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**PJM BOARD APPROVES \$636 MILLION INVESTMENT
IN TRANSMISSION PROJECTS**

One project, for market efficiency, to save \$622 million

(Valley Forge, Pa. – Aug. 9, 2016) – The PJM Interconnection Board has authorized more than \$636 million in electric transmission projects to strengthen the grid and reduce electricity costs. The approvals include a market efficiency project expected to save customers \$622 million over 15 years.

The \$320 million market efficiency project is expected to alleviate transmission congestion across the Pennsylvania and Maryland border. It involves upgrades at existing substations, two new substations, two new transmission lines and improvements to existing lines. The expected in-service date is 2020.

“This is PJM’s largest-ever market efficiency project, and we expect it will resolve a significant amount of the remaining transmission congestion in the eastern portion of PJM,” said Andrew L. Ott, PJM president and CEO.

The project will be constructed principally by Transource Energy, LLC (an AEP affiliate), Baltimore Gas & Electric and Allegheny Power. The proposal originated out of PJM’s competitive process for transmission improvements.

The PJM Board approved a net \$316.3 million in other new or changed projects to maintain the reliability of the regional electric transmission grid.

With the recently approved changes, PJM has authorized \$29 billion in transmission additions and upgrades since the first Regional Transmission Expansion Plan was approved in 2000.

PJM Interconnection, founded in 1927, ensures the reliability of the high-voltage electric power system serving 61 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region’s transmission grid, which includes 72,075 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. Visit PJM at www.pjm.com.

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