



A PHI Company

701 Ninth Street, N.W.
Suite 1100, 10th Floor
Washington, D.C. 20068
202 872-3227

William M. Gausman
Vice President, Asset Management

May 26, 2006

Lawrence Mansueti
Office of Electricity Delivery and Energy Reliability
U.S. Department of Energy
Rm. 8H-033
1000 Independence Avenue
Washington, D.C. 20585

Re: Potomac River Generating Station
Department of Energy Case No. EO-05-01

Dear Mr. Mansueti,

Per your request, Potomac Electric Power Company ("Pepco"), on behalf of itself and PJM Interconnection, L.L.C. ("PJM"), is providing you with information regarding the planned transmission maintenance outage scheduled for the upcoming weekend. Pepco notes that the scheduled maintenance activities are not associated with its new transmission line installation, but are routine maintenance activities resulting from a switch problem identified during routine system checks.

Pepco has scheduled an outage at the Potomac River substation to make necessary repairs to Pepco equipment at that substation. PJM has scheduled and approved this outage to occur between 11:00 p.m. on May 26, 2006 and 5:00 a.m. on Saturday, May 27, 2006. At approximately 11:00 p.m. on May 26, 2006, the #5 69 kV bus section will be taken out of service to repair 3-phase disconnects on 4-5 69 kV bus tie circuit breaker at the Potomac River substation. As part of this bus outage, the precipitator transformer at Mirant's Potomac River Generating Station ("Potomac River Plant") will be out of service. Pepco understands from discussions with Mirant that this transformer is the source supply to most of Mirant's environmental control equipment, including Mirant's new Trona injection equipment. As a result, Pepco understands that during the outage, Mirant will not operate any of its generating units at the Potomac River Plant that use these environmental controls.

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This maintenance outage should not impair electricity reliability in the Washington, D.C. area. All Pepco resource and material arrangements have been made to ensure that the disconnect repairs are completed within the outage time frame allotted by PJM , and Pepco will work to minimize the outage time to the extent feasible. Pepco's 230 kV lines will be operational during the outage, and the time and duration of the outage was designed to ensure that load could be accommodated during the outage without operation of the generating units at the Potomac River Plant. However, your office should appreciate that in the unlikely event of an incident affecting Pepco's 230 kV lines during the outage, and given the limited support that can presently be provided by the Potomac River Plant, a risk of service disruption exists. While both Pepco and PJM, the relevant control area operator, would prefer to call on the Potomac River Plant to provide greater support during the outage, under the present circumstances, both parties agree the modest incremental exposure is manageable.

If you need any additional information, please contact the undersigned.

Respectfully submitted,

/s/ William M. Gausman

William M. Gausman,
VP Asset Management
Potomac Electric Power Company
701 Ninth Street, N.W.
Washington, D.C. 20068
Phone: (202) 872-3227
Email: wmgausman@pepco.com

cc: Craig Glazer, PJM
Vincent Duane, PJM