



**Monitoring
Analytics**

February 1, 2017

Monitoring Analytics, LLC
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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 Maryland Public Service Commission (Maryland PSC). The Market Monitor provides this notice 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 Maryland PSC as an Authorized Commission pursuant to the Authorized Commission Procedures. The Maryland PSC is required to preserve the confidentiality of this information pursuant to the Non-Disclosure Agreement that the Maryland PSC entered into with PJM and the Certification provided to PJM. The Maryland PSC 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., Monday, **February 6, 2017**. If no objection is received, the information will be provided to the Maryland PSC. An objection initiates a process that first requires a conference between the Affected Member and the Maryland PSC. 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 Maryland PSC.

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SENIOR COMMISSION ADVISOR

PUBLIC SERVICE COMMISSION

January 31, 2017

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

Re: Locational Marginal Price Spikes in the BGE Local Delivery Area - Request for Information

Dear Dr. Bowring:

Pursuant to Section VI.D of Attachment M to the PJM Open Access Transmission Tariff, the Maryland Public Service Commission ("Maryland PSC") requests any information that Monitoring Analytics, LLC (the Independent Market Monitor for PJM Interconnection LLC ("PJM")) may have and your assessment associated with observed significant Locational Marginal Price ("LMP") spikes in the BGE Load Delivery Area ("LDA") in PJM. The purpose of the requested information is to enable the Maryland PSC to better understand the reasons for these price spikes and understand what actions, rules or system modifications can be adopted to protect end users from these market conditions.

In December 2016, PJM's website and newly released mobile application provided indication of proportionally high LMPs in the BGE LDA compared to surrounding LDAs in certain afternoon hours. While these observations were isolated, it is unclear as to:

- 1) What market or operating conditions specifically caused these price spikes to occur?
- 2) How frequently these conditions and resulting price spikes occur?
- 3) What durations these conditions and resulting price spikes have occurred?
- 4) What times of day these conditions and resulting price spikes have occurred for durations of at least one hour?
- 5) The likelihood the specific conditions that caused the price spikes would be expected to recur?

Monitoring Analytics is requested to respond to these questions for any recorded LMP spikes of one hour duration or more occurring in the BGE LDA from June 1, 2016 through December 31, 2016, under the following conditions:

- 1) Recorded LMPs were double or more those of neighboring LDAs during the same hours of the day, or
- 2) Recorded LMPs exceeded LMPs in neighboring LDAs by more than \$100/MWh during the same hours of the day.

Monitoring Analytics is also requested to identify if any of the identified causes of these incongruities have been addressed or, if not, propose any actions that could be taken by either PJM or the State of Maryland to prevent recurrence. Receipt of your response by February 28, 2017, would be greatly appreciated.

The Maryland PSC will treat all information received in response to this information request as confidential consistent with PJM non-disclosure provisions of Section I of Attachment M–Appendix to the OATT, permitting review only by the Commissioners and Staff (myself included) listed as authorized persons under the Maryland PSC’s certification with PJM under Section 18.17.4 of the PJM Operating Agreement.

If you have any questions with respect to this information request, please contact me by telephone (410-767-3556) or by email at morris.schreim@maryland.gov. Thank you for your prompt consideration of this matter.

Sincerely,

/s/ Morris Schreim
Morris Schreim

Cc: Jeffrey W. Mayes, General Counsel, Monitoring Analytic, LLC
Denise R. Foster, Vice President, State and Member Services
Dave Anders, Manager PJM Stakeholder Affairs
Matthew LaRocque, Manager, Regulatory Affairs-VA, MD, NC