April 1, 2011

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Virginia Electric and Power Company,
Docket No. ER11-____-000
Executed Transmission Interconnection Agreement

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act and Part 35 of the Commission’s Regulations1 Virginia Electric and Power Company, doing business as Dominion Virginia Power (“Dominion”), on its behalf and on the behalf of Trans-Allegheny Interstate Line Company (“TrAILCo”), hereby tenders for filing an executed transmission interconnection agreement (“Interconnection Agreement”) between Dominion and TrAILCo. The Interconnection Agreement is being submitted by PJM Interconnection, L.L.C. (“PJM”) under the PJM Open Access Transmission Tariff (“Tariff”) and has been designated as Original Service Agreement No. 2444.2 The Interconnection Agreement sets forth the terms and conditions governing the interconnection of the Dominion and TrAILCo transmission facilities at the interconnection points specified in Appendix I of the Interconnection Agreement (“Appendix I”). Dominion respectfully requests that the Commission permit the Interconnection Agreement to become effective on April 11, 2011.

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2 Pursuant to Order No. 714, this filing is being submitted by PJM on behalf of Dominion and TrAILCo as part of an XML filing package that conforms to the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, Dominion, on its behalf and on the behalf of TrAILCo, has requested PJM submit this Interconnection Agreement in the eTariff system as part of PJM’s electronic Service Agreements Tariff.
I. COMMUNICATIONS

Correspondence relating to this filing should be addressed to:\(^3\)

For Dominion:

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\(^3\) Waiver of 18 C.F.R. § 385.203(b)(3) (2010) is respectfully requested to permit more than three persons to be added to the Commission’s official service list in this proceeding.
II. BACKGROUND AND DESCRIPTION OF INTERCONNECTION AGREEMENT

Dominion, a Virginia Corporation, owns and operates electric facilities for the transmission and distribution of electric power and energy in Virginia. TrAILCo, a Maryland and Virginia Corporation, owns and operates electric facilities for the transmission of electric power and energy in Pennsylvania, Virginia and West Virginia. Both Dominion and TrAILCo are transmission owning members of PJM.

The Interconnection Points identified in Appendix I between the Dominion Transmission System and the TrAILCo Transmission System are scheduled to be energized as soon as April 11, 2011. In anticipation of such energization, Dominion and TrAILCo have negotiated and executed the Interconnection Agreement.

The Interconnection Agreement governs the interconnection of the Dominion Transmission System and the TrAILCo Transmission System at the Interconnection Points specified and described in Appendix I. Article 1 of the Interconnection Agreement governs the interconnected operation and continuity of interconnected operation. Article 2 of the Interconnection Agreement addresses the service conditions of the parties’ interconnected transmission system. Specifically, Section 2.3 of the Interconnection Agreement provides that operating personnel for Dominion and TrAILCo shall coordinate the operating arrangements for facility maintenance consistent with the practices of PJM.

Article 3 of the Interconnection Agreement pertains to the Interconnection Points, metering points, and metering and data acquisition system equipment for the interconnected transmission systems. Section 3.1 provides that all electric energy delivered under the Interconnection Agreement will be three-phase 60 Hz energy at standard nominal voltage or other such voltage as may be specified in Appendix I. Measurements of electric energy for purposes of determining load and effecting settlements and the monitoring and telemetering of power flows are to be made by the metering and data equipment installed and maintained by either Dominion or TrAILCo at the Interconnection Points.

Article 6 of the Interconnection Agreement establishes that an Operating Committee will administer the interconnected operation of the parties’ Transmission Systems and requires each party to appoint one member and one alternate to the Operating Committee.

The remainder of the Interconnection Agreement’s Articles address: the sharing of records between the parties (Article 4); invoicing and payment procedures (Article 5); indemnity and insurance (Article 7); arbitration procedures (Article 8); term and termination (Article 9); regulatory authorities and amendments (Article 10); the obligation to work in good faith to arrange for the relocation, discontinuance and/or modifications to Interconnection Points (Article 11); force majeure, waivers and other general terms (Article 12); and assignment (Article 13).

The Appendices contain the specifics regarding Interconnection Points and Metering Points (Appendix I), Metering Requirements (Appendix II), Data Acquisition System Ownership, Installation

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4 “Interconnection Points” is defined in Appendix V in the Interconnection Agreement.
5 “Dominion Transmission System” is defined in the fourth WHEREAS clause of the Interconnection Agreement.
6 “TrAILCo Transmission System” is defined in the fourth WHEREAS clause of the Interconnection Agreement.
and Maintenance (Appendix III), Contributions to Capital (Appendix IV), and Definitions under the Agreement (Appendix V).

III. **WAIVER AND EFFECTIVE DATE**

Dominion respectfully requests waiver of the Commission’s 60-day prior notice requirement to allow an effective date of April 11, 2011 for the Interconnection Agreement. Waiver is appropriate because the document is being filed within 30 days of its requested effective date. *See Prior Notice and Filing Requirements Under Part II of the Federal Power Act, 64 FERC ¶ 61,139 at 61,983-84 (1993).*

IV. **PJM AS A SIGNATORY TO THE INTERCONNECTION AGREEMENT**

Consistent with the Commission’s decision in *American Electric Power Service, et al.*, 112 FERC ¶ 61,128 at P 10 (2005), PJM is a signatory to the Interconnection Agreement because it sets forth obligations regarding the interconnection of facilities that are under the operational control of PJM. The Interconnection Agreement does not impose any obligations on PJM.

V. **SERVICE**

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission’s regulations,⁷ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: [http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx](http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx) with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region⁸ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission’s eLibrary website located at the following link: [http://www.ferc.gov/docs-filing/elibrary.asp](http://www.ferc.gov/docs-filing/elibrary.asp) in accordance with the Commission’s regulations and Order No. 714.²

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⁷ See 18 C.F.R §§ 35.2(e) and 385.2010(f)(3) (2010).

⁸ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

² *Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008)
VI. CONTENTS

1. This transmittal letter;

2. The executed Interconnection Agreement between Dominion and TrAILCo, designated as Original Service Agreement No. 2444 (“Attachment A”); and

3. A list of the recipients (“Attachment B”).

We thank the Commission for its consideration of this filing. Please direct any questions to the undersigned counsel.

Very truly yours,

/s/
Nicole S. Allen

Counsel for Virginia Electric and Power Company doing business as Dominion Virginia Power

Enclosures

cc (w/enclosures): List of Recipients
Attachment A

Original Service Agreement No. 2444
INTERCONNECTION AGREEMENT

between

TRANS-ALLEGHENY INTERSTATE LINE COMPANY

and

VIRGINIA ELECTRIC AND POWER COMPANY, doing business as DOMINION VIRGINIA POWER

April 11, 2011
INTERCONNECTION AGREEMENT

THIS INTERCONNECTION AGREEMENT (“Agreement”) is made and entered into as of this 11th day of April, 2011, between Trans-Allegheny Interstate Line Company (“TrAILCo”), and Virginia Electric and Power Company, doing business as Dominion Virginia Power (“Dominion”) TrAILCo and Dominion may be referred to herein individually as a “Party” or collectively as the “Parties”. For the avoidance of doubt, the terms “Party” and “Parties” as used herein shall not include PJM Interconnection, L.L.C. (“PJM”), or any successor regional transmission organization (“RTO”).

WITNESSETH:

WHEREAS, TrAILCo is a Maryland corporation, owning and operating electric facilities for the transmission of electric power and energy in the State of West Virginia and the Commonwealths of Pennsylvania and Virginia and a Transmission Owning member of PJM;

WHEREAS, Dominion is a Virginia corporation, owning and operating electric facilities for the transmission and distribution of electric power and energy in the Commonwealth of Virginia and the State of West Virginia and a Transmission Owning member of PJM;

WHEREAS, the systems of the Parties are interconnected by transmission lines, with such points of interconnection herein called “Interconnection Points,” and are operating in synchronism;

WHEREAS, Dominion’s transmission facilities (including conductors, circuit breakers, switches, transformers, metering equipment, Data Acquisition System (“DAS”) Equipment, and other associated equipment used to control or measure the transfer of energy from one place to another) owned, operated or controlled by Dominion, including any modifications, additions or upgrades made thereto (collectively, the “Dominion Transmission System”, or “Transmission System”) is currently under the functional and operational control of PJM and TrAILCo’s transmission facilities (including conductors, circuit breakers, switches, transformers, metering equipment, Data Acquisition System (“DAS”) Equipment, and other associated equipment used to control or measure the transfer of energy from one place to another) owned, operated or controlled by TrAILCo, including any modifications, additions or upgrades made thereto (collectively, the “TrAILCo Transmission System”, or “Transmission System”) are under the functional control of PJM; and

WHEREAS, the Federal Energy Regulatory Commission (“FERC”), has required PJM to be a signatory to this Agreement, pursuant to FERC’s Order on Rehearing and Compliance dated July 26, 2005 in Docket Numbers ER05-31-002 and EL05-70-001, 112 FERC ¶ 61,128 at P 10 (2005), in order to ensure that PJM is kept fully apprised of the matters addressed herein and so that PJM may be kept aware of any reliability and planning issues that may arise.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, the Parties hereto agree as follows:
ARTICLE 1 INTERCONNECTED OPERATION

1.1 Interconnected Operation

The TrAILCo Transmission System and the Dominion Transmission System shall be interconnected at the Interconnection Points specified and described in Appendix I of this Agreement. The Parties, by amendment to this Agreement, may mutually agree to add, discontinue or modify the Interconnection Points and such additional, discontinued or modified Interconnection Points shall be reflected in a revised Appendix I.

1.2 Continuity of Interconnected Operation

The Parties shall, during the term of the Agreement, continue in service the existing transmission lines, interconnection facilities and essential terminal equipment necessary to maintain the Interconnection Points specified and described in Appendix I of this Agreement.

ARTICLE 2 SERVICE CONDITIONS

2.1 Avoidance of Unauthorized Use and Control of System Disturbance

Each Party shall have facilities or contractual arrangements adequate to serve its own load and shall exercise reasonable care to design, construct, maintain, and operate its Transmission System, in accordance with Good Utility Practice, and in such manner as to avoid the unauthorized utilization of the generation or transmission facilities of any other person (hereinafter referred to as “Unauthorized Use”). Neither Party shall be obligated to receive or deliver real or reactive power when to do so might introduce objectionable operating conditions on its Transmission System. Any Party may install and operate on its Transmission System such relays, disconnecting devices, and other equipment, as it may deem appropriate for the protection of its Transmission System or prevention of Unauthorized Use. Each Party shall maintain and operate its respective Transmission System so as to minimize, in accordance with Good Utility Practice, the likelihood of a disturbance originating in either Transmission System, which might cause impairment to the service of the other Party or of any transmission system interconnected with the Transmission System of the other Party.

2.2 Interruption of Service

The interconnections provided under this Agreement may be interrupted, upon such notice as is reasonable, under the following circumstances: (a) by operation of automatic equipment installed for power system protection; (b) after consultation with the other Party if practicable, when a Party deems it desirable for installation, maintenance, inspection, repairs or replacements of equipment; (c) to comply with a directive issued by PJM; or (d) at any time that, in the sole judgment of the interrupting Party, such action is necessary to preserve the integrity of, or to prevent or limit any instability on, or to avoid or mitigate a burden on its system. If synchronous operation of the Parties’ Transmission Systems through a particular line or lines becomes interrupted, the Parties shall cooperate so as to remove the cause of such interruption as soon as practicable and restore said lines to normal operating condition.
2.3 **Operating Responsibilities**

Each Party shall maintain its Transmission System, including the transmission equipment and facilities, in a manner consistent with Good Utility Practice in order to permit the Parties to operate their Transmission Systems as required by this Agreement and PJM. Operating arrangements for facility maintenance shall be coordinated between operating personnel of the Parties’ respective control centers. Except as may be necessary and appropriate in an emergency, all operating arrangements shall be coordinated with, and consistent with, the practices of PJM.

2.4 **Energy Losses**

The energy losses on the interconnected facilities shall be assigned to the appropriate Party based on the Interconnection Points of the interconnected facilities or according to procedures developed by the Operating Committee and subject to any requirements of PJM, which has functional control over the TrAILCo Transmission System and the Dominion Transmission System.

2.5 **Cooperation Associated with NERC Reliability Standards**

If either Party: 1) is subject to a data request, self-certification or an audit of applicable NERC Reliability Standards associated with the facilities subject to this Agreement by FERC, NERC or a NERC Regional Entity; or 2) is required to comply with NERC Reliability Standards with respect to facilities subject to this Agreement, then the Parties shall cooperate in a timely fashion and to the extent necessary to demonstrate compliance with such NERC Reliability Standards associated with the facilities subject to this Agreement.

**ARTICLE 3 INTERCONNECTION POINTS, METERING POINTS AND METERING AND DATA ACQUISITION SYSTEM EQUIPMENT**

3.1 **Interconnection Points**

All electric energy delivered under this Agreement shall be of the character commonly known as three-phase 60 Hz energy and shall be delivered at the Interconnection Points specified under Article 1 (and Appendix I) of this Agreement at standard nominal voltage or such other voltages as may be specified in Appendix I of this Agreement.

3.2 **Metering and Data Acquisition System Equipment**

Measurement of electric energy for the purposes of determining load and effecting settlements, and monitoring and telemetering of power flows under this Agreement shall be made by metering and data acquisition system (“DAS”) equipment installed and maintained, by either TrAILCo or Dominion at the Interconnection Points consistent with provisions and exhibits of Appendix II and III of this Agreement. Any aspects of metering and DAS equipment not specifically provided for by this Agreement shall be referred to the Operating Committee pursuant to Article 6.
ARTICLE 4 RECORDS

4.1 Copies of Records

Each Party shall provide to a requesting Party copies of records maintained in accordance with FERC’s record retention requirements to the extent such records document any transactions that have occurred under this Agreement.

ARTICLE 5 INVOICING AND PAYMENT; TAXES

5.1 Purpose of Invoicing

Any invoice that is issued pursuant to this Agreement shall be for: (a) the establishment of any new Interconnection Point; or (b) the modification of an existing Interconnection Point. As per subsection 6.2 (b) of this Agreement, the Operating Committee shall establish the terms and conditions applicable to invoicing.

5.2 Timeliness of Payment

Unless otherwise agreed upon, all invoices, if any, issued pursuant to this Agreement shall be rendered as soon as practicable in the month following the calendar month in which expenses were incurred and shall be due and payable, unless otherwise agreed upon within thirty (30) days of receipt of such invoice. Payment shall be made by electronic transfer or such other means as shall cause such payment to be available for the use of the payee. Interest on unpaid amounts shall accrue daily at the then current prime interest rate (the base corporate loan interest rate) published in the Wall Street Journal, or, if no longer so published, in any mutually agreeable publication, plus two percent (2%) per annum, but will in no event exceed the maximum interest rate allowed pursuant to Virginia law, and shall be payable from the due date of such unpaid amount and until the date paid.

5.3 Disputed Invoices

In the case of a disputed invoice, all invoices shall be paid in full under the conditions specified in Section 5.2 of this Agreement. Disputes will then be brought before the Operating Committee for resolution per Article 6 of this Agreement. If, after thirty (30) days, the Operating Committee has not resolved the dispute, then such dispute will be finally resolved pursuant to the arbitration procedures specified in Article 8 of this Agreement.

5.4 Invoice Adjustments

Other than as required by law, regulatory action or metering test adjustments, invoice adjustments shall be made within six (6) months of the rendition of the initial invoice.

5.5 Tax Reimbursement

If, as part of any compensation to be paid under this Agreement during the term of this Agreement, any direct tax, including, but not limited to sales, excise, or similar taxes (other than taxes based on or measured by net income) is levied and/or assessed against either Party by any
taxing authority on the power and/or energy manufactured, generated, produced, converted, sold, purchased, transmitted, interchanged, exchanged, exported or imported by the supplying Party to the other Party, then such supplying Party shall be fully compensated by the other Party for such direct taxes.

5.6 Contribution In-Aid of Construction

The Parties intend that all costs paid by a Party to another Party, for the establishment, discontinuance, relocation or modification of an Interconnection Point, shall be non-taxable contributions to capital, and shall not be taxable as contributions in-aid of construction (“CIAC”). This presumption notwithstanding, in the event federal or state income taxes are imposed upon the Party with respect to such payments paid by the other Party as a CIAC by the Internal Revenue Service (“IRS”) and/or a state department of revenue (“State”), the Party paying the CIAC shall reimburse the other Party for the tax effect of such CIAC computed in accordance with FERC rules and including any interest and penalty charged to the Party by the IRS and/or State. The contributions to capital associated with the establishment, discontinuance, relocation or modification of each Interconnection Point are set forth in Appendix IV of this Agreement.

ARTICLE 6 OPERATING COMMITTEE

6.1 Operating Committee

An Operating Committee shall administer the interconnected operation of the Parties’ Transmission Systems as provided for in this Agreement. Each Party shall appoint one member and one alternate to the Operating Committee and designate, in writing, said appointments to the other Party. Such representatives and alternates shall be persons familiar with the transmission and substation facilities of the Parties they represent and shall be fully authorized to perform the principal duties listed below.

6.2 Duties of the Operating Committee

The principal duties of the Operating Committee shall be as follows:

a. to establish operating and control procedures;

b. to establish accounting and invoicing procedures;

c. to coordinate maintenance schedules to an extent agreed by the Parties; and

d. to perform those duties, which this Agreement requires to be done by the Operating Committee, and such other duties as may be required for the proper functioning of this Agreement.

6.3 Limitations on Operating Committee Duties

The Operating Committee shall not amend or modify any of the terms or conditions of this Agreement.
6.4 Operating Committee Disputes

If the Operating Committee is unable to agree on any matter coming within its scope of operation, then such matter shall be resolved pursuant to Article 8 of this Agreement.

ARTICLE 7 INDEMNITY AND INSURANCE

7.1 Indemnity

To the extent permitted by law, each Owning Party shall indemnify, save harmless, and defend each other Party from and against any losses, liabilities, costs, expenses, suits, actions, claims, and all other obligations arising out of injuries or death to persons or damage to property caused by or in any way attributable to the ownership or operation of its Transmission System, except that a Party’s obligation to indemnify the other Party shall not apply to the extent of any liabilities arising from the other Party’s negligence or intentional misconduct or that portion of any liabilities that arise out of the other Party’s contributing negligence, intentional acts or omissions.

A Party’s obligations to another Party under this Section 7.1 shall not be limited in any way by any provision of any workers’ compensation, disability benefits, payroll or other employee benefits laws; provided, however, that nothing herein shall limit or restrict any defense a Party may be entitled to assert with respect to a Third Party Claim, including a defense based on the status of such Party as a statutory employer. EACH PARTY HEREBY SPECIFICALLY AND EXPRESSLY WAIVES ANY AND ALL DEFENSES IT MAY HAVE TO AN INDEMNIFICATION OBLIGATION TO THE OTHER PARTY PURSUANT TO THIS AGREEMENT BASED ON ANY IMMUNITY TO WHICH SUCH PARTY MAY BE ENTITLED UNDER ANY WORKERS’ COMPENSATION, DISABILITY BENEFITS, PAYROLL OR EMPLOYEE BENEFITS LAWS.

For the purposes of this Section 7.1 only, the term “Party” shall include the Party’s directors, officers, employees, Affiliates and agents.

ARTICLE 8 ARBITRATION

8.1 Submission to Arbitration

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the “disputing Party”) shall provide the other Party with written notice of the dispute or claim (“Notice of Dispute”). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) calendar days of the other Party’s receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. If a dispute or claim is submitted to arbitration, the arbitration can only be terminated upon mutual
agreement of the Parties. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Agreement.

8.2 Technical Issues Arbitrator

With respect to Disputes, which the Parties mutually agree are exclusively technical in nature, the Parties may, if they mutually agree, submit such Disputes to a technical issues arbitrator (“TIA”) for final and non-appealable resolution. The TIA, which shall be an individual or firm to be mutually agreed upon by both Parties, shall be an unbiased technical expert in transmission and distribution system design and operational matters.

8.3 External Arbitration Procedures

Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) calendar days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) calendar days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (“Arbitration Rules”) and any applicable FERC regulations or PJM rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 8, the terms of this Article 8 shall prevail.

8.4 Arbitration Decisions

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) calendar days of appointment and shall notify the Parties in writing of such decision and the reasons therefore. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service under this Agreement.

8.5 Costs

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.
ARTICLE 9 TERM AND TERMINATION OF AGREEMENT

9.1 Term and Termination

This Agreement shall be effective as of the date first written above, or such later date as the last necessary regulatory approval hereof shall be obtained (unless an earlier date is specified by the regulatory authority having jurisdiction), and shall remain in effect until the date falling on the tenth (10th) anniversary of the date hereof (the “Initial Term”) and, thereafter, for successive twelve (12) month periods (“Renewal Terms”). Either Party may terminate this Agreement after the Initial Term by providing to the other Party thirty-six (36) months’ advance written notice of its intent to terminate this Agreement, in which case this Agreement shall terminate at the end of such thirty-six (36) month notice period without regard to the expiration of any Renewal Term. Notwithstanding the above, this Agreement may be terminated earlier (a) if the Parties mutually agree or (b) as otherwise expressly provided for in this Agreement.

9.2 Breach and Default

A Party shall be considered in default of this Agreement (“Default”) if it fails to cure a Breach in accordance with the terms of this Article 9.2. A breach (“Breach”) shall mean the failure of a Party to perform or observe any material term or condition of this Agreement; provided that no Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act of omission of the other Party. Upon a Breach, the non-breaching Party shall give written notice of such Breach to the breaching Party. The breaching Party shall have thirty (30) calendar days from receipt of the Default notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) calendar days, the breaching Party shall commence such cure within thirty (30) calendar days after notice and continuously and diligently complete such cure within ninety (90) calendar days from receipt of the Default notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

9.3 Right to Terminate

If a Breach is not cured as provided in this article, or if a Breach is not capable of being cured within the period provided for herein, the non-breaching Party shall have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Agreement.

9.4 Renegotiable Events

If one of the following conditions occurs, the Parties shall negotiate in good faith to amend this Agreement or to take other appropriate action so as to protect each Party’s interest in this Agreement. This Agreement shall serve as the document upon which such negotiations shall be based and the Parties shall make as minimal modifications as necessary to effectuate the original intent and purpose of this Agreement. If the Parties are unable to reach agreement, either Party
shall have the right to unilaterally file with the FERC, pursuant to Section 205 or Section 206 of the Federal Power Act as appropriate, proposed amendments to this Agreement that the Party deems reasonably necessary to protect its interests:

a. Any change to Applicable Laws and Regulations having a material impact upon the effectiveness or enforceability of any provision of this Agreement;

b. This Agreement is not approved or accepted for filing by the FERC without modification or condition;

c. PJM or the Reliability Council prevents, in whole or in part, either Party from performing any provisions of this Agreement in accordance with its terms;

d. Either Party withdraws from PJM;

e. PJM Requirements are modified in a manner that materially affects either Party’s ability to perform its obligations under this Agreement; or

f. PJM, either voluntarily or involuntarily, is dissolved.

**ARTICLE 10  REGULATORY AUTHORITIES**

10.1 Regulatory Authorities

This Agreement is made subject to the jurisdiction of any Governmental Authority or authorities having jurisdiction over the Parties, the TrAILCo Transmission System, the Dominion Transmission System, this Agreement, or the subject matter hereof.

10.2 Adverse Regulatory Change

The Parties agree to jointly submit and support the filing of this Agreement with the FERC. Any changes or conditions imposed by the FERC or any other Governmental Authority with competent jurisdiction in connection with such submission or otherwise in respect of this Agreement, any of which are unacceptable to a Party after the Parties’ good faith attempt to negotiate a resolution to such objectionable change or condition, shall be cause for termination of this Agreement upon thirty (30) days’ prior written notice by the non-consenting Party to the other Parties hereto.

10.3 Amendments to the Agreement

10.3.1 Amendments

In the event that the Parties agree to amend this Agreement, the Parties shall, if required, file any such amendment or modification with the FERC.
10.3.2 **Section 205 and 206 Rights**

Nothing contained in this Agreement shall preclude either Party from exercising its rights under Section 205 and 206 of the Federal Power Act to file for a change in any rate, term, condition or service provided under this Agreement.

**ARTICLE 11 RELOCATIONS, DISCONTINUE AND MODIFICATIONS OF INTERCONNECTION POINTS**

11.1 **Adjustments of Existing Facilities.**

The Parties acknowledge that existing facilities may need to be relocated, removed, discontinued, or modified in order for the construction and/or placement of the Interconnection Points and a Party’s facilities and equipment related to the Interconnection Points. The Parties shall work in good faith to arrange adjustment of existing facilities.

**ARTICLE 12 GENERAL**

12.1 **Force Majeure**

No Party shall be in default in respect to any obligation hereunder because of Force Majeure. A Party unable to fulfill any obligation by reason of Force Majeure shall use diligence to remove such disability with appropriate dispatch. Each Party shall: (a) provide prompt written notice of such Force Majeure event to the other Party which notice shall include an estimate of the expected duration of such event and, (b) attempt to exercise all reasonable efforts to continue to perform its obligations under this Agreement.

12.2 **Waivers**

No failure or delay on the part of either Party in exercising any of its rights under this Agreement, no partial exercise by either Party of any of its rights under this Agreement, and no course of dealing between the Parties shall constitute a waiver of the rights of either Party under this Agreement. Any waiver shall be effective only by a written instrument signed by the Party granting such waiver, and such shall not operate as a waiver of, or continuing waiver with respect to any subsequent failure to comply therewith.

12.3 **Liability**

a. Except to the extent of the other Party’s negligence or willful misconduct, each Party shall be responsible for all physical damage to or destruction of the property, equipment and/or facilities owned by it and its Affiliates, regardless of who brings the claim and regardless of who caused the damage, and shall not seek recovery or reimbursement from the other Party for such damage; but in any such case, TrAILCo and Dominion shall exercise Due Diligence to remove the cause of any disability at the earliest practicable time.

b. To the fullest extent permitted by law and notwithstanding Section 7.1 or
any other provision of this Agreement, in no event shall a Party, its Affiliates, or any of their respective owners, officers, directors, employees, agents, successors or assigns be liable to the other Party, its Affiliates or any of their respective owners, officers, directors, employees, agents, successors or assigns, whether in contract, warranty, tort, negligence, strict liability, or otherwise, for any special, indirect, incidental, exemplary, consequential (including, without limitation, replacement power costs, lost profits or revenues, loss of good will or lost business opportunities) or punitive damages related to or resulting from performance or nonperformance of this Agreement or any activity associated with or arising out of this Agreement.

c. Nothing in this Agreement shall be construed to create or give rise to any liability on the part of PJM and the Parties expressly waive any claims that may arise against PJM under this Agreement.

d. The Parties acknowledge and understand that the signature of the authorized officer of PJM on this Agreement is for the limited purpose of acknowledging that representatives of PJM have read the terms of this Agreement. The Parties and PJM further state that they understand that FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the PJM officer shall not in any way be deemed to imply that PJM is taking responsibility for the actions of any Party, that PJM has any affirmative duties under this Agreement or that PJM is liable in any way under this Agreement.

12.4 Written Notices

Notices and communication made pursuant to this Agreement shall be deemed to be properly given if delivered in writing, postage paid to the following:

If to Dominion:

Director, Electric Transmission SOC and Planning
Virginia Electric and Power Company
P.O. Box 26666
Richmond, VA 23261

and

Manager, Electric Transmission Planning
Virginia Electric and Power Company
P.O. Box 26532
Richmond, VA 23261
If to TrAILCo:

President
Trans-Allegheny Interstate Line Company
c/o FirstEnergy Corp.
76 South Main Street
Akron, OH 44308-1890

and

General Counsel
Trans-Allegheny Interstate Line Company
c/o FirstEnergy Corp.
76 South Main Street
Akron, OH 44308-1890

If to PJM:

Vice President-Government Policy
PJM Interconnection, L.L.C
1200 G Street, N.W., Suite 600
Washington D.C. 2005

and

General Counsel
PJM Interconnection, L.L.C
955 Jefferson Avenue
Norristown, PA 19403-2497

The above listed titles and addresses for a Party or PJM may be changed by written notice to all other Parties and PJM.

12.5 Agreement Validity

The validity and meaning of this Agreement shall be governed by and construed in accordance with federal law where applicable and, when not in conflict with or preempted by federal law, the applicable laws of the Commonwealth of Virginia.

12.6 Defined Terms

All capitalized terms used in this Agreement shall have the meanings as defined in the PJM Tariff or as specified in definitions either in the body of this Agreement or as appended hereto in Appendix V. In the event of any conflict between defined terms set forth in the PJM Tariff or defined terms in this Agreement, such conflict shall be resolved in favor of the terms set forth in this Agreement. Any provisions of the PJM Tariff relating to this Agreement that uses any such defined term shall be construed using the definition given to such defined term in this Agreement.
ARTICLE 13 ASSIGNMENT

13.1 Assignment

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties. Successors and assigns of PJM shall become signatories to this Agreement for the limited purpose described in Article 12.3(d) of this Agreement. This Agreement shall not be assigned by any Party without the written consent of the other Party, which consent shall not be unreasonable withheld, except to a successor to which substantially all of the business and assets of such Party shall be transferred or to an Affiliate of the assigning Party for the purposes of a corporate restructuring.
IN WITNESS WHEREOF, three (3) copies of this Agreement, each to be considered an original, has been executed by the Parties' respective officers lawfully authorized so to do, this 30th day of March, 2011.

TRANS-ALLEGHENY INTERSTATE LINE COMPANY

By: ____________________________
Printed Name: ____________________
Title: ____________________________

VIRGINIA ELECTRIC AND POWER COMPANY, D/B/A DOMINION VIRGINIA POWER

By: ______________________________
Printed Name: Scot Hathaway
Title: VP, Transmission

The signature below of the authorized representative of PJM is for the limited purpose of acknowledging that a representative officer of PJM has read this Agreement as of the _____ day of _____________, 2011.

PJM INTERCONNECTION, L.L.C.

By: ____________________________
Printed Name: ____________________
Title: ____________________________
IN WITNESS WHEREOF, three (3) copies of this Agreement, each to be considered an original, has been executed by the Parties’ respective officers lawfully authorized so to do, this _____ day of _____, 2011.

TRANS-ALLEGHENY INTERSTATE LINE COMPANY

By: __________________________
Printed Name: Charles E. Jones
Title: President

VIRGINIA ELECTRIC AND POWER COMPANY, D/B/A DOMINION VIRGINIA POWER

By: __________________________
Printed Name: __________________________
Title: __________________________

The signature below of the authorized representative of PJM is for the limited purpose of acknowledging that a representative officer of PJM has read this Agreement as of the _____ day of ____________, 2011.

PJM INTERCONNECTION, L.L.C.

By: __________________________
Printed Name: __________________________
Title: __________________________
IN WITNESS WHEREOF, three (3) copies of this Agreement, each to be considered an original, has been executed by the Parties’ respective officers lawfully authorized so to do, this _____ day of _____, 2011.

TRANS-ALLEGHENY INTERSTATE LINE COMPANY

By: ____________________________
Printed Name: ____________________________
Title: ____________________________

VIRGINIA ELECTRIC AND POWER COMPANY, D/B/A DOMINION VIRGINIA POWER

By: ____________________________
Printed Name: ____________________________
Title: ____________________________

The signature below of the authorized representative of PJM is for the limited purpose of acknowledging that a representative officer of PJM has read this Agreement as of the 30th day of March, 2011.

PJM INTERCONNECTION, L.L.C.

By: ____________________________
Printed Name: ____________________________
Title: ____________________________

Steven R. Herling
Vice President, Planning
APPENDIX I
Interconnection Points and Metering Points

1.1 The systems of the Parties shall be interconnected through the transmission lines and substations at the Interconnection Points described below:

1.1.1 The points located at Dominion’s Mt. Storm 500kV Substation hereby designated and hereinafter called “502 Junction – Mt. Storm Interconnection Point” and “Mt. Storm - Meadow Brook Interconnection Point”.

(a) The first point of interconnection called 502 Junction - Mt. Storm Interconnection Point is where the TrAILCo 500kV single circuit transmission line extending from TrAILCo’s 502 Junction 500kV Substation is connected to the deadend structure located in Dominion’s Mt. Storm 500kV Substation (See Figures 1 and 3).

(b) The second point of interconnection called Mt. Storm - Meadow Brook Interconnection Point is where the TrAILCo 500kV single circuit transmission line is connected to the deadend structure located in Dominion’s Mt. Storm 500kV Substation, extending from Mt. Storm Substation to the TrAILCo line terminal in The Potomac Edison Company’s (“Potomac Edison”) Meadow Brook Substation (See Figures 1 and 3).

(c) 500kV bi-directional metering equipment is installed on the TrAILCo line terminal at TrAILCo’s 502 Junction 500kV Substation, which effectively meters the power and energy flow on the line between TrAILCo’s 502 Junction Substation and the 502 Junction – Mt. Storm Interconnection Point located at Dominion’s Mt Storm Substation. Such metering equipment is installed, owned, operated, and maintained by TrAILCo (See Figure 2).

(d) 500kV bi-directional metering equipment is installed on the TrAILCo line terminal at Potomac Edison’s Meadow Brook Substation, which effectively meters the power and energy flow on the line between the Mt. Storm - Meadow Brook Interconnection Point located at Dominion’s Mt. Storm Substation and Potomac Edison’s Meadow Brook Substation. Such metering equipment is installed, owned, operated, and maintained by TrAILCo (See Figure 4).

1.1.2 The point hereby designated and hereinafter called “Meadow Brook – Loudoun Interconnection Point”.

(a) The point of interconnection is a point approximately 15.7 miles along TrAILCo’s 500kV line between Potomac Edison’s Meadow Brook Substation and Dominion’s Loudon 500kV Substation (See Figure 1).
500kV bi-directional metering equipment is installed at Potomac Edison’s Meadow Brook Substation, which effectively measures the power and energy flow on the line between Potomac Edison’s Meadow Brook Substation and Meadow Brook – Loudoun Interconnection Point. Such metering equipment is installed, owned, operated, and maintained by TrAILCo (See Figure 4).
APPENDIX I
Figure 1

502 JUNCTION SUBSTATION (SEE FIGURE 2)
MT. STORM SUBSTATION (SEE FIGURE 3)
MEADOW BROOK SUBSTATION (SEE FIGURE 4)
LOUDOUN SUBSTATION

502 JUNCTION - MT. STORM INTERCONNECTION POINT
MT. STORM - MEADOW BROOK INTERCONNECTION POINT
MEADOW BROOK - LOUDOUN INTERCONNECTION POINT (LOCATED AT TRAILCO'S STRUCTURE #2 AT N 38°53'22.6" W 78°05'36.0")

M BI-DIRECTIONAL METERING
APPENDIX I
Figure 2
502 Junction Substation

TRAILCo OWNED BREAKER AND BUS NETWORK CAPABLE OF CONTINUITY BETWEEN OTHER TRANSMISSION SOURCES ENTERING AND EXITING THE SUBSTATION, INCLUDING THE LINE EMANATING TO MT STORM (DETAILS NOT SHOWN)

TO MT. STORM

----- SUBSTATION FENCE, TRAILCo OWNED

----- FACILITIES OWNED BY TRAILCo

----- TRAILCo OWNED FACILITIES

----- BI-DIRECTIONAL METERING
APPENDIX I
Figure 3
Mt. Storm Substation

502 JUNCTION-MT. STORM INTERCONNECTION POINT LOCATED AT TERMINATION POINT OF TrailCo CONDUCTORS ON DOMINION-OWNED DEADEND STRUCTURE INSIDE STATION FENCE

DOMINION OWNED BREAKER AND BUS NETWORK CAPABLE OF CONTINUITY BETWEEN THE 502 JUNCTION-MT. STORM INTERCONNECTION POINT AND THE MT. STORM-MEADOW BROOK INTERCONNECTION POINT (Details Not Shown)

MT. STORM-MEADOW BROOK INTERCONNECTION POINT LOCATED AT TERMINATION POINT OF TrailCo CONDUCTORS ON DOMINION-OWNED DEADEND STRUCTURE INSIDE STATION FENCE

--- PERIMETER OF DOMINION OWNED SUBSTATION
--- DOMINION OWNED FACILITIES
--- TrailCo OWNED FACILITIES

to 502 Junction

to Meadow Brook
APPENDIX I
Figure 4
Meadow Brook Substation

BREAKER AND BUS NETWORK
WITH PORTIONS OWNED BY TrailCo
AND PORTIONS OWNED BY Potomac Edison
capable of continuity
between the line emanating to
Mt. Storm and the line emanating
to Loudoun
(details not shown)

--- Substation fence, Potomac Edison owned
--- Facilities of mixed ownership between TrailCo and Potomac Edison
--- TrailCo owned facilities
--- Bi-directional metering
APPENDIX II
Metering Requirements

1.1 Metering Points

Electric power and energy delivered at the Interconnection Points shall be measured by suitable metering equipment provided by the Parties at the Metering Points identified in Appendix I; and at such other points, voltages, and ownership as may be agreed upon by the Parties.

1.2 Metering Equipment

Suitable and reliable metering equipment shall be installed at each Metering Point, and shall include potential and current transformers, revenue meters, test switches and such other equipment as may be needed. The design standard established by this Appendix II shall apply to all new interconnection metering installations. However, any modification, addition or upgrade to any of the existing facilities after the date of this Agreement, shall be performed in compliance with this standard.

1.2.1 General Requirements. All metering quantities shall be measured at the Interconnection Point and its metering accuracy shall meet the required NERC Reliability Standards, PJM Requirements, and the American National Standards Institute (“ANSI”) standards. The Parties may agree by amendment to this Agreement to install metering at locations other than the Interconnection Points, however, measured metering quantities shall be compensated to the Interconnection Point, provided that the Parties shall exercise commercially reasonable efforts to avoid such compensating metering installations. Based upon mutual agreement between interconnection Parties, metering can be installed at a location different from the Interconnection Point, however, measured metering quantities shall be compensated to the Interconnection Point.

All reasonable costs for the meter changes or upgrades requested by the Party shall be borne by the requesting Party, unless agreed otherwise.

1.2.2 Industry Standard Requirements. At least (N-1) metering elements will be used to measure all real and reactive power crossing the Interconnection Points, where N is the number of wires in service including the ground wire. The revenue quality metering package (consisting of instrument transformers, meters, sockets, and test switches) shall be installed, calibrated, and tested (at the requesting Party’s expense) in accordance with the latest approved version of (but not limited to) the ANSI standards listed below, or their successors(s) including the standard testing procedures and guidelines of the Party that owns the metering equipment:

- ANSI C12.1: Code For Electricity Metering
- ANSI C12.7: Requirements for Watt-Hour Meter Socket
- ANSI C12.9: Test Switches for Transformer-Rated Meters
- ANSI C12.11: Instrument Transformers for Revenue Metering, 10kV Through 350kV BIL
- ANSI C12.10: Electromechanical Watt-hour Meters
ANSI C12.16: Solid State Electricity Meters
ANSI C12.20: For Electricity Meters 0.2 and 0.5 Accuracy Class
ANSI C37.90.1: Surge Withstand Capability (SWC) Test
ANSI/IEEE C57.13: Standard Requirements for Instrument Transformers

To the extent that the above requirement conflicts with the manuals, standards or guidelines of the applicable Reliability Council regarding interchange metering and transactions, the manuals, standards and guidelines of such Reliability Council shall control.

1.2.3 Metering Equipment Maintenance and Testing. Upon installation and unless otherwise specified, the revenue meters shall be inspected and tested in accordance with the latest applicable ANSI standards and at least once every two (2) years, or at any other mutually agreed frequency thereafter. More frequent meter tests can be performed at the request of any Party, and the test will be performed at the requesting Party’s expense if the meter is found to be within the established ANSI tolerances. The Party that owns the metering shall inform the other Party with at least (3) three weeks advance notice or more, of impending metering tests, and invite the other Party to attend and witness the tests.

The accuracy of the revenue meter shall be maintained at two tenths of one percent (0.2%) accuracy or better, and the meter test shall require a meter standard with accuracy traceable to the National Institute of Standards and Technology (“NIST”).

If at any test of metering equipment an inaccuracy shall be disclosed exceeding two percent (2%), the account between the Parties for service theretofore delivered shall be adjusted to correct for the inaccuracy disclosed over the shorter of the following two periods: (1) for the 30-day period immediately preceding the day of the test, or (2) for the period that such inaccuracy may be determined to have existed. No meter shall be left in service if the percent accuracy error is found to be more than +/- 1%.

The Party that owns the metering equipment shall maintain records that demonstrate compliance with all meter tests and maintenance conducted in accordance with Good Utility Practice for the life of the Interconnection Point. The other Party shall have reasonable access to such records, and the Party that owns the metering equipment will provide such records to the other Party upon request. If revenue metering equipment fails to function, the energy registration shall be determined from the best available data, including the check metering, if applicable. The Instrument Transformers (“IT”) shall also be inspected and maintained based on Article 1.2.2 of this Appendix II, and existing standards and practices of the Party that owns the metering equipment.

1.2.4 Current Transformer Requirements. Each metering point shall have a dedicated set of metering class of current transformers. Unless otherwise agreed upon by
the Parties, all metering shall be type 3.0 element metering, and have three (3) metering accuracy current transformers.

Current transformers shall meet or exceed an accuracy class of 0.3% (as defined in IEEE C57.13), or better. Current transformers shall comply with the minimum BIL rating as specified in standards IEEE C57.13 and ANSI C12.11.

The mechanical and thermal short time current ratings of the current transformer shall exceed or withstand the available fault current, while the secondary burden of the current transformer shall not exceed its stated name plate burden rating.

1.2.5 Voltage Transformers Requirements. Each metering point shall have a dedicated set of metering class of voltage transformers. Unless otherwise agreed upon by the Parties, all metering shall be type 3.0 element metering, and have three (3) metering accuracy voltage transformers. Voltage transformers shall meet or exceed an accuracy class of 0.3% (as defined in IEEE C57.13). The secondary of the voltage transformer shall be exclusively used for the revenue meters only, so as not to exceed the secondary burden of the stated voltage transformer’s name plate burden rating provided, however, that voltage transformers with two secondary windings, may have one winding dedicated to the revenue meters, and the other winding used for relaying purposes or for other station metering. The nameplate burden rating on either winding must not be exceeded.

Voltage transformers shall comply with the minimum BIL rating as specified in standards IEEE C57.13 and ANSI C12.11.

1.3 Remote Meter Access and Data Communications

For all Interconnection Points, the Party that owns the metering equipment at such Interconnection Point, unless otherwise mutually agreed, shall be responsible for installation of the communications facilities (typically consisting of a telephone circuit and modems) for remotely accessing the meter. The Party that owns the metering equipment shall also be responsible for operation and maintenance, and on-going monthly costs of the communication facilities

1.3.1 Remote Billing Data Retrieval. The owning Party shall provide appropriate communication capability of electronic remote interrogation of the billing data in a manner that is compatible with commonly used billing data systems such as MV-90.

1.3.2 Real Time Communications. Revenue meters shall be capable of communicating with data acquisition system (“DAS”) equipment such as Remote Terminal Unit (“RTU”) to provide the following real-time bi-directional power and energy data: instantaneous power flows, per phase and three-phase averaged Root-Mean-Squared (“RMS”) voltages, per phase and three-phase averaged RMS currents and frequency with at least two decimal points.
1.3.3 **Energy Flow Data.** A continuous accumulating record of active and reactive energy flows shall be provided by means of the registers on the meters. The deployed revenue meter(s) shall be capable of providing bi-directional energy data flow in either kyz pulse signals format, or accumulated counters to RTU. All Parties shall share the same data register buffers regardless of the types of employed data communication methods. If the accumulation counter method is used, only one Party shall be responsible for freezing the accumulator buffers and the owner of the metering equipment shall freeze them. The accumulator freezing signals shall be synchronized to Universal Coordinated Time (“UCT”) within 1/2 seconds.

1.4 **Metering Device Requirements**

All revenue meters shall be programmable and capable of measuring, recording, and displaying bi-directional active and reactive energy and four quadrant power quantities. Also, the revenue meters shall be programmable for compensating for power transformer and line losses. The revenue meters may preferably have at least one serial communication, one Ethernet port, hard-wired “kyz” pulse output, and internal modem for data communication.

The revenue meters’ internal clocks and real-time DAS equipment shall be synchronized with Universal Time Coordination (“UTC”) with at least 5 seconds resolution. The Global Position System clock receiver used at each Interconnection Point shall be capable of providing unmodulated Inter-Range Instrumentation Group – Time Code Format B signals to support the UTC time synch requirement.

1.5 **Primary and Additional Metering**

Each metering point shall have a primary and a backup meter. The revenue meters shall be powered by the station control battery or by automatic transfer to an alternate AC source. However, each Party may have additional metering at any existing Interconnection Point. The Parties will cooperate to determine correct meter values as needed; however, in the event of a discrepancy between the Parties’ meters, Dominion will accept TrAILCo meter data for the 502 Junction, Appalachian Trail Interconnection Point West, and Appalachian Trail Interconnection Point East Interconnection Points; and TrAILCo will accept Dominion meter data for certain Interconnection Points.

1.6 **Meter Access**

A Party whose metering equipment is located within a station owned by the other Party shall have reasonable access to said metering equipment for purposes of meter reading, inspection, testing, and other such valid operating purposes. Such access shall not be unreasonably withheld.

1.7 **Meter Removal**

Upon termination of this Agreement or when the metering is no longer needed, the Party that owns the meter equipment in another Party’s station shall remove the metering equipment from the premises of the other Party within one (1) year after termination or within one (1) year after
the Party that owns the meter equipment determines that the interchange metering is no longer needed.
APPENDIX III
DAS Equipment: Ownership, Installation and Maintenance

1.1 Need for Data Acquisition Provisions

In recognition that the coordination of the system operations by the Parties may be facilitated by the sharing of power flow and other real-time information from meters and other equipment at the Interconnection Points, the Parties may agree to cooperate on the installation and operation of data acquisition system (“DAS”) equipment including, but not limited to, remote terminal units (“RTU”), meters, MW/MVAR and Volt transducers, telecommunication devices, lease lines, and any related equipment at points which shall from time to time be mutually agreed upon. Therefore, the Parties establish this Appendix III to govern the general principles of such DAS arrangements. Each of these general principles may be modified within and by a specific agreement for a specific DAS arrangement.

Pursuant to a separately negotiated and executed agreement, a Party’s RTU, or equivalent devices, may be shared by the other Party. Therefore, pursuant to such agreement, the RTU shall support multiple dedicated communication ports with mutually agreed upon communication protocols. If a backup telemetry system or data is required by one Party for their own use, the requesting Party shall be responsible for installing and/or maintaining the field devices and associated telecommunication system at their cost. Where there are protocol restrictions because of existing legacy systems, industry standard protocols such as DNP 3.0 or ICCP shall be offered. If a proprietary communication protocol is to be used solely for one Party, the requesting Party shall be responsible for the cost of adding the customized communication protocol to the RTU.

The following real-time data shall be provided to all parties as minimum requirements: three phase bi-directional energy flows (e.g., MWh, MVARh), three phase instantaneous power flows (e.g. MW, MVAR), per phase RMS voltages, per phase RMS currents, and frequency measurement with at least two decimal points resolution shall be provided. In addition to the real-time data, the status of all switching devices associated with the interconnection circuit(s) shall be provided. For the energy flow data, either or both accumulated data or hourly interval data shall be provided based on mutually agreed formats. If accumulated data is used, the owner of the RTU will freeze the accumulated data buffers at the beginning of each clock hour and the other Party shall read the frozen data. This shall be accomplished in a manner that provides both Parties with the same accumulator data readings even though the accumulator data reading frequencies may not be synchronized. In addition, any real-time data requirements defined in the PJM manuals, including PJM Manual 01 – Control Center and Data Exchange Requirements and PJM Manual 03 – Transmission Operations, shall be provided to PJM to allow PJM to comply with its roles as reliability coordinator, balancing authority, and transmission operator.

For purposes of this Appendix III, the term “Other Party” means a Party that wishes to obtain information from an Owning Party through the installation of DAS equipment.

1.1.1 The DAS equipment covered herein shall be associated with the Interconnection metering points specified in Appendix I. When requests for additional data, or a DAS equipment upgrade, are received from the other Party by the Owning Party,
the Parties shall cooperate with each other, based on Good Utility Practice. Unless otherwise mutually agreed, the Party requesting the additional data or equipment upgrade will bear the cost associated with such requests. This Appendix III shall be updated by mutual agreement, from time to time, whenever new data acquisition installations are established (new Interconnection Point) or existing installations are upgraded or deactivated.

1.1.2 Commissioning Test Procedures

When new interconnection metering or DAS equipment is installed, replaced or upgraded, a commissioning test shall be performed based on mutually agreed test procedure. Before the equipment is placed in service, the following processes shall be followed, as a minimum requirement:

The Owning Party shall inform the Other Party of the commissioning test.

The Owning Party shall set up a three-way conference call between the interconnection site and operation centers of both Parties.

Bi-directional test currents shall be injected to the interconnection energy meter and the instantaneous analog data values displayed by the meter shall be checked against the corresponding readings received at each control center. This verification test will be made at the 0, 2.5 and 5 Amp cases, and with unity and 50% power factors.

The pulse accumulator counter data shall be tested in the same manner and the accumulator freeze functionality shall be verified.

A test to determine the Roll-Over Count for each accumulator data point in the DAS shall be performed to verify that the Roll-Over Count is properly processed by both operation centers.

1.1.3 Any DAS agreements between the Parties addressing an individual Interconnection Point’s DAS equipment and DAS data obtained by the Parties, shall be attached to Appendix III as numbered Exhibits and shall list each Interconnection Point’s existing DAS equipment and data point requirements.

1.2 New DAS Arrangement

The details of individual DAS arrangements, for new or existing Interconnection Points that may have been established for the mutual benefit of the Parties, and which may include ownership of specific DAS equipment, and any mutually agreed upon provisions which are different from or in addition to the arrangements specified in this Agreement, shall be in writing and signed by the Parties. The new DAS arrangements, approved by the Operating Committee or pursuant to separately negotiated and executed agreement, shall cover such details as responsibilities for the provision and installation of equipment, equipment location, ownership, project scheduling, testing and commissioning, maintenance, and cost reimbursement, if applicable, and shall be considered a part of this Agreement as if they had been included herein.
1.3 Ownership, Installation and Maintenance of New DAS Equipment

Unless otherwise mutually agreed, ownership of such DAS equipment shall be shared by the Parties as herein described; provided, however, the Owning Party shall have the responsibility to install all the DAS equipment.

1.3.1 The Owning Party of the facilities to which DAS equipment is to be attached shall provide, install, own and maintain the relays, transducers, wiring, protection equipment and associated materials (“Owning Party Equipment”) required to support the installation of the other Party’s data acquisition equipment (“Other Party’s Equipment”). Provided, however, that if the Interconnection Point is established for the benefit of and at the request of a Party, the Party benefiting and requesting the Interconnection shall install, own and maintain, the DAS equipment arrangement and shall provide access to the DAS data to the Other Party. Equipment that is shared in common between the Owning Party and the Other Party (such as duplicating relays, test switches, etc.) shall likewise be provided, installed, owned and maintained by the Owning Party, and shall be part of the Owning Party’s Equipment, unless agreed otherwise. Unless otherwise mutually agreed, each Party will maintain its own equipment on their side of the Interconnection Point.

1.3.2 The Other Party shall provide the Owning Party documents listing and describing the Other Party’s Equipment that the Other Party will supply for installation by the Owning Party. These documents will generally consist of a hardware list, detailed drawings, and a circuit diagram. If the Owning Party does not stock the DAS equipment or other components specified by the Other Party, then the Other Party will supply the necessary components including spare parts. The Owning Party reserves the right to refuse to install any material supplied by the Other Party that has not been approved by the Owning Party for use in its installations.

1.3.3 The Other Party shall provide, own and maintain as part of the Other Party’s Equipment, the data communication circuits (leased line), including any necessary data circuit protection equipment, and be responsible for the costs of such circuit. Where deemed appropriate by the Owning Party, the Other Party personnel shall be permitted to work independently on its equipment. Generally, however, work performed by the Other Party’s personnel shall be performed under the supervision of the Owning Party personnel, unless such equipment is located outside or is only accessible from outside the Owning Party’s facilities.

1.3.4 Unless otherwise agreed, the Owning Party will provide station battery voltage to power the DAS equipment at 48, 125, or 250 Volt DC, and the corresponding DC circuit should be fused (or circuit breaker) at 15, 5, or 5 ampere, respectively. Under no circumstances shall the Other Party connect either the positive or negative side of this circuit to ground. The Other Party’s Equipment shall be connected to the station’s grounding conductor through the Owning Party’s breaker control panel. The Owning Party shall also provide station service power.
for the data acquisition equipment via a 115 V, 60 Hz, with a 15 ampere (fused or circuit breaker) AC circuit.

1.4 Location and Site Access

The Owning Party shall permit the Other Party to locate its data acquisition equipment and data circuit protection equipment in the Owning Party’s station control building, if adequate space exists or is available, or outside the Owning Party’s station switchyard, if no control house is available. In choosing equipment location, consideration shall be given to NERC Reliability Standards, equipment security, protection and access needs of both Parties. In cases where escorted access to the station control house or outdoor equipment is required, the Other Party shall notify the Owning Party at least 24 hours prior to any planned visit. If access is needed on a short notice, the Parties shall endeavor to arrange such visits by mutual agreement. The Owning Party shall not unreasonably withhold access to the equipment to the Other Party; provided, however, the Owning Party may deny access based upon safety considerations, operating condition, NERC Reliability Standards or other relevant criteria.

1.5 Proprietary and Confidential Information

Unless circumstances of reasonable cause are disclosed by a Party, the Other Party shall treat all shared telemetry information as confidential and proprietary and shall take such precautions as may be reasonable and necessary to prevent such information from being made known or disclosed to any person or entity except in accordance with this Agreement. However, provided that if a Party is required by law, legal process or action of a court or government agencies to disclose any information, such Party shall promptly notify the Other Party of such requirement so that action, deemed appropriate in the circumstances, may be taken to protect confidential and proprietary information against disclosure.

1.6 Cost Estimate, Invoicing and Payment

Prior to the installation of the Other Party’s equipment, both the Owning Party and the Other Party shall prepare an estimate of the costs associated with such installation. All invoices and payment terms and conditions, and invoice disputes and resolutions, shall be handled pursuant to Article 5 of this Agreement.
APPENDIX IV
Contributions to Capital

1.1 The contributions to capital associated with the establishment, discontinuance, relocation or modification of each Interconnection Point are as follows:

1.1.1 502 Junction – Mt. Storm Interconnection Point. There are no CIACs related to the 502 Junction – Mt. Storm Interconnection Point.

1.1.2 The Mt. Storm – Meadow Brook Interconnection Point. There are no CIACs related to the Mt. Storm – Meadow Brook Interconnection Point.

1.1.3 The Meadow Brook – Loudoun Interconnection Point. There are no CIACs related to the Meadow Brook – Loudoun Interconnection Point.
APPENDIX V

Definitions

“Affiliate”- shall mean with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that either directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

“Applicable Laws and Regulations”– shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the relevant Parties, their respective facilities, and/or the respective services they provide.

“Due Diligence” – shall mean the exercise of good faith efforts to perform a required act on a timely basis using the necessary technical and manpower resources.

“Force Majeure” - shall mean any cause beyond the control of the affected Party, including but not restricted to, acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, was riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, acts of public enemy, explosions, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, which, in any of the foregoing cases, by exercise of Due Diligence such Party could not reasonably have been expected to avoid, and which, by the exercise of due diligence, it has been unable to overcome. Force Majeure does not include: (i) a failure of performance that is due to an affected Party’s own negligence or intentional wrongdoing; (ii) any removable or remediable causes (other than settlement of a strike or labor dispute) which an affected Party fails to remove or remedy within a reasonable time; or (iii) economic hardship of an affected Party.

“Good Utility Practice”– shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to acceptable practices, methods, or acts generally accepted in the region; including those practices required by Federal Power Act Section 215(a)(4).

“Governmental Authority” - shall mean any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, arbitrating body, or other governmental authority, having responsibility over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Dominion, TrAILCo, or any Affiliate thereof.
“Interconnection Point”- shall mean each point of electrical connection between the Dominion Transmission System and the TrAILCo Transmission System as set forth in Appendix I to this Agreement.

“Metering Point” – shall mean each point at which the electrical energy flowing between the Parties at an Interconnection Point is measured.

“NERC Reliability Standards” – shall mean mandatory and enforceable requirements, approved by the FERC under Section 215 of the Federal Power Act, to provide for reliable operation of the bulk-power system.

“Owning Party” – shall mean the Party that owns certain facilities as delineated in Appendix I to this Agreement.

“Party”- shall mean either Dominion or TrAILCo. Party shall not include PJM.

“Parties”- shall mean Dominion and TrAILCo. Parties shall not include PJM.

“PJM Requirement” – shall mean any rule, charge, procedure, or other requirements of PJM, including the PJM Tariff, applicable to FERC-jurisdictional inter System.

“PJM Tariff” – shall mean PJM’s Open Access Transmission Tariff.

“Reliability Council” – shall mean the North American Electric Reliability Corporation or any successor agency assuming or charged with similar responsibilities related to the operation and reliability of the North American electric interconnected transmission grid, including any regional or other subordinate council of which the Parties are a member.

“Roll-Over Count” shall mean a test that shows at what point the accumulator register rolls-over to zero when it reaches a predetermined maximum count.

“Third Party Claim” shall mean a claim, demand, cause of action or proceeding made or brought by a Person that is not a Party or an Affiliate of a Party.
Attachment B

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List of Recipients

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