

VIA EMAIL

December 19, 2012

Robert M. Hanna President Board of Public Utilities State of New Jersey 44 South Clinton Avenue 9th Floor – P.O. Box 350 Trenton, New Jersey 08625

Re: Request Pursuant to PJM OATT Attachment M – Appendix § I.D

Dear President Hanna:

In your letter to the IMM dated July 25, 2012, you requested "information concerning generating stations in New Jersey that receive operating reserve credits for the various reasons covered in the 2011 [SOM] at 'Section 3, Operating Reserves'." Attached please find a report prepared in response.

This report was noticed by the IMM under Section I.D of Attachment M–Appendix to the PJM OATT, and it contains highly confidential and market sensitive information. Accordingly, the IMM requests that the report not be disclosed except as provided in Section I.D.1.

If you have any questions about the information provided, please contact Joseph Bowring at (610) 271-8051.

Sincerely,

Joseph Bowring

Joseph Bowing

Monitoring Analytics, LLC

Eagleville, PA 19403 Phone: 610-271-8050 Fax: 610-271-8057

2621 Van Buren Avenue, Suite 160 Valley Forge Corporate Center



44 SO. CLINTON AVENUE 9TH FLOOR – P.O. BOX 350 TRENTON, NEW JERSEY 08625-0350

CHRIS CHRISTIE GOVERNOR

KIM GUADAGNO LT. GOVERNOR **ROBERT M. HANNA PRESIDENT**TEL: (609) 777-3310
FAX: (609) 292-2264

July 25, 2012

Dr. Joseph Bowring Independent Market Monitor Monitoring Analytics, LLC 261 Van Buren Avenue, Suite 160 Valley Forge Corporate Center Eagleville, PA 19403

RE: Confidential Request for IMM data regarding Operating Reserve Credits received by New Jersey-based units and organizations, and Market Concentration in New Jersey Control Zones

Dear Dr. Bowring:

Pursuant to the PJM Open Access Transmission Tariff ("OATT") at Attachment M-Appendix § I.D, the New Jersey Board of Public Utilities ("NJBPU") hereby requests information concerning generating stations in New Jersey that receive operating reserve credits for the various reasons covered in the 2011 State of the Market Report ("SOM") at "Section 3, Operating Reserves."

NJBPU specifically requests:

- 1) The annual credits, by category of operating reserve, received by each particular generating unit located within the state, as well as the owner of each unit;
- 2) A substantive review of the role of New Jersey units and generation owners in what the SOM depicts as a highly concentrated market for operating reserves, including a narrative and quantitative description of the market position of relevant units and generation owners, by name, providing these services in the New Jersey control zones; and

3) A quantification of the annual credits associated with operating reserves received by New Jersey units that provide support to the Con-Ed/PSEG wheeling contracts, in aggregate and by allocated category, as referenced in the SOM at page 82.

NJBPU will treat the requested information as confidential consistent with the OATT at Attachment M-Appendix § I.D and re-affirms that only Authorized Persons shall have access to the confidential information. The requested information is being sought to provide the NJBPU with a better understanding of the practical functioning of operating reserves dispatch within New Jersey. Should you have any technical questions on this matter, please contact Rene Demuynck at r.demuynck@bpu.state.nj.us; legal questions should be directed to Chief Counsel Kenneth Sheehan at kenneth.sheehan@bpu.state.nj.us or Legal Specialist Michael Borgatti michael.borgatti@bpu.state.nj.us. Confidential data should be provided directly to Mr. Borgatti, as he will serve as custodian of this information.

Sincerely,

Robert M. Hanna

Robert M. Ham-

President

c: Thomas Zadlo, PJM Interconnection, L.L.C.