



P3 supports PJM's revisions to the MOPR in the instant filing as a reasonable compromise among PJM stakeholders and urges the Commission to approve the changes so that they can be in effect for the May 2013 Base Residual Auction ("BRA").<sup>3</sup>

## **I. MOTION TO INTERVENE**

P3 is a nonprofit corporation dedicated to promoting policies that will allow the PJM region to fulfill the promise of its competitive wholesale electricity markets. P3 strongly believes that properly designed and well-functioning competitive markets are the most effective means of ensuring a reliable supply of power to the PJM region, facilitating investments in alternative energy and demand response technology, and promoting prices that will allow consumers to enjoy the benefits of competitive electricity markets. Combined, P3 members own over 87,000 megawatts of generation assets, own over 51,000 miles of transmission lines, serve nearly 12.2 million customers and employ over 55,000 people in the PJM region – encompassing 13 states and the District of Columbia. Thus, P3 has a substantial interest in this proceeding.

P3 is an interested party, and its intervention and participation will promote the public interest in viable and competitive wholesale markets. P3 is not now, nor will be, adequately represented by any other party in this proceeding, and may be bound or adversely affected by the Commission's action herein.

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<sup>3</sup> In the event that the Commission does not accept PJM's filing, P3 continues to endorse all the positions it raised in previous MOPR related filings with this Commission and reserves all its rights with respect to such filings.

## II. COMMENTS

### A. Competitive Wholesale Capacity Markets Need Effective Rules to Prevent Buyer Side Price Suppression.

In order for competitive wholesale markets to deliver value to consumers, market participants need confidence that market prices reflect market conditions. As this Commission has recognized, some market participants might have an incentive to depress market clearing prices by offering supply at less than a competitive level to the detriment of the overall market.<sup>4</sup> To prevent such damage, the Commission has consistently supported the notion that in certain circumstances new generation facilities should be required to offer their capacity at a threshold or minimum price.<sup>5</sup> In PJM, the MOPR has been the means to govern such market entry. It is imperative that an effective MOPR is in place in order to maintain the efficacy of PJM's capacity market.

Due to concerns about efforts in the PJM footprint to subsidize new market entry with out-of-market revenues to depress market prices, P3 filed a complaint on February 1, 2011 urging the Commission to order revisions to the MOPR.<sup>6</sup> On February 11, 2011, PJM filed proposed changes to the MOPR that differed from those suggested by P3 but were similarly designed to address price suppression in the capacity market.<sup>7</sup> On April 12, 2011, this Commission issued the FERC MOPR Order accepting PJM's proposed tariff changes subject to certain conditions and the submission of a compliance filing.

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<sup>4</sup> See *PJM Interconnection, L.L.C.*, 135 FERC ¶ 61,022 (2011) ("FERC MOPR Order") at P 6.

<sup>5</sup> See FERC MOPR Order; see also *ISO New England, Inc. and New England Power Pool Participants Committee*, 131 FERC ¶ 61,065 (2010) (ISO-NE Capacity Market Revisions Order) and 135 FERC ¶ 61,029 (2011); see also *New York Independent System Operator, Inc.*, 122 FERC ¶ 61,211 (NYISO Mitigation Order), *order on reh'g and compliance*, 124 FERC ¶ 61,301 (2008) (NYISO Mitigation Reh'g Order); *New York Independent System Operator, Inc.*, 133 FERC ¶ 61,178 (2010) (NYISO Mitigation Enhancements Order), *reh'g pending*.

<sup>6</sup> *PJM Power Providers Group*, Complaint and Request for Clarification Requesting Fast Track Processing, Docket No. EL11-20-000, February 1, 2011 ("P3 Feb. 1, 2011 Complaint")

<sup>7</sup> *PJM Interconnection, L.L.C.*, Docket No. ER11-2875-000, February 11, 2011.

In that proceeding, numerous parties, including PJM, state commissions and P3, raised concerns over exercises of buyer market power particularly following actions taken by New Jersey and Maryland to subsidize new generation facilities with revenue streams that were not otherwise available to other market participants. For example, the Pennsylvania Public Utility Commission (“PA PUC”), stated that “Pennsylvania is committed to the competitive market structure and would be harmed by any action by another state within PJM that subsidized a participant in PJM’s interstate wholesale electric capacity market, absent an effective mitigation mechanism in PJM’s RPM.”<sup>8</sup> The Commission agreed with the PA PUC stating “effective mitigation of uneconomic entry into wholesale capacity markets does not encroach on a state’s ability to act within its borders to ensure resource adequacy or to favor particular types of new generation.”<sup>9</sup>

In the FERC MOPR Order the Commission found that it has appropriate jurisdiction in making sure the MOPR is correct and the capacity market remains competitive.<sup>10</sup> The Commission stated:

[T]he MOPR does not interfere with states or localities that for policy reasons seek to provide assistance for new generation entry if they believe such expenditures are appropriate for their state. The MOPR ensures only that the wholesale capacity market prices remain at just and reasonable levels. The Commission has previously found, and we reiterate here, that uneconomic entry can produce unjust and unreasonable wholesale rates by artificially depressing capacity prices, and therefore the deterrence of uneconomic entry falls within our jurisdiction.<sup>11</sup>

Unfortunately, as described below, some of the specific buyer market power mitigation mechanisms the Commission approved in the FERC MOPR Order did not operate as contemplated. As a result, P3 believes the results of the 2015-1016 BRA, because of the

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<sup>8</sup> FERC MOPR Order at P 137 fn 74, citing Pennsylvania Public Utility Commission Comments at p. 13.

<sup>9</sup> FERC MOPR Order at P 142.

<sup>10</sup> FERC MOPR Order at P 141.

<sup>11</sup> FERC MOPR Order at P 141.

presence of new units receiving substantial, guaranteed out of market revenues, did not accurately reflect the true price of capacity in PJM. PJM's proposed changes are expected to address the current market shortcomings and prevent further detrimental impacts to the market. Accordingly, P3 urges the Commission to accept revisions to the MOPR as well as the requested timing as presented in PJM's December 7, 2012, filing.

**B. The Unit-Specific Exemption to the MOPR is Ambiguous, Subjective, Opaque, and Invites the Exercise of Buyer Side Market Power.**

The adverse impacts of price suppression are well-documented and well-understood by this Commission. These impacts, which the Commission has appreciated in different markets and different orders, are well-articulated in a recent report by Continental Economics, Inc. entitled "State Subsidization of Electric Generating Plants and the Threats to Wholesale Electric Competition."<sup>12</sup> The report cautions that the exercise of buyer market power undermines the very confidence that all market participants, whether they are buyers or sellers, must have in order for a market to function rationally. As the Continental Economics study concludes, "government subsidies for new generation resources both raise capacity costs for the very customers whom the subsidies are supposed to benefit and jeopardize resource adequacy and reliability in the long run for all consumers."<sup>13</sup> The May 2012 BRA revealed the flaws in PJM's current rules that demand the rule be revised in order to free PJM's market from the ill effects of uneconomic entry.

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<sup>12</sup> *State Subsidization of Electric Generating Plants and the Threats to Wholesale Electric Competition*, Continental Economics Inc., December 2012, for Compete Coalition.

<sup>13</sup> *Id.* at EX-1.

## **1. The May 2012 BRA Was Harmed By the Ineffectiveness of the Current MOPR**

The May 2012 BRA was administered under the current, flawed MOPR provisions.<sup>14</sup> Going into this year's auction, it was well known that at least four planned resources were potentially participating in the auction with a promise of a guaranteed state-sponsored revenue stream that was independent of the auction clearing price. Three units were being developed in New Jersey (PJM's Eastern MAAC (EMAAC)) locational deliverability area ("LDA") and in Maryland (PJM's MAAC LDA). Such resources would enjoy an enormous competitive advantage relative to other capacity resources. The net cost of new entry for Eastern MAAC for the 2012 BRA was \$313/MW-day. Therefore, the three New Jersey subsidized units would either have to offer their capacity at the MOPR threshold price of at least \$281/MW-day or be awarded a unit specific exemption from PJM. Similarly, the Maryland unit would have to offer at the MOPR threshold applicable in MAAC, \$240/MW-day, unless it obtained a unit-specific exemption.<sup>15</sup> It became clear that at least one unit was seeking a unit specific exemption when the IMM filed a "motion for clarification" at the Commission seeking FERC guidance on matters that were of dispute between the IMM and PJM in the calculating of the unit specific exemption.

The results of the auction were the canary in the coal mine. Three units with state guaranteed contracts cleared the auction, two New Jersey units and one Maryland unit at a price nearly 50% below Cost of New Entry (CONE). P3 does not suggest that any rules were broken or that PJM or the IMM did anything but follow their tariff.<sup>16</sup> However, the outcome was alarming given the

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<sup>14</sup> The current MOPR provides for unit-specific exemptions to developers of planned resources that can establish that their cost to develop the offered resource was less than the MOPR threshold of 90% of the Net Cost of New Entry ("CONE") stated in the PJM tariff.

<sup>15</sup> The Net CONE for MAAC for the 2015/2016 BRA was \$267/MW-day making \$240/MW-day 90% of Net CONE for that LDA.

<sup>16</sup> Due to the inherent lack of transparency associated with the unit-specific exemption process, the existence of subsidized units clearing the auction was not known until well after the auction results were posted. This lack of transparency also prevents P3 and its members from analyzing this concern.

wide disparity between the unit specific exemption that must have been awarded for unit-specific cost less than the clearing price of \$167.46.

Reaction from the investment community was fast and damning. One analyst wrote, “....we find it difficult to believe that any new construction will take place in PJM without a state subsidized contract. Over time this will lead to a transferring of risk from developers back to ratepayers, completely subverting PJM.”<sup>17</sup> The MOPR was called a “farce”<sup>18</sup> and confidence in PJM’s markets was declared “scrambled.”<sup>19</sup>

When the state of New Jersey revealed the contract prices that New Jersey ratepayers were going to be forced to pay for the next 15 years, the extent of the current MOPR’s failing became starkly apparent. The two “winners” of New Jersey contracts, Hess and CPV, will receive payments totaling \$220/MW-day and \$286/MW-day in the first year of the contract – 30% and 60% above the \$167/MW-day clearing price, respectively. Equally troubling, the payments to both of these chosen generators escalate to \$260/MW-day and \$432/MW-day respectively over the course of the contracts. The Maryland Public Service Commission has not released the contract payments Maryland ratepayers will be required to pay for the one subsidized unit that cleared in that state.<sup>20</sup>

The result of the May auction should give the Commission great pause. Three units cleared the auctions with significant revenue streams outside of the PJM market. In the case of New Jersey, these revenue streams are guaranteed for the next 15 years regardless of the market price of capacity. Under the current MOPR, the new units will be able to offer into RPM auctions at

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<sup>17</sup> *PJM Capacity Market Update, MOPR Proves a Farce, Undermining Investor Confidence in PJM*, International Strategy & Investment Group, Inc, May 30, 2012.

<sup>18</sup> *Id.*

<sup>19</sup> *Losing Faith*, UBS Securities LLC, May 24, 2012, pg. 2.

<sup>20</sup> Also important to note is that two new facilities that will produce over a 1000 MW’s of electricity cleared the PJM auction without an out of market subsidy. Both of these units needed to go through the unit specific review process in order to bid below 90% of CONE. Thus, RPM has incited new entry into wholesale capacity markets on its own and without the need for subsidies.

zero for all subsequent auctions knowing they will receive a contract price from New Jersey that is indifferent to market forces. Competitive units, such as the two that cleared without contracts in the May BRA, any new generation seeking to enter the market competitively, existing capacity that would otherwise be economic (including demand response, energy efficiency and other forms of capacity) will all have to compete against this subsidized capacity.

As this Commission so eloquently stated, “a capacity market will not be able to produce the needed investment to serve load and reliability if a subset of suppliers is allowed to bid noncompetitively to suppress market clearing prices....”<sup>21</sup> While P3 may never know with absolute certainty if this is what happened in 2012, the known facts suggest that the current MOPR did not effectively stop it.

## **2. The Current Unit-specific Review Process is Flawed and Should Be Eliminated.**

The current unit-specific review process is ambiguous and subjective. As a result, it does not work to prevent buyer side market manipulation as contemplated. Despite the best intentions of those who constructed, approved and implemented it, the current unit specific review simply falls short of addressing the problem it was designed to fix. The very activity that the MOPR was designed to prevent was present in the last auction. Moreover, the ambiguity, opacity and subjectivity associated with the rule have proven to be fatal flaws. For similar reasons, P3 agrees with PJM that “it is time to move past the current non-transparent unit-specific cost and revenue review process.”<sup>22</sup>

Under the current MOPR framework, PJM and the IMM must subjectively examine and judge a myriad of project development components to assess whether to permit a unit-specific exemption. What constitutes a reasonable projection of energy prices? What costs, if any,

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<sup>21</sup> *PJM Interconnection, L.L.C.*, 128 FERC ¶ 61,157, at P 90-91 (2009)

<sup>22</sup> PJM MOPR filing, p.9.

should be considered sunk? What is the projected recovery life of the project? What is the appropriate debt/equity structure? What is a reasonable cost of capital? All of these questions could arise as part of unit specific cost determination.<sup>23</sup> The manner in which PJM and the IMM answer these questions could have an enormous impact on whether the unit clears or not and the overall price of capacity in the region. This process becomes even more problematic when units that are known to have out of market subsidies are seeking a unit specific exemption. PJM and the IMM are neither well equipped to undertake such challenging assessments nor do they desire to do so.

Making matters worse, the lack of transparency associated with the current unit specific review process creates enormous challenges for those seeking to invest in capacity in PJM. The “black box” discussions between PJM, the IMM and the unit owner seeking an exemption are confidential. No opportunities exist to challenge assumptions, debate numbers or question calculations. In fact, to this date, market participants do not know the unit specific determination of exempted units in past auctions making strategic decisions about the future extremely challenging.

Recognizing these and other shortcomings of the current MOPR, a group of diverse PJM stakeholders with often divergent views of the market decided to work together to reform the rules. Working with input from PJM and the IMM, the diverse subset of stakeholders developed a proposal that they considered worthy of stakeholder review. Following an expedited, but robust, open, transparent and comprehensive, stakeholder review, the proposal was modified. The modified proposal was endorsed by 89% of PJM’s stakeholder body. P3 supports that proposal and urges FERC to adopt it.

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<sup>23</sup> Note that the challenges associated with such a process were intensely litigated in the recent *Astoria II* case. See *Astoria Generating Company L.P., et. al*, 139 FERC ¶ 61,244 (2012) and *Astoria Generating Company L.P., et. al*, 140 FERC ¶ 61,189 (2012).

**C. The PJM Filing, Which Enjoys Broad Stakeholder Support, Represents a Significant Improvement Over the Current MOPR and Should be Accepted by the Commission**

Rare is the occasion when the Commission has the opportunity to act upon a critical and contentious market issue such as MOPR with as much stakeholder support as this proposal. The litigation surrounding the current MOPR has been intense, confused and damaging to market certainty. The PJM stakeholder debates surrounding MOPR have been passionate, and intense, yet thoughtful and detailed. That in this atmosphere 89% of the PJM stakeholder body could agree on a single proposal to address this issue is remarkable and unprecedented.

There is good reason for the far-reaching support for this proposal. It significantly improves the current MOPR by directly addressing many of its shortcomings. While the issues of concern to P3 are articulated in the previous section and throughout these comments, other market participants had concerns as well. This proposal, which is the result of hard work and compromise, addresses a broad set of concerns in a manner that balances other interests in the market. In fact, certain aspects of the proposal diverge from positions that P3 has advocated in the past and would be unlikely to receive P3's endorsement outside of the context of a settlement. However, when viewed as a complete package and considering the broad support for the proposal, P3 is pleased to lend its support to the proposal in total. P3 urges the Commission to endorse it as well, in time for these important market reforms to be in place for the 2016/17 BRA.

Specifically, the proposal represents a meaningful step forward for the PJM market in the following ways:

## **1. The Problematic Unit Specific Review Process is Eliminated**

The shortcomings of the unit specific review process are specifically articulated in a prior section. Without repeating the numerous challenges associated with the unit specific review process, the simple conclusion is it did not work and is not likely to work given its failure to limit the specter of buyer market power coupled with the broad subjectivity and the non-existent transparency associated with it. The PJM proposal replaces the unit specific exemption with two other objectively determined exemptions (the competitive entry exemption and the self-supply exemption) that effectively eliminate the prospect of buyer side price suppression while protecting legitimate market entry.

## **2. The Requirement that the MOPR Apply in Three Consecutive Auctions Mitigates the Impact of Uneconomic Entry.**

P3 agrees with PJM that the revised MOPR should apply for a longer period than the current one year. Uneconomic entry should be mitigated until it is absorbed by the market - until the point in time when it is no longer uneconomic.<sup>24</sup> Considering that the three units in PJM that cleared the last BRA with state-supported subsidies are permitted to offer zero in the upcoming auction, it is easy to see how uneconomic entry can have market-damaging impact beyond its initial entry into the market.

P3 agrees with PJM that the revised MOPR should apply for a longer period given the stricter focus on resources that are most likely to pose price suppression concerns, notwithstanding a prior Commission holding on this point. The context of the current PJM proposal changes the circumstances under which application of the MOPR should be considered. The broad exemptions will sift out all but the most suspect projects, eliminating the prospect of

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<sup>24</sup>PJM Power Providers Group, Comments and Protest, Docket EL11-20-000, March 4, 2011, (P3 Comments and Protest), pg. 27-28.

“over-mitigation.” A three year duration provides better protection against price suppression.

As PJM explains:

Applying the rule for only one year would allow subsidized units to enter the market on a non-competitive basis based on a temporary, coincident increase in capacity prices or a temporary decrease in the MOPR price floor. ... [t]he MOPR price floor is just an estimate of new entry costs and if a unit clears at that price in a single year, it does not mean that the unit will not interfere with the competitive market in subsequent years.<sup>25</sup>

### **3. 100% of CONE is the Appropriate Mitigation Level.**

The PJM proposed MOPR sets the new benchmark at 100% of Net CONE. P3 agrees this is the correct number given the proposed changes to the MOPR exemption process.<sup>26</sup> P3 agrees with PJM that the rationale for the current 90% threshold is insufficient. As PJM describes, the two proposed MOPR exemptions will exempt most resources, and with the proposed elimination of the unit-specific exemption process, spare sellers from the administrative burdens of that process. Further, projects that fail the two categorical exemptions are likely to present significant risks of price suppression, and therefore it is inappropriate to apply a discount factor to the PJM-estimated level of competitive net cost.<sup>27</sup>

### **4. The MOPR Is Expanded to the Entire RTO and Not Just Constrained Regions.**

The PJM MOPR proposal broadens the geographic focus so that the MOPR will apply to all regions of the RTO instead of only the constrained areas of PJM. P3 agrees with this change. P3 has consistently maintained that exempting most of the PJM region from mitigation as the current MOPR does is unjust, unreasonable and unduly discriminatory.<sup>28</sup> Price suppression could occur anywhere in the RTO and must be mitigated to assure just and reasonable rates.

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<sup>25</sup> PJM MOPR filing, pg .29.

<sup>26</sup> PJM MOPR Filing, pg 26.

<sup>27</sup> *Id.*

<sup>28</sup> P3 Comments and Protest, pg. 13-15.

## **5. Competitive Entry Is Clearly Supported**

With the elimination of the troublesome unit-specific review process, the PJM tariff needs a clear means by which competitive entry should be allowed into the market without the restrictions of a minimum offer requirement. There will be occasions when unit developers believe they can economically enter the market below the PJM-determined CONE. Those developers should be allowed to do so, provided they are not receiving out of market revenues or other support that would alter their economics to the detriment of the market. The competitive entry exemption is well-suited to address this circumstance.

The PJM-proposed MOPR changes provide a clear exemption for competitive new entry that is not receiving out of market support.<sup>29</sup> Generally, the proposed MOPR reforms provide an exemption for new resources that do not seek non-bypassable cost recovery or that are not receiving the support of state-sponsored long term contracts that mandate construction of the new resource or clearing the new resource in an RPM auction. P3 agrees with PJM that this competitive entry exemption is “reasonable because it significantly reduces administrative burdens for merchant generation projects that are not receiving out of market payments to obtain an exemption from the MOPR and it significantly reduces the potential for unintended barriers to entry for legitimate competitive new generation projects.”<sup>30</sup> These changes protect competition but not competitors.

## **6. The PJM Proposal Addresses the Traditionally Contentious Issues Surrounding the Application of MOPR to Self-supply Entities.**

As the Commission acknowledged, “the MOPR was not intended to change the long-standing business models parties use to support investment in specific capacity procurement

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<sup>29</sup> The competitive entry exemption is very similar to the “no subsidy off ramp” which P3 offered in its February 2011 complaint.

<sup>30</sup> PJM MOPR filing, pg. 23.

projects.”<sup>31</sup> However, the current MOPR was interpreted as doing precisely what the Commission did not want it to do by containing language that was vague and broad. The PJM proposal addresses the self-supply issues and represents a means of addressing the challenges of applying a minimum offer requirement on a self-supply entity.

The proposal defines those entities that have long-standing self-supply business models (such as municipal utilities and coops) and affords those entities an exemption to the MOPR provided they offer new capacity within certain bounds. In order to qualify for an exemption, a self-supply load serving entity (LSE) must not be either significantly net short or significantly net long relative to their forecast capacity obligation. The proposal gives PJM specific tools to evaluate the entity’s market position. Thus, these self-supply entities have sufficient flexibility to construct necessary resources but not so much flexibility so as to open the door to price suppression issues.

#### **7. States Retain Their Ability to Address Reliability Responsibilities.**

As the Commission so succinctly articulated in the FERC MOPR Order, “...effective mitigation of uneconomic entry into wholesale capacity markets does not encroach on a state’s ability to act within its borders to ensure resource adequacy or to favor particular types of new generation.....there is no valid state interest in ensuring that uneconomic offers can submit below-cost offers into the RPM auction.”<sup>32</sup>

Nothing contained in the current MOPR or the revised MOPR prevents a state from ordering a utility to build a new power plant (renewable or otherwise), requiring a utility to procure enough capacity to meet the needs of their load or otherwise promoting reliability

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<sup>31</sup> *PJM Interconnection, L.L.C.*, 137 FERC ¶ 61,145 (2011) at P. 242.

<sup>32</sup> FERC MOPR Order at P 142.

beyond the needs identified by the RTO. The MOPR only acts to protect regional, interstate, FERC-regulated, wholesale markets from the real threat of price suppression.

The PJM proposal provides a clear path for a state to procure capacity outside of the RPM process. A state may secure a commitment from a new resource to provide capacity in an LDA through a competitive and non-discriminatory auction, the terms of which are spelled out under the PJM proposal. So long as such contract does not mandate the construction or clearing of the new resource, then such resource may obtain a competitive entry exemption. Thus, the developer bears the risk of fulfilling the contract, either via market purchases or development of the new resource if market conditions warrant. As PJM correctly observes:

Support payments from captive customers to a new resource, that are contingent upon the resource clearing in the RPM auction, present the clearest possible example of price suppression. Tying support payments to resource construction is only a slightly less direct means of achieving the same end, since a capacity resource in the PJM region likely will not commence construction unless it first clears a RPM auction.<sup>33</sup>

If a state does wish to engage in a capacity procurement that is non-competitive or discriminatory, they still may do so. However, any capacity that is the product of such of process would be required to offer into the wholesale capacity auction at 100% of CONE in order to insure that it does not inappropriately suppress the price.

### **III. CONCLUSION**

The importance of implementing changes to the MOPR at this time cannot be stressed enough. P3 agrees with PJM that now is the time to make the proposed changes to the MOPR. As PJM noted, the results of last year's BRA caused doubt and concern about the competitiveness of the capacity market. As PJM correctly stated, because the BRA, the principal RPM auction, is held only once per year, "failure to change these rules in time for that auction

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<sup>33</sup> PJM MOPR filing, p.23.

has substantial repercussions. Not only would investor and developer concern about RPM price signals continue for another year, but also market sellers with new entry resources in circumstances that do not present significant risks of price suppression would be subject to the MOPR, required to navigate the unit-specific cost review exemption process, and subject to auction clearing risk, for another year.”<sup>34</sup> P3 encourages the Commission to act within PJM’s requested timeframe. As PJM points out, the May 2013 BRA is expected to attract new merchant entry responding to significant retirements of generation and therefore this Commission’s action is especially important to provide certainty to the May 2013 BRA.

For the foregoing reasons, P3 respectfully requests that the Commission grant this Motion to Intervene and accept PJM’s revisions to the MOPR and accept PJM’s requested timing.

Respectfully submitted,

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Dated: December 28, 2010

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<sup>34</sup> PJM MOPR Filing, pg 16; *see also* FERC MOPR Order at P 26 (the Commission agreed that it was important to implement MOPR changes prior to the 2011 BRA).

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 Washington, D.C., this 28th day of December, 2012.

On behalf of the PJM Power Providers Group

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