

APPENDIX 1:

PROPOSED REVISIONS TO COMED EXHIBIT 10.1

Exhibit 10.1

Content of the Confidential Staff Report.

The Staff report would have the following four general sections.

- Review of the summary of the Auction Manager with respect to pre-auction activities. **Much of this report should be completed prior to the auction.**
- Evaluation of the conduct of the auction
- Review of external events.
- A summary of any issues or concerns identified by the Staff and any recommendation that the Staff has regarding further action by the ICC.

The Staff would then provide a confirmation under oath that the report is accurate.

In preparing the Staff report, the Staff will rely on the expertise of the Auction Advisor and any other experts that it retains. Such report provides an independent assessment to the ICC as to whether the Auction was conducted fairly and appropriately and all necessary actions to ensure the competitiveness and integrity of such auctions were followed. The report also details any issues or concerns identified by the Staff and any recommendations the Staff has regarding further action by the ICC.

1. Section 1 – Review of summary of the Auction Manager with respect to pre-auction activities

The AM will provide the Staff with a draft of Section 1 of the AM report two weeks prior to the auction and an updated draft by the start of the auction. The Staff report will answer the following questions in order to determine if the criteria for a valid result have been met. “Y” after the question means that a yes answer meets the criteria for a valid result, while “N” means that a no answer meets the criteria for a valid result. “I” indicates that the question is informational and used as input to a subsequent question.

1. Is there any reason to believe that the promotional activities described in the AM report materially differed from the activities that the Auction Manager committed to undertake and discussed with the Staff? N
2. Were there suggestions that the Staff made to the AM regarding promotion that were disregarded without a satisfactory explanation? N
3. Does the Staff have any reason to believe that the data dissemination activities as described in the AM report differ from the commitments made

- by the Auction Manager with respect to these activities? N
4. Were there any suggestions with respect to data or data dissemination made by the Staff to the AM that were disregarded without a satisfactory explanation? N
 5. Did the AM activities during the application, qualification and registration process as described in the AM report give rise to any concern that any bidders were treated unfairly during these stages of the pre-auction process? N If there are any concerns, please fully describe the concerns and the extent to which they may have had a material impact on the auction. I
 6. Are the AM descriptions of the AM's and the Staff's agreement on the resolution of association and confidential information issues accurate? Y
 7. Did bidder training activities, if observed, correspond to those committed to by the AM? Y Did the Staff make any suggestions with respect to bidder training that were disregarded by the AM without a satisfactory explanation? N
 8. Is the Staff able to confirm that the auction parameters were developed as described in the AM report? Y

2. Section 2 – Evaluation of the Conduct and Competitiveness of the Auction

The Staff will be present during the Auction and will be able to observe certain aspects of the conduct of the Auction. Like the AM, the Staff will summarize the conduct of the auction including its competitiveness through a list of criteria stated as questions. A “Y” after the question means that a yes answer meets the criteria for a valid result, while a “N” means that a no answer meets the criteria for a valid result. An “I” indicates that the question is informational and used as input to a subsequent question.

The questions shall include, but need not be limited to, the following:

1. Is there any evidence that the auction was not conducted according to the Auction Rules? N
2. Did the Staff observe or was the Staff informed of any material procedural problems or errors with the auction, including the electronic bidding process, the backup bidding process, and communications between bidders and the Auction Manager? I If so, did any of these have a material impact on the auction? N
3. Were there any unanticipated delays during the auction? I ~~What adverse effects, if any, on bidding resulting from unexpected delays did the Staff observe and how did they relate to the unanticipated delays?~~
Did any of the delays have adverse effects? N Provide a description and explanation of any delays that had adverse effects. I
4. ~~Is there~~ ~~Did the Staff observe~~ any evidence that the AM did not follow procedures established by the AM for decisions regarding changes in auction parameters (e.g., volume, load caps, bid decrements)? N

5. ~~5. — Is there any evidence that the calculations (e.g., for bid decrements or bidder eligibility) produced by the auction software were not double-checked or reproduced off-line by the Auction Manager?~~
6. Did the Auction Manager provide bidders with the information specified in the Auction Rules? **Y** Did the Auction Manager communicate with bidders promptly regarding the schedule and setting of auction parameters? **Y**
7. ~~Is there any evidence of~~ Were there any material and legitimate complaints from bidders? **N** If so, describe them.
8. Did the Staff suggest any actions to the AM that appear to have been ignored without a satisfactory reason? **N**
9. Is there any evidence that the Auction Office was not properly secured during the auction or that appropriate data back-up procedures were not planned and carried out? **N**
10. ~~Was round-by-round data provided on a timely basis to the Staff? Did Staff receive the same access to data as the AM?~~ **Y**
11. Is there any evidence that the utilities were provided with data that they are not permitted to observe per the final auction rules? **N**
12. Is there any evidence of collusion or improper coordination among bidders? **N**
13. Is there any evidence of a breakdown in competition in the auction? **N**
14. Were bidding patterns **observed during the auction** consistent with competitive bidding and the efficient allocation of load among bidders? **Y**
15. ~~Was there any evidence of non-productive gaming by the bidders?~~

3. Section 3 – Evaluation of outside events

The AM will provide the Staff with a draft of Section 3 of the AM report two days prior to the auction and an updated draft by the start of the auction. An analysis of the possibility that external events may have affected the results of the Auction will be examined by answering the following questions. A “Y” after the question means that a yes answer meets the criteria for a valid result, while a “N” means that a no answer meets the criteria for a valid result. An “I” indicates that the question is informational and used as input to a subsequent question.

1. Were there any disruptions to the energy markets that were material and that appeared to influence how bidders approached the auction? (For example, in response to a sudden change in markets did several bidders withdraw from the auction?) **N**
2. If there were any material changes to the energy markets, does it appear possible that they will be transitory and will soon reverse? **N**
3. Were there any major non-energy market changes that occurred during the auction and appear to have affected bidder interest? (For example, did one or more ICC Commissioners suddenly resign?) **N**

4. Were there any other factors exogenous to the auction that appear to have materially affected the auction in unanticipated ways? **N**

The occurrence of **an** exogenous event that has a material negative impact on the auction and appears to be short-lived would be a reason to recommend that the ICC investigate the Auction.

4. **Section 4 – A summary of any issues or concerns identified by the Staff and any recommendation that the Staff has regarding further action by the ICC.**

The Staff will detail any issues or concerns and any recommendations the Staff has regarding further action by the ICC. The Staff will base its recommendations for further action upon the answers to the questions **described** in Sections 1 through 3, **as well as any other answers to questions that the Staff may incorporate into its report.**

5. **Confirmation under oath that the report is accurate**

The Staff, its Auction Advisor and other advisors Staff may retain will certify under oath that the report is to the best of his or her knowledge accurate.