



PJM Interconnection, LLC
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Dear Members,

As you may be aware, the PJM Board has agreed to conduct closed session meetings between representatives of the PJM Board and each individual sector in an effort to foster elevated and strategic communications. To this end, at 1:30 p.m. on January 6, 2021, independent PJM Board members Ake Almgren, Terry Blackwell, and Mark Takahashi, as well as President & CEO Manu Asthana met with executive leadership from the Electric Distributor Sector, as well as other representatives. See Attachment A (the "Participants").

At the outset of the meeting, PJM's Vice President and General Counsel reminded attendees of the following principles:

1. The meeting is conducted in accordance with PJM Antitrust Policy and Codes of Conduct, including specifically the Addendum to the Board Code of Conduct;
2. The purpose of the meeting is for the Board representatives to listen to comments from the sector;
3. Discussions will be confined to the agenda and remain at a strategic and educational level, and shall not address matters pending before the Board; and
4. The meeting is ex parte and PJM will disclose briefly, by public posting on its website, the agenda and topics discussed promptly following the meeting.

Meeting Agenda Topics and Summary of Discussion:

ED Sector Agenda

1. Introductions – Each company provided an overview of their organization, and where applicable, their membership.
2. Governance – The Participants discussed the importance of RTO independence and concerns regarding the possibility of TOs exercising undue influence. The Participants encouraged PJM to focus on operations and to step back from policy. The Participants further discussed the alignment of the seven electric cooperative principles with the core tenets of RTO participation including safe, reliable, and environmentally sensitive operation, democratic member control, equitable member economic participation in RTO activities, independence, and concern for the community. The Participants further discussed the importance of fairness and protection of minority interests, as well as the need to focus on impacts on consumers. The Participants articulated support for the existing stakeholder governance structure and concerns regarding any changes to PJM's Section 205 filing rights, sector-weighted voting, and proxy representation. The Participants emphasized that the stakeholder process is controlled by stakeholders.

3. Resource Adequacy and Self Supply – The Participants discussed the current capacity market construct and the impact of the Minimum Offer Price Rule (MOPR) and the importance of self-supply to public power, which should not be viewed as a subsidy. The Participants further expressed concerns that the current state is not sustainable and further that, given the increased interest in new renewable generation, reforms to the resource adequacy paradigm and the procurement of renewable generation should be addressed together.
4. Grid of the Future – The Participants discussed the importance of assuring a reliable, resilient, and affordable grid of the future. The Participants encouraged PJM to ensure that the grid is being planned with consideration for the broader regional benefit, noting the issues with aging transmission infrastructure, the intertwined nature of utility footprints, the changing resource mix, and transmission siting challenges. The Participants also addressed Order No. 2222 and PJM's anticipated compliance filing, expressing concerns regarding the jurisdictional issues associated with the dispatch of distributed energy resource on the distribution systems, and well as the related operational, communication, and safety challenges.

The meeting concluded 1 1/2 hours after its start.

Sincerely,

/s/ Christopher C. O'Hara

Christopher C. O'Hara
VP, General Counsel

Attachment A

Company	Representatives
American Municipal Power	Jolene Thompson, President and CEO Pamala Sullivan, COO Lisa McAlister, SVP and GC for Reg. Affairs Steve Lieberman, AVP, Transmission and PJM Affairs
Blue Ridge Power Agency	Alice Wolfe, General Manager
Buckeye Power, Inc.	Craig Grooms, VP, Engineering and Operations Kurt Helfrich, General Counsel Kevin Zemanek, Director, System Operations
Northern Virginia Electric Cooperative	Stan Feuerberg, President and CEO Mike Dailey, VP, Energy and Business Development John Rainey, Director of Origination and Plant Operations
Old Dominion Electric Cooperative	Marcus Harris, President and CEO Rick Beam, SVP and COO Michael Cocco, Senior Director of RTO and Regulatory Affairs
Southern Maryland Electric Cooperative	Sonja Cox, SVP and CFO Eugene Bradford, VP, Rates and Energy Procurement
Sector WHIP	Adrien Ford (ODEC)