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May 15, 2009

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Trans-Allegheny Interstate Line Company
PJM Interconnection, L.L.C., FERC Electric Tariff, Sixth Revised Volume No. 1
Docket No. ER09-____-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Part 35 of regulations of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. Part 35 (2008), Trans-Allegheny Interstate Line Company (“TrAILCo”) hereby submits an original and six copies of Second Revised Sheet No. 314I.03 of the Open Access Transmission Tariff of PJM Interconnection, L.L.C. (“PJM”), FERC Electric Tariff, Sixth Revised Volume No. 1 (“PJM Tariff”).

The revisions correct lines 133 and 139 of Appendix A to Attachment H-18A of the PJM Tariff to reflect PJM revenue credit amounts in the calculation of the net plant carrying charges. TrAILCo requests that the Commission waive the sixty day notice requirement set forth in Section 205 of the FPA and permit the revised tariff sheet to become effective on May 15, 2009.

I. BACKGROUND

On February 21, 2007, TrAILCo filed its transmission cost of service formula rate schedule (“Formula Rate”) for inclusion in Attachment H-18 to the PJM Tariff pursuant to Section 205 of the FPA. On March 14, 2008, TrAILCo filed a Settlement Agreement and Offer of Settlement (“Settlement”) in Docket No. ER07-562-004. On July 28, 2008, the Commission approved the Settlement.² Pursuant to Section 1 of Attachment H-18B of the PJM Tariff, TrAILCo is required to recalculate its annual transmission revenue requirement for the upcoming year and produce an “Annual Update” on or before May 15, 2009.

¹ 16 U.S.C. § 824d (“FPA”).

² *Trans-Allegheny Interstate Line Company*, 124 FERC ¶ 61,075 (2008).

TrAILCo is required to post the Annual Update on PJM's website and provide a copy to the Commission in an informational filing.

II. STATEMENT OF NATURE, BASIS AND REASONS FOR REVISED TARIFF SHEET

In preparing the Annual Update for this year, TrAILCo has discovered that the calculation of the net plant carrying charges in the currently effective Formula Rate does not reflect the PJM revenue credits for point-to-point service. TrAILCo intended to credit the point-to-point revenues through the Formula Rate, and Section 5.21 of the Settlement contemplated "that, if it has revenue credits, the revenue credits will be listed separately on Attachment 3 of the Formula Rate and TrAILCo will provide additional detail regarding the revenue credit upon the request of any party to this proceeding." TrAILCo did not discover this omission in the Formula Rate last year because this is the first year that TrAILCo has received revenue credits from PJM. TrAILCo is proposing to revise lines 133 and 139 of the Formula Rate to reflect the net revenue requirement, including the revenue credits, instead of the gross revenue requirement in the net plant carrying charges. This revision is reflected in the proposed description of those lines and the calculation of those lines as shown by the revised instruction. The inclusion of the revenue credits in the calculation of the net plant carrying charges reduces the net zonal revenue requirement.

The sole purpose of this filing is to reflect the revenue credits in the Formula Rate. Section 35.13(a)(2)(iii) provides for abbreviated filing requirements if the proposed rate schedule change does not provide for a rate increase. Since the filing results in decrease of the net zonal revenue requirement, TrAILCo submits the attached revisions to the PJM Tariff in accordance with Section 35.13(a)(2)(iii) of the Commission's regulations.

III. PROPOSED EFFECTIVE DATE

TrAILCo respectfully requests a waiver of the Commission's sixty day notice requirement to permit this revised tariff sheet to become effective on May 15, 2009. The Annual Update to the Formula Rate must be posted by PJM and filed with the Commission for informational purposes by May 15, 2009. TrAILCo requests a waiver of the notice requirement so that the Annual Update will accurately reference the FERC Form No. 1 and to facilitate review of the Annual Update by the Commission and interested persons. TrAILCo submits that the necessity of having the correct references in place prior to filing its Annual Update presents good cause for waiver of the Commission's notice requirement.

IV. CONTENTS OF FILING

TrAILCo encloses the original and six copies of each of the following:

1. This transmittal letter;
2. Revised PJM Tariff sheet (Attachment 1); and
3. Revised PJM Tariff sheet in red-line format (Attachment 2).

V. REQUEST FOR WAIVER OF SECTION 35.13(c)

Pursuant to Rule 207 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.207, TrAILCo requests a waiver of the filing requirements of Section 35.13(c) of the Commission's regulations, 18 C.F.R. § 35.13(c). TrAILCo submits that good cause exists to waive the requirements of Section 35.13(c). The proposed revisions to the Formula Rate do not change a fixed rate, but instead adjust an input to the Formula Rate that will be reviewed annually by the Commission, state commissions and other interested parties as part of the Annual Update. Therefore the filing requirements in Section 35.13(c) requiring TrAILCo to file (i) a table comparing sales and services and revenues from sales and services between the revised and superseded schedules, and (ii) a comparison of the rate schedule change and the utility's other rates, would not facilitate the Commission review of the proposed change to the Formula Rate. For this reason, a waiver of the requirements of Section 35.13(c) is appropriate.

VI. LIST OF PERSONS ON WHOM THIS FILING IS BEING SERVED

Pursuant to Section 35.2(d) of the Commission's regulations, TrAILCo will serve a copy of this filing on all state utility regulatory commissions in the PJM Region and on all PJM Members (which include all affected transmission customers) by requesting PJM to post this filing on its website (www.PJM.com) and providing a link to such posting via e-mail. TrAILCo requests a waiver of the requirement to serve by mailing paper copies. Waiver of paper service is consistent with the Commission's decision to establish electronic service as the default method of service on service lists maintained by the Commission Secretary.³

³ See *Electronic Notification of Commission Issuances*, Order No. 653, 70 Fed. Reg. 8,720 (Feb. 23, 2005), FERC Stats. & Regs. ¶ 31,176 (2005).



Ms. Kimberly D. Bose, Secretary
May 15, 2009
Page 4 of 5

VII. COMMUNICATIONS

TrAILCo requests that all Commission orders and correspondence as well as pleadings from other persons concerning this filing be served on each of the following:

Kathryn L. Patton
Deputy General Counsel
Allegheny Energy, Inc.
800 Cabin Hill Drive
Greensburg, PA 15601-1689
724.838.6603
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VIII. MISCELLANEOUS

No agreement is required by contract for the filing of this rate filing. There are no costs included within this filing that have been alleged or adjudged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs, nor has any expense of cost been demonstrated to be the product of discriminatory employment practices, within the meaning of Section 35.13(d)(3) of the Commission's Regulations.

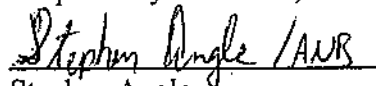
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Ms. Kimberly D. Bose, Secretary
May 15, 2009
Page 5 of 5

IX. CONCLUSION

TrAILCo respectfully requests that the Commission accept the revised tariff sheet attached hereto as Attachment 1 for filing with an effective date of May 15, 2009.

Respectfully submitted,



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Attorneys for Trans-Allegheny Interstate Line
Company

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2007), and the posting requirements of 18 C.F.R. § 35.2(d), I hereby certify that I have, this 15th day of May, 2009, served the foregoing document upon each of the state commissions in the PJM region and on all PJM members by requesting PJM to post this filing electronically and providing the link to such posting via email.



Andrew N. Beach
Attorney for Trans-Allegheny Interstate
Line Company

ATTACHMENT 1
Revised PJM Tariff Sheet

Composite Income Taxes				
Income Tax Rates				
109	FIT=Federal Income Tax Rate		(Note H)	-
110	SIT=State Income Tax Rate or Composite			-
111	p	(percent of federal income tax deductible for state purp	Per State Tax Code	-
112	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%
113	T/(1-T)			0.00%
114	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	$[Line\ 113 * Line\ 108 * (1 - (Line\ 104 / Line\ 107))]$	-
115	Total Income Taxes		(Line 114)	-
REVENUE REQUIREMENT				
Summary				
116	Net Property, Plant & Equipment		(Line 30)	0
117	Total Adjustment to Rate Base		(Line 45)	0
118	Rate Base		(Line 46)	0
119	Total Transmission O&M		(Line 74)	0
120	Total Transmission Depreciation & Amortization		(Line 81)	0
121	Taxes Other than Income		(Line 83)	-
122	Investment Return		(Line 108)	0
123	Income Taxes		(Line 115)	0
124	Gross Revenue Requirement		(Sum Lines 119 to 123)	0
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
125	Transmission Plant In Service		(Line 22)	0
126	Excluded Transmission Facilities		(Note L) Attachment 5	-
127	Included Transmission Facilities		(Line 125 - Line 126)	0
128	Inclusion Ratio		(Line 127 / Line 125)	100.00%
129	Gross Revenue Requirement		(Line 124)	0
130	Adjusted Gross Revenue Requirement		(Line 128 * Line 129)	0
Revenue Credits				
131	Revenue Credits		Attachment 3	-
132	Net Revenue Requirement		(Line 130 - Line 131)	0
Net Plant Carrying Charge				
133	Net Revenue Requirement		(Line 132)	-
134	Net Transmission Plant + CWIP		(Line 17 - Line 23 + Line 33)	-
135	FCR		(Line 133 / Line 134)	0.0000%
136	FCR without Depreciation		(Line 133 - Line 75) / Line 134	0.0000%
137	FCR without Depreciation and Pre-Commercial Costs		(Line 133 - Line 70 - Line 71 - Line 75) / Line 134	0.0000%
138	FCR without Depreciation, Return, nor Income Taxes		(Line 133 - Line 75 - Line 108 - Line 115) / Line 134	0.0000%
Net Plant Carrying Charge Calculation with Incentive ROE				
139	Net Revenue Requirement Less Return and Taxes		(Line 132 - Line 122 - Line 123)	-
140	Increased Return and Taxes		Attachment 4	-
141	Net Revenue Requirement with Incentive ROE		(Line 139 + Line 140)	-
142	Net Transmission Plant + CWIP		(Line 17 - Line 23 + Line 33)	-
143	FCR with Incentive ROE		(Line 141 / Line 142)	0.0000%
144	FCR with Incentive ROE without Depreciation		(Line 141 - Line 75) / Line 142	0.0000%
145	FCR with Incentive ROE without Depreciation and Pre-Commercial		(Line 141 - Line 70 - Line 71 - Line 75) / Line 142	0.0000%
146	Net Revenue Requirement		(Line 132)	-
147	Reconciliation amount		Attachment 6	-
148	Plus any increased ROE calculated on Attach 7 other than PJM Sch. 12 projects not paid by other PJM trans zones		Attachment 7	-
149	Facility Credits under Section 30.9 of the PJM OATT		Attachment 5	-
150	Net Zonal Revenue Requirement		(Line 146 + 147 + 148 + 149)	-
Network Zonal Service Rate				
151	1 CP Peak		(Note K) PJM Data	N/A
152	Rate (\$/MW-Year)		(Line 150 / 151)	N/A
153	Network Service Rate (\$/MW/Year)		(Line 152)	N/A

Page 4

ATTACHMENT 2

**Revised PJM Tariff Sheet
in Red-Line Format**

Composite Income Taxes				
Income Tax Rates				
109	FIT=Federal Income Tax Rate		(Note H)	-
110	SIT=State Income Tax Rate or Composite			-
111	p	(percent of federal income tax deductible for state purp	Per State Tax Code	-
112	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%
113	T/(1-T)			0.00%
114	Income Tax Component =	$CIT=(T/(1-T)) * Investment\ Return * (1-(WCLTD/R)) =$	$[Line\ 113 * Line\ 108 * (1 - (Line\ 104 / Line\ 107))]$	-
115	Total Income Taxes		(Line 114)	-
REVENUE REQUIREMENT				
Summary				
116	Net Property, Plant & Equipment		(Line 30)	0
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120	Total Transmission Depreciation & Amortization		(Line 81)	0
121	Taxes Other than Income		(Line 83)	-
122	Investment Return		(Line 108)	0
123	Income Taxes		(Line 115)	0
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Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
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126	Excluded Transmission Facilities		(Note L) Attachment 5	-
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128	Inclusion Ratio		(Line 127 / Line 125)	100.00%
129	Gross Revenue Requirement		(Line 124)	0
130	Adjusted Gross Revenue Requirement		(Line 128 * Line 129)	0
Revenue Credits				
131	Revenue Credits		Attachment 3	-
132	Net Revenue Requirement		(Line 130 - Line 131)	0
Net Plant Carrying Charge				
133	Gross Net Revenue Requirement		(Line 129 - 132)	-
134	Net Transmission Plant + CWIP		(Line 17 - Line 23 + Line 33)	-
135	FCR		(Line 133 / Line 134)	0.0000%
136	FCR without Depreciation		(Line 133 - Line 75) / Line 134	0.0000%
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Net Plant Carrying Charge Calculation with Incentive ROE				
139	Gross Net Revenue Requirement Less Return and Taxes		(Line 129 - 132 - Line 122 - Line 123)	-
140	Increased Return and Taxes		Attachment 4	-
141	Net Revenue Requirement with Incentive ROE		(Line 139 + Line 140)	-
142	Net Transmission Plant + CWIP		(Line 17 - Line 23 + Line 33)	-
143	FCR with Incentive ROE		(Line 141 / Line 142)	0.0000%
144	FCR with Incentive ROE without Depreciation		(Line 141 - Line 75) / Line 142	0.0000%
145	FCR with Incentive ROE without Depreciation and Pre-Commercial		(Line 141 - Line 70 - Line 71 - Line 75) / Line 142	0.0000%
146	Net Revenue Requirement		(Line 132)	-
147	Reconciliation amount		Attachment 6	-
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151	1 CP Peak		(Note K) PJM Data	N/A
152	Rate (\$/MW-Year)		(Line 150 / 151)	N/A
153	Network Service Rate (\$/MW/Year)		(Line 152)	N/A

Page 4