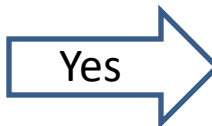
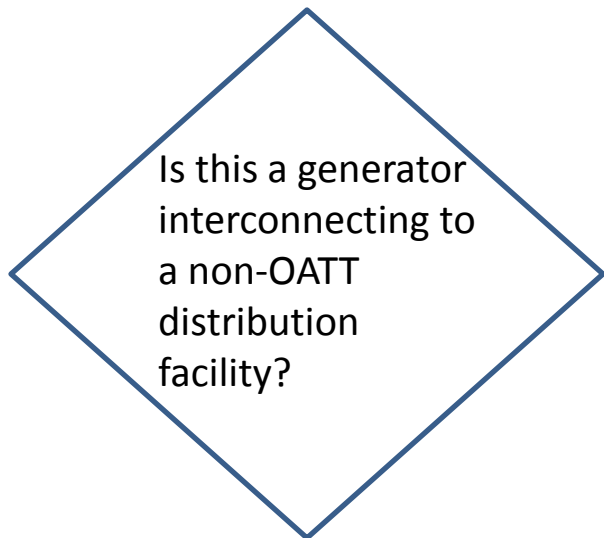




PJM's Interconnection and Planning Study Process

- Interconnection Customer approaches PJM
- PJM commences study

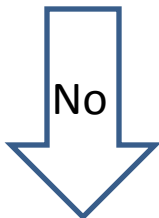


Physical interconnection (PI) is state jurisdictional and sales are FERC jurisdictional



Governing Agreements

- PI - Interconnection Agreement (IA) between IC and Transmission Owner (TO)
- Sales - Wholesale Market Participant Agreement (WMPA) between IC, TO and PJM.



Physical Interconnection and sales are FERC jurisdictional when any of the following apply:

- A generator is on a transmission line.
- A generator is on a distribution line with prior FERC jurisdictional sales.
- Interconnection Customer (IC) has self-certified as a Qualifying Facility (QF).



Governing Agreement

Interconnection Services Agreement (ISA) for sales and PI between IC, TO and PJM.