

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

PJM Interconnection, L.L.C.)	Docket Nos. ER15-623-010,
)	EL15-29-006
Essential Power Rock Springs, LLC,)	Docket No. EL15-41-002
Essential Power OPP, LLC, and)	
Lakewood Cogeneration, L.P. v.)	
PJM Interconnection, L.L.C.)	
)	

**ANSWER AND MOTION FOR LEAVE TO ANSWER
OF THE INDEPENDENT MARKET MONITOR FOR PJM**

Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM¹ (“Market Monitor”), submits this answer and motion for leave to answer to the request for rehearing submitted in the above referenced proceeding by the Illinois Municipal Electric Agency (“IMEA”) on June 9, 2016. The request for rehearing should be denied.

I. ANSWER

IMEA seeks rehearing (at 2–3) of the Commission’s determination that “undelivered megawatts be counted as a performance shortfall and thus liable for Non-Performance Charges” when the failure to deliver megawatts is “due to the physical operating characteristics” of coal plants. The Commission correctly decided that when a participant fails to deliver capacity that a resource is obligated to provide it should be treated as

¹ Capitalized terms used herein and not otherwise defined have the meaning used in the PJM Open Access Transmission Tariff (“OATT”) or the PJM (“OA”).

nonperforming, with no excuses.² Operational parameters are not a reason to excuse nonperformance. Nonperformance means a failure to deliver, and the rules provide reasonable consequences for that failure. The record in this proceeding has established that the Commission's determination is just and reasonable, is a logical element of capacity performance market design, and consistent with a competitive and efficient capacity market that serves the public interest. The reasons for the policy of no excuses have been thoroughly explained in the proceeding and do not require reiteration here. The Commission has clearly articulated its rationale and IMEA provides no reason for the Commission to change its approach. Accordingly, the request for rehearing should be denied.

II. MOTION FOR LEAVE TO ANSWER

The Commission's Rules of Practice and Procedure, 18 CFR § 385.213(a)(2), do not permit answers to answers or protests unless otherwise ordered by the decisional authority. The Commission has made exceptions, however, where an answer clarifies the issues or assists in creating a complete record.³ In this answer, the Market Monitor provides the Commission with information useful to the Commission's decision-making process and which provides a more complete record. Accordingly, the Market Monitor respectfully requests that this answer be permitted.

² See *PJM Interconnection, L.L.C., et al.*, 155 FERC ¶ 61,157 at P 300 (2016); 151 FERC ¶ 61,208 at P 171 (2015).

³ See, e.g., *Cal. Indep. Sys. Operator Corp.*, 129 FERC ¶ 61,241 at P 16 (2009) (“[w]e will accept the answers and responses to the requests for rehearing because they provide information that assisted us in our decision-making process”); *KN Wattenberg Transmission LLC*, 94 FERC ¶ 61,189 at 61,671 (2001) (finding good cause to accept an answer to a request for rehearing “in order to insure a complete record in this proceeding”); *Tex. E. Transmission, LP*, 131 FERC ¶ 61,164 at P 1, n.3 (2010) (accepting answer to a request for rehearing that aided the Commission's decision-making); *Southwest Power Pool, Inc.*, 126 FERC ¶ 61,153, at P 18 (2009) (accepting answers that aided the Commission's decision-making).

III. CONCLUSION

The Market Monitor respectfully requests that the Commission afford due consideration to this pleading as the Commission resolves the issues raised in this proceeding.

Respectfully submitted,



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Dated: June 24, 2016

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 24th day of June, 2016.



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