

Mr. Snow reviewed the current revenue, expenses, capital, and deferred regulatory liability forecasts for 2010.

6. 2011 PJM FINANCE COMMITTEE WORK PLAN

Ms. Daugherty provided an update on the 2011 PJM Finance Committee Workplan.

7. FUTURE MEETINGS

The Finance Committee will hold a conference call on March 22, 2011. Discussion at that meeting will include a review of the financial results from 2010 and review the 2011 Finance Committee work plan.

Prepared By:	J. J. Snow
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Final:	March 24, 2011
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