

April 1, 2011

Via Electronic Mail
Howard Schneider, Chair
Members of the Board of Managers
PJM Interconnection LLC
955 Jefferson Avenue
Norristown, Pennsylvania 19403-2497

Re: Consumer Advocate Funding

Dear Mr. Schneider and Members of the Board of Managers:

We understand you will be considering the consumer advocate funding request at your upcoming Board of Managers' meeting. We want to thank you for giving this request serious and thoughtful consideration. We did not make this request lightly or without experiencing real limitations in our ability to meaningfully participate in the PJM stakeholder processes.

Since this issue was initially raised a couple years ago in FERC Docket RM07-19, significant changes have occurred in the operations of many of the consumer advocate offices within the PJM footprint. Many states have imposed travel restrictions, outright travel bans, and significant, deep budget cuts which further compromise the participation of consumer advocates. Even as we cope with reductions to our resources, consumer advocates are also forced to keep up with increasing activity at the state level, in response to an increasing number of proceedings relating to such issues as demand response, renewable portfolio standards, potential new generation needs, and other issues.

Given these circumstances, the attention consumer advocates could devote to PJM issues has diminished. We do not expect this to change in the foreseeable future. The proposal before you is not whether to continue the status quo or improve participation of advocates in PJM matters. In the current circumstances funding is necessary, in the first instance, to restore the advocate's previous level of participation at PJM. It is also worth noting that the formalization of an advocate organization will allow some advocate offices to accept funding for attendance at PJM meetings and related matters, similar to state commissions accepting funds from OPSI, when those offices may not be able to accept funds directly from PJM. Such support is essential to the participation of many of our offices. For example, given that this proposal will not be in place before the PJM Annual Meeting, it will likely be impossible for several of our offices to attend the Public Interest and Environmental Organizations Users Group (PIEOUG) meeting with the Board at the upcoming Annual Meeting.

We do not doubt that the Board of Managers values the participation, interests, and perspectives of the retail consumers of electricity. The consumer advocates represent

tens of millions of retail customers who ultimately pay for the operation of the transmission system and administration of the wholesale markets.

PJM has proven to be a consistent thought-leader among RTOs/ISOs. We are hopeful that in your consideration of this funding request you will continue to measure PJM's actions against what will best serve the interests of consumers in your footprint and not whether other RTOs/ISOs see the value of a meaningful presence and robust consumer perspective.

Thank you for your continued interest in and support of the work of the consumer advocates.

Very truly yours,

Consumer Advocate Division

West Virginia

/s/ Byron L. Harris

Director

/s/ Jacqueline Lake Roberts

Deputy Consumer Advocate

Indiana Office of Utility Consumer Counselor

/s/ David Stippler

Indiana Consumer Counselor

Division of Consumer Counsel

Virginia Office of the Attorney General

/s/ C. Meade Browder Jr.

Senior Assistant Attorney General

New Jersey Division of Rate Counsel

/s/ Stefanie A. Brand

Director

Pennsylvania Office of Consumer Advocate

/s/ Sonny Popowsky

Consumer Advocate

Maryland Office of People's Counsel

/s/ William F. Fields

Senior Assistant People's Counsel