

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

STAFF NOTICE OF ALLEGED VIOLATIONS

(April 5, 2012)

Take notice¹ that in a nonpublic formal investigation pursuant to 18 CFR Part 1b, the staff of the Office of Enforcement of the Federal Energy Regulatory Commission (Commission) has preliminarily determined that Barclays Bank PLC, Daniel Brin, Scott Connelly, Karen Levine, and Ryan Smith each violated the Commission's Prohibition of Electric Energy Market Manipulation, 18 CFR 1c.2 (2011).

Barclays Bank PLC is a global financial institution headquartered in the United Kingdom. Messrs. Brin, Connelly and Smith and Ms. Levine (collectively the individual traders) were employed by Barclays Bank PLC during the relevant time periods as energy traders on its West power desk. Staff alleges that Barclays Bank PLC and the individual traders (collectively Barclays) each violated 18 CFR 1c.2 (2011) by engaging in a coordinated scheme during certain months in the period November 2006 to December 2008² by trading day-ahead fixed-price physical electricity at the locations of Mid-Columbia, Palo Verde, South Path 15 and North Path 15 to benefit Barclays' IntercontinentalExchange (ICE) fixed-for-floating financial swap positions in those markets. Specifically, staff alleges that Barclays assembled substantial physical positions in the opposite direction of Barclays' fixed-for-floating financial swap positions and that Barclays flattened those physical positions in the next-day fixed-price physical markets to move the ICE daily index settlement up if buying and down if selling.

This Notice does not confer a right on third parties to intervene in the investigation or any other right with respect to the investigation.

Kimberly D. Bose,
Secretary.

¹ *Enforcement of Statutes, Regulations, and Orders*, 129 FERC ¶ 61,247 (2009).

² Attachment A to this Notice lists the specific alleged manipulation months. Mr. Smith was not employed by Barclays for all months listed.

Attachment A

	Product	Location	Year	Month
1	OffPeak	Mid-Columbia	2007	March
2	OffPeak	Mid-Columbia	2007	April
3	OffPeak	Mid-Columbia	2007	May
4	OffPeak	Mid-Columbia	2007	June
5	OffPeak	Mid-Columbia	2008	June
6	OffPeak	North Path 15	2006	December
7	Peak	Mid-Columbia	2007	March
8	Peak	Mid-Columbia	2007	April
9	Peak	Mid-Columbia	2007	June
10	Peak	Mid-Columbia	2008	May
11	Peak	Mid-Columbia	2008	June
12	Peak	Mid-Columbia	2008	August
13	Peak	North Path 15	2007	April
14	Peak	North Path 15	2007	May
15	Peak	North Path 15	2007	June
16	Peak	Palo Verde	2006	November
17	Peak	Palo Verde	2007	January
18	Peak	Palo Verde	2007	February
19	Peak	Palo Verde	2007	April
20	Peak	Palo Verde	2007	May
21	Peak	Palo Verde	2007	July
22	Peak	Palo Verde	2007	August
23	Peak	Palo Verde	2007	September
24	Peak	Palo Verde	2007	October
25	Peak	Palo Verde	2007	November
26	Peak	Palo Verde	2007	December
27	Peak	Palo Verde	2008	January
28	Peak	Palo Verde	2008	February
29	Peak	Palo Verde	2008	March
30	Peak	Palo Verde	2008	April
31	Peak	Palo Verde	2008	May
32	Peak	Palo Verde	2008	December
33	Peak	South Path 15	2007	February
34	Peak	South Path 15	2007	March
35	Peak	South Path 15	2007	May

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