



955 Jefferson Ave.
Valley Forge Corporate Center
Norristown, PA 19403-2497

June 17, 2010

Mr. James R. Haney
Co-Vice President
Potomac-Appalachian Transmission Highline, LLC
800 Cabin Hill Drive
Greensburg, PA 15601

Mr. Michael Heyeck
Co-President
Potomac-Appalachian Transmission Highline, LLC
700 Morrison Road
Gahanna, OH 43230

PJM Board Review of 2010 RTEP Analysis

Messrs Haney and Heyeck:

On December 28, 2009, I sent you a letter informing you that sensitivity analyses, performed in the Virginia proceeding, Case No. PUE-2009-00043, suggested that the PATH project appeared not to be needed in 2014 as a result of changing modeling assumptions.

At its June 16, 2010 meeting, the Reliability Committee of the PJM Board of Managers reviewed the progress of the 2010 Regional Transmission Expansion Plan (RTEP), including analysis specific to the need for the PATH project. From this analysis it is clear that significant voltage and thermal violations of reliability criteria persist, requiring additional transmission capability to be put in place, at the latest, by June 1, 2015. At this time we have identified over thirty violations of thermal criteria and numerous violations of voltage criteria. All analysis to date indicates that the PATH project remains the most robust and effective means to ensure the long-term reliability of the PJM grid.

As a result, the PJM Board requests, due to the critical nature of the subject reliability criteria violations, that you continue to proceed with all efforts related to the PATH project, including the state regulatory proceedings, assuming a required in-service date for the project of June 1, 2015 at the latest.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Herling', written in a cursive style.

Steven R. Herling
Vice President of Planning
PJM Interconnection, LLC

cc: Mike Kormos, PJM

SRH/nbm: 599020 v2