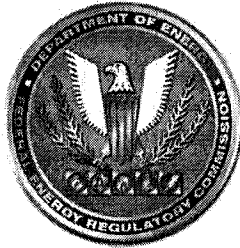


FEDERAL ENERGY REGULATORY COMMISSION  
Office of Enforcement  
Washington, D.C. 20426



August 18, 2010

BY EMAIL & U.S. MAIL

Mr. Lawrence S. Eiben  
Sole Member of Managing Member  
Powhatan Energy Fund LLC  
12916 Holmbank Lane  
Henrico, Virginia 23233  
[lsecapitalmanagement@gmail.com](mailto:lsecapitalmanagement@gmail.com)

**Re: Document Preservation Directive and  
First Data Request to Powhatan Energy Fund LLC**

Dear Mr. Eiben:

The Division of Investigations of the Office of Enforcement of the Federal Energy Regulatory Commission (Commission) has commenced an investigation concerning certain power-related trading and scheduling submitted to the PJM Interconnection, L.L.C. (PJM) market. The investigation relates to possible violations of the Commission's regulations, including but not limited to the prohibition against market manipulation codified at 18 C.F.R. § 1c.2 (2010).

You are hereby directed to preserve and maintain, and shall not discard or destroy, any and all documents, data or information related to Powhatan Energy Fund LLC's power scheduling and trading in PJM for the period May 1, 2010, through the present. Please respond to me in writing at the below email address or fax number by August 20, 2010 confirming that your company will comply with this directive.

The attached data requests, included with this letter as Attachment A, seek information relevant to this investigation. Powhatan Energy Fund's responses to these data requests shall follow the general instructions and definitions included with this letter as Attachment B. As noted there, all responses are to be made under oath. Each data

Mr. Lawrence S. Eiben  
August 18, 2010  
Page 2 of 2

response should start on a new page; the data request should be repeated at the top of the new page; and the name(s) of the preparer(s) listed at the bottom of the data response. Narrative data responses should be provided in Word format.

Powhatan Energy Fund LLC must provide all documents and information responsive to these data request, in the manner set forth in Attachment B, by August 25, 2010 to:

W. Blair Hopkin  
Office of Enforcement  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426  
(202) 502-6603  
(202) 208-0057 (fax)  
Blair.Hopkin@ferc.gov

This investigation is being conducted under Part 1b of the Commission's regulations, 18 C.F.R. Parts 1b (2010). Under section 1b.9 of the Commission's regulations, 18 C.F.R. §1b.9 (2010), all documents and information obtained during the investigation shall be treated as non-public by the Commission and its staff, except to the extent described in that section.

If you have any questions regarding the document retention directive, the data requests, the general instructions and definitions for responding to these data requests, or the investigation, please contact me at the number above or Erik Baptist at 202-502-6038.

Very truly yours,



W. Blair Hopkin  
Attorney  
Division of Investigations  
Office of Enforcement

(Encl.)  
cc. Lauren Rosenblatt

**Attachment A**  
**First Set of Data Requests to**  
**Powhatan Energy Fund LLC**  
**August 18, 2010**

*All references in the requests below to Powhatan Energy Fund LLC include the directors, officers, employees, agents, contractors, consultants, attorneys, affiliates, subsidiaries, parents, holding companies, and any other person acting or purporting to act on behalf of Powhatan Energy Fund LLC. Unless otherwise indicated, all responses to these requests should cover the time period May 1, 2010, through the present (the Relevant Period).*

1. Identify the number of people that Powhatan Energy Fund LLC employed during the Relevant Period.
2. Identify all employees either trading or scheduling power on behalf of Powhatan Energy Fund LLC during the Relevant Period, including providing for each name, job title, job responsibilities, and the date on which the person began employment with Powhatan Energy Fund LLC.
3. Identify all employees who either traded or scheduled power in PJM on behalf of Powhatan Energy Fund LLC during the Relevant Period, including providing for each name, job title, job responsibilities, and the date on which the person began employment with Powhatan Energy Fund LLC.
4. Identify all employees who submitted "Up-To Congestion transactions" in PJM on behalf of Powhatan Energy Fund LLC during the Relevant Period, including providing for each name, job title, job responsibilities, and the date on which the person began employment with Powhatan Energy Fund LLC.

**Attachment B**  
**General Instructions, Specifications, and Definitions**

The following General Instructions, Specifications, and Definitions apply to each data request.

1) General Instructions

- a) Each response shall be made under oath, in the form of one or more affidavits signed by an authorized officer or agent of the respondent. The officer or agent shall state under penalty of perjury that the response has been prepared under his or her supervision and control and that the response constitutes a true, complete and accurate response to the request, to the best of his or her knowledge, information and belief. The response shall list the names, employers, titles and addresses of each person acting at the officer's or agent's direction in preparing the response.
- b) In response to each data request, provide information available from corporate and individual files. Where a data request is directed to a particular respondent, and an affiliate, subsidiary, contractor, or agent acts on behalf of that respondent or provides any support, technical or ancillary service relevant to the data request, the respondent shall include the information from the other party and indicate the source of the information.
- c) Each written response shall designate the respective data request and subpart or portion of the item under which it is provided. The data responses shall be provided in numerical order, and in a clear and concise fashion.
- d) Responses shall indicate which documents relate to which data request.
- e) If respondent objects to the production of any material responsive to any of the data requests on the ground of privilege or protection (such as attorney-client privilege or the attorney work product doctrine), respondent shall provide a detailed log containing the following information for each communication or document:
  - i) Identification of the nature of the privilege asserted;
  - ii) The type of communication or document;
  - iii) The subject matter of the communication or document;
  - iv) The date of the communication or document;
  - v) The author(s) or person(s) present and their title or position;
  - vi) The recipient(s) or person(s) present and their title or position;

- vii) All other individuals who received or were present for the communication or document or had access to the item or document and their title or position;
- viii) The purpose for which the communication or document was created;
- ix) A detailed, specific explanation as to why the communication or document (or portion thereof) is privileged or otherwise immune from discovery, including a presentation of all factual grounds and legal analyses in a non-conclusory fashion; and
- x) The number of pages in the document.

NOTE: If respondent claims the attorney-client privilege, the log shall also indicate whether the communication claimed to be privileged was made by the attorney or the client, and whether the communication or document has been communicated to any person other than the attorney and client involved. If the communication claimed to be privileged has been so communicated, identify such third person(s) by name and relationship to the client and the attorney, and indicate the date of such communication. Produce the non-privileged portion(s) of the document or information, if the privileged portion of the document or information is capable of being excised, so that the remainder is no longer privileged.

- f) If any document responsive to any data request has been lost, discarded, destroyed, or is unavailable, state when, and explain why, such document was lost, destroyed, discarded, or is unavailable. Provide the names of all persons who have knowledge of the loss, destruction, or disposal of the document. If respondent claims that the destruction occurred pursuant to a document destruction program, identify and produce a copy of the guideline, policy or manual describing such program, and any correspondence or communication relating to the destruction.
- g) If any documents responsive to any data request are in existence but not in the custody, possession or control of the respondent, identify each such document and provide its present location and custodian.
- h) Each data request is continuing in nature and requires supplemental responses as soon as further information is located or obtained that is responsive to the request.
- i) The terms “and” and “or” shall be construed either disjunctively or conjunctively whenever appropriate in order to bring within the scope of each data request any information or document that might otherwise be considered to be beyond its scope.

- j) The singular form of a word shall be interpreted as plural, and the plural form of a word shall be interpreted as singular, whenever appropriate, in order to bring within the scope of each data request any information or document which might otherwise be considered to be beyond its scope.

## 2) Specifications

### a) Hard Copy Documents

- i) Hard copy responses shall consist of an original and one hard copy of each answer and any accompanying documents, and shall be delivered by hand or by express delivery service (not U.S. Mail) to the indicated address.
- ii) Each document of more than one page shall be stapled or otherwise bound.

## 3) Definitions

- a) "Affiliate" means another person which controls, is controlled by, or is under common control with, such person.
- b) "All" or "each" shall be construed to mean all and each.
- c) "Any" includes the word "All" and "All" includes the word "Any". "Any" includes "each and every" as well as "any one". The disjunctive includes the conjunctive and vice versa as necessary to bring within the scope of the data request all responses that might otherwise be construed to be outside of its scope.
- d) "Communication(s)" includes all verbal and written communications of every kind, including, but not limited to, telephone calls, conferences, electronic mail and correspondence, instant messaging, text messaging, and all documents and memoranda concerning the communication.
- e) "Control" (including the terms "controlling," "controlled by," and "under common control with") includes, but is not limited to, the possession, directly or indirectly and whether acting alone or in conjunction with others, of the authority to direct or cause the direction of the management or policies of a business entity. A voting interest of 10 percent or more creates a rebuttable presumption of control.
- f) "Describe" means to provide all of the relevant information in detailed

narrative form and include all supporting documentation.

g) "Documents"

- i) "Documents" refers to the originals of all writings and records of every type in your possession, control, or custody, including but not limited to: memoranda, correspondence, letters, email, instant messaging, text messaging, testimony and exhibits, reports (including drafts, preliminary, intermediate, and final reports), surveys, analyses, studies (including economic and market studies), summaries, comparisons, tabulations, charts, books, pamphlets, photograph forms (including microfilm, microfiche, prints, slides, negatives, videotapes, motion pictures, and photocopies), maps, sheets, ledgers, transcripts, vouchers, accounting statements, budgets, work papers, engineering diagrams, communications, speeches, and all other records, written, electronic (including information on electronic or magnetic storage devices), mechanical, or otherwise, and drafts, attachments or appendices of any of the above.
- ii) "Documents" includes copies of documents, where the originals are not in your possession, custody, or control. As to any document related to the matter herein that is not in your possession, but that you know or believe to exist, you are requested to identify and indicate to the best of your ability its present or last known location or custodian.
- iii) "Documents" includes every copy of a document which contains handwritten or other notations or which otherwise does not duplicate the original or any other copies.
- iv) "Documents" includes electronic data and records stored on computer equipment, including electronic devices which are capable of collecting, analyzing, creating, displaying, converting, storing, concealing or transmitting electronic, magnetic, optical, or similar computer impulses or data. These devices include but are not limited to any data-processing hardware (such as central processing units, hard disks, memory typewriters, and self-contained "laptop" or "notebook" computers); internal and peripheral storage devices (such as fixed disks, external hard disks, floppy disk drives and diskettes, tape drives and tapes, optical storage devices, CD-ROMs, printer buffers, Bernoulli drives, smart cards, memory calculators and other memory storage devices); peripheral input/output devices (such as printers and scanners); and related communications devices (such as modems, recording equipment, and RAM or ROM units).

- h) “Identify”
- i) “Identify” and “identification,” when used with respect to a document, includes (but is not limited to) stating the nature of the document (e.g., letter, memorandum, corporate minutes); the date, if known, on which the document was prepared; the title of the document; the general subject matter of the document; the number of pages in the document; the identity of each person who wrote, dictated, or otherwise participated in the preparation of the document; the identity of each person to whom the document was addressed; the location of the document; and the identity of the person having custody, possession or control of the document. Identification of a document includes identifying all documents known or believed to exist whether or not they are in your custody, possession or control.
  - ii) “Identify” and “identification,” when used with respect to a person, includes, unless otherwise indicated, stating (i) his or her full name, (ii) his or her present title and position, (iii) his or her current daytime telephone number and address, and (iv) his or her present and prior connections or association with, the person or business entity in question.
  - iii) “Identify” and “identification,” when used with respect to an electronic document or data, includes (but is not limited to) stating the computer software and computer related documentation used to create the document or data and the identity of the person(s) in charge of collecting, processing, programming (if any) and analyzing the electronic document or data.
- i) “Person” means any natural person, or any business or legal entity.
  - j) “PJM” means any area that operates under the jurisdiction of the PJM Interconnection, L.L.C.
  - k) “PJM Tariff” means the tariff under which the PJM functioned during the Relevant Period and includes all operating procedures, market guidelines, schedules, manuals, and other authority issued by PJM.
  - l) “Related” or “relating to” means in whole or in part constituting, containing, concerning, embodying, reflecting, describing, analyzing, identifying, stating, referring to, dealing with, or in any way pertaining to.



- m) "Relevant Period" means the period from May 1, 2010, through the present.
- n) "Up-To Congestion transactions" has the same meaning as that term is used in the PJM Tariff, including specifically PJM Tariff § 5.5, Distribution of Total Transmission Loss Charges.