April 5, 2012

Transmission Expansion Advisory Committee

Re: PJM Board of Manager Decision on Reactive Upgrades

In December 2011, the PJM Board of Managers approved a number of upgrades including several reactive upgrades that were recommended by PJM staff primarily to resolve NERC category C3 voltage violations. They also deferred decision on three additional reactive upgrades and requested PJM staff to address concerns raised by stakeholders. These reactive upgrades were discussed further at the December 15th, January 12th and January 30th TEAC meetings.

On April 2, 2012 the PJM Board of Managers met to consider the three reactive upgrades that they deferred decision on at their December meeting. At the meeting the PJM Board of Managers considered a range of factors including the relative performance with respect to reliability criteria, operational aspects and cost and approved the recommendation of PJM staff to:

- Install a 600 MVAR SVC at the Meadow Brook 500 kV and assign construction responsibility to First Energy.
- Install a 500 MVAR SVC at the Hunterstown 500 kV and assign construction responsibility to First Energy.
- Install a 250 MVAR SVC at the Mt. Storm 500 kV station and assign construction responsibility to Dominion.

Sincerely,

Steven R. Herling
Vice President, Planning