



Organization of PJM States, Inc. (OPSI)

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May 25, 2007

Kimberly D. Bose, Secretary
 Philis Posey, Deputy Secretary
 Federal Energy Regulatory Commission
 888 First Street, N.E.
 Washington, D.C. 20426

Re: Organization of PJM States, Delaware Public Service Commission; District of Columbia Public Service Commission; Indiana Utility Regulatory Commission; Kentucky Public Service Commission; Maryland Public Service Commission; New Jersey Board of Public Utilities; North Carolina Utilities Commission; Public Utility Commission of Ohio; Pennsylvania Public Utility Commission; and the Virginia State Corporation Commission v. PJM Interconnection; Answer of the Organization of PJM States, Inc. to March 24, 2007 Motion of Joseph Bowring for Extension of Time and Motion to Supplement Commission Data Requests

Dear Secretary Bose:

Please accept for filing in the above-referenced matter an electronically filed *Answer of the Organization of PJM States, Inc. to the March 24th 2007 Motion of Dr. Joseph Bowring for Extension of Time and Motion to Supplement Commission Data Requests* in the above captioned matter.

Service of this motion has been made in accordance with the Commission's rules as evidenced by the attached certificate of service. Thank you for your attention to this matter. If you have any questions in reference to this filing, please contact me at 717-787-5978.

Sincerely,

s/ John A. Levin

John A. Levin

Assistant Counsel

Pennsylvania Public Utility Commission

For: The Organization of PJM States, Inc.

Enclosure

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

Organization of PJM States, Inc.;	:	
Delaware Public Service	:	
Commission; District of Columbia	:	
Public Service Commission; Indiana	:	
Utility Regulatory Commission;	:	
Kentucky Public Service	:	Docket No. EL07-58-000
Commission; Maryland Public	:	
Service Commission; New Jersey	:	
Board of Public Utilities; North	:	
Carolina Utilities Commission;	:	
Public Utilities Commission of Ohio;	:	
Pennsylvania Public Utility	:	
Commission; and the Virginia State	:	
Corporation Commission	:	
Petitioners,	:	
	:	
v.	:	
	:	
PJM Interconnection, L.L.C.,	:	
Respondent	:	

**ANSWER OF THE ORGANIZATION OF PJM STATES, INC. SUPPORTING
THE MARCH 24TH 2007 MOTION
OF DR. JOSEPH BOWRING FOR EXTENSION OF TIME
AND MOTION TO SUPPLEMENT COMMISSION DATA REQUESTS**

Pursuant to Rules 101(e), 212 and 213 of the Federal Energy Regulatory Commission’s (“Commission” or “FERC”) Rules of Practice and Procedure¹, the Organization of PJM States, Inc., (“OPSI”) hereby submits this Answer supporting the

¹ 18 C.F.R. §§385.101(e) and 385.213.

Motion of Dr. Joseph Bowring for a two week extension of time in which to submit responses to the Commission's May 18, 2007 data requests.

SUMMARY

1. OPSI does not oppose, and indeed supports Dr. Bowring's request for a two week extension, and would also support a similar two week extension for PJM's response. While OPSI continues to request expeditious resolution of this issue, it should be done on the basis of a full record. OPSI continues to urge the importance of maintaining a fully functional market monitoring unit as the *status quo ante* and its request for interim relief is directed to that purpose.

2. OPSI moves the Commission to supplement the Commission's data requests with additional requests to both PJM and Dr. Bowring contained in Appendix A.

Questions 1 and 2, which request information directly related to the allegations of interference at issue in this proceeding, should be responded to at the same time as the Commission's initial requests are due.

Questions 3 – 14, which request information about PJM's independent internal investigation are not immediately critical to resolution of the request for interim relief now under review by your Commission and therefore may be responded to at a later time. As OPSI and other parties have requested that this matter be set for hearing, a request not yet granted by the Commission, these data requests are not intended to be substitutes for any discovery that may be afforded parties when the matter is set for hearing.

3. Finally, while PJM's internal investigation cannot substitute for or delay a full and searching investigation of these allegations by your Commission, OPSI would support the completion of a truly unbiased, transparent and thorough independent investigation commissioned by PJM that provides the PJM Board of Managers, the Commission, the parties to this consolidated proceeding and PJM's many stakeholders with a full and thoughtful accounting of the facts and events at issue and the underlying causes for them.

I. ANSWER

OPSI does not oppose Dr. Bowring's request for a two week extension, and would ask your Commission to provide PJM with the same amount of additional time in which to respond to its data requests. While OPSI has urged that this matter be fast tracked, a

thorough investigation of this issue is essential to ensure confidence in the PJM wholesale markets.

II. MOTION TO SUPPLEMENT COMMISSION DATA REQUESTS

OPSI requests that the Commission supplement its May 18, 2007 data requests with the additional suggested supplemental data requests that appear in the Appendix to this Answer and Motion.

Questions 1 – 2 should be returnable at the same time as the Commission's data requests, while Questions 3 – 14 (which request information about the scope, degree of independence and transparency of the PJM internal investigation) may be returnable at a later time. OPSI does not intend that these supplemental questions should substitute for party discovery during a hearing of this matter.

OPSI urges that the Commission allow the parties to obtain sufficient information so that they may have a full understanding of the events underlying the allegations at issue and a full understanding of the scope, degree of independence and transparency of the ongoing PJM internal investigation.

III. THE COMMISSION SHOULD REQUIRE PJM TO COMPLETE ITS INTERNAL INVESTIGATION AND SUBMIT THE RESULTS AND DATA FOR THE RECORD

While OPSI and other Complainants have taken the position that PJM's independent investigation cannot either delay or serve as a substitute for a thorough investigation by the Commission, it is important that PJM's independent investigation be

completed, and that its bases and results are shared with the Commission and the parties to this proceeding.

Assuming the investigation is conducted with sufficient rigor, transparency and independence, is informed by full access to PJM's internal documents and personnel, and its results and data are made available to the Board of Managers, the Commission, the Complainants and PJM's stakeholders, the PJM independent investigation may usefully supplement this investigation and provide public confidence that the matter has been thoroughly reviewed.

Conversely, should the PJM independent investigation should be short circuited, that can only have an adverse effect on public confidence in PJM's commitment to openness and transparency and its public commitment to tariff compliance and market monitoring independence.

CONCLUSION

WHEREFORE, the Organization of PJM States, Incorporated respectfully requests your Commission to grant both Dr. Joseph Bowring and PJM a two week extension of time in which to respond to its Data Requests, require PJM and Dr. Bowring to supplement their responses as indicated in this pleading, and state that PJM should continue and complete its independent investigation of this matter and submit the results and data of that investigation for review by your Commission and parties to this proceeding.

Respectfully submitted,

s/ John A. Levin

John A. Levin

Assistant Counsel

Pennsylvania Public Utility Commission

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For the Organization of PJM States, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document in accordance with the requirements of the Commission's Rules of Practice and Procedure.

Dated at Harrisburg, Pennsylvania this 25th day of May, 2007.

s/ John A. Levin

John A. Levin

Assistant Counsel

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APPENDIX "A"

Proposed Supplemental Data Requests

1. Please state whether any member of PJM management has communicated to anyone a present or future intention to remove or restrict access to or control of Market Monitoring Unit information services, databases, employees or other assets from the market monitoring unit, and the market monitor. If yes, state the names, positions and business addresses of all parties to such communication, and supply all documents relating to such communication.
 2. Please state whether PJM has commissioned any investigation, study, audit or review of the PJM Market Monitoring Unit or the PJM market monitor by any outside consultant or contractor prior to April 5, 2007. If yes, supply copies of each such investigation report, study, audit or review.
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3. Please supply the name, affiliation, business address and telephone contact number of each individual retained or employed by PJM or its contractors, subcontractors, agents or representatives to conduct the PJM Internal Investigation. For the purposes of this question and the following questions, "**PJM Internal Investigation**" means the internal investigation identified as "the PJM Board of Managers' announced independent investigation" or any similar investigation referred to on page 1 of your May 3, 2007 Answer to the Complaint docketed by FERC at EL07-58.
 4. Please supply the name, affiliation, job description, business address and telephone contact number of each individual employed by PJM that has been designated to assist in conducting the PJM Internal Investigation.
 5. Please supply any retention letters, documents or instructions by PJM or any of its representatives, agents, employees(?) or contractors that define the nature, scope and timing of the PJM Internal Investigation, any interim milestones or reports.
 6. What specific conditions of access or limitations to access do the investigators have to documents related to the PJM Internal Investigation held by PJM, PJM members, PJM employees, agents or contractors?
 7. What opportunity for review, comment or editorial change of any interim or pre-release final version of the Investigational Report will be given to the PJM Board of

Managers, any PJM employee, agent or contractor, any PJM member or any person interviewed during the course of the investigation?

8. Please state the date when the final PJM Internal Investigation report and any interim or draft report will be completed and identify all persons to whom each such report will be transmitted.
9. Please state whether, and if not, why not, any interim or draft report is will be made available to the Federal Energy Regulatory Commission, the Complainants in Docket Nos. EL07-58 or EL07-56, PJM Members and/or the general public. Identify each person to whom each such report will be made available and when each such report will be made available.
10. Please state whether, and if not, why not, the final PJM Internal Investigation report will be made available to the Federal Energy Regulatory Commission, the Complainants in Docket Nos. EL07-58 or EL07-56, PJM Members and/or the general public. Identify each person to whom such report will be made available and when such report will be made available.
11. Please identify the name, affiliation, job description, business address and telephone contact number of each individual serving as a custodian of documents, records or other investigational materials.
12. Please identify the physical location of all documents, records or other investigational materials obtained by or produced as a result of the PJM Internal Investigation.
13. Please state whether PJM asserts or intends to assert any legal or other privilege against disclosure of the PJM Internal Investigation report and/or investigational documents upon which the report is based to:
 - a. The Federal Energy Regulatory Commission
 - b. The Organization of PJM States, Inc.
 - c. Any or all of the State Commissions signatory to the Complaint docketed by the Federal Energy Regulatory Commission at EL07-58.
 - d. Any or all of the signatories to the Complaint filed at EL07-56.

If “yes”, identify with respect each such privilege, against whom asserted and the legal or other basis of such privilege.

14. Are you aware of any ongoing or proposed investigation by a state or federal regulatory body or other entity (other than the Federal Energy Regulatory Commission)

with regard to the operation or structure of the PJM market monitor, the market monitoring unit or PJM's market monitoring plan?

- a. If yes, list all such investigations individually and provide copies of all discovery sought and/or provided in connection with such investigation.

Document Content(s)

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