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**PJM Interconnection L.L.C.
 Minutes of the Seventy-Ninth Meeting of the
 Transmission Owners Agreement-Administrative Committee
 March 31, 2009
 9:30 AM**

Transmission Owners Agreement Representatives or Voting Alternates Attending:

Name	Representing	Attending	On Phone
Rana, Raj	AEP	X	
Kaminski, Vincent	Allegheny Electric Cooperative, Inc.		X
Mattiuz, Bob	Allegheny Power/TrAILCo	X	
Palmer, Randall	Allegheny Power/TrAILCo	X	
Bourquin, Ralph	Baltimore Gas and Electric Company	X	
Horstmann, John	Dayton Power & Light Company (The)		X
Sullivan, Megan	Duquesne Light Company		X
Bustard, John	Exelon	X	
Richardson, Frank	Exelon	X	
Bainbridge, Thomas	FirstEnergy Solutions Corp.	X	
Miller, Donald	FirstEnergy Solutions Corp.	X	
Scarpignato, David	Old Dominion Electric Cooperative	X	
Messick, Tsion	PHI	X	
Glatz, Suzanne	PPL Electric Utilities Corporation d/b/a PPL Utilities	X	
Napoli, Paul	Public Service Electric & Gas Company	X	
Marinelli, Richard	Public Service Electric & Gas Company	X	
McGoldrick, Peter	Rockland Electric Company	X	
Gill, Richard	UGI Utilities, Inc.		X
Connelly, David	Virginia Electric & Power Company		X
Payne, Harold	Virginia Electric & Power Company	X	

Also Attending

Name	Representing	Attending	On Phone
Bowman, James	Allegheny Power/TrAILCo		X
Boyd, Rick	Allegheny Power/TrAILCo		X
Kolbosky, Sherry	Allegheny Power/TrAILCo		X
Miller, Bobbi	Allegheny Power/TrAILCo		X
Gary Guy	Baltimore Gas and Electric Company	X	
Bloom, David	Baltimore Gas and Electric Company		X
Harman, Stacey	Baltimore Gas and Electric Company	X	
Ren, William	Clarity Systems		X
St. John, Christopher	Clarity Systems		X
Alvarez, Marianne	Exelon	X	
Carlson, Julie	Exelon	X	
Grace, Sandy	Exelon	X	
Romulo, Diaz	Exelon	X	
Walker, Jennifer	Exelon	X	
Wilson, John	Exelon	X	

Marczewski, John	Linden	X	
Walsh, Daniel	Linden	X	
Blauman, Amy	PHI	X	
Meyers, Mary	PHI		X
Bowe, Tom	PJM Interconnection	X	
Childs, Josh	PJM Interconnection		X
Colby, Mike	PJM Interconnection		X
Hendrzak, Chantal	PJM Interconnection	X	
Herling, Steve	PJM Interconnection	X	
Mandell, Ian	PJM Interconnection	X	
Pincus, Steve	PJM Interconnection	X	
Kaplan, Donald	PPL Electric Utilities Corporation d/b/a PPL Utilities		X
Calore, James	Public Service Electric & Gas Company		X
Linde, Tamara	Public Service Electric & Gas Company		X
Ramlatchan, Deepak	Rockland Electric Company		X
Bain, Daphne	Virginia Electric & Power Company		X
Barnett, Andrew	Virginia Electric & Power Company	X	
Searles, David	Virginia Electric & Power Company	X	

1 Administrative Items

A quorum of the TOA-AC was confirmed.

The minutes of the February 19, 2009 meeting were approved.

James Haney of AEP was unanimously elected as Vice-Chair of the TOA-AC for May 2009 to May 2010 by acclamation.

2 Work Plan Updates

a. **Phasor Working Group** – Mr. Pincus raised a confidentiality issue with data access associated with NERC’s proposal to coordinate research activities with developers. The Transmission Owners would own the data, and PJM would maintain confidentiality of the data. Depending on how the agreements to provide the data for research are structured, confidentiality could be an issue. Mr. Calore noted this was discussed at the last working group meeting and during last summer’s NERC meeting. Ms. Hendrzak reviewed the typical Department of Energy (DOE) grant timeline, noting that the grant process for stimulus funds may be shorter. PJM is seeking to apply for two grants. The first is a non-stimulus grant on advanced synchrophasor research. The second is a stimulus grant for a synchrophasor demonstration project. Mr. Richardson noted that the team working on the grants will have to work quickly to meet the process deadlines. The LIT was asked to consider two questions: 1) whether the Phasor data is TO proprietary; and 2) whether it is confidential

ACTION ITEM – *The LIT will report back to the TOA-AC on the confidentiality issue at the July 9, 2009 TOA-AC meeting.*

b. **Tariff Working Group** - PJM is required to make a filing for cost allocation of economic upgrades below 500 kV by the end of July. The MRC agreed that the resolution should use a net reduction in load payments by the zone, as opposed to a gross reduction in load payments. PJM's goal is to have this issue voted on at the April 23, 2009 MRC meeting. Upon a request by PHI, PJM will distribute examples of the different methodologies prior to the next MRC meeting.

ACTION ITEM – *PJM to distribute examples of Net vs. Gross reduction in load payments prior to the April 23, 2009 MRC meeting.*

c. **Performance Metrics Working Group** – There was no update for the group.

d. **PJM Interconnection Process Alternatives Working Group** – Mr. Bustard reported that the group has met twice since the last TOA-AC meeting and is looking at improvements in communication and process between PJM and the TOs as well as more major changes. No single concept is yet supported by the team.

Ms. Hendrzak presented information on the interconnection of new generation technologies. One area of study presented was the use of electric vehicles to provide peak load power. Other technologies being investigated are flywheels, with one still remaining in the PJM queue.

3 Legal Issues Team

a. **Linden VFT Rate Filing** – Mr. Walsh and Mr. Marczewski, representing Linden VFT, presented information on the project. The proposed rate schedule for Linden is modeled after the existing Neptune rate schedule with some minor variations. They anticipate filing with FERC in mid-April for a mid-June service date. Linden will need to sign the TOA to qualify as a transmission owner within PJM.

b. **ETariff** – This is still in progress. Transmission owners need to coordinate with PJM on process with complying with the ETariff requirements. Among other things, the LIT is working on a protocol with PJM to determine the process for filing changes to the OATT and other PJM rate schedules.

c. **Cross-Border Economic Projects** – The PJM filing to revise the Joint Operating Agreement for cost allocation of PJM/MISO cross border economic projects was rejected by FERC as a Section 205 filing. However, FERC will address the filing in a separate order as a compliance filing.

d. **Credit Provisions** – Mr. Pincus reported that PJM is working towards establishing itself as a central counterparty and raised this issue with the TOA-AC to recommend that the LIT be used to more fully vet this issue and identify implications. The goal is to have something filed with FERC by year-end. The members agreed that the LIT should look into the initiative.

ACTION ITEMS – *Add Linden to the TOA-AC Distribution List, Add Credit Provisions to the July 9, 2009 TOA-AC Meeting and have the LIT provide monthly updates to the TOA-AC.*

- 4 ETariff** – Order 714 requires all Transmission Owners to convert existing tariffs to an electronic format utilizing the FERC portal. The effective date is April 2010, with a six-month phase-in. PJM is hopeful that FERC will recognize the complexities of converting its tariffs and will schedule PJM to convert by October 2010. PJM, along with other RTO's and ISO's, is issuing an RFP for an Etariff system, with responses due towards the end of April. A working group made up of PJM and other ISO's and RTO's will review the proposals. Mr. Pincus responded to questions about security and tracking changes. The members decided to allow the LIT to address issues rather than create a technical working group.
- 5 Regional Facilities Allocation Alternatives** – Mr. Napoli suggested the group look at the rates that are charged as opposed to capacity on transmission lines.
- 6 PJM Transmission Owner NERC Standards Compliance Matrix** – Mr. Bowe noted the need for good coordination between the transmission owners and system coordinator due to the far-reaching impacts.
- 7 Including Upgrades to the Existing System in the RTEP** – The sense of urgency to address this issue is diminished due to the drop in the load forecast. We will need to have further discussion if a rebuild is proposed.
- 8 Preparations for 2009 PJM Annual Meeting** – Comments were requested for the draft agenda for the Annual Meeting that had been distributed.
- 9 PJM Update** – Mr. Herling reported that the 2010 through 2014 cases are complete. He noted that the Susquehanna-Roseland line is required for 2012, but MAPP and PATH are not needed until 2014. PJM is now looking at lower voltage upgrades and generators on RMR. He hopes to get retool analysis to the PJM Board in June. They have started the 2014 analysis, including a review of MAPP and PATH. PJM will then roll out the 15-year plan through 2024. The major difference is that due to the lower load, they will build a case for 2015 and then build a 6-year reactive case. PJM does not expect a lot in the 2009 RTEP due to the decreased load. For generation interconnection work, there were 183 studies in the backlog as of January, with a goal to reduce it to a manageable level by June. PJM is having weekly calls with some TO's and is looking at where compromises can be made. Queue V1 closes at the end of April and currently has six generators. This lull should help PJM focus on the backlog. Mr. Herling reported on PJM interregional work. The JCSP study ran one scenario and will move into another in the future. Terry Boston is working with others in the Eastern Interconnection for wider participation in interconnection-wide planning studies. Mr. Herling said that the TOA-AC Working Group that supported the JCSP should continue to work with PJM so PJM inputs to the regional studies are correct.

10 Finance Committee – Mr. Napoli reported that total compensation, interest and taxes were lower. Also, AC2 is on track, but is expected to come in at \$8 million higher than budgeted, including \$3 million associated with construction. The current PJM stated rate is expected to remain unchanged at least until the AC2 rider terminates. After that, PJM is expected to be at or slightly below its stated rate.

Future Meetings

Future meeting dates are:

- *May 7, 2009 – Cambridge, MD (Hyatt)*
- *July 9, 2009 – Baltimore (Pier V)*
- *August 27, 2009 – Baltimore (Pier V)*
- *October 15, 2009 – Baltimore (Pier V)*
- *December 3, 2009 – Baltimore (Pier V)*

Meeting Adjourned