

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

Independent Market Monitor for PJM)	
)	
v.)	Docket No. EL12-____-000
)	
Unnamed Participant)	
)	

**COMPLAINT AND REQUEST
FOR FAST TRACK TREATMENT AND SHORTENED COMMENT PERIOD
OF THE INDEPENDENT MARKET MONITOR FOR PJM**

Pursuant to Rule 206 of the Commission’s Rules and Regulations,¹ Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM² (“Market Monitor”), files this Complaint and Request for Fast Track Treatment and Shortened Comment Period against an unnamed participant (“Respondent”).³ Respondent indicates its intention to calculate a unit specific offer for its planned project (“Project X”), using a number of modeling assumptions that do not comply with PJM’s Minimum Offer Price Rule⁴ (“MOPR”) are not based on the specific facts and circumstances of the project and are inconsistent with a competitive market. Specifically, Respondent proposes to use, without justification, levelized net revenues, residual value, and exclusion of sunk costs as modeling

¹ 18 CFR § 385.206 (2011).

² Capitalized terms herein are not otherwise defined have the meaning used in the PJM Open Access Transmission Tariff (“OATT”).

³ The Market Monitor has not named the participant in order to allow the Commission an opportunity to evaluate whether providing the participant’s name in association with the information provided in this pleading would confidentiality concerns. The Market Monitor will disclose the participant’s name when and in the manner that the Commission determines is appropriate.

⁴ OATT Attachment DD § 5.14(h).

assumptions. Respondent also proposes to use a weighted average cost of capital (“WACC”) lower than the value used to calculate the MOPR reference value. None of these changed approaches for calculating a unit specific MOPR value has been shown consistent with a competitive market and therefore these approaches should be rejected.

Respondent submits an offer that relies on non-market revenues that it expects to receive under a state procurement process which conditions payment on clearing RPM and passing MOPR. In these circumstances, Respondent is strongly motivated to clear Project X in an RPM auction without regard to whether its offer is competitive. Respondent is indifferent to the RPM clearing price. Such state programs are what motivated the recent efforts of the Commission, PJM and the Market Monitor to close loopholes in the MOPR that, left unchecked, could incent anti competitive conduct in PJM’s capacity market, the Reliability Pricing Model (“RPM”). This is a first and perhaps decisive test of whether MOPR can achieve its intended purpose.

The Market Monitor requests that the Commission determine that the indicated modeling assumptions proposed by Respondent are invalid and unsupported, and direct Respondent to calculate its Sell Offer in a manner consistent with the MOPR and consistent with a competitive market.

I. COMMUNICATIONS

All communications with respect to this pleading and in connection with this proceeding should be addressed to the following:

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II. BACKGROUND

By email dated March 7, 2012, Respondent proposed a unit-specific Sell Offer for its Project X and requested the Market Monitor to review whether its proposed offer complies with the MOPR. Respondent sent supplemental supporting information in response to requests from the Market Monitor on March 12, March 24, and April 2, 2012. The Market Monitor engaged in ongoing discussions with the Respondent and PJM during this time.

By email dated April 6, 2012, the Market Monitor notified Respondent that it had reviewed the cost data, documentation and other information provided by Respondent for Project X. The Market Monitor explained that based on the information provided and its analysis, the Market Monitor does not agree that the unit specific offer requested for Project

X complies with the MOPR. The Market Monitor explained the basis for its adjustments to the value initially specified by Respondent.

The different values result from the following modeling assumptions used by the Respondent that vary from the net CONE and MOPR standards and for which such variations were not based on the particular facts and circumstances of the project and were not consistent with a competitive market:

- Respondent uses levelized net revenues. The MOPR reference values used first year net revenues. The IMM uses first year net revenues. (This is not the levelized gross CONE issue which was addressed in prior FERC orders.⁵)
- Respondent includes a residual value. The MOPR reference value does not exclude sunk costs. The IMM does not exclude sunk costs.
- Respondent excludes sunk costs. The MOPR reference value does not include sunk costs. The IMM does not include sunk costs.
- Respondent includes a weighted average cost of capital (“WACC”) lower than the WACC included in the calculation of the MOPR reference value, but does not demonstrate that it is consistent with a competitive market. The IMM uses the WACC included in the calculation of the MOPR reference value.

By letter dated April 10, 2012, from Respondent to Paul Sotkiewicz, Ph.D., Chief Economist, Markets, Respondent requested that PJM “overturn the IMM’s findings and authorize [Respondent] to bid into the upcoming Base Residual Auction.”

By letter dated April 20, 2012, from Andrew Ott, Senior Vice President–Markets, PJM to Respondent, PJM informed Respondent of and described its adjustments to the value initially specified by Respondent.

⁵ *PJM Interconnection, L.L.C., et al.*, 137 FERC ¶ 61,145 (2011) (“November 17th Order”); *PJM Interconnection, L.L.C., et al.*, 138 FERC ¶ 61,160 (2012) (“March 5th Order”).

III. ARGUMENT

The matters that require review and resolution by the Commission are four approaches used by Respondent to calculate a unit specific offer for Project X that are not consistent with the applicable MOPR standards.

A. Standards Applicable to the Unit Specific Review Under the Minimum Offer Price Rule.

The Commission reviewed the MOPR reference value developed by PJM and approved it as just and reasonable and not unduly discriminatory, subject to certain modifications.⁶ In approving the MOPR reference value, the Commission also considered and approved the specific assumptions used to establish that reference value:

We find that PJM's proposal as accepted in the April 12 Order establishes a just and reasonable administrative method for calculating the MOPR reference values consistent with the existing VRR Curve guidelines. These reference values establish a reasonable estimate of the average annualized cost (net of expected energy and ancillary service revenues) that a new entrant would incur to enter the market. In contrast with the view of the Maryland Commission, we conclude that a competitive capacity market would provide annual revenues over time that, on average, would approximate Net CONE. If annual revenues were significantly lower, prospective developers of new capacity would not enter the market, because they would not expect to recover the costs of their investments over time. Consequently, expecting that a typical supplier acting competitively would not likely offer to provide new capacity at a price significantly below its net entry cost is reasonable. Thus, a reasonable offer floor would be near Net CONE.⁷

The reference value sets an objective standard that should apply except in specific cases where the objective facts and circumstances of a particular project support a value that

⁶ *PJM Interconnection, L.L.C., et al.*, 135 FERC ¶ 61,022 at P 43 (2011) (“April 12th Order”).

⁷ “November 17th Order at P 25.

is both lower than the reference value and based on competitive behavior. As the Commission explained:

Offers above the MOPR reference values, based on Net CONE, are not mitigated. Offers below these MOPR values, however, are not automatically mitigated, as a mitigation determination is subject to the seller availing itself of the unit-specific review process.⁸

A unit specific review means a review of the facts and circumstances of a particular project. Performance of such a review necessarily requires that an actual specific project exists. The particular aspect(s) of the project supporting special treatment, such as the location, technology choice, design, equipment contracts and construction contracts must be in place or near final. A demonstration that the specific offer reflects competitive behavior by an entity in a competitive market without reliance on any non-market revenues is also required.

On rehearing, the Commission determined that a participant should also have an opportunity to show that based on its facts and circumstances, it should be permitted to support its use of a nominal levelization approach to investment costs. The Commission explained:

After reviewing the public comments and upon further reflection, we conclude that the April 12 Order's implication that it would always be irrational for a new entrant to offer at a price based on the real levelized method was not justified. We agree with PJM that, while the nominal cost recovery method is appropriate for the MOPR screen, requiring that cost recovery method during the unit-specific review process is unnecessary. In making a case to the IMM, PJM, or the Commission, parties should have the opportunity to present a reasonable business case based on their individualized facts and circumstances, including the use of a different depreciation model. The case-by-case nature of the unit-specific exemption process allows for the IMM, PJM, and the Commission

⁸ *Id.* at P 26.

to consider more carefully the different circumstances of individual sellers. Thus, we grant rehearing of the April 12 Order's requirement that the standard of review applicable to the unit-specific review process reflect the use of the nominal levelized methodology, without exception. Accordingly, we direct PJM to submit a compliance filing revising its Tariff to eliminate the requirement that parties must use the nominal levelized methodology in a unit-specific review.⁹

Under this approach, costs calculated on a real levelized basis rather than on a nominal levelized basis could be considered if the participant could support the alternative approach based on its facts and circumstances and could demonstrate that the specific offer reflects competitive behavior by an entity in a competitive market without reliance on any non-market revenues.

On February 17, 2012, the Market Monitor filed a Motion for Clarification.¹⁰ In that motion, the Market Monitor argued that any seller could demonstrate a unit specific value much lower than the reference net CONE value for a project that is identical to the reference CONE project by using selected modeling assumptions. Any seller seeking to establish a lower value could claim a longer expected life and thus a positive residual value, a different cost levelization method or a different expected escalation rate included in the levelization method. The Market Monitor argued that projects should be able to demonstrate that their costs are actually lower because they have a competitive advantage and not because they select the most advantageous modeling assumptions.

The Market Monitor was particularly concerned about participants termed "non-market sponsors" whose facts and circumstances included insulation from competition. Such

⁹ November 17th Order at P 75.

¹⁰ Motion for Clarification of the Independent Market Monitor for PJM, filed in Docket No. ER11-2875, et al.

participants are indifferent to the level of their offer or the clearing price. They have an incentive to behave in the manner that the MOPR was designed to prevent. Units with a subsidized revenue stream have a strong incentive to pick advantageous modeling assumptions because they are guaranteed a subsidized revenue stream provided only that they clear RPM.¹¹ The guaranteed subsidized price can exceed their offer into the RPM auction and exceed the RPM clearing price. The subsidized price can also exceed the unit's MOPR exception value and exceed the MOPR screen value. Selective use of favorable modeling assumptions could allow unit specific review to render the MOPR unable to protect the integrity and competitiveness of the PJM Capacity Market.

Participants should not be able to use individual facts and circumstances to justify an offer if those facts and circumstances include receiving non-market payments. The Commission made this very clear in approving PJM's proposed standard, providing that "a sell offer would be permissible when such offer is consistent with the competitive, cost-based, fixed, nominal levelized, net cost of new entry were the resource to rely solely on revenues from PJM-administered markets."¹² Although the Commission modified that standard in some particulars, the fundamental point that consistency with competitive new entry is the essence of unit specific review did not change.

Selective use of favorable modeling assumptions also creates the potential to distort market outcomes because it can make a more expensive project appear to be cheaper. The result could be that the more expensive project clears in the RPM auction while the less expensive project does not clear. This would be a non-competitive outcome.

¹¹ For example, both the New Jersey LCAPP and the Maryland RFP process require units to pass MOPR and clear in an RPM auction in order to receive the guaranteed contract price.

¹² April 12th Order at P 122.

Selective use of favorable modeling assumptions creates the potential to distort the MOPR exception review process. For example, given two sellers with identical projects and identical costs, seller A can make its project costs appear lower through modeling assumptions. If the Market Monitor rejects that approach and seller A appeals to the Commission, this creates a risk for seller B. If seller A's approach is upheld, seller A will have an advantage in the RPM auction. This, in turn, creates an incentive for all participants to include aggressive modeling assumptions in order to gain an advantage. But these assumptions have nothing to do with actual costs or actual competition.

By order issued March 5, 2012, the Commission denied the Market Monitor's motion, affirming that: "during the unit-specific review process, PJM had to consider methodologies other than the nominal levelization methodology if the applicant could justify the use of the alternative."¹³ However, the March 5th Order also reaffirmed that the "the IMM and PJM [must] consider individual evidence presented by the applicant if it is consistent with a competitive market."¹⁴ Thus the Market Monitor must consider alternative levelization approaches, and, presumably, other changes to modeling assumptions, but only if the approaches are based on the facts and circumstances of the specific project and are consistent with a competitive market. The burden is on the participant to justify those assumptions, including showing that those changed assumptions are consistent with a competitive market.

The Commission has thus established a standard that begins with the method used to calculate net CONE, and thus the MOPR standard, and adds that individual participants may justify deviations from that standard only if the deviations are consistent with a

¹³ *PJM Interconnection, L.L.C. et al.*, 138 FERC ¶ 61,160 at P 2 ("March 5th Order"), citing the November 17th Order at P 74.

¹⁴ *Id.*, citing the November 17th Order at PP 242–244.

competitive market. Any MOPR exception request that uses the net CONE method and supports a lower offer based on demonstrated lower costs meets that standard. A MOPR exception request that deviates from the net CONE method and supports a lower offer based on modeling assumptions must also demonstrate that such assumptions are based on the specific facts and circumstances of the project and are consistent with competitive markets.

The April 12th Order (at P 122) specifically stated that the MOPR exception could not be based on revenues from non-market sources. Thus, if an exception request were based on non-market revenues and the associated guaranteed stream of revenues, that would not meet the Commission's standards for an exception. It was the existence of state procurement processes and the associated non-market revenues that motivated PJM to file, with the Market Monitor's support, to reform the ineffective MOPR rule then in place. The Commission acted decisively to approve that reform.

The Market Monitor has applied this standard to each of the unit specific MOPR reviews that it has conducted in advance of the Base Residual Auction that will open May 7, 2012, for the 2015/2016 Delivery Year. Four cases involve projects with guaranteed revenue streams from non-market sources provided only that they clear RPM. It is only in this case, Respondent's Project X, that the Market Monitor has considered and rejected changed modeling assumptions that significantly lowered the offer value. Respondent has failed to justify that its proposed changed modeling assumptions are based on the facts and circumstances of its project and failed to justify that its proposed modeling assumptions are consistent with a competitive market.

Accordingly, the Market Monitor respectfully requests that the Commission limit Respondent to a unit specific offer calculated in a manner that differs from the net CONE standard only if based on the specific facts and circumstances of the project and consistent with a competitive market.

B. Disputed Modeling Approaches.

1. Use of First Year Net Revenues Is Consistent with a Competitive Market; Use of Levelized Net Revenues Is Inconsistent.

Respondent proposes to use levelized net energy market and ancillary services revenues as its modeling assumption for calculating a unit specific MOPR value. Levelized net revenues are higher than first year net revenues and result in a lower MOPR exception value. For clarification, this is not the issue of levelizing the gross MOPR level, which was raised in the Market Monitor's Motion for Clarification and addressed in prior orders.¹⁵ In the calculation of the net CONE value on which the MOPR reference value is based, the gross CONE value is calculated on a nominal levelized basis. The first year net revenue is then subtracted from the first year gross CONE value to arrive at the net CONE value. In the net CONE calculation, the first year net revenue is calculated based on the average of the prior three years average net revenue. The MOPR value is set at 90 percent of net CONE. Thus, the MOPR reference value is calculated using first year net revenues. Use of anticipated first year revenues is a conservative assumption appropriate for investors relying on market revenues to recover their investment.

Respondent has not shown that the particular facts and circumstances of its project justify including a higher levelized net revenue value. Respondent has failed to justify its changed assumption as consistent with a competitive market. Accordingly, Respondent's proposed changed modeling assumption should be rejected.

If a participant asserts that such levelization is consistent with a competitive market, then that argument applies to the net CONE value and to the MOPR screen. If the Commission is convinced that levelizing forecast net revenues is the appropriate approach,

¹⁵ November 17th Order at P 75; March 5th Order at P 2.

then it should be incorporated in PJM market rules governing the calculation of net CONE and the VRR curve in RPM. It is difficult to imagine how one project could demonstrate that its particular facts and circumstances make it so different from all other projects that it should use levelized net revenues. The Respondent has not met that standard and in fact did not attempt to meet that standard.

2. Use of Residual Value Is Inconsistent with a Competitive Market.

Respondent proposes to use a residual value as a modeling assumption for calculating a unit specific MOPR value. Use of a residual value adds net revenues to the end of the project life and results in a lower MOPR exception value. The MOPR reference value excludes consideration of a residual value. Respondent has failed to justify its changed assumption as based on the particular facts and circumstances of its project or as consistent with a competitive market. Accordingly, Respondent's proposed changed modeling assumption should be rejected.

If a participant asserts that use of a residual value is consistent with a competitive market, then that argument applies to the net CONE value and to the MOPR screen. If the Commission is convinced that use of a residual value is the appropriate approach, then it should be incorporated in PJM market rules governing the calculation of net CONE and the VRR curve in RPM. It is effectively impossible for one project to demonstrate that its particular facts and circumstances make it so different from all other projects that it should use residual value. All new units are expected to last longer than the twenty years assumed in the financial modeling that is the basis for net CONE and is the basis for financing real projects with real investors.

The Respondent has not met the standard and in fact did not attempt to meet the standard that the particular facts and circumstances of the project support this deviation

from the net CONE assumptions or that the proposed modeling assumption is consistent with a competitive market.

3. Exclusion of Sunk Costs Is Inconsistent with a Competitive Market.

Respondent proposes to exclude sunk costs as a modeling assumption for calculating a unit specific MOPR value. Excluding any costs from project investment make gross costs lower, make net costs lower and reduce the MOPR exception value. The net CONE and MOPR reference values include all costs and do not permit costs to be excluded because they are asserted to be sunk costs.

The MOPR implies but does not directly state that a developer may attempt to support the exclusion of sunk costs.¹⁶ Neither the tariff nor the orders clearly define sunk costs. Competitive projects need to recover all dollars spent on development. It is not appropriate to exclude any costs associated with project development as sunk costs unless it can be plausibly asserted that a competitive project developer would not expect to recover such costs from project revenues. The economists' definition of sunk costs would include all expenditures to date. That is not the standard here. If it were the standard, then a developer could exclude the cost of major equipment purchased prior to submitting an offer or the cost of site development incurred prior to submitting the offer. A competitive participant would make an offer based on recovering all expenditures on the project and not arbitrarily write off some of those costs as sunk. A competitive participant could not afford to do that. A participant with guaranteed non-market revenues which may exceed the MOPR exception offer could afford to do so. Allowing the exclusion of sunk costs that would not and could not be excluded by competitive participants puts competitive participants at a disadvantage

¹⁶ See OATT Attachment DD § 5.14(h)(5)(ii) ("Such documentation also shall identify and support any sunk costs that the Capacity Market Seller has reflected as a reduction to its Sell Offer").

versus non competitive participants and is therefore not consistent with a competitive market.

If a participant asserts that exclusion of certain costs identified as sunk costs is consistent with a competitive market, then that argument applies to the net CONE value and to the MOPR screen. If the Commission is convinced that the exclusion of certain costs identified as sunk costs is the appropriate approach, then it should be incorporated in PJM market rules governing the calculation of net CONE and the VRR curve in RPM. It is effectively impossible for one project to demonstrate that its particular facts and circumstances make it so different from all other projects that it should be permitted to exclude certain project costs because they are identified as sunk costs. The Respondent has not met that standard and in fact did not attempt to meet that standard.

Respondent has failed to justify its changed assumption as based on the particular facts and circumstances of the project or as consistent with a competitive market. Accordingly, Respondent's proposed changed modeling assumption should be rejected.

4. Use of a Lower WACC Has Not Been Shown Consistent with a Competitive Market.

Respondent proposes to use a weighted average cost of capital ("WACC") lower than the WACC used to calculate the MOPR reference value. Respondent has not justified use of a lower WACC based on the facts and circumstances of the project and as consistent with a competitive market. Accordingly, Respondent's proposed changed modeling assumption should be rejected.

IV. REQUEST FOR FAST TRACK PROCESSING

The Market Monitor respectfully requests fast track processing under Rule 206(h),¹⁷ so that the Commission can act on this Complaint and direct Respondent to submit an offer consistent with the Minimum Offer Price Rule in the Base Residual Auction that opens May 7, 2012. The Market Monitor also requests an appropriately shortened comment period.

Without a decision prior to or shortly after the auction window closes May 11, 2012, the Market Monitor will request that PJM delay posting the auction results. In the alternative, PJM could be in the position of having to correct a previously posted auction result.

V. RULE 206 REQUIREMENTS

A. Rule 206(b)(1): Action or Inaction Alleged To Violate Statutory Standards or Regulatory Requirements

After having attempted to come to agreement, Respondent states its intention to submit a Sell Offer for Project X in the Based Residual Auction the opens May 7, 2012, that is inconsistent with with PJM's Minimum Offer Price Rule (MOPR).¹⁸ This issue must be resolved in order to ensure participation in the auction consistent with the PJM Market Rules and to ensure an auction result consistent with the PJM Market Rules and competition.

B. Rule 206(b)(2): Legal Bases for Complaint

The legal bases for this complaint are set forth in Section II.A.

C. Rules 206(b)(3) and 206(b)(4): Issues Presented as They Relate to the Complainant and Quantification of Financial Impact on Complainant

The Market Monitor has brought this complaint consistent with its responsibility to monitor “[c]ompliance with the PJM Market Rules” and “[t]he potential for a Market

¹⁷ 18 CFR § 285.206(h).

¹⁸ OATT Attachment DD § 5.14(h).

Participant to exercise market power or violate any of the PJM or FERC Market Rules or the actual exercise of market power or violation of the PJM or FERC Market Rules.”¹⁹ In a market regulated through competition, it is essential to prevent the exercise of market power to set prices. Lawful pricing in this context depends upon actual competition or upon behavior mitigated to be consistent with competitive behavior. Unlawful prices could result even if a participant does not recognize that its conduct constitutes an exercise of market power.

Changing the modeling assumptions in calculating unit specific Sell Offers under MOPR dramatically changes the offer level. Accepting the offer calculated as proposed by Respondent may significantly affect which units clear in the capacity market auction. Accepting Respondent’s proposed offer could lower clearing prices below competitive levels. An accurate quantification of the financial impact cannot be completed until after the offer period closes May 11, 2012. Resolution prior to clearing the auction and posting results is desirable to avoid confusion and uncertainty in the markets. Resolution of these issues is itself critical to the competitiveness of the RPM market.

If this complaint is denied, Market Participants who make unit specific Sell Offers using approaches consistent with the standards identified by the Commission would be unreasonably and unjustly penalized. Market participants made offers based on the expectation that all market participants would be held to the same standard on a non-discriminatory basis. The Market Monitor requests alternative relief for such participants if this complaint is denied.

¹⁹ OATT Attachment M § IV.B.1 & 4.

D. Rule 206(b)(5): Nonfinancial Impacts on Complainant

This is the first application of the reformed MOPR. The outcome of this proceeding will determine the effectiveness of the MOPR and the unit specific MOPR review process. Acceptance of this offer will render the MOPR ineffective as a tool to maintain competitive capacity markets. If an effective MOPR is not preserved and below cost offers based on non-market revenues are permitted, the ability of the PJM Capacity Market to attract competitive investment will be undermined.

E. Rule 206(b)(6): Related Proceedings

The Market Monitor is not aware of any other pending proceedings that are directly related to the issues raised in this complaint.

F. Rule 206(b)(7): Specific Relief Requested

The Market Monitor respectfully requests that the Commission direct Respondent, if it offers Project X in the RPM Base Residual Auction that opens May 7, 2012, to submit a unit specific Sell Offer calculated on a basis consistent with a competitive market and compliant with the MOPR or equal to the MOPR reference value. Such a Sell Offer should be calculated using modeling assumptions directed by the Commission, including the use of first year revenues, the exclusion of residual value, the inclusion of sunk costs and the use of a WACC consistent with financing available to competitive projects.

Because the cost inputs are not in dispute, it is not necessary for the Commission to review the cost inputs or to establish a specific offer value.

If the Commission denies the complaint, the Market Monitor requests alternative relief. Specifically, the Market Monitor requests that the Commission provide time for other market participants who agreed to calculate their unit specific Sell Offers based on the Commission's standards have the opportunity to recalculate and submit their Sell Offers

using any alternative approach accepted in this proceeding. The Market Monitor believes that three business days would be adequate for this purpose.

G. Rule 206(b)(8): Documents that Support the Complaint

This pleading with attachments support the complaint.

H. Rule 206(b)(9): Dispute Resolution

The Market Monitor has not contacted the Enforcement Hotline or Dispute Resolution Service or made use of the tariff-based dispute resolution mechanisms. Because this complaint is filed consistent with the approved process for administering the MOPR and the PJM Market Monitoring Plan, use of dispute resolution alternatives would be inappropriate.

I. Rule 206(b)(10): Form of Notice

A form of notice suitable for publication in the Federal Register is included.

J. Rule 206(c): Service on Respondent

The Market Monitor certifies that copies of this Complaint were served by email and overnight mail on Respondent, with a copy to PJM.

VI. CONCLUSION

The Market Monitor respectfully requests that the Commission direct Respondent to submit a unit specific Sell Offer calculated on a basis consistent with a competitive market and compliant with the MOPR or equal to the MOPR reference value.

In the alternative, if the Commission denies the complaint, the Market Monitor requests that the Commission provide time for other market participants who agreed to calculate their unit specific Sell Offers based on the Commission's standards to have the opportunity to recalculate and submit their Sell Offers using any alternative approach approved by the Commission that would produce a lower value.

Respectfully submitted,



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