

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

TranSource, LLC)	Docket No. EL15-79-000, -001
)	
v.)	
)	
PJM Interconnection, L.L.C.)	
)	

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

Pursuant to Rules 212 and 213 of the Commission’s Rules and Regulations,¹ Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM (“Market Monitor”), submits this answer to the reply of PJM Interconnection, L.L.C. (“PJM”) filed on April 1, 2016, to the answer of TranSource, LLC (“TranSource”) (“April 1st Motion”). In the April 1st Motion, PJM requests that the Commission dismiss the complaint that initiated this proceeding.² The April 1st Motion should be rejected.

The failed attempts at settlement have not alleviated the Market Monitor’s concerns about whether sufficient information about decision making and transparency exist in the process for evaluating competitive transmission projects. The current record is not sufficient to evaluate how decisions were made concerning the TranSource projects.

¹ 18 CFR § 385.212 & 213 (2015).

² April 1st Motion at 10 (“PJM therefore *reiterates* its request that the Commission either dismiss or deny both the original and amended complaint, or establish more focused procedures to bring a speedier resolution to this case” [emphasis added]).

I. ANSWER

The April 1st Motion should be rejected because it is procedurally deficient. Although styled as an answer, the April 1st Motion instead constitutes an improper collateral attack on the Commission's order of September 24, 2015, that set for hearing the issues raised in the complaint filed on June 23, 2015, and supplemented on June 30 and July 7, 2015 ("2015 Complaint").³

The April 1st Motion is also substantively improper and should be rejected.

In its motion requesting that the Commission set the issues raised in the 2015 Complaint for hearing, the Market Monitor emphasized the need for "an efficient and careful development of the factual record."⁴ Although it was appropriate to attempt to obtain sufficient disclosure of information on a voluntary basis in settlement judge proceedings, such disclosure did not occur and now appears will not occur without compulsory process.⁵

³ *TranSource v PJM*, 152 FERC ¶ 61,229 at P 29 ("We find that the Complaint raises issues of material fact that cannot be resolved based upon the record before us and that are more appropriately addressed in the hearing and settlement judge procedures ordered below. Accordingly, we will set the complaint for investigation and a trial-type evidentiary hearing under section 206 of the FPA for all issues raised in this proceeding, including, but not limited to, how the cost estimates for the project were developed, and whether PJM undertook an independent analysis of these costs... While TransSource raises a number of issues, the central issue is whether the facilities identified in the System Impact Studies, for which TransSource would be required to pay, are necessary to accommodate TransSource's interconnection request. Under Order No. 2003 and PJM's "but for" test in its Tariff, interconnecting customers may only be assessed the costs of those facilities necessary to accommodate their project. Material issues of fact have been raised as to whether the facilities meet this definition and whether TransSource had the necessary data to evaluate whether those facilities were necessary to accommodate the interconnection.").

⁴ See Motion for Investigative Process of the Independent Market Monitor for PJM, EL15-79-000 at 3 (Aug. 6, 2015).

⁵ On March 11, 2016, TranSource submitted in this proceeding discovery requests to PJM, FirstEnergy Service Company, Delmarva Power & Light Company, and Public Service Electric and Gas Company and PPL Electric Utilities Corporation. These questions provide examples of the information that is needed to develop a complete factual record.

The significant issues relating to transparency and independent and proper administration raised by TranSource have not been resolved. The Market Monitor does not agree that it has been established that the list of information PJM identifies (at 3–4) comprises all of the information that must be provided to resolve the issues raised in the 2015 Complaint.

Critical questions of “how the cost estimates for the project were developed, and whether PJM undertook an independent analysis of these costs,” identified in the hearing order (at P 29) have not yet been explored.

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.⁶ 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.

III. CONCLUSION

The Market Monitor respectfully requests that the Commission afford due consideration to this answer as the Commission determines how to move forward in this proceeding.

⁶ See, e.g., *PJM Interconnection, L.L.C.*, 119 FERC ¶61,318 at P 36 (2007) (accepted answer to answer that “provided information that assisted ... decision-making process”); *California Independent System Operator Corporation*, 110 FERC ¶ 61,007 (2005) (answer to answer permitted to assist Commission in decision-making process); *New Power Company v. PJM Interconnection, L.L.C.*, 98 FERC ¶ 61,208 (2002) (answer accepted to provide new factual and legal material to assist the Commission in decision-making process); *N.Y. Independent System Operator, Inc.*, 121 FERC ¶61,112 at P 4 (2007) (answer to protest accepted because it provided information that assisted the Commission in its decision-making process).

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Dated: April 18, 2016

Respectfully submitted,



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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 18th day of April, 2016.



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