

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

Northern Illinois Municipal Power Agency)	Docket No. EL17-31-000
v.)	
PJM Interconnection, L.L.C.)	
)	
American Municipal Power, Inc.)	Docket No. EL17-37-000
v.)	
PJM Interconnection, L.L.C.)	(motion for consolidation pending)
)	
)	

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

Pursuant to Rules 211, 212 and 213 of the Commission’s Rules and Regulations,¹ Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM² (“Market Monitor”), submits these comments in response to the complaint filed by American Municipal Power, Inc. (“AMP”) against PJM Interconnection, L.L.C. (“PJM”) on January 9, 2017 (“AMP Complaint”), and in response to the answer of PJM Interconnection, L.L.C. (“PJM”) filed January 25, 2017 (“PJM”), to the complaint filed by the Northern Illinois Municipal Power Agency (“NIMPA”) on December 21, 2017 (“NIMPA Complaint”). The

¹ 18 CFR §§ 385.211, 385.212 & 385.213 (2015).

² Capitalized terms used herein and not otherwise defined have the meaning used in the PJM Open Access Transmission Tariff (“OATT”) or the PJM Operating Agreement (“OA”).

AMP Complaint and the NIMPA Complaint concern substantially similar issues of fact and law,³ and motions to consolidate these proceedings are pending.⁴

I. ANSWER

The Market Monitor agrees that complainants have identified a valid issue with how the rules of PJM and Midcontinent Independent System Operator, Inc. (“MISO”) interact as they relate to congestion charges applied to generating units with pseudo ties. The Market Monitor agrees with complainants that PJM’s answer recognizes that there is an issue. The issue is technical in nature and concerns how the rules of two RTOs interact in defining congestion for pseudo tied units. Complainants have not supported the claim that the issue concerns the PJM market rules considered in isolation and the Market Monitor does not agree with complainants’ specific characterization of the issue. Specifically, the complainants have not supported the claims that PJM’s settlement of congestion charges for a pseudo tied generating resource using a nodal price rather than an interface price is not just and reasonable or the claim that PJM’s approach violates the PJM Tariff.⁵ Neither is correct.

The first logical step is to grant the complainants’ pending motions to consolidate into a single proceeding all of the pending complaints regarding congestion charges for pseudo tied units, all of which involve the substantially similar issues of law and fact.⁶ Consolidation of the cases is needed for administrative efficiency and is needed to address issues concerning how the PJM and MISO market rules interact.

³ AMP Complaint at 13–15; NIMPA Complaint at 10–11.

⁴ NIMPA Complaint at 1–2; AMP Complaint at 17–18.

⁵ *Id.*

⁶ Such a proceeding would include Docket Nos. EL17-31-000 and EL17-37 directed at PJM, and Dockets Nos. EL17-27 and EL17-108 directed at MISO.

A proper forum would facilitate consideration of how the PJM and MISO market rules can and should operate together to create just and reasonable results. If assigned to a proper forum, the Market Monitor is confident that an acceptable solution can be developed.

In order to provide a transparent process that would allow affected stakeholders in both PJM and MISO the opportunity to participate in developing an appropriate solution, the matter should either be referred to settlement judge proceedings or assigned to the Dispute Resolution Service.

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.⁷ 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 resolves the issues raised in this proceeding.

⁷ 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).

Joseph E. Bowring
Independent Market Monitor for PJM
President
Monitoring Analytics, LLC
2621 Van Buren Avenue, Suite 160
Valley Forge Corporate Center
Eagleville, Pennsylvania 19403
(610) 271-8051
joseph.bowring@monitoringanalytics.com

Dated: February 9, 2017

Respectfully submitted,



Jeffrey W. Mayes

General Counsel
Monitoring Analytics, LLC
2621 Van Buren Avenue, Suite 160
Valley Forge Corporate Center
Eagleville, Pennsylvania 19403
(610) 271-8053
jeffrey.mayes@monitoringanalytics.com

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 9th day of February, 2017.



Jeffrey W. Mayes

General Counsel

Monitoring Analytics, LLC

2621 Van Buren Avenue, Suite 160

Valley Forge Corporate Center

Eagleville, Pennsylvania 19403

(610) 271-8053

jeffrey.mayes@monitoringanalytics.com