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Steven R. Herling
Vice President, Planning

January 3, 2017

Colonel Jason E. Kelly
District Commander, Army Corps of Engineers
803 Front Street
Norfolk, Va. 23510

Subject: Skiffes Creek Project

Dear Colonel Kelly:

PJM is the regional transmission organization (RTO) responsible for reliability of the electric transmission system in the mid-Atlantic region including the Commonwealth of Virginia. As part of its ongoing responsibilities as an RTO, PJM prepares a Regional Transmission Expansion Plan ("RTEP") to assess the electric supply needs of the customers in the PJM region.

In January of 2016 I wrote you concerning the Skiffes Creek 500 kV Project. The need for the project was originally identified in 2012 to address numerous grid reliability criteria violations in the Virginia Electric and Power transmission system driven by the scheduled deactivation of generators at the Dominion Yorktown facility in York County Virginia. Mandatory reliability standards, approved by the Federal Energy Regulatory Commission require PJM to implement a solution to address the reliability criteria violations. The Skiffes Creek Project was identified as the preferred and most effective solution to address the expected reliability problems. The reliability criteria violations are expected to occur immediately following the deactivation of the Yorktown generators. PJM's subsequent RTEP restudies continue to confirm the need for the project even considering the updated load forecasts in the recently released 2017 PJM Load Forecast Report and the current Skiffes Creek 500 kV project remains the most effective and efficient solution to address the reliability criteria violations.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Herling", with a long horizontal flourish extending to the right.

Steven R. Herling

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