

Schedule 6, Section 1.4(d) of the Operating Agreement

Intra-PJM Tariffs --> OPERATING AGREEMENT --> OA SCHEDULE 6 --> OA SCHEDULE 6 SECTION 1 REGIONAL TRANSMISSION EXPANSION PLAN --> OA Schedule 6 Sec 1.4 Contents of the Regional Transmission Expansion Plan
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1.4 Contents of the Regional Transmission Expansion Plan.

(a) The Regional Transmission Expansion Plan shall consolidate the transmission needs of the region into a single plan which is assessed on the basis of (i) maintaining the reliability of the PJM Region in an economic and environmentally acceptable manner, (ii) supporting competition in the PJM Region, (iii) striving to maintain and enhance the market efficiency and operational performance of wholesale electric service markets and (iv) considering federal and state Public Policy Requirements.

(b) The Regional Transmission Expansion Plan shall reflect, consistent with the requirements of this Schedule 6, transmission enhancements and expansions; load forecasts; and capacity forecasts, including expected generation additions and retirements, demand response, and reductions in demand from energy efficiency and price responsive demand for at least the ensuing ten years.

(c) The Regional Transmission Expansion Plan shall, at a minimum, include a designation of the Transmission Owner(s) or other entity(ies) that will construct, own, maintain, operate, and/or finance each transmission enhancement and expansion and how all reasonably incurred costs are to be recovered.

(d) **The Regional Transmission Expansion Plan shall** (i) avoid unnecessary duplication of facilities; (ii) avoid the imposition of unreasonable costs on any Transmission Owner or any user of Transmission Facilities; (iii) **take into account the legal and contractual rights and obligations of the Transmission Owners;** (iv) provide, if appropriate, alternative means for meeting transmission needs in the PJM Region; (v) provide for coordination with existing transmission systems and with appropriate interregional and local expansion plans; and (vi) strive for consistency in planning data and assumptions that may relieve transmission congestion across multiple regions.