OATT Attachment K – Appendix / Schedule 1 of Operating Agreement

1.3.31.01A Residual Metered Load.

"Residual Metered Load" shall mean all load remaining in an electric distribution company's fully metered franchise area(s) or service territory(ies) after all nodally priced load of entities serving load in such area(s) or territory(ies) has been carved out.

5.2.3 Target Allocation of Transmission Congestion Credits.

A Target Allocation of Transmission Congestion Credits for each entity holding a Financial Transmission Right shall be determined for each Financial Transmission Right. Each Financial Transmission Right shall be multiplied by the Day-ahead Congestion Price differences for the receipt and delivery points associated with the Financial Transmission Right, calculated as the Day-ahead Congestion Price at the delivery point(s) minus the Day-ahead Congestion Price at the receipt point(s). For the purposes of calculating Transmission Congestion Credits, (a) the Day-ahead Congestion Price of a Zone is calculated as the sum of the Day-ahead Congestion Price of eachof the busses that comprises the Zone multiplied by the percent of annual peak load assigned to each node in the Zone, and (b) the Day-ahead Congestion Price of Residual Metered Load is calculated as the sum of the Dav-ahead Congestion Price of each bus that comprises the Residual Metered Load multiplied by the percent of the annual peak residual load assigned to each node in the franchise area(s) or service territory(ies) of the Residual Metered Load. When the FTR Target Allocation is positive, the FTR Target Allocation is a credit to the FTR holder. When the FTR Target Allocation is negative, the FTR Target Allocation is a debit to the FTR holder if the FTR is a Financial Transmission Right Obligation. When the FTR Target Allocation is negative, the FTR Target Allocation is set to zero if the FTR is a Financial Transmission Right Option. The total Target Allocation for Network Service Users and Transmission Customers for each hour shall be the sum of the Target Allocations associated with all of the Network Service Users' or Transmission Customers' Financial Transmission Rights.