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June 19, 2009

Mr. Terry Boston and the PJM Board of Managers
PJM Interconnection, L.L.C.
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403-2497

Re: Mid-Atlantic Power Pathway

Dear Mr. Boston and PJM Board of Managers:

NRG Energy Inc. ("NRG") respectfully requests that the PJM Board accept the proposal to delay construction of the Mid-Atlantic Power Pathway ("MAPP") transmission line for one year, and immediately direct PJM to examine whether the reconfigured MAPP line is still the least-cost transmission solution to maintaining reliability on the Delmarva Peninsula.

The analysis provided by PJM in support of the "retooled" MAPP line proposal does not demonstrate that MAPP avoids imposing "unreasonable costs" on ratepayers, as required by Section 1.4(d) of Schedule 6 of the PJM Operating Agreement. Specifically, the PJM analysis fails to:

- Consider whether alternative transmission solutions, including the Conastone – Peach Bottom – Keeney transmission line alternative ("C-P-K Alternative"), represent a lower cost alternative to MAPP;
- Explain why PJM favors the MAPP line over the C-P-K Alternative, when the C-P-K Alternative is *\$1 Billion less expensive* than MAPP; and
- Re-examine the need for the MAPP line in light of the revised PJM analysis that includes Indian River Units 3 and 4, plus the addition of 283 MW of new demand response resources in the DPL zone, and substantially lower overall load forecasts.

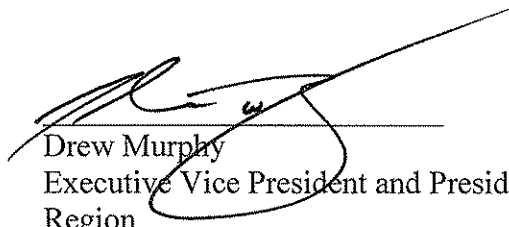
In the 2008 RTEP cycle, PJM determined that the C-P-K Alternative represented a viable alternative to the Possum Point – Calvert Cliffs – Vienna portion of the MAPP line. PJM found that the C-P-K relieved the reactive and voltage collapse issues identified by PJM. Moreover, the projected cost of the C-P-K Alternative was \$296M, or one-fifth the \$1.45 Billion price tag of MAPP and its two HVDC cables traversing the Chesapeake Bay.

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PJM dismissed the C-P-K Alternative, in part because of the unverified estimate that it would take 8 years to upgrade the C-P-K line. Further, PJM performed a sensitivity study that assumed the retirements of Indian River Units 3 and 4. The retirement of Indian River 3 and 4 exacerbated thermal and reliability criteria violations that were better resolved by MAPP as opposed to the C-P-K Alternative.

Left unanswered by the current PJM proposal is whether the C-P-K Alternative, along with the continued operation of Indian River Units 3 and 4 and the delay in the required in-service date, is the superior choice – both in terms of reducing transmission costs and improving system reliability.

NRG thus requests that the Board accept the PJM recommendation to delay the MAPP project for a year. Additionally, the Board should direct PJM to use this time to perform a comprehensive analysis of whether other transmission alternatives to the MAPP project – including the C-P-K alternative, using PJM's updated generation and load profile assumptions – would maintain reliability while reducing costs to ratepayers.

A handwritten signature in black ink, appearing to read 'Drew Murphy', is written over a horizontal line. The signature is stylized and extends above and below the line.

Drew Murphy
Executive Vice President and President of the Northeast
Region
NRG Energy, Inc.