March 2, 2010

Mr. Terry Boston
President and CEO
PJM Interconnection
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403-2497

Dear Mr. Boston:

The Maryland Public Service Commission and the District of Columbia Public Service Commission request that PJM undertake a study to determine the most economical and efficient means of meeting the renewable energy requirements of the Mid-Atlantic States through the development of offshore wind generation. As PJM is aware from its own studies of the renewable portfolio standards of Mid-Atlantic States, substantial renewable generation must be integrated into PJM. Since generation can be constructed more quickly than transmission, it is vital that we begin now to understand the challenges faced in developing these resources and connecting them to load centers.

One of the most promising sources of renewable generation is offshore wind energy. Studies by the Department of Energy ("DOE") have established that the Atlantic Coast contains significant potential for offshore wind development. However, these projects will not be undertaken to improve reliability, PJM’s current benchmark for transmission planning, but to meet State goals for renewables which reduce carbon emissions from electric power generation, diversify the fuel and location from which our supply of electricity comes, and stabilize electricity costs.
PJM is now undertaking a complete reevaluation of its backbone transmission analysis. It is appropriate as that analysis proceeds that consideration is given to connecting to the grid the renewable generation needed for the Mid-Atlantic States to meet their renewable energy goals. Some high level work funded by the DOE has already been done. We would hope that, by the end of June 2010, PJM would be able to provide an analysis pointing the way to the economical integration of offshore wind generation into the Mid-Atlantic region.

Sincerely,

[Signature]

Douglas R.M. Nazarian, Chairman
Maryland Public Service Commission

[Signature]

Harold D. Williams, Commissioner
Maryland Public Service Commission

[Signature]

Susanne Brogan, Commissioner
Maryland Public Service Commission

[Signature]

Lawrence Brenner, Commissioner
Maryland Public Service Commission

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Therese M. Goldsmith, Commissioner
Maryland Public Service Commission
Betty Ann Kane, Chairman
District of Columbia Public Service Commission

Richard E. Morgan, Commissioner
District of Columbia Public Service Commission

Lori Murphy Lee, Commissioner
District of Columbia Public Service Commission