



James R. Haney
Vice President, Transmission

800 Cabin Hill Drive
Greensburg, PA 15601-1689
(724) 838-6331 FAX: (724) 830-5745
jhaney@alleghenypower.com

June 9, 2006

Via Email and U.S. Mail

Steven R. Herling, Vice President – System Planning
PJM Interconnection, L.L.C.
955 Jefferson Avenue
Valley Forge Corporation Center
Norristown, PA 19403-2497

Dear Mr. Herling:

Allegheny Power (AP) strongly supports PJM's recommended solutions to the reliability issues addressed at the Transmission Expansion Advisory Committee meeting on May 23, 2006. Specifically, AP supports the solution to address the reliability criteria violations of the Mt. Storm-Doubs 500 kV line and the Pruntytown-Mt. Storm 500 kV line.

Although PJM has primary planning responsibility for AP's transmission facilities, AP has thoroughly analyzed numerous options to relieve loading on several heavily loaded facilities, including the Mt. Storm-Doubs, the Pruntytown-Mt. Storm and the Black Oak–Bedington 500 kV lines, in anticipation of imminent reliability criteria violations. After further evaluating the 502 Junction – Loudoun 500 kV line solution, AP has concluded that PJM has identified an appropriate solution to these reliability violations. AP continues to support PJM's view, as demonstrated by this proposed solution, that the reliability of the bulk transmission network is essential to all users of the transmission grid.

Time is of the essence in enhancing the reliability of the PJM Transmission System. The imminent reliability issues identified above have been known within the PJM stakeholder community for the past several years. PJM's proposed solution is cost effective and viable. Construction of over 200 miles of 500 kV line from 502 Junction to Loudon within five years calls for an extremely aggressive schedule. Any delays in affirmatively addressing these preliminary matters will significantly diminish the opportunity that now exists to meet PJM's proposed June 2011 in-service date for the project.

AP strongly recommends that the PJM Board authorize the 502 Junction – Loudon 500 kV project at its June 2006 meeting. In addition, AP urges PJM to file the cost allocations for this project as soon as possible thereafter and to work with AP to obtain any necessary NIETC designation for this project from DOE. It is critical to the success of this project, including its timely implementation, that AP have certainty with regard to these preliminary matters as it moves forward with further planning and siting for this project.

Sincerely,

A handwritten signature in black ink that reads 'James R. Haney'. The signature is fluid and cursive, with a long horizontal stroke at the beginning and a sharp upward stroke at the end.

James R. Haney

JRH:mlb