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Sent: Thursday, August 17, 2017 6:22 PM
To: Herling, Steven R.; McGlynn, Paul; Foley, Pauline
Cc: Mayes, Jeffrey
Subject: Transmission Cost Containment

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All:

Please consider this to be the preliminary comments of the MMU on PJM's cost containment proposal.

- Cost caps/cost containment proposals should be a critical part of the evaluation of transmission projects
- The inclusion of a binding and comprehensive cost cap/cost containment proposal should be a critical positive element in the evaluation.
 - Such cost cap/cost containment proposals should not be limited to construction costs but should be comprehensive and include the total project costs and all its elements.
- The inclusion of a binding and comprehensive cost cap/cost containment proposal should mean that the project costs are treated as fixed when compared to project costs without a binding and comprehensive cost cap/cost containment proposal, which should be treated as an estimate and the risks of cost overruns should be explicitly accounted for.

Thanks
Joe