



**PJM Interconnection L.L.C.
 Minutes of the Eighty Eighth Meeting of the
 Transmission Owners Agreement
 Administrative Committee (TOA-AC)
 Thursday, May 6, 2010
 8 AM – 9:15 AM Eastern Time**

Name	Representing	Attending	On Phone
Baker, Craig	AEP		X
Rana, Raj	AEP	X	
Horton, Dana	AEP	X	
Mattiuz, Robert	Allegheny Power/TrAILCo	X	
Philips, Rodney	Allegheny Power/TrAILCo	X	
Bourquin, Ralph	Baltimore Gas and Electric Company	X	
Bloom, David	Baltimore Gas and Electric Company		X
Harman, Stacey	Baltimore Gas and Electric Company		X
Shamash, Hertzell	Dayton Power & Light Company (The)	X	
Sullivan, Megan	Duquesne Light Company		X
Ivey, Susan	Exelon	X	
Bustard, John	Exelon	X	
Stern, David	Exelon	X	
Bainbridge, Thomas	FirstEnergy Solutions Corp.		X
Miller, Donald	FirstEnergy Solutions Corp.	X	
Farley, Brian	FirstEnergy Solutions Corp.	X	
Walsh, Daniel	Linden		
Broder, James	Neptune	X	
Parikh	Old Dominion Electric Cooperative		X
Scarpignato, David	Old Dominion Electric Cooperative	X	
Messick, Tsion	PHI	X	
Gausman, William	PHI	X	
Meyers, Mary	PHI		X
Schleicher, David	PPL Electric Utilities Corporation d/b/a PPL Utilities	X	
Glatz, Suzanne	PPL Electric Utilities Corporation d/b/a PPL Utilities	X	

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Name	Representing	Attending	On Phone
Marinelli, Richard	Public Service Electric & Gas Company	X	
Linde, Tamara	Public Service Electric & Gas Company	X	
Marinelli, Richard	Public Service Electric & Gas Company	X	
Linde, Tamara	Public Service Electric & Gas Company	X	
Burke, Patrick	Rockland Electric Company	X	
Tarpey, James	Rockland Electric Company	X	
Gill, Richard	UGI Utilities, Inc.	X	
Oberski, Lou	Virginia Electric & Power Company	X	
McGuire, Bob	Virginia Electric & Power Company	X	

PJM Board Managers and Staff

Name	Representing	Attending	On Phone
Kormos, Mike	PJM	X	
Herling, Steve	PJM	X	
Hendrzak, Chantal	PJM	X	
Foley, Pauline	PJM	X	
Almgren, Ake	PJM Board of Managers	X	
Boston, Terry	PJM Board of Managers	X	
Coughlin, John	PJM Board of Managers	X	
Eury, Lynn	PJM Board of Managers	X	
Kinsey, Jean	PJM Board of Managers	X	
Lahey, Richard	PJM Board of Managers	X	
Mayben, William	PJM Board of Managers	X	
Riley, Susan	PJM Board of Managers	X	
Schneider, Howard	PJM Board of Managers	X	

1. Administrative Items

- A. Confirm quorum – Quorum confirmed
- B. PJM Board of Managers and Transmission Owners introductions
- C. Transfer of Chair and Vice-Chair – Mr. Baker welcomed everyone and expressed appreciation on behalf of AEP for having the opportunity to Chair the TOA-AC. He praised PJM and the Transmission Owners for progress made on the Synchronphasor Project and by the TOA-AC Legal Issues Team on several issues. Mr. Baker commented on the challenges of building transmission and commended PJM for its review of the existing RTEP process. Mr. Baker handed over leadership of the PJM TOA-AC to Allegheny Power’s Mr. Mattiuz,

who recognized AEP for its outstanding leadership of the TOA-AC during the past year and presented Mr. Baker, Ms. Monique Rowtham-Kennedy, and Mr. Rana a plaque as a token of appreciation. Mr. Rana thanked Mr. John Bustard (Exelon), who is retiring, for his significant contribution to the workings of this Committee for a number of years.

2. Remarks from PJM Board of Managers attendees - Comments were made by the Board of Reliability Committee members Dr. Almgren, Dr. Lahey and Mr. Mayben and focused around the following topics:

- Progress made on reducing the time in the generation interconnection queue
- Concern about the cost increases in construction of the RTEP-approved projects
- RTEP's bright line test has strengths and limitations. There needs to be a defined process with good criteria to take into account factors other than just reliability, such as generation retirement, load forecast variations, public policy goals, renewable integration, climate change policies.
- Look at moving to probabilistic planning if possible – realizing the process still needs to have set criteria.
- Things are changing in the planning process, but we have to work through the issues and make sure we do not erode reliability
- Need a robust grid and the ability of the RTEP process to handle a variety of different project types (reliability, renewables, etc.)
- Seeing an increase in merchant developers wanting to get into planning and building transmission projects
- EIPC will impact on the transmission planning process. Complimented the Security Committee on their latest report
- Very concerned with security – both physical and cyber.

3. Responses and other Remarks from the TOA-AC

A. Remarks of the Chair – AP/TrAILCo (Bob Mattiuz)

- Expressed support for PJM revisiting the bright line test.
- Recognized Steve Herling and his staff for their invaluable role in state proceedings getting backbone projects approved and the credibility they have with state regulators.

B. Remarks of individual TOA-AC representatives – Comments were made by Mr. Rana of AEP, Mr. Miller of FirstEnergy, Mr. Shamash of Dayton Power & Light, Mr. Bourquin of BGE, Mr. Scarpignato of ODEC, Mr. McGuire of Dominion, Mr. Schleicher of PPL, Ms. Linde of PSEG, Ms. Ivey of Exelon, Ms. Messick of PHI, Mr. Tarpey of Rockland Electric, and Ms. Sullivan of Duquesne Light. Speaking for their individual companies, the representatives recognized PJM and its staff on the following achievements and undertakings:

- Revisiting the bright line test and considering additional criteria and probabilistic planning with regard to the RTEP.
- Completing a comprehensive white paper on cost allocation.

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- Successfully reaching agreement with the DOE for a stimulus grant for the synchrophasor project.
- Completing the Reliability *First* compliance audit and updating the TO-TOP Matrix.
- Preparing testimony and other work associated with the commission hearings in PA and NJ on the Susquehanna – Roseland 500 kV line
- Integration of ATSI into PJM

Transmission Owner representatives also made comments regarding areas of concern including:

- Any changes to the bright line test justifying backbone projects must be understandable by the State Commissions so they can support the need for the project
- Risk management issues associated with getting critical circuits out of service to complete construction work and operating the system while these lines are out of service
- The extensive workload on the PJM Transmission Planning group due to a multitude of transmission planning-related initiatives and issues
- Issues with wind generation and the need to do off-peak planning
- Much work has done by transmission owners to enhance cyber and physical security but more will be necessary

4. Current challenges in the RTEP process with the bright line test and how do we move forward – Mr. Boston noted PJM has approved more than 1,000 transmission upgrades totaling nearly \$12B in the five to 15-year planning horizon dating back to 2000, and how the bright line test was instrumental in justifying those projects. Mr. Boston commented on some of the challenges associated with the bright line test due to changing variables such as generation queue withdrawals and additions, generation retirements and load forecast reductions. He mentioned moving toward a probabilistic approach using additional criteria and a 15-20 year planning horizon may address some of these issues. He commented that EIPC will change how we do planning. Mr. Boston estimated transmission upgrades have resulted in reducing congestion from \$2 billion a few years ago to about \$250M.

5. TOA-AC Work Plan Overview

- A. Synchrophasor project update – Ms. Hendrzak provided an update on the synchrophasor project. She noted twelve transmission owners are involved with the project and expressed her appreciation for everyone’s cooperation throughout the process to enable a signed agreement between PJM and the DOE. Ms. Hendrzak reported 90 PMU’s are scheduled to be installed between now and spring of 2013.

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6. Future Meeting

- July 15, 2010 – *Baltimore (Pier V)*
- August 19, 2010 – *Baltimore (Pier V)*
- October 14, 2010 – *Baltimore (Pier V)*
- December 1, 2010 – *Baltimore (Pier V)*