

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Office of Markets, Tariffs and Rates

PJM Interconnection, L.L.C.
Docket No. ER06-150-000

Issued: December 14, 2005

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

Attention: Jeffery W. Mayes
Senior Counsel

Reference: Multi-month Auction for Financial Transmission Rights.

Ladies and Gentlemen:

PJM Interconnection, L.L.C.'s (PJM) submittal is accepted for filing as designated with the requested effective date of January 2, 2006.

On November 2, 2005, you filed revised tariff sheets to permit the award and auction of Financial Transmission Rights (FTRs) with multi-month terms.¹ PJM will retain both its existing monthly auctions, with resulting contracts comprising of one month terms, and its existing annual auctions, with resulting annual contracts of one year terms corresponding to the PJM planning period of June 1 through May 31. In addition, PJM proposes to offer two new FTR auction products during the existing monthly auctions: (1) Balance of Planning Period FTR – the term of this FTR product starts at the beginning of the calendar month following a monthly auction, and extends until May 31; (2) Planning Period Quarter FTR – the term of this FTR product covers any of four discrete, three-calendar month periods remaining within the planning period. The filing also clarifies the frequency and timing of the FTR auctions.

¹ The proposed tariff sheets revise the PJM FERC Electric Tariff, Sixth revised Vol. No. 1, and Third Revised Rate Schedule FERC No. 24 (The PJM Operating Agreement).

Docket No. ER06-150-000

-2-

The filing was noticed on November 9, 2005, with comments due on November 23, 2005. No protests or adverse comments were filed.

This action is taken pursuant to the authority delegated to the Director, Division Tariffs and Rates - East, under 18 C.F.R. 375.307.

This acceptance for filing shall not be construed as constituting approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against your company.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. 385.713.

Sincerely,

Anna V. Cochrane, Director
Division of Tariffs and Market
Development-East