



FOR IMMEDIATE RELEASE

**PJM REGIONAL POWER GRID
READY FOR HOT WEATHER POWER DEMAND**

*Electricity Demand Continues to Grow;
Load Management Doubles*

(Valley Forge, Pa. – May 5, 2008) – Power supplies should be adequate this summer in the PJM Interconnection, the nation’s largest power grid, which manages the power supply for all or parts of 13 states and the District of Columbia. Peak electricity use in PJM is likely to be higher than last summer’s level but lower than the all-time record demand.

“We have the required amount of capacity committed to serve consumers for this summer. System operators both at PJM and our members are prepared to handle the challenges the summer may bring,” said Michael J. Kormos, PJM senior vice president – Operations. “However, to ensure reliable power supplies for future summers we’ll need additional supply resources and additions to the transmission system.”

The projected weather-adjusted highest demand for electricity in summer 2008 is 137,950 megawatts (MW). A megawatt is enough electricity to power 800-1,000 homes. PJM has 159,780 MW of committed capacity for the summer.

PJM’s Reliability Pricing Model requires generation owners to commit their generation to PJM consumers for a full year. Previously, generators could stop providing electricity in PJM and export power outside the region if a higher-priced opportunity arose.

The Reliability Pricing Model also has secured 4,460 MW of emergency load management for summer 2008. The amount of available load management has doubled compared to last summer. Consumers in load management programs typically receive either a special rate or payments for stopping or reducing their use of electricity under emergency conditions.

Peak demand for electricity is forecast to grow 1.4 percent or 1,850 MW compared to 2007. That’s enough power to run a medium-sized city. The weather-adjusted peak in 2007 was 136,100 MW. (The actual recorded peak use was 139,428 MW.)

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Peak electricity use in the PJM region is driven by high temperatures. PJM's annual summer pre-seasonal assessment looks at a range of possible conditions to allow for variation in weather conditions. The forecast is based on typical peak weather conditions experienced over the past 35 years. Actual electricity demand will vary as temperatures vary from normal. PJM and its members use the forecasted demand to prepare for the summer.

PJM's reserve margin will be 19.7 percent based on committed capacity. The required margin is 15 percent for this summer. Reserve margin provides a "cushion" of generating capacity to meet unexpected high use levels or equipment problems.

PJM's all-time record use of electricity of 144,644 MW occurred in 2006.

PJM Interconnection ensures the reliability of the high-voltage electric power system serving 51 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid, which includes 6,038 substations and 56,250 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. Visit PJM at www.pjm.com.

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