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David Anders, PE
Manager, Member Services
PJM Interconnection L.L.C.
955 Jefferson Avenue
Norristown PA 19403

Howard Schneider
Chairman, PJM Board of Managers
PJM Interconnection L.L.C.
955 Jefferson Avenue
Norristown PA 19403

Re: TEAC Stakeholder Process for PJM Backbone Projects

Dear Mr. Anders and Board of Managers:

Exelon appreciates the Board decision, at its June 24th meeting, to defer the approval of the redesigned Mid-Atlantic Power Pathway ("MAPP") project until the implications of this project have been carefully analyzed and stakeholders have had a full and fair opportunity for meaningful review and input. Exelon also commends the recent actions of the PJM Planning organization. At the July 16th Transmission Expansion Advisory Committee (TEAC) meeting, in addition to sharing information needed to evaluate the proposed redesign and alternatives, PJM has also started to reexamine the original basis for the MAPP Project - identifying changes that have occurred since its inception and evaluating alternatives that might prove to be more economical. Additionally, at the August 19th Liaison Committee meeting, I was very gratified to hear that Board members had requested further analysis of alternatives as part of their evaluation and approval of the Project. Exelon applauds these positive steps.

The sequence of events leading to this state of affairs demonstrates a need to improve the TEAC process in order to preclude similar situations in the future. For its part, Exelon is in the process of forming a TEAC Users Group of PJM Members to work on proposals for strengthening the TEAC process. The goal is to guarantee that the open and transparent planning principles articulated in FERC Order No. 890 are fully embodied in the TEAC process and to assure that unreasonable costs are not placed on PJM members as called for in the PJM Operating Agreement. We encourage the Board to take an active oversight role in the work of this group as we move forward.

Sincerely,

