

Zonal Cost Allocation For Retaining Eddystone 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 Eddystone 2 unit retired prior to the summer of 2011 are:

- Contingency overload on Chichester 230/138 kV transformer
- Contingency overload on Chichester – Saville 138 kV circuit
- Contingency voltage violation at Eddystone substation

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

- Add second 230/138 kV transformer in parallel with existing transformer at Chichester substation
- Reconductor Chichester – Saville 138 kV circuit and replace terminal equipment at Chichester and Saville substations
- Install 230/138 kV transformer in same position as former Eddystone #8 transformer

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:

<u>Company Name</u>	<u>Allocation</u>
Jersey Central Power and Light Company	3.75%
Neptune Regional Transmission System, LLC	0.4%
PECO Energy Company	84.17%
East Coast Power, LLC	0.29%
Hudson Transmission Partners, LLC	0.29%
Public Service Electric and Gas Company	10.67%
Rockland Electric Company	0.43%