



Peak Market Activity Enhancements Review of Tariff Revisions

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Markets & Reliability Committee
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- Peak Market Activity is a measure of exposure for which credit is required, and is calculated in accordance with Section VII.A of OATT Attachment Q-Credit Risk Management Policy.
- The current PMA credit requirement “chases” the credit exposure as energy prices and demand are higher and over-collateralizes as prices and demand fall, until the semiannual reset (April/October).
- Worked through the stakeholder process via the Risk Management Committee to develop a solution to be incorporated into the OATT including Attachment Q-Credit Risk Management Policy.

- Incorporated the following new definitions in Section I.1 of the OATT:
 - Peak Market Activity Surplus
 - Peak Market Activity Shortfall
 - Minimum Exposure
 - Minimum Transfer Amount

- Modified the Peak Market Activity definition in Section I.1
- Revised the following aspects of the Peak Market Activity Credit Requirement in Section VII.A of Attachment Q:
 - Changed Peak Market Activity Reset frequency from semiannual to weekly
 - Increased Peak Market Activity from rolling three-week adjusted invoice to rolling four-week
 - Introduced Minimum Exposure & Minimum Transfer Amount
 - Increased the number of early payments from 10 to 13
- Redline revision posted with today's meeting materials

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Peak Market Activity Enhancements

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