PJM/TO Relationship
Summary of June 8, 2009 Meeting with FERC/NERC/RFC

• Purpose
  – Discuss concerns from ongoing Compliance Violation Investigations
  – Get common understanding of how the TOP/TO relationship works in PJM

• Concerns
  – Are the PJM TOs doing TOP work?
  – Perception that PJM may not be fulfilling its obligations as the TOP?
Incidents Leading to the Concerns

• PEPCO 10\textsuperscript{th} Street (June 2008)
  – Perceptions that - during the restoration, it appeared that PEPCO operators were performing the TOP function by leading the restoration without “direction” from PJM

• AEP Rockport (August 4, 2007)
  – PJM, despite being required as part of its TOP responsibilities, “\textit{refused}” to provide relay system protection information when requested as part of the CVI process
• What is “directing” operations?
• NERC Certification of the TO operators
• Is writing of switching orders a task that requires NERC certification?
• Local restoration activities – bottom up/top down or both?
Conclusions

- Registration is correct – acknowledgement that RTOs are different and each is different from each other
- Appears to be common understanding of how the relationship should work in PJM – PJM is the centralized authority and some delegation to the TOs for execution
- Doubts persist relative to execution of the TOP requirements, based on the CVI incidents
- PJM and the TOs to report back with a plan to address the concerns within 60 days
• PJM, as the TOP, is involved in all transmission operating decisions
  – Pre-existing procedures can be executed by the TO, but PJM approves any deviations
  – New procedures do not proceed without approval from PJM as the TOP

• All TOP requirements are performed by PJM
  – Tasks can be delegated to the TOs, but only via an agreement, with PJM still holding the responsibility

• PJM has enough knowledge and information, so that it can execute the TOP requirements without information from the TO
Goal: Eliminate doubt in the minds of the regulators and restore confidence

Objectives:

- Reinforce PJM as the TOP
- Provide more clarity to the TOP/TO interface tasks
  - Voltage control
  - System restoration
  - Protection system information
Tasks In Progress

• Review/rewrite manuals and/or TO matrix
  – How do we document the relationship for compliance?
• System Restoration
  – Reconciliation of bottom up/top down approaches—can we brighten the line between what the TO performs and what PJM performs?
• Review of Certification Issues – NERC and PJM
  – Implications of NERC Certification to TOs
  – Can PJM Certification be accepted by NERC as an alternative process?
• Maintenance of system information
  – What is PJM required to have as the TOP?
• Outage request review
  – Completeness of the requests to facilitate analysis and approval
• Review tariff provisions relative to load shedding authority and execution
  – Ensure no conflicts that will cause compliance issues
• Sponsorship and support -- TODO members
• OC Steering Team – PJM and some OC members
  – Review high level issues and make assignments (SOS, DTTF, etc.)
  – Review results and provide direction
  – Report to TODO
• Need for interim measures
  – Stand down review ?
  – Documented refresher training ?