



**Monitoring
Analytics**

September 6, 2013

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**IMM NOTIFICATION TO PJM MEMBERS OF DISCLOSURE
OF CONFIDENTIAL INFORMATION PURSUANT TO
OATT ATTACHMENT M-APPENDIX § I.D**

Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM (Market Monitor), has received the attached request for confidential information from the Pennsylvania Public Utility Commission (PUC), in accordance with the procedures defined in Section I.D of Attachment M-Appendix to the PJM Open Access Transmission Tariff (OATT). The Federal Energy Regulatory Commission (FERC) has previously approved the Pennsylvania PUC as an Authorized Commission pursuant to the Authorized Commission Procedures. The Pennsylvania PUC is required to preserve the confidentiality of this data pursuant to the Non-Disclosure Agreement that the Pennsylvania PUC entered into with PJM and the Certification provided to PJM. The Pennsylvania PUC has affirmed that the information will only be shared with Authorized Persons who have executed a confidentiality agreement.

The Market Monitor must receive email notification (*MA@monitoringanalytics.com*) of any objections from Affected Members by 6 p.m., **Tuesday, September 10, 2013**. If no objection is received the information will be provided to the Pennsylvania PUC. An objection initiates a process that first requires a conference between the Affected Member and the Pennsylvania PUC. If this conference does not produce a satisfactory result, Affected Members may pursue a “fast track” legal action at the FERC within three days or the requested information will be supplied to the Pennsylvania PUC.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

September 4, 2013

Dr. Joseph Bowring
Market Monitoring Unit
Monitoring Analytics
2621 Van Buren Avenue
Suite 160
Eagleville, PA 19403

Re: Confidential Data Request of the Pennsylvania Public Utility Commission

Dear Dr. Bowring:

Pursuant to Section I.D of Attachment M-Appendix to the PJM Open Access Transmission Tariff (OATT) and Section VI.B and VI.D of Attachment M to the OATT, the Staff of the Pennsylvania Public Utility Commission (Commission) requests information from the Independent Market Monitor (IMM) for PJM concerning bid prices for certain FirstEnergy (FE) generation facilities in the last few Base Residual Auctions (BRAs) conducted by PJM.

Specifically, Staff requests the following information:

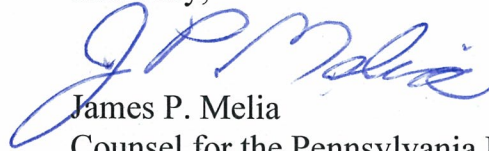
1. The bid prices as well as the offered and cleared megawatt quantities offered by the FE Mitchell and Hatfield generation facilities in the last five BRAs – 2012/2013, 2013/2014, 2014/2015, 2015/2016 and 2016/2017.
2. The bid prices offered by all other FE coal fired generation facilities located in Pennsylvania for the same series of BRAs. For these same facilities, please provide the offered and cleared megawatt quantities.
3. An analysis of the underlying cost support for these facilities described in questions 1 and 2 to support the bid prices for the same series of BRAs, including any projected incremental cost increases due to new environmental standards and requirements. This information requests that the cost supporting information be evaluated for reasonableness against standard cost indices utilized by the IMM for similar generation facilities as part of its normal evaluative activities.

4. An analysis of whether, based on the comparative bid prices and underlying cost information for the selected FE generation facilities over the five BRAs, any inappropriate market activity was identified or detected?

This information will assist Staff in the performance of its duties in advising the Commission of the current operation of PJM wholesale capacity markets and the impacts of the announced deactivation of the FE Mitchell and Hatfield units. Staff will maintain all information received pursuant to this response in strict confidence. Only members of Staff who are on the List of Authorized Persons approved and posted by PJM, as defined in Section I.D of OATT Attachment M-Appendix to OATT and Section 18.17 of the PJM Operating Agreement, will have access to this information.

Should the IMM (or any affected Members) have any questions on this matter, please contact the undersigned.

Sincerely,



James P. Melia
Counsel for the Pennsylvania Public
Utility Commission