



FOR IMMEDIATE RELEASE

**DEMAND RESPONSE TO PLAY SIGNIFICANT ROLE
IN MEETING PJM'S HIGHER SUMMER PEAK ELECTRICITY USE**

Grid Operator Foresees Adequate Power Supplies for Summer

(Valley Forge, Pa. – May 5, 2010) – Consumers are being counted on to reduce this summer's peak demand for electricity (the highest amount of electricity needed at one time) by six percent in the 13-state plus D.C. PJM Interconnection region.

PJM forecasts a peak demand of 135,750 megawatts (MW) of electricity this summer. (One megawatt is enough electricity to serve 800 to 1,000 homes.) PJM expects to have adequate resources to meet forecasted peak summer conditions.

"PJM and our members are ready to handle the expected summer conditions," said Michael J. Kormos, PJM senior vice president – Operations. "However, until transmission additions can relieve congestion, we expect we will continue to reschedule generation to accommodate peak load conditions."

PJM will have 162,903 MW of generation available. Consumers' voluntary reductions in usage (known as demand response) are expected to reduce the peak electricity use by 8,525 MW – equivalent to 10 large power plants. Demand response in PJM has increased fivefold since 2006 when 1,677 MW of demand response were available.

The PJM region includes 51 million people and 20 percent of the U.S. economy.

When adjusted for last summer's relatively cool temperatures, the peak use of electricity is expected to grow 1.5 percent.

The demand forecast is based on normal weather conditions. If the summer's temperatures are unusually hot, use of air conditioners could drive demand for electricity to 144,612 MW.

Consumers participating in demand response or interruptible programs reduce or eliminate their use of electricity when called upon by the grid operator or electricity distributors such as utilities.

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Peak electricity use in the PJM region is driven by high temperatures and economic conditions. PJM's forecast 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'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 56,500 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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