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June 27, 2011

Douglas Kaplan  
President  
Sugarloaf Conservancy  
3409A Urbana Pike  
Frederick, Maryland 21704

Re: Your May 25<sup>th</sup> Letter Concerning the Potomac-Appalachian Transmission Highline (PATH)

Dear Mr. Kaplan:

Attorney General Gansler has asked me to respond to your May 25<sup>th</sup> request that we file a Section 206 Complaint with the Federal Energy Regulatory Commission (FERC) to have the Potomac-Appalachian Transmission Highline (PATH) Project be deemed abandoned. Although neither the Attorney General nor the Maryland Energy Administration are truly "the defender of rights of [Maryland] ratepayers" per se, we are certainly interested in insuring that federal regulatory activity and private management of our vital electrical grid system does not adversely affect this State or the welfare of our citizens. However, both the Maryland Public Service Commission (PSC) and the Maryland Peoples' Counsel are more appropriately equipped to make a judgment on whether and when it is appropriate to pursue the abandonment of PATH through FERC. Moreover, both have been directly involved in the FERC dockets that established the incentive rates and related matters at issue, and as you know, until recently, the PSC has had an open docket to consider PATH's application for a Certificate of Public Convenience and Necessity.

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Because I do not speak for either the Public Service Commission or the People's Counsel, you should contact them directly for the status of these matters and whether they are considering seeking abandonment. However, as long as the PATH case is a matter before the PSC and FERC, I believe it is the role of this Office to act in concert and support of their decisions regarding whether to pursue abandonment. I will monitor the situation and reevaluate the question of abandonment after more information is developed through the Regional Transmission Evaluation Process and after considering the action taken by our regulatory agencies. If circumstances warrant, I may reconsider recommending that the Attorney General pursue an action to have PATH declared abandoned.

Please accept my sincerely appreciation for your interest and concern over this issue and the public's welfare.

Sincerely yours

A handwritten signature in black ink, appearing to read 'M. Brent Hare', with a long horizontal flourish extending to the right.

M. Brent Hare  
Assistant Attorney General