



Revisions to Governing Documents

	Definition	Correct Definition (with section if applicable)	Revisions	Reason(s) For Changes Is change substantive or non-substantive
1.	Electric Distributor	§ 1.8 of the Operating Agreement: "Electric Distributor" shall mean a Member that 1) owns or leases with rights equivalent to ownership of electric distribution facilities that are used to provide electric distribution service to electric load within the PJM Region; or 2) is a generation and transmission cooperative or a joint municipal agency that has a member that owns electric distribution facilities used to provide electric distribution service to electric load within the PJM Region.	§ 1.18 RAA Electric Distributor shall mean an entity Member that 1) owns or leases with rights equivalent to ownership of electric distribution facilities that are <u>used to providing</u> provide electric distribution service to electric load within the PJM Region.; <u>or is a generation and transmission cooperative or a joint municipal agency that has a member that owns electric distribution facilities used to provide electric distribution service to the electric load within the PJM Region; or 2) is a generation and transmission cooperative or a joint municipal agency that has a Member member</u> that owns electric distribution facilities used to provide electric distribution service to electric load within the PJM Region.	Revise § 1.18 of the RAA to match the OA definition. The definition contained in the OA is more inclusive and correctly captures all scenarios related to an EDC. Suggest that § 1.8 of the CTOA be revised the same as § 1.8 of the OA. This will suggestion will be forwarded to the TOA-AC for consideration.
2.	FERC	OA §1.12. "FERC" shall mean the Federal Energy Regulatory Commission or any successor federal agency, commission or department-exercising jurisdiction over this Agreement.	Tariff § 1.12B The Federal Energy Regulatory Commission or its any successor <u>federal agency, commission or department exercising jurisdiction over this Agreement.</u> RAA § 1.22. FERC shall mean the Federal Energy Regulatory Commission or its any successor federal agency, commission or department <u>exercising jurisdiction over this Agreement.</u> OA Schedule 10. The Federal Energy Regulatory Commission <u>or its successor federal agency, commission or department exercising jurisdiction over this Agreement.</u>	All definitions should be modified to match the OA §1.12, including: Tariff § 1.12B Tariff Attachment GG OA Schedule 10 RAA § 1.22 The OA definition is most correct and inclusive and was therefore the preferred definition.
3.	Good Utility Practice	Tariff § 1.38 Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion	Tariff Attachment GG: Good Utility Practice shall mean any of the practices, methods and acts engaged in or	FPA § 215(a)(4) refers to the term "reliable operation," which means operating the elements of the bulk power system within



		<p>of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather is intended to include acceptable practices, methods, or acts generally accepted in the region; including those practices required by Federal Power Act § 215(a)(4).</p>	<p>approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be <u>is intended to include</u> acceptable practices, methods, or acts generally accepted in the region; <u>including those practices required by Federal Power Act Section 215(a)(4).</u></p>	<p>equipment and electric system thermal, voltage, and stability limits so that instability, uncontrolled separation, or cascading failures of such system will not occur as a result of a sudden disturbance, including a cybersecurity incident or unanticipated failure of system elements. 16 U.S.C. § 824o(a)(4).</p> <p>Operating Agreement, §1.15, RAA § 1.38, CTOA §1.10 should be revised to add the last sentence included in §1.38 of the Tariff referencing the FPA § 215(a)(4): "including those practices required by Federal Power Act Section 215(a)(4).</p> <p>In addition, Tariff at Attachment GG differs from the rest of the governing document definitions: "but rather to be acceptable practice" and should be revised to be consistent with the Tariff.</p> <p>Tariff § 1.38 was the more comprehensive of all the definitions and, therefore, served as the model for the definitions contained in the other governing documents.</p>
4.	Interconnection Agreement		<p>RAA §1.41 Interconnection Agreement shall have the same meaning as in the PJM Tariff.</p>	<p>Remove definitional term. Term not defined in Tariff.</p>
5.	Operating Agreement of the PJM Interconnection, L.L.C. or Operating Agreement	<p>Tariff §1.28A That Agreement dated as of April 1, 1997 and as amended and restated as of June 2, 1997 and as amended from time to time thereafter, among the members of the PJM Interconnection, L.L.C.</p>	<p>Tariff §1.28A and Attachment GG § 1.31: That Agreement dated as of April 1, 1997 and as amended and restated as of June 2, 1997, <u>including all Schedules, Exhibits, Appendices, addenda or supplements hereto, and</u> as amended from time to time thereafter, among the mMembers of the PJM Interconnection, L.L.C.</p> <p>Tariff Attachment Q. The Amended and Restated Operating That Agreement of PJM Interconnection, L.L.C., dated as of <u>April 1, 1997, including all Schedules, Exhibits,</u></p>	<p>Revise Tariff § 1.28A to capitalize "Members" as only PJM Members may amend the OA and to add "including all Schedules, Exhibits, Appendices, addenda or supplements hereto" included in the definition included in the Operating Agreement.</p> <p>Revise Operating Agreement to match Tariff § 1.28A, revised.</p> <p>Revise RAA § 1.57 to match Tariff.</p>



			<p>Appendices, addenda or supplements hereto, and as amended and restated as of June 2, 1997, and as amended from time to time thereafter, among the Members of the PJM Interconnection, L.L.C. on file with the Federal Energy Regulatory Commission, and as revised from time to time.</p> <p>OA § 1.3 “Agreement” or “Operating Agreement” shall mean this Amended and Restated Operating Agreement of PJM Interconnection, L.L.C., That Agreement dated as of April 1, 1997 and as amended and restated as of June 2, 1997, including all Schedules, Exhibits, Appendices, addenda or supplements hereto, as amended from time to time thereafter, among the Members of the PJM Interconnection, L.L.C.</p> <p>RAA § 1.57 Operating Agreement of PJM Interconnection, L.L.C. or Operating Agreement shall mean that certain aAgreement, dated as of April 1, 1997 and as amended and restated as of June 2, 1997, including all Schedules, Exhibits, Appendices, agenda or supplements hereto, and as amended from time to time thereafter, among the mMembers of the PJM Interconnection, L.L.C.</p>	
6.	State	OA § 1.42 “State” shall mean the District of Columbia and any State or Commonwealth of the United States.	Tariff § 1.42D The term “ s State” shall mean the District of Columbia and any sState or Commonwealth of the United States or the District of Columbia.	Align Tariff §1.42D and Tariff Attachment GG with OA § 1.42.
7.	Corrective Action	1.7.15 : Corrective Action. Consistent with Good Utility Practice, the Office of the Interconnection shall be authorized to direct or coordinate corrective action, whether or not specified in the PJM Manuals, as necessary to alleviate unusual conditions that threaten the integrity or reliability of the PJM Region, or the regional power system.	(c) “Corrective Action” means an action set forth in section IV.I of this Plan. [Reserved for future use.] OATT Attachment M, section II(c) (w-1) “Referral” means a formal report of the Market Monitoring Unit to the Commission for investigation of behavior of a Market	OA Schedule 1, section 1.7.15 and the corresponding OATT Attachment K-Appendix, section 1.7.15 include a definition of “Corrective Action” that differs from the definition of “Corrective Action” in OATT Attachment M. Thus, we propose to use a different term in OATT Attachment M to reflect what is meant in that text.



OA Schedule 1, section 1.7.15; OATT, Attachment K-Appendix section 1.7.15

[Participant, or behavior of PJM, or of a market design flaw, pursuant to Section IV.I of this Plan.](#)

OATT Attachment M, section II(w-1)

2. Except as provided in subsection IV.K.3, in exercising its authority to ~~make~~ [Referrals Corrective Actions](#), the Market Monitoring Unit shall observe the confidentiality provisions of the PJM Operating Agreement and Attachment M - Appendix.

OATT Attachment M, section IV.K(2)

Making the term referral uppercase in the following sections (see attached which shows all the redlines in document form):

OATT Attachment M, Section IV.D-1, VI.I, IV.J, VI.D.

Changing the term referral or lower cased term corrective action where it is not meant to be a Referral as newly defined:

H. Referrals-Reports of Wrongdoing to State Commissions: If during the ordinary course of its activities the Market Monitoring Unit discovers evidence of wrongdoing (other than minor misconduct) that the Market Monitor reasonably believes to be within a State Commission's jurisdiction, the Market Monitoring Unit shall report such information to the State Commission(s).

OATT Attachment M, Section IV.H

(ii) The Office Market Monitoring Unit shall terminate the right of such Authorized

In doing so, there are other changes to OATT Attachment M and Attachment M-Appendix that used the term Corrective Action, that will need to be changed to reflect the new defined term. These are all shown in the column to the left and are also described here:

- Removing the term Corrective Action, and replacing it with a newly defined term Referral.
- Where the term referral was previously lower-cased, we are making it upper-case (except as explained in the next bullet) to reflect that it is as defined in the term Referral.
- In one case – Attachment M Section IV.H -- the term referral does not have the same meaning as what was the term Corrective Action. We are removing the word Referral from the title of that paragraph H, “Referrals to State Commissions” and rewording it to say “Reports of Wrongdoing to State Commissions” which matches up with exact terminology used in the text of that paragraph H .
- In one case – OATT Attachment M-Appendix, section I.D.4..ii -- we are changing the lower case term corrective action to something different than Referral because it was not meant to be a Referral as it is newly defined.



		<p>Commission to receive confidential information under this Section I upon written notice to such Authorized Commission unless: (i) there was no harm or damage suffered by the Affected Member; or (ii) similar good cause is shown. Any appeal of the Market Monitoring Unit's actions under this Section I shall be to Commission. An Authorized Commission shall be entitled to reestablish its certification as set forth in Section I.D.1 by submitting a filing with the Commission showing that it has taken sufficient and appropriate steps to protect confidential informationcorrective action. If the Commission does not act upon an Authorized Commission's recertification filing with sixty (60) days of the date of the filing, the recertification shall be deemed approved and the Authorized Commission shall be permitted to receive confidential information pursuant to this section.</p> <p>OATT Attachment M-Appendix, Section I.D.4.ii</p>	
8.	Delivery Year	<p>Delivery Year shall mean a Planning Period for which a Capacity Resource is Committed pursuant to the auction procedures specified in Section 5 of Attachment DD to the Tariff or pursuant to an FRR Capacity Plan.</p> <p>RAA 1.12</p> <p>Delivery Year shall mean the Planning Period for which a Capacity Resource is committed pursuant to the auction procedures specified in Section 5, hereof, or pursuant to an FRR Capacity Plan.</p> <p>OATT Attachment DD, section 2.19</p>	<p>Both definitions needed minor modifications to conform to each other. The RAA definition is being modified to specifically cross-reference section 5 of DD. The OATT Attachment DD definition is being modified to add the concept of FRR Capacity plan to the definition in Attachment DD similar to how it is captured in the RAA definition of Delivery Year.</p>
9.	Daily Unforced Capacity Obligation	<p>Daily Unforced Capacity Obligation shall mean the capacity obligation of a Load Serving Entity</p>	<p>Both definitions need minor modifications to conform to each other. The RAA definition is</p>



			<p><u>during the Delivery Year, determined in accordance with have the meaning set forth in Schedule 8 hereof or, as to an FRR Entity, in Schedule 8.1 hereof.</u></p> <p>RAA section 1.11</p> <p>“Daily Unforced Capacity Obligation” shall mean the capacity obligation of a Load Serving Entity during the Delivery Year, determined in accordance with Schedule 8 of the Reliability Assurance Agreement <u>or, as to an FRR Entity in Schedule 8.1 of the RAA.</u></p> <p>OATT Attachment DD, section 2.18</p>	<p>being modified to add the substance of what the term means, as it is stated in the OATT, so that it not merely referencing the section where it is later calculated. The OATT Attachment DD definition is being modified to add the concept of FRR Capacity plan to the definition in Attachment DD similar to how it is captured in the RAA definition of Daily Unforced Capacity Obligation.</p>
10.	Demand Resource Factor		<p>“Demand Resource Factor” <u>or “DR Factor”</u> shall have the meaning specified in the Reliability Assurance Agreement.</p> <p>OATT Attachment DD section 2.21</p> <p><u>Demand Resource Factor or DR Factor</u> <u>Demand Resource Factor or DR Factor</u> shall mean that factor approved from time to time by the PJM Board used to determine the unforced capacity value of a Demand Resource in accordance with Schedule 6.</p> <p>RAA section 1.15</p>	<p>This change captures that the same definition was used for DR Factor as Demand Resource Factor and updates both the OATT and RAA to reflect both uses of the term/acronym.</p>
11.	Zonal Capacity Price	<p>“Zonal Capacity Price” shall mean the clearing price required in each Zone to meet the demand for Unforced Capacity and satisfy Locational Deliverability Requirements for the LDA or LDAs associated with such Zone. If the Zone contains multiple LDAs with different Capacity Resource Clearing Prices, the Zonal Capacity Price shall be a weighted average of</p>	<p>1.88 Zonal Capacity Price shall <u>mean the price of Unforced Capacity in a Zone that an LSE that has not elected the FRR Alternative is obligated to pay for a Delivery Year as determined pursuant to have the same meaning as in</u> Attachment DD to the PJM Tariff.</p>	<p>The Attachment DD definition is correct. There is no need to define Zonal Capacity Price any differently in the RAA. The concept that the Zonal Capacity Price does not apply to LSEs who elected the FRR Alternative is captured elsewhere in the RAA and does not need to be in the definition.</p>



		the Capacity Resource Clearing Prices for such LDAs, weighted by the Unforced Capacity of Capacity Resources cleared in each such LDA. OATT Attachment DD, section 2.71	
12.	Load Serving Entity	RAA § 1.44 Load Serving Entity or LSE shall mean any entity (or the duly designated agent of such an entity), including a load aggregator or power marketer, (i) serving end-users within the PJM Region, and (ii) that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electric energy to end-users located within the PJM Region. Load Serving Entity shall include any end-use customer that qualifies under state rules or a utility retail tariff to manage directly its own supply of electric power and energy and use of transmission and ancillary services.	OA § 1.18 "Load Serving Entity" shall mean any entity (or the duly designated agent of such an entity), including a load aggregator or power marketer, (1) serving end-users within the PJM Region, and (2) that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electric energy to end users located within the PJM Region, or the duly designated agent of such an entity . <u>Load Serving Entity shall include an end-use customer, or an affiliated entity, that qualifies under state rules or a utility retail tariff to manage directly its own supply of electric power and energy and use of transmission and ancillary services</u>