

Public Service Commission of West Virginia

201 Brooks Street, P.O. Box 812
Charleston, West Virginia 25323

Michael A. Albert
Chairman



February 7, 2018

VIA ELECTRONIC MAIL (greg@opsi.us)

Gregory Carmean, Executive Director
Organization of PJM States, Inc. (OPSI)

Dear Executive Director Carmean:

The Public Service Commission of West Virginia appreciates the effort of the OPSI Staff to set forth the diverse reasons that lead some OPSI State Commissions to oppose the PJM Staff most recent Capacity Repricing Proposal. We have been supportive of previous attempts to slow down the efforts of the Capacity Construct Public Policy Senior Task Force (CCPPSTF) and refocus the efforts of that Task Force on determining if any State Public Policies were affecting the PJM Capacity Market in any way. But we find ourselves in a position where we cannot agree with the letter that a majority, we presume, of OPSI Staff proposes be sent to the PJM Board.

The letter currently under consideration contains a suggestion that there are no data supporting the presumption that State Public Policies are threatening the integrity of the PJM Capacity Auction. The letter also suggests that "OPSI recommends that the PJM Board re-direct PJM Staff on a course of action that will correct or avoid the lack of underlying support" for the repricing proposal. We are not opposed to that position. The letter, however, does not stop there but lists deficiencies or problems with the PJM Staff Repricing Proposal with which we cannot agree.

We believe that the revised PJM Staff Capacity Repricing Proposal is a victory because it rejects some of the more extreme alternatives under consideration by the CCPPSTF that would have truly disrespected and interfered with legitimate State Public Policy decisions. While maintaining the status-quo as it stood before the most recent attempts to modify the PJM Minimum Offer Price Rule would have been a better outcome, we are not confident that the proposed OPSI letter is likely to lead to that outcome. Part of our concern is that the letter suggests that there should be an expansion

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February 7, 2018

Page 2

of the PJM Staff investigation into the impact of State Public Policies on the PJM Energy Market, an expansion that we do not believe is either necessary or prudent.

For these reasons, the Public Service Commission wishes to be recorded as opposing the OPSI Letter to the PJM Board.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Michael Albert", with a long horizontal flourish extending to the right.

Michael A. Albert

Chairman