

Zonal Cost Allocation For Retaining Cromby 2 Generator

2011 Zonal Cost Allocation

(To be used for the September 1, 2010 through August 31, 2011 timeframe)

The 2011 reliability problems that would occur if the Cromby 2 unit retired prior to the summer of 2011 are:

- Contingency overload on Whitpain – Jarrett 230 kV circuit
- Contingency overload on Hartman – Warrington 230 kV circuit
- Contingency voltage violation at Perkiomen substation
- Contingency voltage violation at Heaton substation
- Contingency voltage violation at Cromby substation
- Contingency overload on Heaton – Jarrett 230 kV circuit

At the time of this posting the anticipated reinforcements would be:

- Replace terminal equipment at Whitpain and Jarrett substations
- Replace terminal equipment at Hartman and Warrington substations
- Add circuit breakers to the Perkiomen – North Wales 138 kV line and Perkiomen – Cromby 138 kV line. Add 35 MVAR 138 kV capacitor bank at Perkiomen substation.
- Add second 230/138 kV transformer at Heaton substation. Add circuit breaker on the Heaton – North Wales 138 kV line. Add 35 MVAR 138 kV capacitor bank at Heaton substation.
- Replace 230/69 kV transformer #6 at Cromby substation with new higher rated transformer. Add two 50 MVAR 230 capacitor banks at Cromby substation.
- Replace terminal equipment at Heaton and Jarrett substations

Based on PJM's assessment of the contribution to the need for, and benefits expected to be derived from, the facilities, the zonal percentage cost allocation for 2011 (September 1, 2010 through August 31, 2011 timeframe) is:

Company Name	Allocation
Atlantic City Electric Company	0.29%
Jersey Central Power and Light Company	1.16%
Neptune Regional Transmission System, LLC	0.13%
PECO Energy Company	96.69%
East Coast Power, LLC	0.03%
Hudson Transmission Partners, LLC	0.02%
Public Service Electric and Gas Company	1.62%
Rockland Electric Company	0.06%