



**PJM Transmission Owners Agreement  
Administrative Committee (TOA-AC)**

**Open Meeting Minutes**

**Wednesday February 3, 2016**

**1. Administrative Items**

Chip Richardson conducted a roll call and confirmed a quorum. Changes were proposed to the January meeting minutes so the minutes were held over for approval at the March meeting.

Chip discussed the decision by the TOA-AC not to send a representative to participate in the technical conference being held by FERC to discuss FTR and ARR questions. Chip informed the group that he had conveyed the message to FERC Staff and informed Staff that the PJM Transmission Owners believed that PJM was in the best position to address Staff's questions.

**2. PJM RTEP Updates**

**a. Update**

PJM stated that work on the 2016 base case is largely complete and that the base case will be discussed at the next TEAC meeting. PJM expects to finish the modeling in the next few weeks and to begin its analysis by March. PJM noted the improved timeline and thanked the Transmission Owners for their assistance. Planning parameters have also been completed and posted.

PJM still intends to open a window to address an issue previously identified in the Dominion zone. PJM stated that because its analysis has been updated, entities will be required to submit new proposals.

In response to questions, PJM stated that it has not identified any issues related to RPM at this time. However, it will do an analysis after the auction.

PJM stated that it is contemplating minor rule changes to expedite the planning process and that such changes would need to go through the planning committee. PJM was not sure whether such changes would require a filing at FERC.

**b. Update on AI project(s)**

PJM stated that it is working through a number of issues with the three transmission owners. The engineering and design work is under way and the DEA has been accepted and approved by FERC.

**3. Re-establishing a Technical Planning Group**

PSEG is proposing to reconstitute a technical planning group to discuss planning issues common to all PJM transmission owners. PSEG provided a proposed charter for the group to review and discuss. Exelon stated that it would like the group to make presentations to the TOA-AC directors and officers and to also address market efficiency analyses.

PSEG stated that it believed that the group would hold closed meetings to discuss planning issues but that any changes to the planning process would need to go through the normal stakeholder process.

AMP stated that it believed it was appropriate for the Transmission Owners to have this type of a group and asked if the group could provide regular reports to the TOA-AC. In response to questions, PSEG stated that it believed the group should include Section 205 Transmission Owners.

Chip suggested that PSEG put together a final version of the charter and that the group would vote on it.

**4. Use of the Transmission & Substations Committee**

Takis Laios gave a presentation to update the group on the work of the transmission and substations committee.

In response to questions, Takis explained that the group is looking at updating TSS standards but that it does not have a timeline for the update.

PHI asked that the committee provide regular updates to the TOA-AC.

**5. PJM Stakeholder Problem Statement/Issue Charge on Aging Infrastructure**

Chip explained that a problem statement introduced regarding aging infrastructure at the MRC and that a PJM stakeholder group proposed to establish guidance or criteria to address aging infrastructure.

Chip stated that several transmission owners commented on the proposal at the meeting and raised concerns. Chip stated that the transmission owners present at the meeting explained that asset management was not turned over to PJM but was performed by the transmission owners. The transmission owners explained to the group that it was not appropriate for a stakeholder group to address transmission owner assets. The transmission owners also proposed a friendly amendment to add language that would take into account provisions in the Consolidated Transmission Owner Agreement and Schedule 6 of the Operating Agreement that address transmission owner rights and requirements.

Dominion encouraged the group to discuss the issue and also emphasized that the issue did not involve cost allocation issues.

First Energy stated that this is a transmission owner issue and that it should be dealt with by the transmission owners. First Energy suggested that the group form a working group or task force to address the issue.

PJM explained that its main concern was the inconsistency among the transmission owners in Form 715. PJM stated that several transmission owners mention items such as storm hardening or aging infrastructure in the Form 715 filings but do not provide any guidance for PJM to address these issues through the RTEP. PJM stated the group either needed to include necessary requirements in Form 715 that would allow PJM to implement the item or to remove the item, such as aging infrastructure, from Form 715.

PSEG stated that the issue is important and that the TOA-AC should take a position on the issue. PPL suggested moving the discussion to the closed session to develop a position.

AMP stated that it appreciated the discussion and that there were a number of entities affected by this issue. AMP stated that LSEs have calculated significant expenditures in projects identified to be aging infrastructure. AMP stated that it was planning to bring the problem statement to the MRC for a vote. AMP appreciated the transmission owners suggestion that the issue should be addressed by the planning committee but that AMP believed that it should be addressed by the MRC.

## **6. TO Sector Finance Committee Representative report**

Frank Cziglar made a presentation to the group.

PHI raised questions regarding the AC 2 Rider included in the report and why it was originally included as a rider. PJM explained that it was originally included as a rider for transparency issues. PSEG explained that PJM was planning to move it into stated rates.

## **7. LIT Update**

The LIT Chair provided an update. The LIT held a conference call in January to discuss guidelines for hiring outside counsel and consultants. The group was planning to hold additional conference calls to continue the discussion. The group is also going to discuss the recently amended NDA and application of transmission owner standards to Designated Entities.