



955 Jefferson Ave.  
Valley Forge Corporate Center  
Norristown, PA 19403-2497

October 9, 2007

Ralph LaRossa  
President & COO  
Public Service Electric & Gas Company  
80 Park Plaza  
T4  
Newark, NJ 07102

RE: PJM June 22, 2007 RTEP – Notification of Designation of Construction Responsibility

Dear Mr. LaRossa:

At its meeting on June 22, 2007 the PJM Board of Managers approved the Regional Transmission Expansion Plan (RTEP) pursuant to Schedule 6 of the PJM Operating Agreement. Schedule 6 – Regional Transmission Expansion Planning Protocol – governs the process for planning the expansion and enhancement of transmission facilities to meet reliability criteria and to enhance market efficiency.

Attachment 1 to this letter lists your company's construction responsibility assignments for each upgrade as provided for in the RTEP.<sup>1</sup> A complete summary of the total RTEP for reliability and market efficiency can be obtained from the PJM web page at the following link: <http://www.pjm.com/planning/project-queues/upgrade-projects.html>

In accordance with the PJM Transmission Owners Agreement, Section 4.2, PJM hereby notifies the identified Transmission Owners that they have been designated to construct and own or finance the specified enhancements or expansions. In accordance with the PJM Transmission Owners Agreement, Section 4.2, each designated Transmission Owner shall within 90 days (1) acknowledge this notification or the reasons why the Transmission Owner disagrees with such designation or any aspect thereof, and (2) provide a proposed preliminary schedule for such enhancements or expansions.

In addition to acknowledging this designation to construct and own or finance the specified enhancements or expansions we are also requesting an update on the projected in-service date for the Susquehanna to Roseland line.

Thank you for your timely response to this letter. Our Reliability Integration Staff will be contacting your organization to coordinate project schedules. Please contact Paul McGlynn if you have questions.

Sincerely,

Steven R. Herling  
Vice President, Planning

cc: Paul Napoli  
Tamara Linde  
Richard Marinelli

SRH/nbm: 441136

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<sup>1</sup> This letter is not intended to raise any issues regarding the current or future cost allocation for the subject facilities. Any such issues should be addressed as part of the proceedings related to those issues.