

Attachment A: Recommendation to Council 3/23/15

- **Transmit Letter of Commitment (with caveats) to PJM for integration planning**
- **Apply for Transmission Tariff revenue opportunity before April 1st**

PJM/COMED Transmission Tariff Opportunity

Opportunity: For each \$ 1 M that RMU can show Transmission and related Asset ownership of, an annual Transmission Tariff revenue opportunity of over \$ 120,000 Exists.

This is due to COMED using part of Rochelle transmission as support in the regional Bulk Electric System.

Requirements: A one-time asset evaluation and FERC Form 1 Application.

To be done by April 1st and Tariff in place in COMED zone planning year 2015/2016 June 1st start.

**As well as a formal Transmission Integration Rochelle-PJM.
(PJM is Regional Transmission Operator on our region)**

PJM/COMED Tariff Opportunity

Based on current Net Book Value of Transmission Assets the tariff has been calculated as \$ 1,244,000/year in tariff revenue for RMU

Any additional transmission line investment would add to that number, e.g. Steward Rd \$ 2.9 M would result in > \$ 1,586,000 /year, Dekalb line would result in > \$ 2,953,000/year

Attachment B:

As presented to Utility Advisory Board December 2014

PJM/COMED Interconnection Update

Opportunity: For **each** \$ 1 M that RMU can show Transmission and related Asset ownership of, an annual Transmission Tariff revenue opportunity of \$ 120,000 Exists.

This is due to COMED using part of Rochelle transmission as support in the regional Bulk Electric System.

Requirements: An one-time asset evaluation and EIA form 412 Application. To be done by February 1st and Tariff in place in COMED zone planning year 2015/2016 June 1st start.

As well as a formal Transmission Integration Rochelle-PJM.
(PJM is Regional Transmission Operator on our region)

Resources: Sargent & Lundy for Transmission and Substation Knowledge, Baker Tilly for accounting/depreciation and data Fact finding. Dennis Bethel for Transmission Rate analysis and Tariff creation. Richard Heinemann for Regulatory Counsel. Power Systems Engineering (PSE) Tom Butz for Transmission Planning expertise with PJM.

PJM/COMED Interconnection Update

Opportunity: For **each** \$ 1 M that RMU can show Transmission and related Asset ownership of, an annual Transmission Tariff revenue opportunity of \$ 120,000 Exists. This is due to COMED using part of Rochelle transmission as support in the regional Bulk Electric System.

Current estimate of Transmission Assets:

On the books now (per audit) is \$ 2.7 M + \$ 0.9 M for Steward Rd Nov 17th + \$ 0.6M for extension to water well:

This means a Value of $4.4 * \$ 120,000/\text{year} = \$ 528,000/\text{year}$ in tariff revenue for RMU

Any additional transmission line investment would add to that number, e.g. Steward Rd \$ 2.9 M would add \$ 348,000/year, Dekalb line would add \$ 840,000/year

Recommendation to UAB

- **Complete work for application for a Transmission Tariff in to COMED Zone**
- **Complete Signatory with PJM as integrated Transmission Owner**
- **Engage PSE to perform yearly Transmission Planning support**