



DRAFT MEETING MINUTES
PJM Transmission Owners Agreement
Administrative Committee (TOA-AC) Ninety-Fourth Meeting

Thursday, February 24, 2011
9:30 AM – 3:00 PM Eastern Time
Pier V Hotel
711 Eastern Avenue
Baltimore, MD

Conference Call Info: Bob Mattiuz, Leader
Dial In Number: 1-866-469-3239
Participant Code: 352380637
WebEx Pass Code: toaac0120pjm
<http://pjm.webex.com>

Meeting Attendees

Name	Representing	In Person	On Phone
Laios, Takis	AEP		X
Sundararajan, Raja	AEP	X	
Wright, Gary	Allegheny Electric Cooperative, Inc.		X
Conley, Hugh	Allegheny Power/TrAILCo	X	
Mattiuz, Bob	Allegheny Power/TrAILCo	X	
Mount, Colin	Allegheny Power/TrAILCo	X	
Rostock, John	Allegheny Power/TrAILCo		X
Dodge, Andy	Baltimore Gas and Electric Company	X	
Guy, Gary	Baltimore Gas and Electric Company	X	
Harman, Stacy	Baltimore Gas and Electric Company	X	
Shamash, Hertzell	Dayton Power & Light Company (The)	X	
Connelly, David	Dominion/Virginia Electric & Power Company	X	
McGuire, Bob	Dominion/Virginia Electric & Power Company	X	
Payne, Harold	Dominion/Virginia Electric & Power Company	X	
Sullivan, Megan	Duquesne Light Company		X
Abbott, Tim	Duke		X
Richardson, Frank	Exelon		X
Bainbridge, Thomas	FirstEnergy Solutions Corp.	X	
Fuerst, Gary	FirstEnergy Solutions Corp.		X
Miller, Donald	FirstEnergy Solutions Corp.	X	
Walsh, Daniel	Linden VFT	X	

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Name	Representing	In Person	On Phone
Griggs, Ernest	Neptune Regional Transmission System, LLC		X
Tatum, Edward	Old Dominion Electric Cooperative	X	
Blauman, Amy	PHI	X	
Hall, Dan	PHI	X	
Ruth, Diane	PHI		X
Spanos, Aristotelis	PHI	X	
Krizenoskas, Lisa	PPL Electric Utilities	X	
Russell, Paul	PPL Electric Utilities		X
Linde, Tamara	Public Service Electric & Gas Company	X	
Marinelli, Richard	Public Service Electric & Gas Company	X	
Napoli, Paul	Public Service Electric & Gas Company	X	
Philips, Marji	Public Service Electric & Gas Company		X
Burke, Patrick	Rockland Electric Company	X	
Gill, Richard	UGI Utilities, Inc.		X
Brown, Patrick	PJM		X
Bryson, Mike	PJM	X	
Hendrzak, Chantal	PJM	X	
Herling, Steve	PJM	X	
McGlynn, Paul	PJM	X	
Pincus, Steve	PJM	X	

1. Administrative Items

- a. Confirm quorum – Quorum confirmed
- b. Approve Minutes of the January 20, 2011 meeting – Minutes approved with revision suggested by Ms. Krizenoskas to reference ITC’s phase angle regulating transformers in agenda item 10c - MISO Cost Allocation to PJM Load (ER11-1844).

2. Working Group (WG) Updates

a. Smart Grid WG – Synchronphasor Project Update (Chantal Hendrzak - PJM)

Ms. Hendrzak reported that actual project expenses to date continue to lag behind the original project baseline estimates provided to the DOE, primarily due to the six month delay in obtaining DOE approval. Nine PMUs have been installed, an additional 34 PMU’s are in the process of being installed, and 40 more are planned for installation, for a total of 83 PMU’s to be installed in the PJM footprint by Q2 of 2013. PJM plans to have its Phasor Data Concentrator (PDC) installed by end of March. Bill Walker is the new PJM Project Manager assigned to the Synchronphasor Project. Ms. Hendrzak mentioned that PJM will conduct site visits as requested. Cyber security issues concerning the project are still being evaluated based on the NIST cyber security recommendations. PJM does not consider the equipment involved as critical assets, because the information provided will not be used for operational decisions within the next year.

b. RTEPWG (Takis Laios - AEP)

Mr. Laios reported the RTEPWG is continuing to meet and discuss ideas and issues being considered by PJM's RPPTF. The general consensus of the RTEPTF is that they support the proposed 24-month planning cycle for backbone/regional projects. An associated proposal establishing a four-month project proposal window for submitting backbone/regional projects still needs to be discussed and further developed by the RPPTF before the RTEPWG can attempt to reach consensus on this proposal.

3. RPPTF Update (Steve Herling - PJM)

Mr. Herling reported PJM is working on changes to the PJM Manuals to add the 24-month planning cycle for backbone/regional projects. The Manual changes should be ready for MRC approval at the March or April MRC meeting; however, the four-month project proposal window will be developed at a later time. The RPPTF continues to work on defining the scope of the Renewable Integration Study, which will be discussed at the next RPPTF meeting. The next meeting will also include a review of other ISO/RTO responses to FERC Orders related to planning for Public Policy and non-incumbent transmission owners.

4. SOS-T Event Investigation Process (Mike Bryson - PJM)

Mr. Bryson reviewed PJM's Event Investigation Process (EIP) and briefly covered four 2010 EIP events. Formal root cause analysis was performed for each event and identified changes to PJM Manuals are in process. None of these events were reportable to NERC under the NERC's new Event Analysis Process (EAP) established by the Event Analysis Working Group (EAWG). NERC's EAWG was formed to evaluate Bulk Electric System events of interest. The goals of the EAP are to improve bulk power system reliability, foster a learning organization, enhance a culture of reliability excellence and foster collaboration within the industry. The EAP trial period began October 25, 2010. NERC plans to incorporate the EAP in the NERC Rules of Procedure in November 2011. Mr. Bryson pointed out the overlap between NERC's EAP, PJM Manual 13 and EOP-004. PJM anticipates updating PJM Manual 13 after the NERC Rules of Procedure are updated to include the EAP. PJM is willing to assume the responsibility for reporting EAP events for members, but members may also report events themselves.

5. TO/TOP Matrix – Version 4 (Patrick Brown – PJM)

Mr. Brown reported PJM is working with the Transmission Owners on Version 4 of the TO/TOP Matrix. In addition to recommendations from RFC, this version of the Matrix includes updates to the most recent NERC Standards, changes to the assigned tasks to more clearly mimic the Standard Requirements, and a column to denote "assigned" or "shared" tasks. PJM Manuals (primarily Manuals 1 and 36) will need to be updated to reflect changes resulting from Version 4 of the Matrix. PJM plans to obtain approval for these Manual changes in March. All these Manual changes must be approved prior to seeking TOA-AC approval of Version 4 of the Matrix. Mr. Brown indicated RFC plans to audit the TO's on the Matrix in the same manner as the regular TO reliability compliance audits. The RFC TO audit of the Matrix will be scheduled for the same time as the regular TO reliability compliance audit, but RFC will allow the TO's to shift the Matrix audit up to six months from the date of the reliability compliance audit according to Mr. Brown. New or revised

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assigned tasks in Version 4 of the Matrix will include an implementation timeline. Mr. Brown anticipates seeking TOA-AC approval of Version 4 in late-April.

6. NERC Penalty Cost Allocation Procedural Rule Update (Steve Pincus - PJM)

Mr. Pincus indicated that PJM, with NYISO, ISO-NE and ERCOT, again met with NERC legal staff at the recommendation of the NERC Compliance and Certification Committee (CCC) on January 21, 2011. The meeting concerned proposed changes to the NERC Rules of Procedure (ROP) that would allow RTO/ISO members to intervene in compliance investigations without the need to obtain FERC's permission. NERC legal staff again recommended using the Coordinated Functional Registration (CFR) process, which is not an acceptable solution. Mr. Pincus reviewed proposed changes to the NERC ROP and indicated PJM is planning to submit the proposed ROP changes to the NERC CCC for consideration at their next meeting.

7. PJM Baseline eTariff Filing Update (Steve Pincus)

Mr. Pincus reported PJM submitted eTariff filings of revised Attachment H documents to match exactly as they existed on September 17, 2010. Additional changes required to six TO filings have not been filed and accepted by the FERC are now being addressed. Mr. Pincus mentioned PJM is named as the "Applicant" and the TO as the "Additional Applicant" due to limitations in the FERC eTariff software. Language will be added to the transmittal letter indicating that the TO is the "Applicant" and PJM is submitting the documents on behalf of the TO.

8. Generation Interconnection Process Update (Steve Herling – PJM)

Mr. Herling reported two groups of generators are seeking changes to the PJM interconnection process, primarily due to two areas of concern: 1) the length of time to move from a System Impact Study (SIS) to an Interconnection Service Agreement (ISA), and 2) the remaining SIS backlog to be completed (95 studies still remain from last year). The groups are expected to begin reviewing the process within the next month. Mr. Herling emphasized this review is not a PJM initiative and that any changes could impact the TO planning efforts. An announcement is expected to be sent to several committees advising others when this effort will commence.

9. PJM RTEP Update (Steve Herling)

Mr. Herling reported PJM is close to finishing the 2016 Base Case. PJM continues to analyze the 2015 Retool Case associated with specific orders and procedural schedules from Virginia and West Virginia related to the PATH project. Results of this analysis should be issued shortly.

10. Liaison Committee Update (Marji Philips – PSEG & Tom Bainbridge – FirstEnergy)

Mr. Bainbridge (FirstEnergy) provided a report on the Liaison Committee meeting with the PJM Board of Managers held on February 14. It was agreed that the implications of state capacity programs are not "one size fits all". The PJM board will work with the states to better understand all considerations. The board does not oppose the state actions to increase capacity as long as they do not subsidize the generation and then expect to enter the PJM

market. The TOs supported more interregional coordination to resolve border issues. Planning for the General Session meeting held in May is underway.

11. Other Business

a. FERC Technical Conference (Steve Pincus)

Mr. Pincus reminded the group that FERC is conducting a Technical Conference concerning new transmission projects on March 15, 2011. The purpose of the conference is to consider issues related to the ownership of and priority access rights to new transmission projects. Potential conference speakers must submit information to FERC by February 28, 2011.

b. Interconnection Service Agreements (Paul Napoli – PSEG)

Mr. Napoli (PSEG) asked if there is a better way to setup and enforce Interconnection Service Agreements (ISAs). Mr. Napoli requested PJM to review the process in light of the increasing number of smaller ISAs associated with solar generators.

12. Schedule for 2011 meetings

- April 14, 2011 – *Baltimore (Pier V)*
- May 19, 2011 (Annual Meeting) – *The Hyatt Regency Chesapeake Bay Resort*
- July 14, 2011 – *Baltimore (Pier V)*
- September 21, 2011 – *Baltimore (Pier V)*
- November 10, 2011 – *Baltimore (Pier V)*