

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Morris Energy Group, LLC

v.

PSEG Energy Resources & Trade LLC;
PSEG Fossil LLC; and
PSEG Power LLC

Docket No. EL10-79-000

**COMMENTS OF THE
INDEPENDENT MARKET MONITOR FOR PJM**

Pursuant to Rule 211 of the Commission’s Rules and Regulations, 18 CFR § 385.211 (2010), Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM (“Market Monitor”),¹ submits these comments on the complaint filed by Morris Energy Group, LLC (“Morris”) on July 23, 2010 alleging that PSEG Energy Resources & Trade LLC, PSEG Power LLC and PSEG Fossil LLC (“PSEG”) violated their market-based authority and engaged in market manipulation in connection with a preferential affiliate gas delivery rate.

The Market Monitor has reviewed Morris’ pleading and is taking steps to become a party to and monitor developments in this matter currently pending before the New Jersey Board of Public Utilities.² The Market Monitor reserves final judgment on the substance of

¹ PJM Interconnection, L.L.C. is a FERC-approved Regional Transmission Organization. Capitalized terms used herein and not otherwise defined have the meaning provide in the PJM Open Access Transmission Tariff.

² In The Matter of The Petition of Public Service Electric and Gas Company for Approval of an Increase in Electric and Gas Rates and for Changes in the Tariffs for Electric and Gas Service B.P.U.N.J. No. 14 Electric and B.P.U.N.J. No. 14 Gas Pursuant to *N.J.S.A. 48:2-21* and *N.J.S.A. 48:2-21.1* And for Approval of a Gas Weather Normalization Clause; A Pension Expense Tracker and for Other Appropriate Relief, BPU Docket No. GR09050422.

the complaint until it has had an opportunity to review PSEG's response. The Market Monitor may seek leave to submit additional comments in response to PSEG's answer in this proceeding.

However, the Market Monitor does believe that Morris raises serious issues about potentially anticompetitive behavior, that this behavior, if proven, would affect competition in the wholesale markets administered by PJM, and that the Commission should consider affording relief, if the allegations are sustained, under both provisions prohibiting manipulation and rules applicable to Commission authorization to charge market-based rates.³

Accordingly, the Market Monitor respectfully requests that the Commission afford due consideration to these and any future comments that the Market Monitor may submit as the Commission resolves the issues raised in this proceeding.

Respectfully submitted,



Jeffrey W. Mayes

General Counsel

Monitoring Analytics, LLC
2621 Van Buren Avenue, Suite 160
Valley Forge Corporate Center
Eagleville, Pennsylvania 19403
(610) 271-8053
jeffrey.mayes@monitoringanalytics.com

Joseph E. Bowring

Independent Market Monitor for PJM

President
Monitoring Analytics, LLC
2621 Van Buren Avenue, Suite 160
Valley Forge Corporate Center
Eagleville, Pennsylvania 19403
(610) 271-8051
joseph.bowring@monitoringanalytics.com

³ Morris at 17–23, 31–35, citing 18 CFR § 1c.1.

Dated: August 30, 2010

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Eagleville, Pennsylvania,
This 30th day of August, 2010.



Jeffrey W. Mayes

General Counsel

Monitoring Analytics, LLC

2621 Van Buren Avenue, Suite 160

Valley Forge Corporate Center

Eagleville, Pennsylvania 19403

(610) 271-8053

jeffrey.mayes@monitoringanalytics.com