

May 6, 2019

Representative Andy Harris, M.D. 2334 Rayburn House Office Building Washington, D.C. 20515

2750 Monroe Blvd Audubon, PA 19403-2497

Andrew L. Ott President and CEO 610-666-4267

Dear Representative Harris,

Thank you for your correspondence and I apologize for the delayed response. Your letter did not land on my desk until very recently. First, please allow for me to provide some background on PJM's role in the Independence Energy Connection project (the "Project").

For many years, bottlenecks in the regional high-voltage transmission system have prevented lower cost bulk power in Pennsylvania from reaching customers in areas of Maryland. This has required the use of higher-cost power generators in PJM to maintain reliable service. This phenomenon is known as congestion, and it has increased the costs to consumers in the constrained areas, particularly in Maryland and Northern Virginia, and in the District of Columbia.

Per PJM's tariffs approved by the Federal Energy Regulatory Commission, PJM solicits and evaluates competitive bids for resolving system needs. PJM then designates entities who offer the more efficient or cost-effective project proposals to meet those system needs. For this particular project, Transource LLC was selected.

While PJM identifies the need for a transmission line and selects an entity to advance the project, we have no involvement in where a line is physically constructed. The line needs to be constructed such that the identified congestion is relieved, but it is the project developer's responsibility to select the route, obtain siting approval from state agencies, obtain right-of-way permission and easements from property owners, etc.

I hope this sheds some light on PJM's role in the Project. I understand both your perspective, and the perspectives of your constituents that could be impacted by the Project. I would encourage them to express their concerns regarding the Project route to Transource. PJM stands ready to assist in educational efforts associated with the engineering need for the Project, and should you have any further questions of me, please don't hesitate to ask.

Sincerely,

Andy L. Ott

President & CEO

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