



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

Michael J. Kormos
Senior Vice President - Operations

September 29, 2011

Carrie Hill Allen
Assistant General Counsel
GenOn Energy, Inc.
carrie.allen@genon.com

Re: Deactivation Request for Potomac River Generating Station

Dear Ms. Allen,

This letter is submitted on behalf of PJM Interconnection, L.L.C. ("PJM"), in response to the GenOn Potomac River, LLC ("GenOn") August 30, 2011 notice requesting to deactivate (retire) the Potomac River Generating Station (which includes Units 1, 2, 3, 4, and 5) effective October 1, 2012.

In accordance with Section 113.2 of the PJM Open Access Transmission Tariff (PJM Tariff), PJM Interconnection Analysis performed a detailed study of the PJM Transmission System and did not identify any reliability violations resulting from the proposed deactivation of the Potomac River Generating Station. In addition, PEPCO Transmission reviewed the proposed deactivation of the Potomac River Generating Station and found no reliability violations on their lower voltage system.

Since there are no reliability violations associated with deactivation of this generating station, consistent with Section 113.2 of the PJM Tariff, the Potomac River Generating Station (which includes Units 1, 2, 3, 4, and 5) may be deactivated at any time. Please confirm the date on which you will deactivate these generating units.

Please be advised that PJM's determination does not supersede any outstanding contractual obligations between the Potomac River Generating Station and any other parties that must be resolved before deactivating the generating station.

In accordance with the PJM Tariff, Part VI, Subpart C, Section 230.3.3, the Capacity Interconnection Rights associated with Generating Capacity Resources will terminate one year from the actual Deactivation Date unless the holder of such rights submits a new Generation Interconnection Request within one year after the Deactivation Date. Also, if a generating unit is

receiving Schedule 2 payments for Reactive Supply and Voltage Control, the generating unit owner must inform PJM when the unit is deactivated so that the payments may be adjusted.

Please contact Bill Patzin (610-666-4698) (patziw@pjm.com) in PJM's Interconnection Coordination Department to confirm the Deactivation Date or if you have any questions regarding PJM's analysis or the generator deactivation process.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Michael J. Kormos". The signature is fluid and cursive, with a long horizontal flourish at the end.

Michael J. Kormos
Senior Vice President
Operations

#666939

cc:

Neal A. Fitch
GenOn Energy, Inc.
Director, East Regulatory Affairs
neal.fitch@genon.com