



**MC Legal Report  
Summary of Significant Filings and  
Federal Energy Regulatory Commission ("FERC" or "Commission") Orders  
(January 22, 2010 – March 16, 2010)**

**FERC ORDERS**

1/22/2010: The Commission issued a Letter Order accepting PJM's Tariff and Reliability Assurance Agreement among Load Serving Entities in the PJM Region ("RAA") revisions regarding enhancements to the PJM Reliability Pricing Model ("RPM"), with an effective date of January 31, 2010. On December 1, 2009, PJM filed Tariff and RAA changes to implement consensus revisions to RPM, developed by the CMEC, in time for the May 2010 BRA that will secure capacity for the 2013-2014 Delivery Year. Among other changes, the filing: 1) established two new CONE Areas; 2) slightly modified the Incremental Auction schedule; 3) allowed Energy Efficiency Resources to participate in Incremental Auctions for the 2011-12 Delivery Year; 4) established sub-zonal locational capacity pricing for demand resources, just as it is currently allowed for generation resources; 5) clarified the RPM language on application of the market structure test; and 6) reported on the status of stakeholder discussions on seasonal capacity pricing and that PJM does not plan to further pursue the issue (*Docket No. ER10-366-000*).

1/22/2010: The Commission issued an Order conditionally accepting PJM's revisions to Sections 3.6.2 and 3.6.3 of Schedule 1 of its Amended and Restated Operating Agreement ("OA"), as well as the parallel provisions to Attachment K- Appendix of the PJM Tariff, governing pass-through of meter error correction charges or credits. PJM proposed a voluntary billing service for electric distributions companies ("EDCs") that elect to have PJM allocate meter correction charges directly to the Load Serving Entities ("LSEs") within the respective EDC territory. The Commission conditionally accepts the PJM proposal, contingent on PJM submitting a revision, within 30 days, clarifying that EDCs can opt in to use this optional billing service only if both the EDC and the LSE in the respective EDC zone agree to use this service. The Commission accepted PJM's Tariff revisions to Section 3.6.5 to reflect a new deadline for the submission of meter correction data to PJM, with an effective date of February 1, 2010, as requested (*Docket No. ER10-320-000*).

1/22/2010: The Commission issued a Letter Order accepting an executed Interconnection Service Agreement ("ISA") among PJM, Sandy Ridge Wind, LLC ("Sandy Ridge") and Pennsylvania Electric Company. The Sandy Ridge ISA facilitates the interconnection of a 50 MW wind farm located in Taylor Township, Centre County, Pennsylvania. PJM submitted the Sandy Ridge ISA because it contained non-standard terms and conditions relating to metering equipment requirements as set forth in Schedule C of the agreement. The ISA is effective November 2, 2009 (*Docket No. ER10-372-000*).

1/27/2010: The Commission issued a Letter Order accepting an executed ISA entered into among PJM, AES Keystone Wind, L.L.C. and Pennsylvania Electric Company, a FirstEnergy Company. The ISA facilitates the interconnection to the PJM transmission system of a 100 MW wind generating facility located in Somerset County, Pennsylvania. PJM submitted the ISA because it contained non-standard terms and

conditions, as set forth in Schedule C of the ISA, that address requirements regarding metering equipment. The ISA is effective November 10, 2009 (*Docket No. ER10-406-000*).

1/27/2010: The Commission issued a Notice of Extension of Time granting PJM an extension until June 18, 2010, to file its proposed shortage pricing proposal pursuant to the Commission's Final Rule on Order No. 719 and the Commission's Order on Compliance Filing issued on December 18, 2009. The extension grants PJM and its stakeholders additional time to fully vet all of the issues in order to reach a consensus on the best approach for addressing shortage pricing and to allow for new software development (*Docket Nos. ER09-1063-000, et al.*).

1/28/2010: The Commission issued a Letter Order accepting proposed revisions to the PJM Tariff to reflect a change in the requirements to complete generation resource capacity tests for verification of winter capability. The revisions are effective as of January 1, 2010 (*Docket No. ER10-375-000*).

1/28/2010: The Commission issued a Letter Order accepting seven executed revised ISAs entered into among PJM, Virginia Electric and Power Company and Virginia Electric and Power Company and three Notices of Cancellation. PJM requested that the three Notices of Cancellation be withdrawn. PJM filed the ISAs because the agreements contained language that does not fully conform to the pro forma agreement set forth in the PJM Tariff and non-standard terms and conditions are necessary to accommodate the interconnections. The ISAs are effective November 24, 2009 (*Docket No. ER10-417-000*).

1/28/2010: The Commission issued a Letter Order conditionally accepting an executed ISA among PJM, Worcester County Renewable Energy, LLC ("Worcester"), and Delmarva Power and Light Company ("Delmarva"). The ISA provides for a generating facility, owned by Worcester, to be connected to facilities owned by Choptank Electric Cooperative, which are directly interconnected with Delmarva's transmission system. The Commission indicated that Schedule F of the ISA is not consistent with Commission precedent or with Order No. 2006. PJM is directed to revise the ISA to address power factor requirements in a manner comparable to previously filed agreements involving indirectly interconnected small generation resources so as to be consistent with Commission precedent and Order No. 2006, and to file the revised ISA within 30 days of the date of this Order. When the revised ISA is filed it should be designated as First Revised Service Agreement No. 2359. The ISA is effective October 27, 2009 (*Docket No. ER10-343-000*).

1/28/2010: The Commission issued a Letter Order granting PJM's request to waive Schedule 8.1 of the RAA to permit the early termination of the fixed resource requirement ("FRR") status of the City of St. Charles, Illinois to allow St. Charles' load to be coextensive with other loads of the Illinois Municipal Electric Agency, which currently participate in the FRR alternative but are scheduled to terminate on May 31, 2013 (*Docket No. ER10-344-000*).

2/4/2010: The Commission issued a Letter Order accepting PJM's December 23, 2009 filing of revised Tariff sheets to correct typographical errors found in Schedules 9-1 through 9-5 of the PJM Tariff. The revisions correctly express the stated rate component of PJM's administrative cost recovery, as "\$0.XXXX per relative unit" rather than "0.XXXX cents per relative unit". The revisions are effective June 1, 2006 (*Docket No. ER10-478-000*).

2/4/2010: The Commission issued a Letter Order accepting a Notice of Cancellation of an ISA between PJM, Calvert Cliffs 3 Nuclear Project, LLC ("CC3NP") and Baltimore Gas and Electric Company. PJM indicated that CC3NP withdrew the project and the ISA is no longer necessary. The filing is effective November 16, 2009 (*Docket No. ER10-412-000*).

2/12/2010: The Commission issued an Order on Cost Allocation Report and Directing Compliance Filing conditionally accepting for filing revised Tariff sheets for new RTEP transmission facilities that are Regional Facilities (500 kV and above) and Necessary Lower Voltage Facilities and suspended for a nominal period to become effective on February 11, 2010, subject to refund and to the outcome of further proceedings to address issues presented on remand of Opinion No. 494 and Opinion No. 494-A. The Commission also accepted PJM's proposed assignment of cost of new facilities that operate below 500 kV as being consistent with the methodology set forth in Schedule 12 of the PJM Tariff. PJM is directed to submit a compliance filing, within 30 days, to recalculate the cost allocations to merchant transmission facilities as discussed in the Order (*Docket Nos. ER10-268-000, et al.*).

2/17/2010: The Commission issued a Letter Order accepting an executed ISA among PJM, FPL Energy Illinois Wind, LLC and Commonwealth Edison Company ("ComEd"). The ISA facilitates the interconnection to the PJM transmission system of a 240 MW wind generating facility located in Shabbona, Illinois. PJM submitted the ISA because it contained a non-standard commercial operation milestone, which is necessary to ensure interconnection service of the capability actually installed. The ISA is effective November 30, 2009 (*Docket No. ER10-532-000*).

2/17/2010: The Commission issued a Letter Order accepting revisions to Schedule 12-Appendix of the PJM Tariff to update the annual cost allocations for Regional Facilities and Necessary Lower Voltage Facilities included in the PJM RTEP to reflect changes in peak loads for the 12 months ending October 2009 and changes required by the Commission's recent ruling in Opinion No. 503 regarding the allocation of these costs to Merchant Transmission Providers. The revisions also include several administrative changes and corrections to ensure cost responsibility assignments are accurately reflected in Schedule 12-Appendix. The revised tariff sheets are effective January 1, 2010 and February 11, 2010 (*Docket No. ER10-529-000*).

2/18/2010: The Commission issued a Letter Order accepting four ISAs between PJM, Indiana Michigan Power Company, and the four separate owners of the Fowler Ridge Wind Farm: Fowler Ridge Wind Farm LLC ("Fowler Ridge"), Fowler Ridge II Wind Farm LLC ("Fowler Ridge II"), Fowler Ridge III Wind Farm LLC ("Fowler Ridge III"), and Dominion Fowler Ridge Wind II, LLC ("Dominion Fowler Ridge II"). Each ISA is for a separate, discrete portion of the 750 MW Fowler Ridge Wind Farm facility and facilitates the interconnection of the wind generating facility to the PJM transmission system. The filing is effective on the closing date of Phase IIB Asset Purchase Agreement between BP Wind Energy North American, Inc., Fowler Ridge II Wind Farm LLC, and Dominion Fowler Ridge Wind II, LLC which occurred on December 18, 2009 (*Docket No. ER10-475-000*).

2/19/2010: The Commission issued an Order regarding the Settlement on behalf of the Settling Parties (NYISO and Con-Ed), PSE&G, PS&G Energy Resources & Trading LLC, the New Jersey Board of Public Utilities and PJM. The Commission indicated that because the Settlement was contested and the record does not permit the Commission to resolve the merits of some of the contested issues, the Settlement as filed cannot be approved. The parties to this Settlement are ordered to file briefs on the issues discussed in the Order, within 30 days, and the reply briefs are due 20 days thereafter (*Docket Nos. ER08-858-000, et al.*).

2/22/2010: The Commission issued a Notice of Extension of Time granting PJM's motion for a 45-day extension to submit the information responses required by the Commission's Order Establishing Paper Hearing Procedure issued January 22, 2010. PJM indicated that an extension is needed because of the significant amount of analysis that is required for the preparation of a fully responsive filing. PJM is granted an extension of time to and including April 6, 2010 (*Docket No. EL05-121-006*).

2/24/2010: The Commission issued a Letter Order conditionally accepting for filing a revised WMPA entered into among PJM, WM Renewable Energy LLC and West Penn Power Company doing business as Allegheny Power. PJM submitted the WMPA to include a new Schedule F containing the Other Supporting Facilities Charge applicable to the project. PJM requested a waiver of the Commission's 60-day prior notice requirement to allow an effective date of December 16, 2008. PJM indicated that good cause existed for such waiver as a prior agreement, which was effective on June 18, 2007. The Commission indicated that PJM had not shown good cause to waive the 60-day notice requirement, and the request for the waiver was denied, and the service agreement is accepted to become effective February 28, 2010. The Commission ordered PJM to refile the submittal, within 30 days of the date of this Order, to incorporate the accepted effective date in accordance with Order Nos. 614 and 714 (*Docket No. ER10-520-000*).

2/25/2010: The Commission issued a Letter Order indicating that the PJM December 31, 2009 filing to amend Schedule 12-Appendix of the PJM Tariff to incorporate cost responsibility assignments for 34 new baseline upgrades included in the recent update to the RTEP is deficient. In order to correct the deficiency, PJM must provide responses to the following questions: (i) provide the magnitude of the downward change in the forecast for the Dayton zone and explain if and when PJM would reevaluate the RTEP facilities within the Dayton zone and why and (ii) does PJM agree with Dayton that baseline upgrades b1065.1, b1065.2, b1065.3 and b1067 should be removed from the list? The information requested in this letter will constitute a supplement to the filing and a new filing date will be established. The responses must be filed within 30 days of the date of this letter (*Docket No. ER10-549-000*).

2/25/2010: The Commission issued a Letter Order accepting an executed ISA among PJM, Allegheny Energy Supply Company, LLC ("AE Supply"), and West Penn Power Company, doing business as Allegheny Power ("Allegheny Power"). PJM submitted the agreement for filing because it contained charges necessary to accommodate the interconnection as set forth in Schedule E (Other Supporting Facilities Charge). The ISA is effective December 4, 2009 (*Docket No. ER10-530-000*).

3/2/2010: The Commission issued a Letter Order accepting an executed ISA among PJM, Mehoopany Wind Energy LLC ("Mehoopany") and Pennsylvania Electric Company. The Mehoopany ISA facilitates the interconnection to the PJM transmission system of a 150 MW wind generating facility located in Mehoopany, Pennsylvania. PJM submitted the Mehoopany ISA because it contained non-standard terms and conditions relating to metering equipment requirements as set forth in Schedule C of the agreement. The ISA is effective December 29, 2009 (*Docket No. ER10-661-000*).

3/2/2010: The Commission issued a Letter Order accepting an executed ISA among PJM, Atlantic Wind LLC ("Atlantic Wind") and Pennsylvania Electric Company, a FirstEnergy Company. The ISA facilitates the interconnection to the PJM transmission system of a 76 MW wind generating facility located in Bedford County, Pennsylvania. PJM submitted the ISA because it contained non-standard terms and conditions, concerning reactive power requirements, metering, and changes to the configuration of the customer facility. The ISA is effective December 15, 2009 (*Docket No. ER10-606-000*).

3/4/2010: The Commission issued a Letter Order accepting ten executed ISAs among PJM, Public Service Electric and Gas Company ("PSE&G") and PSEG Fossil LLC ("PSEG Fossil") (collectively, PJM Parties) for ten existing generating facilities owned by PSEG Fossil. PJM submitted the ISAs because the PJM Parties had included charges in Schedule E of the ISAs, where PSE&G will charge PSEG Fossil its actual costs for administrative expenses, metering charges and maintenance of the attachment facilities. PJM also filed Notices of Cancellation for existing ISAs among the PJM Parties for the following generating facilities: Bergen, Burlington, Essex, Kearny, and Linden. The ISAs are effective December 11, 2009 (*Docket No. ER10-575-000*).

3/5/2010: The Commission issued a Letter Order accepting three executed Interim ISAs among PJM, Commonwealth Edison Company (ComEd), High Trail Wind Farm, L.L.C., Old Trail Wind Farm L.L.C., and Zion Energy L.L.C. (collectively, Interconnection Customers). PJM indicated that the Interim ISAs are necessary to accommodate the Interconnection Customers request for capacity interconnection rights of certain generating facilities. Also, the interim ISAs contain non-standard terms and conditions to accommodate unique circumstances. The agreements will also supersede the previous Interim ISAs among PJM, ComEd and the Interconnection Customers. The ISAs are effective December 29, 2009 (*Docket No. ER10-666-000*).

3/8/2010: The Commission issued a Letter Order accepting a revised ISA among PJM, Fairless Energy, LLC, and PECO Energy Company. The revised ISA included non-standard terms and conditions as well as a single line diagram the parties intended to carry forward from a prior ISA but inadvertently failed to do so. Specifically, the schedule of non-standard terms and conditions in the revised ISA contained information regarding the parties responsibilities associated with maintenance, costs, and the disposition of radial lines. The ISA is effective September 18, 2009 (*Docket No. ER10-676-000*).

3/8/2010: The Commission issued a Letter Order accepting an executed WMPA entered into among PJM, Mt. Hope Waterpower Project, LP ("Mt. Hope") and Jersey Central Power & Light Company ("JCPL"). PJM submitted the WMPA because Mt. Hope intends to engage in wholesale sales in the PJM markets from a generating facility connected to the JCPL distribution facilities. The WMPA is effective December 18, 2009 (*Docket No. ER10-593-000*).

3/8/2010: The Commission issued a Letter Order accepting an executed "WMPA" entered into among PJM, Milton Regional Sewer Authority ("MRSA") and PPL Electric Utilities Corporation ("PPL EU"). PJM submitted the WMPA for filing because MRSA intends to engage in wholesale sales in the PJM markets from a generating facility connected to the PPL EU distribution facilities. The WMPA is effective December 15, 2009 (*Docket No. ER10-590-000*).

3/9/2010: The Commission issued an Order accepting PJM's compliance filing which further clarified the local transmission planning process, as directed by the Commission in its May 21, 2009 Order ("May 21 Order"). In order to comply with the May 21 Order, PJM proposed to amend subsections 1.5.4(a) and (g) of Schedule 6 of the OA to require that transmission owners provide their criteria and assumptions, including models used in their Local Plan. Specifically, the amended subsections of Schedule 6 now clarify that the transmission owner's criteria, assumptions, and models used in developing its local planning process will be made available consistent with: (i) applicable confidentiality provisions as set forth in Section 18.17 of the OA; (ii) the Critical Energy Infrastructure Information process; and (iii) any applicable copyright limitations. The proposed revisions are effective December 7, 2007 (*Docket No. OA08-32-005*).

3/9/2010: The Commission issued a Letter Order accepting an executed WMPA entered into among PJM, Recurrent Energy Development Holdings L.L.C. ("Recurrent") and Public Service Electric & Gas Company ("PSE&G"). PJM submitted the Agreement for filing because Recurrent intends to engage in wholesale sales in the PJM markets from a generating facility connected to the PSE&G distribution facilities. The Agreement is effective January 8, 2010 (*Docket No. ER10-749-000*).

3/9/2010: The Commission issued a Letter Order approving PJM's filing of an Emergency Energy Transaction Agreement ("Agreement") between PJM and East Kentucky Power Cooperative. The Agreement provides the terms and conditions under which either party to the Agreement may purchase emergency energy from the other party (*Docket No. ER10-724-000*).

3/10/2010: The Commission issued an Order addressing the expedited partial requests for clarification and rehearing of the Commission's December 17, 2009 Order as filed by FirstEnergy Services Company, American Transmission Systems, Inc. ("ATSI") and the ATSI Utilities (collectively, "FirstEnergy") (*Docket Nos. ER09-1589-001, et al.*).

3/11/2010: The Commission issued a Letter Order accepting for filing PJM's revisions to Schedule 12 of the OA to update the PJM Members list to include new members, delete withdrawing members, and reflect corporate name changes. The revisions are effective December 31, 2009 (*Docket No. ER10-644-000*).

### **FERC FILINGS**

1/21/2010: PJM submitted for filing a Status Report of Credit Policy Review in accordance with the Commission's directive in its Order issued March 25, 2008. The report provides informational status detailing the progress of its review of the PJM Credit Policy and provides an analysis of the instances in which PJM has been required to remove bids from an FTR auction (*Docket Nos. ER08-376-000, et al.*).

1/22/2010: PJM filed, on behalf of itself and the Participating RTOs/ISOs, a letter to the Commission in the eTariff filing proceeding pursuant to the Commission's Notice of Date for Submission of Transitional Schedules. PJM proposes to make its baseline eTariff filings on August 10, 2010 (*Docket No. RM07-5-000*).

1/22/2010: PJM filed a Motion for Extension of Time to file its proposed shortage pricing proposal pursuant to the Commission's Final Rule issued in Order No. 719 and the Commission's Order on Compliance Filing issued on December 18, 2009 (*Docket No. ER09-1063-000*).

1/27/2010: PJM submitted for filing amendments to Schedule 12 of OA in order to update the PJM Member List to include new members, delete withdrawing members, and reflect member corporate name changes. PJM requested an effective date of December 31, 2009 for the revisions (*Docket No. ER10-644-000*).

1/29/2010: PJM submitted revisions to the PJM Tariff, Attachment Q, PJM Credit Policy, Section V.F., Credit Responsibility for Traded FTRs and to Section 7.1A.5, Specified Receipt and Delivery Points, and Section 7.2.2, Specified Receipt and Delivery Points of Schedule 1 of the Operating Agreement, and the parallel provisions of Attachment K - Appendix of the PJM Tariff. PJM seeks implementation of the proposed revisions to Attachment Q of the PJM Tariff, Section V.F., to reflect the enhancements made to PJM's eFTR system to enable it to perform an automated credit check for transactions involving the bilateral trading of FTRs. Additionally, PJM seeks implementation of the proposed revisions to Attachment K - Appendix of the PJM Tariff and Schedule 1 of the Operating Agreement, Sections 7.1A.5 and 7.2.2, to clarify that PJM's list of FTR receipt and delivery points available for bid will be posted prior to the opening of the bidding window for each FTR auction, and the PJM posted list will be the final list used to determine available receipt and delivery points in the FTR Auctions (*Docket No. ER10-703-000*).

1/29/2010: PJM submitted a compliance filing in response to the Commission's December 30, 2009 Order regarding proposed changes to PJM's credit policies, including implementation of reinstatement and termination provisions. In the filing, PJM submitted OA revisions to clarify that its proposed reinstatement and termination provisions only apply to payment and collateral defaults, and that PJM cannot terminate membership without making a Federal Power Act Section 205 filing with the Commission. PJM requested an effective date of January 1, 2010 for the revisions (*Docket No. ER10-168-001*).

2/2/2010: PJM and Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. ("PEC") submitted an executed Joint Operating Agreement ("JOA"), designated as PJM Interconnection, L.L.C., FERC Electric Tariff Rate Schedule No. 50 and Carolina Power & Light Company FERC Electric Tariff Rate Schedule No. 188, which is intended to replace an earlier JOA among the parties. PJM and PEC requested that the JOA have an effective date of June 1, 2010 (*Docket No. ER10-713-000*).

2/2/2010: PJM submitted answers certain issues raised in the clarification and/or rehearing requests filed in response to the Commission's December 17, 2009 Order Addressing RTO Realignment Request and Complaint (*Docket Nos. ER09-1589-000, et al.*).

2/2/2010: PJM filed comments in support of the NYISO Report on Broader Regional Markets; Long-Term Solutions to Lake Erie Loop Flow ("Report") submitted on January 12, 2010. The Report was developed through collaboration between and among, PJM, the Midwest ISO, the Ontario Independent Electricity Operator and New York Independent System Operator, Inc. ("NYISO") (together referred to as the "RTO's/ISOs"). PJM supports the recommendations in the Report to implement a series of market solutions including: (a) Buy-Through of Congestion; (b) Congestion Management/Market-to-Market Coordination, (c) Interface Pricing Revisions, and (d) Interregional Transaction Coordination (*Docket No. ER08-1281-004*).

2/4/2010: PJM submitted for filing a fully executed Emergency Energy Transactions Agreement between East Kentucky Power Cooperative and PJM. PJM requests that the Emergency Energy Transactions Agreement be accepted for filing effective April 6, 2010 (*Docket ER10-724-000*).

2/4/2010: PJM submitted comments to support the participation of Andrew L. Ott and Vincent P. Duane in the panel discussion at the February 4, 2010 Technical Conference on RTO/ISO responsiveness. PJM indicated that its current stakeholder and governance processes satisfy the Commission's responsiveness requirements and the steps that PJM and its stakeholders are making to improve upon those processes (*Docket No. ER09-1063-000 et al.*).

2/5/2010: PJM filed with the Commission an Application Under Section 204 of the Federal Power Act for an Order Authorizing the Issuance of Securities (*Docket No. ES10-26-000*).

2/9/2010: In compliance with the Commission's January 22, 2010 Order, iPJM submitted a minor revision to Section 3.6.2, Meter Corrections Between Market Participants, and Section 3.6.3, 500 kV Meter Errors, of Schedule 1 of the OA, and the parallel provisions of Attachment K - Appendix of the PJM Tariff, to clarify that electric distribution companies ("EDCs") can opt in to use the optional billing service provided for in these tariff provisions only if both the EDC and the load serving entities in the respective EDC zone agree to use this service. Consistent with the effective date previously established in this proceeding, the compliance tariff revisions have an effective date of February 1, 2010 (*Docket No. ER10-320-000*).

2/12/2010: PJM filed an Answer to Protests and Comments filed in response to PJM's December 29, 2009 compliance filing which was required by the Commission's October 30, 2009 Order. The Answer responded to the protests and comments filed by the Illinois Commerce Commission, the Indicated Customer Interests, and Shell Energy, concerning whether the Commission should require PJM to provide for a sell-back of capacity in its RPM Incremental Auctions (*Docket No. ER09-412-010*).

2/16/2010: PJM filed a Motion for Expedited Action Granting an Extension of Time to April 6, 2010, to submit the information responses required by the Commission's Order establishing paper hearing procedures in this matter. PJM requested expedited action by the Commission on the motion because of the impending due date of February 22, 2010. The Commission requested, among other things, that PJM estimate the total costs of facilities that operate at or above 500 kV that would be assigned to each transmission pricing zone using PJM's alternative DFAX methodology that is used for lower voltage cost allocation. PJM indicated that this analysis requires examination of numerous high-voltage facilities in a manner that has not previously been the cost allocation methodology for these facilities. Therefore, PJM will have to create new analyses looking back at all such high-voltage facilities that have been allocated in the RTEP process over the past five years. (*Docket No. EL05-121-006*).

2/19/2010: PJM submitted an errata filing to correct a provision of the PJM Tariff and OA in which PJM was to incorporate the substance of PJM Operating Reserve Construct business rule 68 as part of PJM's compliance filing made on December 29, 2008. Accordingly, PJM filed the proposed revised sheets and requested that the Commission issue its Order by no later than April 20, 2010, with an effective date of December 1, 2008 (*Docket No. ER08-1569-001*).

2/19/2010: In compliance with Opinion No. 503, PJM submitted to the Commission for filing amendments to the PJM Tariff (i) Schedule 12 to incorporate the methodology for assigning cost responsibility to Merchant Transmission Facilities for transmission upgrades approved as part of PJM's regional transmission expansion plan as directed by Opinion No. 503; and (ii) Schedule 12-Appendix to revise the existing cost responsibility assignments for transmission upgrades in accordance with that methodology (*Docket No. ER06-456-002*).

2/19/2010: PJM submitted an errata filing to correct a provision of the PJM Tariff and OA in which PJM was to incorporate the substance of PJM Operating Reserve Construct business rule 68 as part of PJM's compliance filing made on December 29, 2008. Accordingly, PJM filed the proposed revised sheets and requested that the Commission issue its order by no later than April 20, 2010, with an effective date of December 1, 2008 (*Docket No. ER08-1569-001*).

2/22/2010: PJM filed a Motion to Dismiss and Answer to a complaint filed February 1, 2010 with the Commission by EPIC Merchant Energy NJ/PA, SESCO Enterprises, L.L.C., and Coaltrain Energy, LP, challenging PJM's allocation of transmission line loss charges and distribution of transmission line loss charge surpluses (*Docket No. EL08-14-000*).

2/26/2010: PJM submitted a Motion for an Extension of Time to submit a compliance filing regarding the conditionally accepted ISA among PJM, Worcester County Renewable Energy, LLC an Delmarva Power and Light Company. The Commission directed that a revised ISA be filed to address power factor requirements for the indirectly interconnected small generator (*Docket No. ER10-343-000*).

3/1/2010: PJM submitted, in compliance with the Commission's Order of September 17, 2009, a Report of Refund which is directed to distribute marginal line loss surplus payments to those customers who were found to have contributed to the fixed costs of the transmission system through payments and, entitled to a refund allocation of the surplus of those payments (*Docket No. EL08-14-005*).

3/8/2010: The Midwest Independent Transmission System Operator ("Midwest ISO") filed a complaint against PJM alleging that PJM is violation of the JOA because PJM allegedly demanded resettlement of amounts related to the Midwest ISO's use of substitute flowgates in the market-to-market processes under the JOA. PJM believes that the use of substitute flowgates is a violation of the JOA. The Midwest ISO requested that the Commission to order PJM to acknowledge the use of an Reciprocal Coordinated Flowgates ("RCF") as a substitute flowgate under the JOA. This complaint also alleges that PJM failed to initiate market-to-market coordination on a bound RCF in violation of the JOA. The Midwest

ISO claims that it is owed approximately \$5,000,000 as a result (*Docket No. EL10-45-000*).

3/8/2010: The Midwest ISO filed a complaint against PJM relating to PJM's errors in market flow calculations under the MISO PJM JOA during the period 2005 to 2009. For the 2007 to 2009 period, the Midwest ISO requested for damages in the amount of \$74,534,067, including interest. For the 2005 to 2007 period, the Midwest ISO admits that there is insufficient information for an accurate calculation of the underpayments but claims nonetheless that \$65,040,954 plus interest is due. Thus, the Midwest ISO seeks in this complaint \$130,000,000 plus interest for the alleged under payments. The Midwest ISO also disputes PJM's defenses which were raised in the context of the dispute resolution process under the JOA (*Docket No. EL10-46-000*).

3/10/2010: PJM submitted a supplemental filing to its February 5, 2010 application for an order authorizing the issuance of securities (*Docket No. ES10-26-000*).

3/10/2010: PJM and Progress Energy Carolinas ("PEC") filed an Answer in response to the Motion to Intervene and Comments of the Independent Market Monitor in regards to the JOA executed and submitted by PJM and PEC ("Parties"). Both Parties maintained that the proposed JOA, in its present state, is a just, reasonable, bilaterally-established approach at congestion management particular to the Parties' operational relationship. The Independent Market Monitor maintained in its answer, it is not the reasonable, or merit, of those others approaches which are relevant in this proceeding, only the determination of whether the offered PJM/PEC proposal is just and reasonable (*Docket No. ER10-713-000*).

3/12/2010: PJM filed a fully executed Network Integration Transmission Service Agreement between PJM and the Borough of Pitcairn, designated as Original Service Agreement No. 2435. The waiver requested an effective date of January 1, 2006 (*Docket No. ER10-864-000*).