

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

STAFF NOTICE OF ALLEGED VIOLATIONS

(January 30, 2012)

Take notice that in a nonpublic preliminary investigation pursuant to 18 C.F.R. Part 1b, the staff of the Office of Enforcement of the Federal Energy Regulatory Commission (Commission) has preliminarily determined that Constellation Energy Commodities Group, Inc. (CCG) violated the Commission's Prohibition of Electric Energy Market Manipulation, 18 C.F.R. § 1c.2 (2011) and the Commission's Market Behavior Rule: Communications, 18 C.F.R. § 35.41(b) (2011).

Staff alleges that CCG engaged in virtual transactions in the New York Independent System Operator's (NYISO's) Control Area and scheduled day-ahead physical flows between the NYISO and PJM Interconnection, Inc., Ontario, and/or ISO New England, Inc. (ISO-NE), in order to benefit CCG's financial positions that settled off the average of the day-ahead prices for the settling months in the respective regions of those NYISO and ISO-NE markets. Staff alleges that this behavior violated 18 C.F.R. § 1c.2 of the Commission's regulations and occurred from approximately September 2007 through December 2008.

In addition, staff alleges that CCG violated 18 C.F.R. § 35.41(b) by providing inaccurate and misleading information to the NYISO concerning its uneconomic virtual trading activities in the NYISO.

This Notice does not confer a right on third parties to intervene in the investigation or any other right with respect to the investigation.¹

Kimberly D. Bose,
Secretary.

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

Document Content(s)

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