

I-to-I Transmission, LLC

Pre-Qualification Filing

September 26, 2013

I to I Transmission, L.L.C. Pre-Qualification Submittal

Attached is the information required pursuant to the PJM Amended and Restated Operating Agreement in Section 1.5.8(a) (FERC acceptance pending) on behalf of I-to-I Transmission, LLC.

1. NAME AND ADDRESS OF THE ENTITY INCLUDING A POINT OF CONTACT

Enrique J. Marroquin

Sr. Vice President Project Development

Hunt Power, L.P.

1900 North Akard Street

Dallas, TX 75201

Phone: 214-978-8947

Email: emarroquin@huntpower.com

Matthew J. Virant

Director

Hunt Power, L.P.

1900 North Akard Street

Dallas, TX 75201

Phone: 214-978-8926

Email: mvirant@huntpower.com

2. TECHNICAL AND ENGINEERING QUALIFICATIONS OF THE ENTITY OR ITS AFFILIATE, PARTNER, OR PARENT COMPANY

I-to-I Transmission, LLC (I-to-I), a subsidiary of Hunt Power L.P. is the project sponsor. Hunt Power and its subsidiaries have played a major role in numerous innovative projects within the electricity industry including: the creation of Sharyland Utilities, L.P.; the development of the first commercial electric interconnection between electrical grids of Texas and Mexico; the development and construction of approximately 300 miles of new transmission infrastructure in the Texas Panhandle and South Plains as part of Texas' Competitive Renewable Energy Zone (CREZ) process; and the creation of the first-of-its-kind Real Estate Investment Trusts (REITs) for electric and natural gas transmission and distribution assets. Transferring the ownership of the project to the REIT will be an option considered upon necessary approvals from the RTOs and as the demand for capital increases. We have a proven track record of successfully developing, financing and constructing transmission facilities, and we have a history of partnering with local regulated utilities.

Hunt has substantial internal expertise in the areas of transmission planning, engineering and design, protective relaying, power siting, project management, compliance, and safety, as well as agreements with a number of industry-leading consulting firms to assist as needed. Contractors we have used for transmission line and substation design includes Black & Veatch, Quanta, as well as other high-qualified parties who have assisted us with local requirements such as permitting and right-of-way acquisition as needed.

Hunt considers safety to be its highest priority and is committed to ensuring that its business practices are consistent with standard industry practices. This commitment and ability to comply with standard industry practice is evidenced by the fact that Sharyland Utilities, L.P. has operated successfully as a transmission and distribution utility in both the Electric Reliability Council of Texas (ERCOT) and the Southwest Power Pool (SPP).

3. DEMONSTRATED EXPERIENCE OF THE ENTITY OR ITS AFFILIATE, PARTNER, OR PARENT COMPANY TO DEVELOP, CONSTRUCT, MAINTAIN, AND OPERATE TRANSMISSION FACILITIES. INCLUDING A LIST OR OTHER EVIDENCE OF TRANSMISSION FACILITIES PREVIOUSLY DEVELOPED REGARDING CONSTRUCTION, MAINTENANCE, OR OPERATION OF TRANSMISSION FACILITIES BOTH INSIDE AND OUTSIDE OF THE PJM REGION.

Below is a list of representative projects that have been developed by our team:

- In 2007, we developed and completed a new \$40 million, 150 MW HVDC Tie to link the Electric Reliability Council of Texas (ERCOT) grid with the Mexican national grid, operated by the Comisión Federal de Electricidad. This cross-border HVDC Tie was the first of its kind to support both emergency power and commercial business activities in Texas and Mexico. We are currently expanding the HVDC Tie from 150MW to 300MW and the project is expected to be completed and placed in service in 2014.
- The Texas legislature approved the Texas Competitive Renewal Energy Zones (CREZ) initiative in 2005 with the objective of providing transmission lines to deliver the electricity generated from renewable energy sources to population centers such as Dallas, Houston, San Antonio and Austin. As part of this CREZ initiative, we are constructing approximately 300 miles of new electric transmission facilities, including four substations and five 345kV transmission lines segments in the Texas Panhandle. We obtained \$727 million of project financing to complete this project. The CREZ project is expected to be completed in fourth quarter 2013 both on time and within budget.

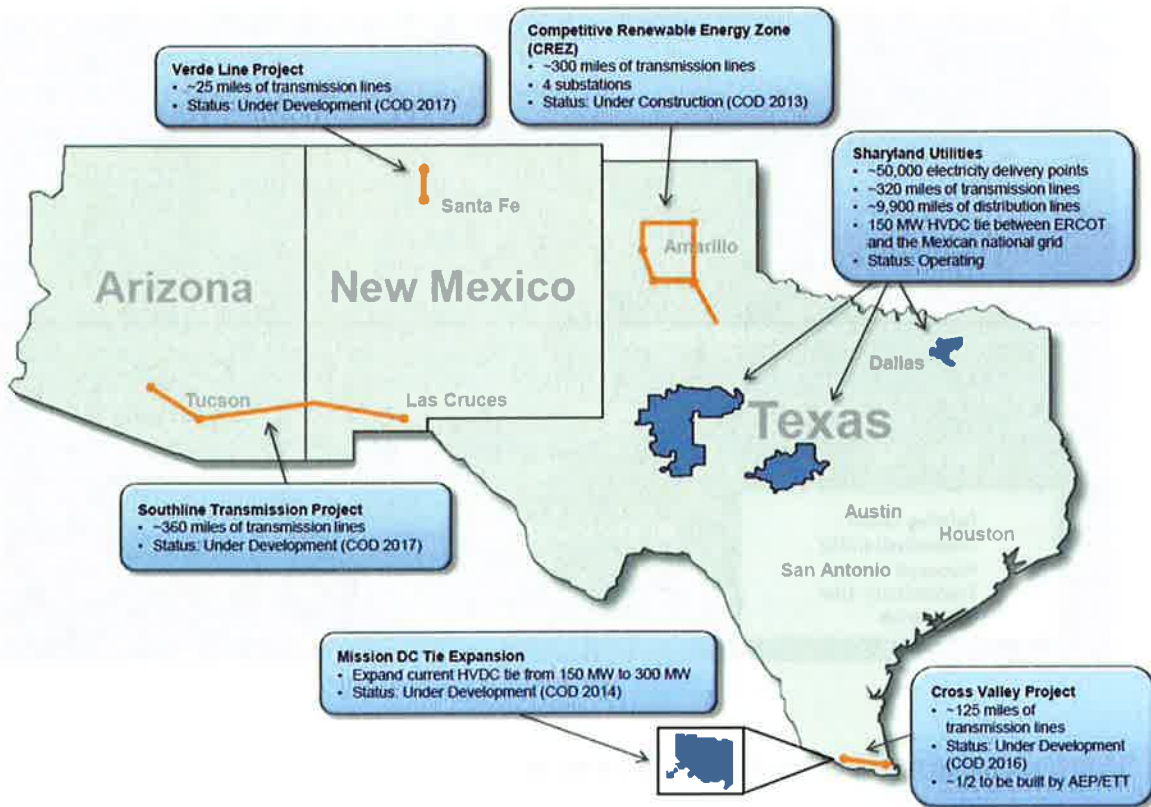
Other projects that we are currently developing include:

- The Cross Valley Project – joint development of 100+ mile transmission line in South Texas near the Mexico border, known as the North Edinburg to Loma Alta 345kV Transmission Line Project. The project will ensure reliable electric service for the Lower Rio Grande Valley and address the electric load growth in the Brownsville area.
- The Verde Project – approximately 25 miles of 345kV line in Northern New Mexico that will provide enhanced load-serving capabilities to the electrical system in New Mexico and provide an alternative path for renewable energy. We have successfully negotiated right-of-ways with several Native American tribal governments and

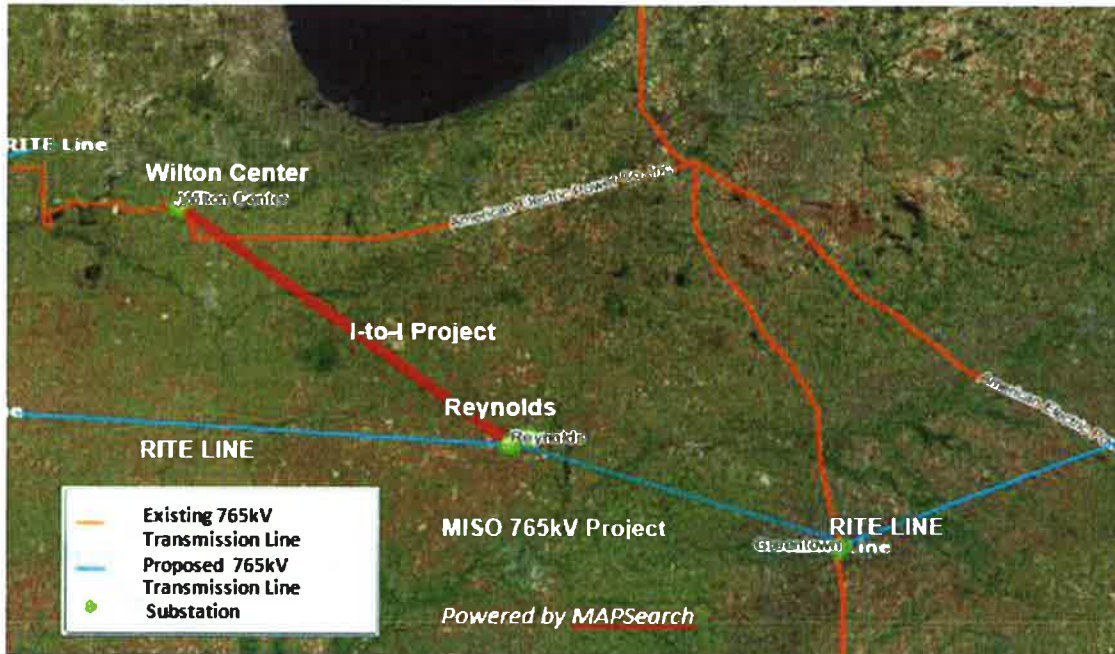
continue the acquisition of right-of-ways from tribal governments and private landowners.

- The Southline Project in New Mexico/Arizona – approximately 240 miles of new double-circuit 345kV transmission lines and approximately 120 miles of upgrading existing Western Area Power Administration (Western) transmission lines. The completed project would allow up to 1,000 MW of bi-directional capacity and provide system benefits throughout the Southwest. The project is in Phase 2b of the WECC Three Phase Ratings Process that will establish the project's capacity rating. We are currently working with the Bureau of Land Management and Western as Joint-Lead Agencies for the National Environmental Policy Act (NEPA) process.
- The Illinois to Indiana Connection (I-to-I Project) - a proposal to develop, finance, construct and place in service by 2018 a 765kV transmission line connecting to the 765kV systems at or near the existing PJM Wilton Center 765kV station in Illinois with the 765kV systems at or near the MISO-approved expansion of the Reynolds 765kV station in Indiana. The I-to-I Project provides a second outlet for the greater Chicago area, improves reliability in the northern Illinois/Indiana region, and allows for the existing Wilton Center to Dumont 765kV to operate at its full potential thus improving reliability and increasing transfer capability. As a response to the Inter-Regional Planning Stakeholders Advisory Committee's request, we have submitted a project proposal on August 21, 2013.

Map: Existing and development projects



Map: Proposed I-to-I Project (PJM/MISO)



Below are some websites for further information:

- Hunt Power L.P. www.huntpower.com
- Sharyland Utilities, L.P. www.sharyland.com

4. PREVIOUS RECORD OF THE ENTITY OR ITS AFFILIATE, PARTNER, OR PARENT COMPANY TO ADHERE TO STANDARDIZED CONSTRUCTION, MAINTENANCE AND OPERATING PRACTICES.

We have a successful history of project development, construction and management. This is a result of diligent efforts of both internal and external resources. The resources are utilized effectively to build on best practices and to take advantage of the latest information and technologies as well as reduce overall cost.

Figure below provides a matrix showing how the approach would work in practice, using the CREZ project and DC Tie project as examples. As the figure summarizes, some activities will be self-performed (S), some require direct management (M) but will be performed by third parties (e.g., contractors, vendors, consultants, etc.) and others will be performed by other entities that must coordinated (C) with the project manager's activities. Some of these roles may possibly assisted by a utility partner.

Examples of project Matrix for existing facilities

Activity	HVDC Tie Project	CREZ Project
Project Development	S	S
Project Management	S	S
Regulatory/CCN Requirements	S	S
Governmental Relations	S	S
Media & Community Relations	S	S
Environmental/Cultural Assessments	M	M
Route Selection (Primary & Alternatives)	M	M
Landowner Relations / ROW acquisitions	S	M/S
Geotechnical Requirements	M	M
Engineering (Preliminary & Detailed)	M	M
Specification Development	M	M
Operation & Maintenance Plan Development	M/S	M/S
Procurement	S	S
Construction	M	M
Construction Management	S	M/S
Environmental, Health & Safety Compliance	S	S
System Operation	C	C
System Maintenance (Predictive, Preventive & Unscheduled)	M	M

S : self-performed

M : require direct management but will be performed by third parties

C : performed by other entities that must coordinated with the project manager’s activities

5. CAPABILITY OF THE ENTITY OR ITS AFFILIATE, PARTNER, OR PARENT COMPANY TO ADHERE TO STANDARDIZED CONSTRUCTION, MAINTENANCE AND OPERATING PRACTICES.

We have a firm set of track record to construct, maintenance and operation through our existing and development projects, have been thoroughly familiar with Commission and ERCOT procedures, have regularly participated in the ERCOT Regional Planning Group process, and have worked closely with other utilities on variety of projects, successfully handled the regulatory, business, and engineering aspects of constructing the HVDC Tie project, a complicated process involving several different regulatory agencies and other entities in two countries.

Consistent with its preexisting procedures and historical practices, we will follow practices commonly used in the industry for mitigating the impact of transmission facilities on affected landowners and for addressing public concerns regarding transmission facilities. we have

previously applied these practices in connection with construction of transmission facilities in South Texas and will expand and modify the practices as necessary for application to Projects within PJM. Some of these scopes may possibly be assisted by a utility partner. The practices that we will follow include (1) a Public Involvement Program and (2) a Project Development and Management Plan.

1. Public Involvement Program

A specific Public Involvement Program will be designed to engage the local communities, landowners, stakeholders and other interested parties that will be affected by construction of the project into the process of selecting an appropriate route. The Program will be broad in nature and outreach and will be adjusted to address local conditions, concerns and issues, addressing as a minimum the following:

- Informing the public about the project
- Explaining the purpose and need for the project
- Identifying potential problem areas
- Collecting public input, preferences and concerns through local meetings and otherwise
- Explaining to the public the regulatory and Certificate of Public Convenience & Necessity (CPCN) process as applicable
- Addressing issues such as right-of-way
- Direct mailings to directly affected landowners
- Informing the public through publications in local newspapers and making other local postings
- Establishing an informational website site about the project
- Recording and addressing formal communications from the public

2. Project Development and Management Plan

A Project Development and Management Plan for the Project will be created and, as required, adjusted to address local conditions, concerns and issues. It will address as a minimum the following:

a) Type of Facilities and Land Use

- Transmission lines
- Substations and their sites
- Communication facilities and their sites
- Transmission line right-of-way
- Access roads

- Temporary use areas

b) Construction of the Facilities

- General construction activities
- Storm water pollution prevention plans
- Worksite safety and security
- Surveying
- Construction of temporary and permanent access
- Clearing and grading activities
- Excavating and installing foundations
- Assembling and erecting towers
- Stringing conductors and ground wires
- Installing ground rods and counterpoise
- Cleanup and reclamation of affected areas
- Substation construction
- Communication facilities construction
- Construction schedule
- Vegetation disposal, salvage, and relocation
- Access to and along the right-of-way during construction
- Other utility and roadway crossings
- Traffic maintenance and control

c) Operation and Maintenance of the Facilities

- Right-of-way safety requirements
- Building and fence grounding
- Inspections and maintenance
- Radio or television interference
- Permanent access to and along the right-of-way
- Signage and markers

d) Mitigation of Environmental Resource Concerns

- Air quality
- Noise
- Paleontological resources
- Soils
- Wetlands, rivers and streams
- Vegetation
- Wildlife
- Threatened and endangered species
- Cultural resources
- Visual resources
- Population concentrations
- Land use

6. FINANCIAL STATEMENTS OF THE ENTITY OR ITS AFFILIATE, PARTNER, OR PARENT COMPANY. PLEASE PROVIDE THE MOST RECENT FISCAL QUARTER, AS WELL AS THE MOST RECENT THREE FISCAL YEARS, OR THE PERIOD OF EXISTENCE OF THE ENTITY, IF SHORTER< OR SUCH OTHER EVIDENCE DEMONSTRATING AN ENTITY'S CURRENT AND EXPECTED FINANCIAL CAPABILITY ACCEPTABLE TO THE OFFICE OF THE INTERCONNECTION.

Hunt and its subsidiary Hunt Power is a privately held company, Hunt does not release its financial statements or other financial data to the public. However, the company provides complete credit information to the two leading credit rating agencies in the United States: Standard and Poor's and Moody's Investors Service. Hunt Oil Company currently enjoys investment grade credit ratings of BBB from Standard and Poor's and Baa2 from Moody's Investors Service.

The rating agencies' outlook for Hunt's strong investment grade ratings reflect the conservative financial policies that are followed by the company. These policies are designed to provide ample financial flexibility by combining strong profitability and cash flow with relatively modest amounts of debt.

The company also enjoys long-term relationships with many of the most prestigious banks and financial institutions active in the world today.

7. COMMITMENT BY THE ENTITY TO EXECUTE THE CONSOLIDATED TRANSMISSION OWNERS AGREEMENT, IF THE ENTITY BECOMES A DESIGNATED ENTITY.

I-to-I Transmission, LLC will join PJM as a transmission owning member and be signatory to the Consolidated Transmission Owners Agreement.

8. EVIDENCE DEMONSTRATING THE ABILITY OF THE ENTITY TO ADDRESS AND TIMELY REMEDY FAILURE OF FACILITIES.

Our team has a demonstrated ability to respond to emergency situations promptly in order to restore physical operations of the facilities in Texas and understands the importance of high levels of reliability and availability of transmission facilities and equipment and, therefore, plans to respond to any outage expeditiously and to resolve issues as quickly as possible. Transmission line and substation equipment inspections, along with preventive maintenance,

will be a high priority for the organization. With the build-up of experience in Texas, we will directly or through contractual relationship address the necessary characteristics in PJM.

9. DESCRIPTION OF THE EXPERIENCE OF THE ENTITY IN ACQUIRING RIGHTS OF WAY.

Our team has experience in acquiring rights of way through its projects such as the HVDC Tie and CREZ. Although these projects are located in Texas, we will modify the practice based on the PJM, state and local county regulation. We will begin the acquisition of substation sites, lay-down yards, easements, and ROWs as soon as practicable once the RTO approvals are obtained. Those efforts will include process control, payables documentation and information maintenance. However, the bulk of the ROW and land acquisition process will be provided by a high-quality third party under our supervision. The third party will provide the full range of land and ROW acquisition services, including appraisal, landowner negotiations, survey permission, right-of-entry permitting, land title search, damage settlement and construction liaison duties.

The third party will manage a staff of professional and support personnel to handle acquiring the land and ROWs needed for the project. This includes managing the operation of one or more field offices along the project routes. We will coordinate all work with the group of third parties. The designated third party for the right-of-way will coordinate with our staff to ensure that deliverables such as easements, entry permits, road crossing permits, and contact diaries all are properly maintained in an information management system.

Our legal team will provide all necessary documentation in the early stages of the CPCN process as applicable to start the acquisition of land rights, including individual forms for easement, land options, soil boring rights, damage/complaint settlement, survey permission and access rights for use by the landsmen. Additional legal services will be subcontracted as needed, with a local provider in the counties in which the projects are located. All outside counsel will work under the direction of our legal team, who will manage the day-to-day legal issues related to project ROW and land acquisition. We will also contract with a registered public surveyor (RPS) to provide proper legal descriptions and exhibits for easements and access routes. The RPS will provide preliminary surveys for use in route design (both aerial and ground survey) and a more descriptive instrument for document recording. These documents will form the basis for final contracting and payment to the landowner.

For the practices such as public involvement program and project management, please refer to the response to 5.