
FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Docket No. EL05-145-000

PEPCO, PJM DIRECTED TO DEVELOP COMPREHENSIVE PLAN TO ASSURE CONTINUED POWER GRID RELIABILITY

The Federal Energy Regulatory Commission – finding that reliability standards are not being met during certain conditions, and that the long-term reliability of the regional power grid in the Washington, D.C., area is compromised – today directed the PJM Interconnection (PJM) and Potomac Electric Power Co. (Pepco) to develop and implement a comprehensive plan to preserve reliability in the region.

Today’s action complements an emergency order issued by Energy Secretary Samuel W. Bodman last month requiring the Mirant Potomac River Generating Station to operate as needed to meet demand if key transmission lines serving Washington, D.C., are out of service.

“Energy Secretary Bodman acted under Federal Power Act emergency authority to address the near-term reliability concerns caused by the Mirant plant closure. Today, the Commission acts under its Federal Power Act authority to assure an effective long-term solution that maintains a reliable and sound electric power grid for the region,” Commission Chairman Joseph T. Kelliher said.

The Commission directed PJM and Pepco to file within one month of today’s order a comprehensive plan for the “operation, planning and construction of transmission facilities to address the current reliability risks to the system.”

The Commission noted that the DOE emergency order “has not required the transmission entities to operate in accordance with applicable reliability standards or to identify the necessary operational, planning, and construction milestones necessary to address the reliability risk.”

Acting for the first time under section 207 of the Federal Power Act, today’s order responds to a petition and complaint filed by the District of Columbia Public Service Commission citing reliability concerns regarding Mirant’s cessation of operations at its 482-megawatt plant in Alexandria, Va.

Mirant shut down all of the facility's five generating units at midnight, August 25, 2005, in response to emissions modeling concerns of the Virginia Department of Environmental Quality, which regulates the facility under the federal Clean Air Act. Mirant restarted one of the plant's generating units on September 20 at a reduced level.

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