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July 28, 2010

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Allegheny Power
PJM Interconnection, L.L.C., FERC Electric Tariff, Sixth Revised Volume No. 1
Docket No. ER10-1152-___

Dear Secretary Bose:

Pursuant to the *Order Accepting Tariff Amendment, Subject to Conditions* issued by the Federal Energy Regulatory Commission (“Commission”) on June 29, 2010 in the above-captioned docket,¹ Allegheny Power² hereby submits for filing Sub First Revised Sheet Nos. 312 and 313 to the Open Access Transmission Tariff of PJM Interconnection, L.L.C., FERC Electric Tariff, Sixth Revised Volume No. 1 (“PJM Tariff”). In compliance with the June 29 Order, the filing clarifies the applicable network integration transmission service rate for new delivery points in paragraphs 4(a) and 4(b).

I. DESCRIPTION OF THE COMPLIANCE FILING

On April 30, 2010, Allegheny Power filed proposed amendments to Attachment H-11 of the PJM Tariff to provide the rate for network integration transmission service for Old Dominion Electric Cooperative’s (ODEC) newly acquired load, which will receive service at existing delivery points not previously used by ODEC in the Allegheny Power zone. In the June 29 Order, the Commission accepted the proposed tariff revisions to be effective June 1, 2010 subject to conditions discussed in the June 29 Order.³ The conditions required that the applicable rate “would continue to apply in the event than an existing listed wholesale customer utilizes a new delivery point to serve its existing load (including load growth), as opposed to load acquired from Allegheny through an asset purchase.”⁴ Allegheny Power was

¹ *Allegheny Power*, 131 FERC ¶ 61,278 (2010) (“June 29 Order”).

² Allegheny Power is the trade name for Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company.

³ June 29 Order, Ordering Paragraph B.

⁴ *Id.* at P 31.

directed to make a compliance filing within 30 days of the June 29 Order, to “revise its tariff language to make this distinction clear.”⁵ In compliance with the June 29 Order, the tariff sheets filed herewith propose revisions to paragraphs 4(a) and 4(b) of Attachment H-11 of the PJM Tariff to clarify the distinction between the rates for network integration transmission service at new delivery points used to serve load growth and those new delivery points used to serve acquired load.

II. PROPOSED EFFECTIVE DATE

Consistent with the June 29 Order, Allegheny Power respectfully requests that the Commission accept the revised tariff sheets to become effective on June 1, 2010.

III. CONTENTS OF FILING

Allegheny Power encloses the original and six copies of each of the following:

1. This transmittal letter;
2. Proposed tariff sheets (Attachment 1); and
3. Proposed tariff sheets in red-line format (Attachment 2).

IV. LIST OF PERSONS ON WHOM THIS FILING IS BEING SERVED

Pursuant to Sections 35.2(e) and 385.2010(f)(3) of the Commission’s regulations, on behalf of Allegheny Power, PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically and providing a link to such posting via e-mail.

⁵ *Id.* at Ordering Paragraph C and P 31.



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V. CONCLUSION

Allegheny Power respectfully requests that the Commission accept this filing as being in compliance with Ordering Paragraph C of the June 29 Order.

Respectfully submitted,



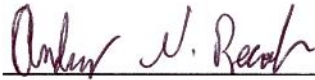
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CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2010), and the posting requirements of 18 C.F.R. § 35.2(e), I hereby certify that I have, this 28th day of July, 2010, caused the foregoing document to be served on transmission customers in the AP Zone and interested state commissions, including each person designated on the official service list compiled by the Secretary for this proceeding.



Andrew N. Beach
Attorney for Allegheny Power

ATTACHMENT 1
Proposed Tariff Sheet

ATTACHMENT H-11

**Annual Transmission Rates -- Allegheny Power
 for Network Integration Transmission Service**

1. The annual transmission revenue requirement is \$128,000,000 and the rate for Network Integration Transmission Service is \$17,895 per megawatt per year, which reflects the facilities within the Zone of 138 kV and higher voltage. Service utilizing facilities at voltages below 138 kV will be provided at rates determined on a case-by-case basis.
2. The rate in (1) shall be effective until amended by the Transmission Owner(s) within the Zone or modified by the Commission.
3. In addition to the rate set forth in section 1 of this attachment, the Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse the Transmission Owners for any amounts payable by them as sales, excise, "Btu," carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.
4. The following credits will be applied to reduce the rate for Network Integration Transmission Service stated above.
 - (a) For Network Transmission Service in the AP Zone to each of the wholesale customers listed in this paragraph, a credit will be applied, reducing the effective rate. The credit and the resulting effective rate for each customer's delivery points existing on, or added after, April 1, 2002 are listed in this paragraph, except that the credit and the resulting effective rate for delivery points added by such customer after April 1, 2002, that were first used to serve another wholesale customer after April 1, 2002, will be the credit and effective rate applicable to such other wholesale customer listed in this paragraph or in paragraph (b) of this section 4.

Wholesale Customer	Credit Dollars Per Megawatt Per Year	Effective Rate Dollars Per Megawatt Per Year
The City of Hagerstown, Maryland	5,775	12,120
The Town of Front Royal, Virginia	7,935	9,960
The Town of Thurmont, Maryland	8,295	9,600
The Town of Williamsport, Maryland	6,735	11,160
Borough of Chambersburg, PA	6,015	11,880
Allegheny Electric Cooperative, Inc.	6,855	11,040
Old Dominion Electric Cooperative, Virginia	7,095	10,800
Borough of Tarentum, Pennsylvania	5,775	12,120
Letterkenny Industrial Development Authority, Pennsylvania	5,775	12,120
City of Philippi, West Virginia	7,215	10,680
City of New Martinsville, West Virginia	5,775	12,120
Harrison Rural Electrification Association, West Virginia	6,255	11,640
Borough of Mont Alto, Pennsylvania	6,615	11,280

Issued By: Craig Glazer
 Vice President, Federal Government Policy

Effective: June 1, 2010

Issued On: July 28, 2010

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER10-1152-000, issued June 29, 2010, 131 FERC ¶ 61,278 (2010).

- (b) For Network Integration Transmission Service to all other customers in the AP Zone, a credit of \$2,499 per megawatt per year will be applied, reducing the effective rate to \$15,396 per megawatt per year for such customer's delivery points existing on, or added after, April 1, 2002, except that the credit and the resulting effective rate for delivery points added by such customer after April 1, 2002, that were first used to serve a wholesale customer listed in paragraph (a) of this section 4 after April 1, 2002, will be the credit and effective rate applicable to such other wholesale customer.

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ATTACHMENT 2
Proposed Tariff Sheet
in Red-Line Format

ATTACHMENT H-11

**Annual Transmission Rates -- Allegheny Power
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1. The annual transmission revenue requirement is \$128,000,000 and the rate for Network Integration Transmission Service is \$17,895 per megawatt per year, which reflects the facilities within the Zone of 138 kV and higher voltage. Service utilizing facilities at voltages below 138 kV will be provided at rates determined on a case-by-case basis.
2. The rate in (1) shall be effective until amended by the Transmission Owner(s) within the Zone or modified by the Commission.
3. In addition to the rate set forth in section 1 of this attachment, the Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse the Transmission Owners for any amounts payable by them as sales, excise, "Btu," carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.
4. The following credits will be applied to reduce the rate for Network Integration Transmission Service stated above.

(a) For Network Transmission Service in the AP Zone to each of the wholesale customers listed in this paragraph, a credit will be applied, reducing the effective rate. The credit and the resulting effective rate for each customer's delivery points existing on, or added after, April 1, 2002 are listed in this paragraph, except that the credit and the resulting effective rate for delivery points added by such customer after April 1, 2002, that were first used to serve another wholesale customer after April 1, 2002, will be the credit and effective rate applicable to such other wholesale customer listed in this paragraph or in paragraph (b) of this section 4.

Deleted: for delivery points to such customers existing on April 1, 2002
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Wholesale Customer	Credit Dollars Per Megawatt Per Year	Effective Rate Dollars Per Megawatt Per Year
The City of Hagerstown, Maryland	5,775	12,120
The Town of Front Royal, Virginia	7,935	9,960
The Town of Thurmont, Maryland	8,295	9,600
The Town of Williamsport, Maryland	6,735	11,160
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Borough of Tarentum, Pennsylvania	5,775	12,120
Letterkenny Industrial Development Authority, Pennsylvania	5,775	12,120
City of Philippi, West Virginia	7,215	10,680

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- (b) For Network Integration Transmission Service to all other customers in the AP Zone, a credit of \$2,499 per megawatt per year will be applied, reducing the effective rate to \$15,396 per megawatt per year for such customer's delivery points existing on, or added after, April 1, 2002, except that the credit and the resulting effective rate for delivery points added by such customer after April 1, 2002, that were first used to serve a wholesale customer listed in paragraph (a) of this section 4 after April 1, 2002, will be the credit and effective rate applicable to such other wholesale customer.

Deleted: and to customers listed in paragraph (a) served at delivery points formerly served by Allegheny Power prior to June 1, 2010

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