

## Transmission Replacement Processes Senior Task Force – Transmission Owner Interest Identification

07-13-16

1. First and foremost and what underpins the discussions of the TRPSTF is that at the end of the day, the PJM TOs *own* the transmission assets. These assets represent a substantial capital investment and form the backbone of the PJM Bulk Power System. (The 2015 PJM RTEP report cites that there is over 72,000 miles of transmission in the PJM region.) As asset owners, there are rights *and* obligations that we have a legal responsibility to defend and execute. We are responsible for physically operating, maintaining, and protecting all of our transmission facilities in a safe, reliable, and economic manner, and for prudently managing the enormous capital investment in these transmission assets. These responsibilities are not only to our shareholders, but also to the customers we serve, to our local communities, to our state and federal regulators, to our Regional Reliability Entities, to NERC, to PJM, and to the general public as a whole.
2. Respect transmission owner rights in the CTOA, including:
  - a. Transmission owner responsibility to make asset management decisions in a timely, efficient and cost effective manner.
  - b. Recognition that the TO right to maintain all transmission facilities, includes the right to replace those transmission facilities.
3. Support no undue discrimination in the provision of transmission service, including improvements to SRTEP and TEAC meetings: where transmission owners provide information on transmission replacement projects and receive constructive feedback from stakeholders. This process ensures that the RTEP contains the more efficient or cost-effective enhancements and expansions. Changes to the RTEP process need to go through the Planning Committee, per the Operating Agreement.
4. Support introduction of a separate Problem Statement outside of this Task Force, to address stakeholder interests regarding information on projections of transmission costs.
5. Ensure that the Senior Task Force does not address issues outside of its Charter.