

Via Electronic Delivery

July 21, 2023

Manu Asthana President & CEO manu.asthana@pjm.com 610.666.2232

PJM Interconnection 2750 Monroe Blvd. Audubon, PA 19403

Dear Chairman Reineke and Chairman Stein:

Thank you for your letter dated June 13, 2023, highlighting the success of Ohio's competitive markets-based energy policies, as well as your concerns related to the cost and reliability impacts of various federal and state policies. We would also like to thank you for your recent visit to PJM. We appreciated the frank and open discussion regarding your concerns and your understanding of the limitations PJM faces in conducting exclusionary transmission studies. The model that PJM uses for transmission analysis is not configured in a way that would let us exclude Ohio from the study results. The high voltage transmission system is an interstate system, and electrons travel without

consideration for state boundaries. As discussed, PJM is fully committed to continuing our engagement with you on the concerns you've raised as well as other issues important to Ohio.

Through discussions with your respective committees during our visits to Ohio and during your visit to PJM, you have collectively articulated your understanding that the PJM transmission grid is a complex and dynamic system. As we move forward with our market reforms, interconnection enhancements and transmission planning efforts, we expect to gain a better understanding of the developing and explicit impacts to the grid from not only federal and state policies but also market economics. PJM pledges to work with Ohio policymakers to keep you fully informed of the transmission project development and cost allocation implications of our ongoing planning efforts related to this dynamic system.

Again, the PJM Board thanks you for your correspondence and your direct and constructive engagement. PJM greatly values our partnership with Ohio and looks forward to working with you to maintain system reliability and to ensure your satisfaction with the ongoing success of your state energy policies.

Sincerely,

Manu Asthana
President & CEO, PJM Interconnection

cc: Majority Whip Jim Hoops State Representative Ohio's 81st House District

State Representative Ohio's 32nd House District

Robert F. Young III

Sean P. Brennan State Representative Ohio's 14th House District Thomas F. Patton State Representative Ohio's 17th House District

Bob Peterson State Representative Ohio's 91st House District Vice Chair Monica Robb Blasdel State Representative Ohio's 79th House District Scott Wiggam State Representative Ohio's 77th House District Majority Leader Bill Seitz State Representative Ohio's 30th House District

Adam Holmes State Representative Ohio's 97th House District Assistant Majority Whip Sharon A. Ray, State Representative Ohio's 66th House District