

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
1.	Tariff, Definitions – A-B	Chen Lu	Annual Resource Price Adder: “Annual Resource Price Adder” shall mean, for Delivery Years starting June 1, 2014 and ending May 31, 2017, an addition to the marginal value of Unforced Capacity and the Extended Summer Resource Price Adder as necessary to reflect the price of Annual Resources required to meet the applicable Minimum Annual Resource Requirement.	Annual Resource Price Adder: “Annual Resource Price Adder” shall mean, for Delivery Years starting June 1, 2014 and ending May 31, 2017, an addition to the marginal value of Unforced Capacity and the Extended Summer Resource Price Adder as necessary to reflect the price of Annual Resources required to meet the applicable Minimum Annual Resource Requirement.	Term has passed sunset date and is no longer relevant under the Capacity Performance construct
2.	Tariff, Definitions – A-B	Chen Lu	Base Capacity Demand Resource Price Decrement: “Base Capacity Demand Resource Price Decrement” shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a difference between the clearing price for Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources and the clearing price for Base Capacity Resources and Capacity Performance Resources, representing the cost to procure additional Base Capacity Resources or Capacity Performance Resources out of merit order when the Base Capacity Demand Resource Constraint is binding.	Base Capacity Demand Resource Price Decrement: “Base Capacity Demand Resource Price Decrement” shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a difference between the clearing price for Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources and the clearing price for Base Capacity Resources and Capacity Performance Resources, representing the cost to procure additional Base Capacity Resources or Capacity Performance Resources out of merit order when the Base Capacity Demand Resource Constraint is binding.	Term has passed sunset date and is no longer relevant under the Capacity Performance construct
3.	Tariff, Definitions – A-B	Chen Lu	Base Capacity Resource Price Decrement: “Base Capacity Resource Price Decrement” shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a difference between the clearing price for Base Capacity Resources and the clearing price for Capacity Performance Resources, representing the cost to procure additional Capacity Performance Resources out of merit order when the Base Capacity Resource Constraint is binding.	Base Capacity Resource Price Decrement: “Base Capacity Resource Price Decrement” shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a difference between the clearing price for Base Capacity Resources and the clearing price for Capacity Performance Resources, representing the cost to procure additional Capacity Performance Resources out of merit order when the Base Capacity Resource Constraint is binding.	Term has passed sunset date and is no longer relevant under the Capacity Performance construct
4.	Tariff, Definitions – E-F	Chen Lu	Extended Summer Resource Price Adder: “Extended Summer Resource Price Adder” shall mean, for Delivery Years through May 31, 2018, an addition to the marginal value of Unforced Capacity as necessary to reflect the price of Annual Resources and Extended Summer Demand Resources required to meet the applicable Minimum Extended Summer Resource Requirement.	Extended Summer Resource Price Adder: “Extended Summer Resource Price Adder” shall mean, for Delivery Years through May 31, 2018, an addition to the marginal value of Unforced Capacity as necessary to reflect the price of Annual Resources and Extended Summer Demand Resources required to meet the applicable Minimum Extended Summer Resource Requirement.	Term has passed sunset date and is no longer relevant under the Capacity Performance construct

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5.	Tariff, Definitions – L-M-N	Chen Lu	<p>Limited Resource Price Decrement: “Limited Resource Price Decrement” shall mean, for the 2017/2018 Delivery Year, a difference between the clearing price for Limited Demand Resources and the clearing price for Extended Summer Demand Resources and Annual Resources, representing the cost to procure additional Extended Summer Demand Resources or Annual Resources out of merit order when the Limited Resource Constraint is binding.</p>	<p>Limited Resource Price Decrement: “Limited Resource Price Decrement” shall mean, for the 2017/2018 Delivery Year, a difference between the clearing price for Limited Demand Resources and the clearing price for Extended Summer Demand Resources and Annual Resources, representing the cost to procure additional Extended Summer Demand Resources or Annual Resources out of merit order when the Limited Resource Constraint is binding.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct
6.	Tariff, Definitions – R-S	Chen Lu	<p>Sub-Annual Resource Price Decrement: “Sub-Annual Resource Price Decrement” shall mean, for the 2017/2018 Delivery Year, a difference between the clearing price for Extended Summer Demand Resources and the clearing price for Annual Resources, representing the cost to procure additional Annual Resources out of merit order when the Sub-Annual Resource Constraint is binding.</p>	<p>Sub-Annual Resource Price Decrement: “Sub-Annual Resource Price Decrement” shall mean, for the 2017/2018 Delivery Year, a difference between the clearing price for Extended Summer Demand Resources and the clearing price for Annual Resources, representing the cost to procure additional Annual Resources out of merit order when the Sub-Annual Resource Constraint is binding.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct
7.	Tariff, Definitions – C-D	Erin Lai	<p>Continuous Mode: “Continuous Mode” shall mean the mode of operation of an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource that includes both negative and positive megawatt quantities (i.e., the Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource is capable of continually and immediately transitioning from withdrawing megawatt quantities from the grid to injecting megawatt quantities onto the grid or injecting megawatts to withdrawing megawatts). Energy Storage Resource Model Participants or solar-storage Open-Loop Hybrid Resource operating in Continuous Mode are considered to have an unlimited ramp rate. Continuous Mode requires Discharge Economic Maximum Megawatts to be zero or correspond to an injection, and Charge Economic Maximum Megawatts to be zero or correspond to a withdrawal.</p>	<p>Continuous Mode: “Continuous Mode” shall mean the mode of operation of an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource that includes both negative and positive megawatt quantities (i.e., the Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource is capable of continually and immediately transitioning from withdrawing megawatt quantities from the grid to injecting megawatt quantities onto the grid or injecting megawatts to withdrawing megawatts). Energy Storage Resource Model Participants or solar-storage Open-Loop Hybrid Resource operating in Continuous Mode are considered to have an unlimited ramp rate. Continuous Mode requires Discharge Economic Maximum Megawatts to be zero or correspond to an injection, and Charge Economic Maximum Megawatts to be zero or correspond to a withdrawal.</p>	Changes made to delete the references to solar storage. As part of its July 26, 2023 filing in Docket No. ER23-2484, PJM expanded the provisions in its Tariff and its Operating Agreement to apply to a broader set of mixed technology resources, but mistakenly did not delete the references to solar storage resources from the definition. This change is consistent with the intent of the Docket No. ER23-2484 filing, which was accepted by FERC in <i>PJM Interconnection, L.L.C.</i> , Letter Order, Docket No. ER23-2484-000 (Sept. 22, 2023).

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8.	Tariff, Definitions – C-D	Erin Lai	<p>Discharge Economic Maximum Megawatts:</p> <p>“Discharge Economic Maximum Megawatts” shall mean the maximum megawatt power output available for discharge in economic dispatch by an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource in Continuous Mode or in Discharge Mode. Discharge Economic Maximum Megawatts shall be the Economic Maximum for an Energy Storage Resource or solar-storage Open-Loop Hybrid Resource in Discharge Mode or in Continuous Mode.</p>	<p>Discharge Economic Maximum Megawatts:</p> <p>“Discharge Economic Maximum Megawatts” shall mean the maximum megawatt power output available for discharge in economic dispatch by an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource in Continuous Mode or in Discharge Mode. Discharge Economic Maximum Megawatts shall be the Economic Maximum for an Energy Storage Resource or solar-storage Open-Loop Hybrid Resource in Discharge Mode or in Continuous Mode.</p>	<p>Changes made to delete the references to solar storage. As part of its July 26, 2023 filing in Docket No. ER23-2484, PJM expanded the provisions in its Tariff and its Operating Agreement to apply to a broader set of mixed technology resources, but mistakenly did not delete the references to solar storage resources from the definition. This change is consistent with the intent of the Docket No. ER23-2484 filing, which was accepted by FERC in <i>PJM Interconnection, L.L.C.</i>, Letter Order, Docket No. ER23-2484-000 (Sept. 22, 2023).</p>
9.	Tariff, Definitions – C-D	Erin Lai	<p>Discharge Economic Minimum Megawatts:</p> <p>“Discharge Economic Minimum Megawatts” shall mean the minimum megawatt power output available for discharge in economic dispatch by an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource in Discharge Mode. Discharge Economic Minimum Megawatts shall be the Economic Minimum for an Energy Storage Resource or solar-storage Open-Loop Hybrid Resource in Discharge Mode.</p>	<p>Discharge Economic Minimum Megawatts:</p> <p>“Discharge Economic Minimum Megawatts” shall mean the minimum megawatt power output available for discharge in economic dispatch by an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource in Discharge Mode. Discharge Economic Minimum Megawatts shall be the Economic Minimum for an Energy Storage Resource or solar-storage Open-Loop Hybrid Resource in Discharge Mode.</p>	<p>Changes made to delete the references to solar storage. As part of its July 26, 2023 filing in Docket No. ER23-2484, PJM expanded the provisions in its Tariff and its Operating Agreement to apply to a broader set of mixed technology resources, but mistakenly did not delete the references to solar storage resources from the definition. This change is consistent with the intent of the Docket No. ER23-2484 filing, which was accepted by FERC in <i>PJM Interconnection, L.L.C.</i>, Letter Order, Docket No. ER23-2484-000 (Sept. 22, 2023).</p>
10.	Tariff, Definitions – C-D	Erin Lai	<p>Discharge Mode:</p> <p>“Discharge Mode” shall mean the mode of operation of an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource that only includes positive megawatt quantities (i.e., the Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource is only injecting megawatts onto the grid).</p>	<p>Discharge Mode:</p> <p>"Discharge Mode" shall mean the mode of operation of an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource that only includes positive megawatt quantities (i.e., the Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource is only injecting megawatts onto the grid).</p>	<p>Changes made to delete the references to solar storage. As part of its July 26, 2023 filing in Docket No. ER23-2484, PJM expanded the provisions in its Tariff and its Operating Agreement to apply to a broader set of mixed technology resources, but mistakenly did not delete the references to solar storage resources from the definition.</p>

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					This change is consistent with the intent of the Docket No. ER23-2484 filing, which was accepted by FERC in PJM Interconnection, L.L.C., Letter Order, Docket No. ER23-2484-000 (Sept. 22, 2023).
11.	Tariff, Definitions – C-D	Erin Lai	<p>Discharge Ramp Rate:</p> <p>“Discharge Ramp Rate” shall mean the Ramping Capability of an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource in Discharge Mode.</p>	<p>Discharge Ramp Rate:</p> <p>“Discharge Ramp Rate” shall mean the Ramping Capability of an Energy Storage Resource Model Participant or solar-storage Open-Loop Hybrid Resource in Discharge Mode.</p>	Changes made to delete the references to solar storage. As part of its July 26, 2023 filing in Docket No. ER23-2484, PJM expanded the provisions in its Tariff and its Operating Agreement to apply to a broader set of mixed technology resources, but mistakenly did not delete the references to solar storage resources from the definition. This change is consistent with the intent of the Docket No. ER23-2484 filing, which was accepted by FERC in PJM Interconnection, L.L.C., Letter Order, Docket No. ER23-2484-000 (Sept. 22, 2023).
12.	Tariff, Definitions – L-M-N	Steve Pincus	<p>“Market Participant” shall mean a Market Buyer, a Market Seller, an Economic Load Response Participant, or all three, except when such term is used in Tariff, Attachment M, in which case Market Participant shall mean an entity that generates, transmits, distributes, purchases, or sells electricity, ancillary services, or any other product or service provided under the PJM Tariff or Operating Agreement within, into, out of, or through the PJM Region, but it shall not include an Authorized Government Agency that consumes energy for its own use but does not purchase or sell energy at wholesale.</p>	<p>“Market Participant” shall mean a Market Buyer, a Market Seller, and/or an Economic Load Response Participant, except when that term is used in or pertaining to Tariff, Attachment M, Tariff, Attachment Q, Operating Agreement, section 15, Tariff, Attachment K-Appendix, section 1.4 and Operating Agreement, Schedule 1, section 1.4. <u>“Market Participant,”</u> when such term is used in Tariff, Attachment M, in which case Market Participant shall mean an entity that generates, transmits, distributes, purchases, or sells electricity, ancillary services, or any other product or service provided under the PJM Tariff or Operating Agreement within, into, out of, or through the PJM Region, but it shall not include an Authorized Government Agency that consumes energy for its own use but does not purchase or sell energy at wholesale. <u>“Market Participant,” when such term is used in or pertaining to Tariff, Attachment Q, Operating Agreement, section 15, Tariff, Attachment K-Appendix, section 1.4 and Operating Agreement, Schedule 1, section 1.4, shall mean a Market Buyer, a Market Seller, an</u></p>	The Tariff definition of “Market Participant” requires revision to align with the definition of “Market Participant” in the PJM Operating Agreement. The Market Participant definitions in the Tariff and Operating Agreement were filed as part of PJM’s credit risk enhancement filing on March 31, 2020, in Docket No. ER20-1451-000 (“March 2020 Filing”), and accepted by FERC in the Order Accepting Filing issued on May 29, 2020, 171 FERC ¶ 61,173. The March 2020 Filing revised the definition of Market Participant in both the Tariff and Operating Agreement; however, due to an administrative oversight, the Tariff Market Participation definition was

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				Economic Load Response Participant, an FTR Participant, a Capacity Market Buyer, or a Capacity Market Seller.	not updated after FERC accepted the March 2020 Filing.
13.	Tariff, Definitions – O-P-Q	Chen Lu	<p>Planned External Financed Generation Capacity Resource:</p> <p>"Planned External Financed Generation Capacity Resource" shall mean a Planned External Generation Capacity Resource that, prior to August 7, 2015, has an effective agreement that is the equivalent of an Interconnection Service Agreement, has submitted to the Office of the Interconnection the appropriate certification attesting achievement of Financial Close, and has secured at least 50 percent of the MWs of firm transmission service required to qualify such resource under the deliverability requirements of the Reliability Assurance Agreement.</p>	<p>Planned External Financed Generation Capacity Resource:</p> <p>"Planned External Financed Generation Capacity Resource" shall mean a Planned External Generation Capacity Resource that, prior to August 7, 2015, has an effective agreement that is the equivalent of an Interconnection Service Agreement, has submitted to the Office of the Interconnection the appropriate certification attesting achievement of Financial Close, and has secured at least 50 percent of the MWs of firm transmission service required to qualify such resource under the deliverability requirements of the Reliability Assurance Agreement.</p>	Planned External Financed Generation Capacity Resources only applied to resources prior to August 2015. Specifically, PJM explained in ER15-623-004 (Filed July 9, 2015; paragraph E.2.b) that this term applied only for the 2015 BRA. This provision was previously implemented to address concerns from a stakeholder about resources fully financed before 2015 BRA. Thus, this provision was only applicable for 2015 BRA
14.	Tariff, Definitions – O-P-Q	Chen Lu	<p>Planned Financed Generation Capacity Resource:</p> <p>"Planned Financed Generation Capacity Resource" shall mean a Planned Generation Capacity Resource that, prior to August 7, 2015, has an effective Interconnection Service Agreement and has submitted to the Office of the Interconnection the appropriate certification attesting achievement of Financial Close.</p>	<p>Planned Financed Generation Capacity Resource:</p> <p>"Planned Financed Generation Capacity Resource" shall mean a Planned Generation Capacity Resource that, prior to August 7, 2015, has an effective Interconnection Service Agreement and has submitted to the Office of the Interconnection the appropriate certification attesting achievement of Financial Close.</p>	Planned Financed Generation Capacity Resources only applied to resources prior to August 2015. Specifically, PJM explained in ER15-623-004 (Filed July 9, 2015; paragraph E.2.b) that this term applied only for the 2015 BRA. This provision was previously implemented to address concerns from a stakeholder about resources fully financed before 2015 BRA. Thus, this provision was only applicable for 2015 BRA.
15.	Operating Agreement, Section 1 (Definitions O-P)	Steve Pincus	<p>"Other Supplier" shall mean a Member that: (i) is engaged in buying, selling or transmitting electric energy, capacity, ancillary services, financial transmission rights or other services available under PJM's governing documents in or through the Interconnection or has a good faith intent to do so, and; (ii) does not qualify for the Generation Owner, Electric Distributor, Transmission Owner or End-Use Customer sectors.</p>	<p>"Other Supplier" shall mean a Member that: (i) is engaged in buying, selling or transmitting electric energy, capacity, ancillary<u>ancillary</u> services, financial transmission rights or other services available under PJM's governing documents in or through the Interconnection or has a good faith intent to do so, and; (ii) does not qualify for the Generation Owner, Electric Distributor, Transmission Owner or End-Use Customer sectors.</p>	PJM proposes to amend the Operating Agreement, Section 1, definition of "Other Supplier" to correct a typographical spelling error for "ancillary".

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16.	Operating Agreement, Section 1 (Definitions S-T)	Steve Pincus	“Senior Standing Committees” shall mean the Members Committee, and the Markets, and Reliability Committee, as established in Operating Agreement, section 8.1 and Operating Agreement, section 8.6.	“Senior Standing Committees” shall mean the Members Committee, and the Markets, and Reliability Committee, as established in Operating Agreement, section 8.1 and Operating Agreement, section 8.6.	PJM proposes to amend the Operating Agreement, Section 1, Definitions of “Senior Standing Committee” to correct a typographical error by removing misplaced comma.
17.	Tariff, Attachment C, Methodology To Assess Available Transfer Capability	Steve Pincus	<p><u>External Flowgates</u> Flowgates are used in the AFC and ATC calculations. PJM adds or eliminates external flowgates based on the Joint Operating Agreement Between the Midwest Independent Transmission System Operator, Inc. And PJM Interconnection, L.L.C. (“Midwest ISO JOA”, Article V (FERC Electric Tariff, First Revised Rate Schedule No. 38, <i>see</i>, Section 4.2 – Cost of Data and Information Exchange up to and including Section 5.1.12 – Coordination of Transmission Reliability Margin Values); Joint Operating Agreement Among And Between PJM Interconnection, L.L.C., And Progress Energy Carolinas (“PEC JOA”), Article Five (FERC Electric Tariff, First Revised Rate Schedule No. 50, <i>see</i>, Article 9 – Coordinated Transmission Planning Studies up to and including Article 12 – Managing Parallels Flow on the VACAR/PJM Interface); and Joint Reliability Coordination Agreement Among And Between Midwest Independent Transmission System Operator, Inc., PJM Interconnection, L.L.C., And Tennessee Valley Authority (“JRCA”), Article Five (the JRCA is not a filed FERC rate schedule; however, Article Five of the JRCA is identical to Article V of the Midwest ISO JOA and Article Five of the PEC JOA). PJM adds or eliminates internal flowgates, at least annually, based on a review of historic operating constraints including flowgates that have been in Transmission Loading Relief (TLR) and other operating conditions as deemed appropriate.</p>	<p><u>External Flowgates</u> Flowgates are used in the AFC and ATC calculations. PJM adds or eliminates external flowgates based on the Joint Operating Agreement Between the Midwest Independent Transmission System Operator, Inc. And PJM Interconnection, L.L.C. (“Midwest ISO JOA”, Article V (FERC Electric Tariff, First Revised Rate Schedule No. 38, <i>see</i>, Section 4.2 – Cost of Data and Information Exchange up to and including Section 5.1.12 – Coordination of Transmission Reliability Margin Values); Joint Operating Agreement Among And Between PJM Interconnection, L.L.C., And Progress Energy Carolinas (“PEC JOA”), Article Five (FERC Electric Tariff, First Revised Rate Schedule No. 50, <i>see</i>, Article 9 – Coordinated Transmission Planning Studies up to and including Article 12 – Managing Parallels Flow on the VACAR/PJM Interface); and Joint Reliability Coordination Agreement Among And Between Midwest Independent Transmission System Operator, Inc., PJM Interconnection, L.L.C., And Tennessee Valley Authority, <u>and Louisville Gas and Electric Company and Kentucky Utilities</u> (“JRCA”), Article Five (the JRCA is not a filed FERC rate schedule; however, Article Five of the JRCA is identical to Article V of the Midwest ISO JOA and Article Five of the PEC JOA). PJM adds or eliminates internal flowgates, at least annually, based on a review of historic operating constraints including flowgates that have been in Transmission Loading Relief (TLR) and other operating conditions as deemed appropriate.</p>	<p>PJM amends Tariff, Attachment C, External Flowages methodology description of the JRCA to address the following changes:</p> <ol style="list-style-type: none"> 1. The Midwest Independent System Transmission Operator withdrew from the JRCA in 2014; and <p>On June 6, 2023, in Docket No. ER23-2078-000, PJM filed a revised JRCA to add Louisville Gas and Electric Company and Kentucky Utilities as parties to the JRCA. FERC accepted the revised JRCA effective August 5, 2023, in a letter order issued on August 3, 2023.</p>

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18.	Operating Agreement, Schedule 6, section 1.5.5 (b)	Steve Pincus	<p>1.5.5 Coordination of the Regional Transmission Expansion Plan</p> <p>(b) The Regional Transmission Expansion Plan shall be developed taking into account the processes for coordinated regional transmission expansion planning established under the following agreements:</p> <ul style="list-style-type: none"> Joint Operating Agreement Between the Midwest Independent System Operator, Inc. and PJM Interconnection, L.L.C., which is found at http://www.pjm.com/~media/documents/agreements/joa-complete.ashx; Northeastern ISO/RTO Planning Coordination Protocol, which is described at Schedule 6-B and found at http://www.pjm.com/~media/documents/agreements/northeastern-iso-rto-planning-coordination-protocol.ashx; Joint Operating Agreement Among and Between New York Independent System Operator Inc., which is found at http://www.pjm.com/~media/documents/agreements/nyiso-pjm.ashx; Interregional Transmission Coordination Between the SERTP and PJM Regions, which is found at Operating Agreement, Schedule 6-A Allocation of Costs of Certain Interregional Transmission Projects Located in the PJM and SERTP Regions, which is located at Tariff, Schedule 12-B; Joint Reliability Coordination Agreement Between the Midwest Independent System Operator, Inc.; PJM Interconnection, L.L.C. and Progress Energy Carolinas. 	<p>1.5.5 Coordination of the Regional Transmission Expansion Plan</p> <p>(b) The Regional Transmission Expansion Plan shall be developed taking into account the processes for coordinated regional transmission expansion planning established under the following agreements:</p> <ul style="list-style-type: none"> Joint Operating Agreement Between the Midwest Independent System Operator, Inc. and PJM Interconnection, L.L.C., which is found at http://www.pjm.com/~media/documents/agreements/joa-complete.ashx; Northeastern ISO/RTO Planning Coordination Protocol, which is described at Schedule 6-B and found at http://www.pjm.com/~media/documents/agreements/northeastern-iso-rto-planning-coordination-protocol.ashx; Joint Operating Agreement Among and Between New York Independent System Operator Inc., which is found at http://www.pjm.com/~media/documents/agreements/nyiso-pjm.ashx; Interregional Transmission Coordination Between the SERTP and PJM Regions, which is found at Operating Agreement, Schedule 6-A Allocation of Costs of Certain Interregional Transmission Projects Located in the PJM and SERTP Regions, which is located at Tariff, Schedule 12-B; Joint Reliability Coordination Agreement Between the Midwest Independent System Operator, Inc.; PJM Interconnection, L.L.C., <u>Tennessee Valley Authority, and Louisville Gas and Electric Company and Kentucky Utilities</u> and Progress Energy Carolinas. 	<p>PJM amends in Operating Agreement, Schedule 6A, section 1.5.5 (b) the description of the JRCA to address the following changes:</p> <ol style="list-style-type: none"> Delete an erroneous reference to Progress Energy Carolinas; and <p>On June 6, 2023, in Docket No. ER23-2078-000, PJM filed a revised JRCA to add Louisville Gas and Electric Company and Kentucky Utilities as parties to the JRCA. FERC accepted the revised JRCA effective August 5, 2023, in a letter order issued on August 3, 2023.</p>
19.	Tariff, Att. Q, Section B.2	Chen Lu	Except as provided for Credit-Limited Offers below, for any resource specified in section VI.B.1 above, other than Price Responsive Demand, the credit requirement shall be the RPM Auction Credit Rate, as provided in section VI.B.4 below, times the megawatts to be	Except as provided for Credit-Limited Offers below, for any resource specified in section VI.B.1 above, other than Price Responsive Demand, the credit requirement shall be the RPM Auction Credit Rate, as provided in section VI.B.4 below, times the megawatts to be offered	Only applied to resources prior to August 2015. Specifically, PJM explained in ER15-623-004 (Filed July 9, 2015; paragraph E.2.b) that this term applied only for the 2015 BRA.

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			offered for sale from such resource in an RPM Auction. For Qualified Transmission Upgrades, the credit requirements shall be based on the Locational Deliverability Area in which such upgrade was to increase the Capacity Emergency Transfer Limit. However, the credit requirement for Planned Financed Generation Capacity Resources and Planned External Financed Generation Capacity Resources shall be one half of the product of the RPM Auction Credit Rate, as provided in section VI.B.4 below, times the megawatts to be offered for sale from such resource in a Reliability Pricing Model Auction.	for sale from such resource in an RPM Auction. For Qualified Transmission Upgrades, the credit requirements shall be based on the Locational Deliverability Area in which such upgrade was to increase the Capacity Emergency Transfer Limit. However, the credit requirement for Planned Financed Generation Capacity Resources and Planned External Financed Generation Capacity Resources shall be one half of the product of the RPM Auction Credit Rate, as provided in section VI.B.4 below, times the megawatts to be offered for sale from such resource in a Reliability Pricing Model Auction.	This provision was previously implemented to address concerns from a stakeholder about resources fully financed before 2015 BRA. Thus, this provision was only applicable for 2015 BRA.																				
20.	Tariff, Att. Q, Section B.3 (e)	Chen Lu	For Planned Financed Generation Capacity Resources located in the PJM Region, the RPM Auction Credit requirement shall be reduced as the Capacity Resource attains the milestones stated in the following table and as further described in the PJM Manuals.	For Planned Financed Generation Capacity Resources located in the PJM Region, the RPM Auction Credit requirement shall be reduced as the Capacity Resource attains the milestones stated in the following table and as further described in the PJM Manuals.	Only applied to resources prior to August 2015. Specifically, PJM explained in ER15-623-004 (Filed July 9, 2015; paragraph E.2.b) that this term applied only for the 2015 BRA. This provision was previously implemented to address concerns from a stakeholder about resources fully financed before 2015 BRA. Thus, this provision was only applicable for 2015 BRA.																				
			Reduction Milestones for Planned Financed Generation Capacity Resources	Reduction Milestones for Planned Financed Generation Capacity Resources																					
			<table border="1"> <thead> <tr> <th>Milestones</th> <th>Increment of reduction in initial RPM Auction Credit Requirement</th> <th>Milestones</th> <th>Increment of reduction in initial RPM Auction Credit Requirement</th> </tr> </thead> <tbody> <tr> <td>50% of Capacity</td> <td>50%</td> <td>50% of Capacity</td> <td>50%</td> </tr> <tr> <td>Construction (e.g., footers poured)</td> <td>15%</td> <td>Construction (e.g., footers poured)</td> <td>15%</td> </tr> <tr> <td>Rating Equipment Delivered</td> <td>10%</td> <td>Rating Equipment Delivered</td> <td>10%</td> </tr> <tr> <td>Interconnection Service</td> <td>25%</td> <td>Interconnection Service</td> <td>25%</td> </tr> </tbody> </table>	Milestones	Increment of reduction in initial RPM Auction Credit Requirement	Milestones	Increment of reduction in initial RPM Auction Credit Requirement	50% of Capacity	50%	50% of Capacity	50%	Construction (e.g., footers poured)	15%	Construction (e.g., footers poured)	15%	Rating Equipment Delivered	10%	Rating Equipment Delivered	10%	Interconnection Service	25%	Interconnection Service	25%		
Milestones	Increment of reduction in initial RPM Auction Credit Requirement	Milestones	Increment of reduction in initial RPM Auction Credit Requirement																						
50% of Capacity	50%	50% of Capacity	50%																						
Construction (e.g., footers poured)	15%	Construction (e.g., footers poured)	15%																						
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Interconnection Service	25%	Interconnection Service	25%																						
			To obtain a reduction in its RPM Auction Credit requirement, the Market Participant must demonstrate satisfaction of the applicable milestone in the same manner as set forth for Planned Generation Capacity Resources in subsection (c) above.	To obtain a reduction in its RPM Auction Credit requirement, the Market Participant must demonstrate satisfaction of the applicable milestone in the same manner as set forth for Planned Generation Capacity Resources in subsection (c) above.																					
21.	Tariff, Att. Q, Section B.3 (f)	Chen Lu	For Planned External Financed Generation Capacity Resources, the RPM Auction Credit Requirement shall be reduced as the Capacity Resource attains the milestones stated in the following table and as further described in the PJM Manuals; provided, however, that the	For Planned External Financed Generation Capacity Resources, the RPM Auction Credit Requirement shall be reduced as the Capacity Resource attains the milestones stated in the following table and as further described in the PJM Manuals; provided, however, that the total	Only applied to resources prior to August 2015. Specifically, PJM explained in ER15-623-004 (Filed July 9, 2015; paragraph E.2.b) that this term applied only for the 2015 BRA.																				

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			<p>total percentage reduction in the RPM Auction Credit requirement, including the initial 50% reduction for being a Planned External Financed Generation Capacity Resources, shall be no greater than the quotient of (i) the MWs of firm transmission service that the Market Participant has secured for the complete transmission path divided by (ii) the MWs of firm transmission service required to qualify such resource under the deliverability requirements of the Reliability Assurance Agreement.</p> <p>Reduction Milestones for Planned External Financed Generation C</p> <table border="1" data-bbox="594 678 1338 906"> <thead> <tr> <th data-bbox="594 678 1110 773">Milestones</th> <th data-bbox="1110 678 1338 773">Increment of r initial RPM Auction Credit requirement</th> </tr> </thead> <tbody> <tr> <td data-bbox="594 773 1110 805">eed</td> <td data-bbox="1110 773 1338 805">50</td> </tr> <tr> <td data-bbox="594 805 1110 837">Construction (e.g., footers poured)</td> <td data-bbox="1110 805 1338 837">15</td> </tr> <tr> <td data-bbox="594 837 1110 870">ating Equipment Delivered</td> <td data-bbox="1110 837 1338 870">10</td> </tr> <tr> <td data-bbox="594 870 1110 902">Interconnection Service</td> <td data-bbox="1110 870 1338 902">25</td> </tr> </tbody> </table> <p>To obtain a reduction in its RPM Auction Credit requirement, the Market Participant must demonstrate satisfaction of the applicable milestone in the same manner as set forth for Planned Generation Capacity Resources in subsection (c) above.</p>	Milestones	Increment of r initial RPM Auction Credit requirement	eed	50	Construction (e.g., footers poured)	15	ating Equipment Delivered	10	Interconnection Service	25	<p>percentage reduction in the RPM Auction Credit requirement, including the initial 50% reduction for being a Planned External Financed Generation Capacity Resources, shall be no greater than the quotient of (i) the MWs of firm transmission service that the Market Participant has secured for the complete transmission path divided by (ii) the MWs of firm transmission service required to qualify such resource under the deliverability requirements of the Reliability Assurance Agreement.</p> <p>Reduction Milestones for Planned External Financed Generation C</p> <table border="1" data-bbox="1338 678 2104 906"> <thead> <tr> <th data-bbox="1338 678 1865 773">Milestones</th> <th data-bbox="1865 678 2104 773">Increment of re initial RPM Auction Credit requirement</th> </tr> </thead> <tbody> <tr> <td data-bbox="1338 773 1865 805">eed</td> <td data-bbox="1865 773 2104 805">50%</td> </tr> <tr> <td data-bbox="1338 805 1865 837">Construction (e.g., footers poured)</td> <td data-bbox="1865 805 2104 837">15%</td> </tr> <tr> <td data-bbox="1338 837 1865 870">ating Equipment Delivered</td> <td data-bbox="1865 837 2104 870">10%</td> </tr> <tr> <td data-bbox="1338 870 1865 902">Interconnection Service</td> <td data-bbox="1865 870 2104 902">25%</td> </tr> </tbody> </table> <p>To obtain a reduction in its RPM Auction Credit requirement, the Market Participant must demonstrate satisfaction of the applicable milestone in the same manner as set forth for Planned Generation Capacity Resources in subsection (c) above.</p>	Milestones	Increment of re initial RPM Auction Credit requirement	eed	50%	Construction (e.g., footers poured)	15%	ating Equipment Delivered	10%	Interconnection Service	25%	<p>This provision was previously implemented to address concerns from a stakeholder about resources fully financed before 2015 BRA. Thus, this provision was only applicable for 2015 BRA.</p>
Milestones	Increment of r initial RPM Auction Credit requirement																								
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22.	Tariff, Attachment DD, section 5.6.1 (g)	Chen Lu	(g) A Capacity Market Seller that owns or controls one or more Capacity Storage Resources, Intermittent Resources, Demand Resources, or Energy Efficiency Resources may submit a Sell Offer as a Capacity Performance Resource in a MW quantity consistent with their average expected output during peak-hour periods. Alternatively, a Capacity Market Seller that owns or controls one or more Capacity Storage Resources, Intermittent Resources, Demand Resources, Energy Efficiency Resources, or Environmentally-Limited Resources may submit a Sell Offer which represents the aggregated Unforced Capacity value of such resources, where such	(g) A Capacity Market Seller that owns or controls one or more Capacity Storage Resources, Intermittent Resources, Demand Resources, or Energy Efficiency Resources may submit a Sell Offer as a Capacity Performance Resource in a MW quantity consistent with their average expected output during peak-hour periods. Alternatively, a Capacity Market Seller that owns or controls one or more Capacity Storage Resources, Intermittent Resources, Demand Resources, Energy Efficiency Resources, or Environmentally-Limited Resources may submit a Sell Offer which represents the aggregated Unforced Capacity value of such resources, where such Sell Offer shall be considered to be	This corrects the relevant provisions since only Tariff, Attachment DD, section 5.14 (h-2) is currently effective. The other references to subsections (h) and (h-1) have sunset dates built into those sections that have since passed.																				

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			<p>Sell Offer shall be considered to be located in the smallest modeled LDA common to the aggregated resources. Such aggregated resources shall be owned by or under contract to the Capacity Market Seller, including all such resources obtained through bilateral contract and reported to the Office of the Interconnection in accordance with the Office of the Interconnection’s rules related to its <i>Capacity Exchange</i> tools. If any of the commercially aggregated resources in such Sell Offer are subject to the Minimum Floor Offer Price pursuant to Tariff, Attachment DD, sections 5.14(h) and 5.14(h-1), the Capacity Market Seller that owns or controls such resources may submit a Sell Offer with a Minimum Floor Offer Price of no lower than the time and MW weighted average of the applicable MOPR Floor Offer Prices (zero if not applicable) of the aggregated resources in such Sell Offer.</p>	<p>located in the smallest modeled LDA common to the aggregated resources. Such aggregated resources shall be owned by or under contract to the Capacity Market Seller, including all such resources obtained through bilateral contract and reported to the Office of the Interconnection in accordance with the Office of the Interconnection’s rules related to its <i>Capacity Exchange</i> tools. If any of the commercially aggregated resources in such Sell Offer are subject to the Minimum Floor Offer Price pursuant to Tariff, Attachment DD, sections 5.14(h) and 5.14(h-1), 5.14 (h-2) the Capacity Market Seller that owns or controls such resources may submit a Sell Offer with a Minimum Floor Offer Price of no lower than the time and MW weighted average of the applicable MOPR Floor Offer Prices (zero if not applicable) of the aggregated resources in such Sell Offer.</p>	
23.	Tariff, Attachment DD, section 5.6.6 (b)	Chen Lu	<p>(b) The Office of the Interconnection shall determine the quantity of installed capacity available for sale in a Base Residual Auction or Incremental Auction as of the beginning of the period during which Buy Bids and Sell Offers are accepted for such auction, as applicable, in accordance with the time schedule set forth in the PJM Manuals. Removal of a resource from Capacity Resource status shall not be reflected in the determination of available installed capacity unless the associated unit-specific bilateral transaction is approved, the designation of such resource (or portion thereof) as a network resource for the external load is demonstrated to the Office of the Interconnection, or equivalent evidence of a firm external sale is provided prior to the deadline established therefor. The determination of available installed capacity shall also take into account, as they apply in proportion to the share of each resource owned or controlled by a Capacity Market Seller, any approved capacity modifications, and existing capacity commitments established in a prior RPM Auction, an FRR Capacity Plan, Locational UCAP transactions and/or replacement capacity transactions under this Tariff, Attachment DD. To enable the Office of the Interconnection to make this determination, no bilateral transactions for Capacity Resources applicable to the period covered</p>	<p>(b) The Office of the Interconnection shall determine the quantity of installed capacity available for sale in a Base Residual Auction or Incremental Auction as of the beginning of the period during which Buy Bids and Sell Offers are accepted for such auction, as applicable, in accordance with the time schedule set forth in the PJM Manuals. Removal of a resource from Capacity Resource status An external sale of capacity shall not be reflected in the determination of available installed capacity unless the associated unit-specific bilateral transaction is approved, the designation of such resource (or portion thereof) as a network resource for the external load is demonstrated to the Office of the Interconnection, or equivalent evidence of a firm external sale is provided prior to the deadline established therefor. The determination of available installed capacity shall also take into account, as they apply in proportion to the share of each resource owned or controlled by a Capacity Market Seller, any approved capacity modifications, and existing capacity commitments established in a prior RPM Auction, an FRR Capacity Plan, Locational UCAP transactions and/or replacement capacity transactions under this Tariff, Attachment DD. To enable the Office of the Interconnection to make this determination, no bilateral transactions for Capacity Resources applicable to the period covered by an auction will be processed from</p>	<p>This correction replaces the reference to removal of a resource from Capacity Resource status, which is detailed in Tariff, Attachment DD, section 6.6(g). The corrected language should refer to an external sale of capacity for the rest of the sentence to better describe the intended language of this sentence, which refers to bilateral transactions for resources designated as a network resource for external loads or firm external sales.</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			by an auction will be processed from the beginning of the period for submission of Sell Offers and Buy Bids, as appropriate, for that auction until completion of the clearing determination for such auction. Processing of such bilateral transactions will reconvene once clearing for that auction is completed. A Generation Capacity Resource located in the PJM Region shall not be removed from Capacity Resource status to the extent the resource is committed to service of PJM loads as a result of an RPM Auction, FRR Capacity Plan, Locational UCAP transaction and/or by designation as a replacement resource under this Tariff, Attachment DD.	the beginning of the period for submission of Sell Offers and Buy Bids, as appropriate, for that auction until completion of the clearing determination for such auction. Processing of such bilateral transactions will reconvene once clearing for that auction is completed. A Generation Capacity Resource located in the PJM Region shall not be removed from Capacity Resource status to the extent the resource is committed to service of PJM loads as a result of an RPM Auction, FRR Capacity Plan, Locational UCAP transaction and/or by designation as a replacement resource under this Tariff, Attachment DD.	
24.	Tariff, Attachment DD, section 5.12 (b)(ii)	Chen Lu	When the requirement to seek additional resource commitments in a Scheduled Incremental Auction is triggered by Tariff, Attachment DD, section 5.4(c)(1), and the conditions stated in Tariff, Attachment DD, section 5.4(c)(2) do not apply, the Office of the Interconnection first shall determine the total quantity of (A) the amount that the Office of the Interconnection sought to procure in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, minus (B) the amount that the Office of the Interconnection sought to sell back in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, plus (C) the difference between the updated PJM Region Reliability Requirement or updated LDA Reliability Requirement and, respectively, the PJM Region Reliability Requirement, or LDA Reliability Requirement, utilized in the most recent prior auction conducted for such Delivery Year plus any amount required by section 5.4(c)(2)(ii), plus (D) the reduction in Unforced Capacity commitments associated with the transition provisions of Tariff, Attachment DD, sections 5.14B, 5.14C, 5.14E, and 5.5A(c)(i)(B) and RAA, Schedule 6, section L.9. If the result of such equation is a positive quantity, the Office of the Interconnection shall employ in the clearing of such auction a portion of the Updated VRR Curve Increment extending right from the left-most point on that curve in a megawatt amount equal to that positive quantity defined above, to seek to procure such quantity. If	When the requirement to seek additional resource commitments in a Scheduled Incremental Auction is triggered by Tariff, Attachment DD, section 5.4(c)(1), and the conditions stated in Tariff, Attachment DD, section 5.4(c)(2) do not apply, the Office of the Interconnection first shall determine the total quantity of (A) the amount that the Office of the Interconnection sought to procure in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, minus (B) the amount that the Office of the Interconnection sought to sell back in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, plus (C) the difference between the updated PJM Region Reliability Requirement or updated LDA Reliability Requirement and, respectively, the PJM Region Reliability Requirement, or LDA Reliability Requirement, utilized in the most recent prior auction conducted for such Delivery Year plus any amount required by section 5.4(c)(2)(ii), plus (D) the reduction in Unforced Capacity commitments associated with the transition provisions of Tariff, Attachment DD, sections 5.14B, and 5.14C, 5.14E, and 5.5A(c)(i)(B) and RAA, Schedule 6, section L.9. If the result of such equation is a positive quantity, the Office of the Interconnection shall employ in the clearing of such auction a portion of the Updated VRR Curve Increment extending right from the left-most point on that curve in a megawatt amount equal to that positive quantity defined above, to seek to procure such quantity. If the result of such equation is a negative	Tariff, Attachment DD, sections 5.14B, 5.14C, and 5.14E no longer exist in the tariff.

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			the result of such equation is a negative quantity, the Office of the Interconnection shall employ in the clearing of the auction a portion of the Updated VRR Curve Decrement, extending and ascending to the left from the right-most point on that curve in a megawatt amount corresponding to the negative quantity defined above, to seek to sell back such quantity.	quantity, the Office of the Interconnection shall employ in the clearing of the auction a portion of the Updated VRR Curve Decrement, extending and ascending to the left from the right-most point on that curve in a megawatt amount corresponding to the negative quantity defined above, to seek to sell back such quantity.	
25.	Tariff, Attachment DD, section 5.12 (b) (iii)	Chen Lu	(iii)When the possible need to seek agreements to release capacity commitments in any Scheduled Incremental Auction is indicated for the PJM Region or any LDA by Tariff, Attachment DD, section 5.4(c)(3)(i), the Office of the Interconnection first shall determine the total quantity of (A) the amount that the Office of the Interconnection sought to procure in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, minus (B) the amount that the Office of the Interconnection sought to sell back in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, plus (C) the difference between the updated PJM Region Reliability Requirement or updated LDA Reliability Requirement and, respectively, the PJM Region Reliability Requirement, or LDA Reliability Requirement, utilized in the most recent prior auction conducted for such Delivery Year minus any capacity sell-back amount determined by PJM to be required for the PJM Region or such LDA by Tariff, Attachment DD, section 5.4(c)(3)(ii), plus (D) the reduction in Unforced Capacity commitments associated with the transition provisions of Tariff, Attachment DD, sections 5.14B, 5.14C, 5.14E, and 5.5A(c)(i)(B) and RAA, Schedule 6, section L.9, provided, however, that the amount sold in total for all LDAs and the PJM Region related to a delay in a Backbone Transmission upgrade may not exceed the amounts purchased in total for all LDAs and the PJM Region related to a delay in a Backbone Transmission upgrade. If the result of such equation is a positive quantity, the Office of the Interconnection shall employ in the clearing of such auction a portion of the Updated VRR Curve Increment extending right from the left-most point on that curve in a megawatt amount equal to that positive quantity defined above, to seek to procure such quantity. If the result	(ii)When the possible need to seek agreements to release capacity commitments in any Scheduled Incremental Auction is indicated for the PJM Region or any LDA by Tariff, Attachment DD, section 5.4(c)(3)(i), the Office of the Interconnection first shall determine the total quantity of (A) the amount that the Office of the Interconnection sought to procure in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, minus (B) the amount that the Office of the Interconnection sought to sell back in prior Scheduled Incremental Auctions for such Delivery Year that does not clear such auction, plus (C) the difference between the updated PJM Region Reliability Requirement or updated LDA Reliability Requirement and, respectively, the PJM Region Reliability Requirement, or LDA Reliability Requirement, utilized in the most recent prior auction conducted for such Delivery Year minus any capacity sell-back amount determined by PJM to be required for the PJM Region or such LDA by Tariff, Attachment DD, section 5.4(c)(3)(ii), plus (D) the reduction in Unforced Capacity commitments associated with the transition provisions of Tariff, Attachment DD, sections 5.14B, 5.14C, 5.14E, and 5.5A(c)(i)(B) and RAA, Schedule 6, section L.9, provided, however, that the amount sold in total for all LDAs and the PJM Region related to a delay in a Backbone Transmission upgrade may not exceed the amounts purchased in total for all LDAs and the PJM Region related to a delay in a Backbone Transmission upgrade. If the result of such equation is a positive quantity, the Office of the Interconnection shall employ in the clearing of such auction a portion of the Updated VRR Curve Increment extending right from the left-most point on that curve in a megawatt amount equal to that positive quantity defined above, to seek to procure such quantity. If the result of such equation is a negative	Tariff, Attachment DD, sections 5.14B, 5.14C, and 5.14E no longer exist in the tariff.

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			of such equation is a negative quantity, the Office of the Interconnection shall employ in the clearing of the auction a portion of the Updated VRR Curve Decrement, extending and ascending to the left from the right-most point on that curve in a megawatt amount corresponding to the negative quantity defined above, to seek to sell back such quantity.	quantity, the Office of the Interconnection shall employ in the clearing of the auction a portion of the Updated VRR Curve Decrement, extending and ascending to the left from the right-most point on that curve in a megawatt amount corresponding to the negative quantity defined above, to seek to sell back such quantity.	
26.	Tariff, Attachment DD, Section 5.14	Chen Lu	a) Capacity Resource Clearing Prices For each Base Residual Auction and Incremental Auction, the Office of the Interconnection shall calculate a clearing price to be paid for each megawatt-day of Unforced Capacity that clears in such auction. The Capacity Resource Clearing Price for each LDA will be the marginal value of system capacity for the PJM Region, without considering locational constraints, adjusted as necessary by any applicable Locational Price Adders, Annual Resource Price Adders, Extended Summer Resource Price Adders, Limited Resource Price Decrements, Sub-Annual Resource Price Decrements, Base Capacity Demand Resource Price Decrements, and Base Capacity Resource Price Decrements, all as determined by the Office of the Interconnection based on the optimization algorithm. If a Capacity Resource is located in more than one Locational Deliverability Area, it shall be paid the highest Locational Price Adder in any applicable LDA in which the Sell Offer for such Capacity Resource cleared. The Annual Resource Price Adder is applicable for Annual Resources only. The Extended Summer Resource Price Adder is applicable for Annual Resources and Extended Summer Demand Resources.	a) Capacity Resource Clearing Prices For each Base Residual Auction and Incremental Auction, the Office of the Interconnection shall calculate a clearing price to be paid for each megawatt-day of Unforced Capacity that clears in such auction. The Capacity Resource Clearing Price for each LDA will be the marginal value of system capacity for the PJM Region, without considering locational constraints, adjusted as necessary by any applicable Locational Price Adders, Annual Resource Price Adders, Extended Summer Resource Price Adders, Limited Resource Price Decrements, Sub-Annual Resource Price Decrements, Base Capacity Demand Resource Price Decrements, and Base Capacity Resource Price Decrements, all as determined by the Office of the Interconnection based on the optimization algorithm. If a Capacity Resource is located in more than one Locational Deliverability Area, it shall be paid the highest Locational Price Adder in any applicable LDA in which the Sell Offer for such Capacity Resource cleared. The Annual Resource Price Adder is applicable for Annual Resources only. The Extended Summer Resource Price Adder is applicable for Annual Resources and Extended Summer Demand Resources.	Under Capacity Performance, Annual Resource Price Adders, Extended Summer Resource Price Adders, Limited Resource Price Decrements, Sub-Annual Resource Price Decrements, Base Capacity Demand Resource Price Decrements, and Base Capacity Resource Price Decrements are no longer applicable as those defined terms all have sunset dates that have since passed. These definitions are also being deleted from the Tariff/RAA as part of this GDECS.
27.	Tariff, Attachment DD, Section 5.14 (e)	Chen Lu	e) Locational Reliability Charge In accordance with the Reliability Assurance Agreement, each LSE shall incur a Locational Reliability Charge (subject to certain offsets and other adjustments as described in Tariff, Attachment DD, section 5.14B, Tariff, Attachment DD, section 5.14C, Tariff, Attachment DD, section 5.14D, Tariff, Attachment DD, section 5.14E and Tariff, Attachment DD, section 5.15) equal to such LSE's Daily Unforced Capacity Obligation in a Zone during such Delivery Year multiplied by the applicable Final Zonal Capacity Price in such Zone.	e) Locational Reliability Charge In accordance with the Reliability Assurance Agreement, each LSE shall incur a Locational Reliability Charge (subject to certain offsets and other adjustments as described in Tariff, Attachment DD, section 5.14B, Tariff, Attachment DD, section 5.14C, Tariff, Attachment DD, section 5.14D, Tariff, Attachment DD, section 5.14E and Tariff, Attachment DD, section 5.15) equal to such LSE's Daily Unforced Capacity Obligation in a Zone during such Delivery Year multiplied by the applicable Final Zonal Capacity Price in such Zone. PJMSettlement	Tariff, Attachment DD, sections 5.14B, 5.14C, 5.14D, and 5.14E no longer exist in the tariff.

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			PJMSettlement shall be the Counterparty to the LSEs' obligations to pay, and payments of, Locational Reliability Charges.	shall be the Counterparty to the LSEs' obligations to pay, and payments of, Locational Reliability Charges.	
28.	Tariff, Attachment DD, Section 6.8 (c)	Chen Lu	(c) Variable costs that are directly attributable to the production of energy shall be excluded from a Market Seller's generation resource Avoidable Cost Rate. Notwithstanding the foregoing, a Market Seller that included variable costs attributable to the production of energy in a generation resource's Avoidable Cost Rate prior to April 15, 2019 shall not include such costs in such generation resource's Maintenance Adders or Operating Costs for any Delivery Year for which it has already included such costs in the generation resource's Avoidable Cost Rate. A Market Seller implicated by this paragraph may continue including such variable costs attributable to the production of energy in its Avoidable Cost Rate for each generation resource for any Delivery Year for which it already did so prior to April 15, 2019.	(c) Variable costs that are directly attributable to the production of energy shall be excluded from a Market Seller's generation resource Avoidable Cost Rate. Notwithstanding the foregoing, a Market Seller that included variable costs attributable to the production of energy in a generation resource's Avoidable Cost Rate prior to April 15, 2019 shall not include such costs in such generation resource's Maintenance Adders or Operating Costs for any Delivery Year for which it has already included such costs in the generation resource's Avoidable Cost Rate. A Market Seller implicated by this paragraph may continue including such variable costs attributable to the production of energy in its Avoidable Cost Rate for each generation resource for any Delivery Year for which it already did so prior to April 15, 2019.	This revision removes the sentence that was in effect only for those costs that were included prior to April 15, 2019. This sentence is now obsolete so this outdated sentence can be deleted.
29.	Operating Agreement, Section 1 (Definitions E-F) Reliability Assurance Agreement, Schedule 1, Definitions	Steve Pincus	End-Use Customer: "End-Use Customer" shall mean a Member that is a retail end-user of electricity within the PJM Region. For purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if: (1) the average physical unforced capacity owned by the Member and its affiliates in the PJM region over the five Planning Periods immediately preceding the relevant Planning Period does not exceed the average PJM capacity obligation for the Member and its affiliates over the same time period; or (2) the average energy produced by the Member and its affiliates within the PJM region over the five Planning Periods immediately preceding the relevant Planning Period does not exceed the average energy consumed by that Member and its affiliates within the PJM region over the same time period. The foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.	End-Use Customer: "End-Use Customer" shall mean a Member that is a retail end-user of electricity within the PJM Region. For purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use eCustomer if: (1) the average physical unforced capacity owned by the Member and its affiliates in the PJM region over the five Planning Periods immediately preceding the relevant Planning Period does not exceed the average PJM capacity obligation for the Member and its affiliates over the same time period; or (2) the average energy produced by the Member and its affiliates within the PJM region over the five Planning Periods immediately preceding the relevant Planning Period does not exceed the average energy consumed by that Member and its affiliates within the PJM region over the same time period. The foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.	This revision corrects a typographical error in the RAA definition of End-Use Customer, by changing "customer" to "Customer" because the reference is to the defined term "End-Use Customer," consistent with the second reference to "End-Use Customer" at the end of that definition.

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
30.	Tariff, Attachment DD-1, section L.1, and RAA, Schedule 6, section L.1	Chen Lu	An Energy Efficiency Resource is a project, including installation of more efficient devices or equipment or implementation of more efficient processes or systems, exceeding then-current building codes, appliance standards, or other relevant standards, designed to achieve a continuous (during peak summer and winter periods as described herein) reduction in electric energy consumption at the End-Use Customer's retail site that is not reflected in the peak load forecast prepared for the Delivery Year for which the Energy Efficiency Resource is proposed, and that is fully implemented at all times during such Delivery Year, without any requirement of notice, dispatch, or operator intervention.	An Energy Efficiency Resource is a project, including installation of more efficient devices or equipment or implementation of more efficient processes or systems, exceeding then-current building codes, appliance standards, or other relevant standards, designed to achieve a continuous (during peak summer and winter periods as described herein) reduction in electric energy consumption at the End-Use Customer's retail site that is not reflected in the peak load forecast prepared for the Delivery Year for which the Energy Efficiency Resource is proposed, and that is fully implemented at all times during such Delivery Year, without any requirement of notice, dispatch, or operator intervention.	<p>This update makes the description of Energy Efficiency consistent with the RAA definitions of Energy Efficiency Resource, Annual Energy Efficiency Resource, and Summer-Period Energy Efficiency Resource. Additionally, this update makes consistent use of the lowercase term “end-use customer” which is found 22 times in Schedule 6 that describes Energy Efficiency and Demand Response Resources while “End-Use Customer” is found only once.</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that “[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.”</p> <p>The original 2008 filing establishing rules for Energy Efficiency Resources did not include this “End-Use Customer” definition or reference end-use customers at all in the transmittal letter or in the proposed governing</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
					document language. ¹ This inadvertent capitalization resulted from PJM’s October 26, 2010 filing in Docket No. ER11-1909-000, in which PJM added the term “End-Use Customer” to the description of Energy Efficiency Resource in section L.1.2. That filing was only meant to clarify that upgrades to existing equipment of the transmission and distribution systems did not qualify as Energy Efficiency Resources and that such resources were intended to be limited to installations behind an end-use customer similar to what other RTO/ISOs had done around that time. ³ There was no specific mention that this addition was intended to also limit Energy Efficiency Resources to only PJM Members in that filing.
31.	Tariff, Attachment K-Appendix, Section 1.5A.10 & OA, Schedule 1, Section 1.5A.10, Aggregation for Economic Load Response Registrations.	Daniel Vinnik	The purpose for aggregation is to allow the participation of End-Use Customers in the Energy Market that can provide less than 0.1 megawatt of demand response when they currently have no alternative opportunity to participate on an individual basis or can provide less than 0.1 megawatt of demand response in the Secondary Reserve, Synchronized Reserve or Regulation markets when they currently have no alternative opportunity to participate on an individual basis. Aggregations pursuant to section 1.5A.1 above shall be subject to the following requirements:	The purpose for aggregation is to allow the participation of E nd-Use C ustomers in the Energy Market that can provide less than 0.1 megawatt of demand response when they currently have no alternative opportunity to participate on an individual basis or can provide less than 0.1 megawatt of demand response in the Secondary Reserve, Synchronized Reserve or Regulation markets when they currently have no alternative opportunity to participate on an individual basis. Aggregations pursuant to section 1.5A.1 above shall be subject to the following requirements:	Corrections made for scrivener’s error resulting in inadvertent capitalizations of the term “end-use customer” from prior to 2010. PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit aggregation of end-use customers to only PJM Members, for over 14 years.

¹ *PJM Interconnection, L.L.C.*, Transmittal Letter, Docket No. ER09-412-000 (Dec. 12, 2008).

² *PJM Interconnection, L.L.C.*, Transmittal Letter, Docket No. ER11-1908-000 (Oct. 26, 2010).

³ *See id.* at 1-2.

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			<p>i. All End-Use Customers in an aggregation shall be specifically identified;</p> <p>ii. All End-Use Customers in an aggregation shall be served by the same electric distribution company or Load Serving Entity where the electric distribution company is the Load Serving Entity for all End-Use Customers in the aggregation. Residential customers that are part of an aggregate that does not participate in the Day- Ahead Energy Market do not need to share the same Load Serving Entity. If the aggregation will provide Synchronized Reserves, all customers in the aggregation must also be part of the same Synchronized Reserve sub-zone;</p> <p>iii. All End-Use Customers in an aggregation that settle at Transmission Zone, existing load aggregate, or node prices shall be located in the same Transmission Zone, existing load aggregate or at the same node, respectively;</p> <p>v. If the aggregation will only provide energy to the market then only one End-Use Customer within the aggregation shall have the ability to reduce more than 0.099 megawatt of load unless the Curtailment Service Provider, Load Serving Entity and PJM approve. If the aggregation will provide an Ancillary Service to the market then only one End-Use Customer within the aggregation shall have the ability to reduce more than 0.099 megawatt of load unless the Curtailment Service Provider, Load Serving Entity and PJM approve;</p> <p>vi. Each End-Use Customer site must meet the requirements for market participation by an Economic Load Response Participant resource except for the 0.1 megawatt minimum load reduction requirement for energy or the 0.1 megawatt minimum load reduction requirement for Ancillary Services; and</p>	<p>i. All End-Use Customers in an aggregation shall be specifically identified;</p> <p>ii. All End-Use Customers in an aggregation shall be served by the same electric distribution company or Load Serving Entity where the electric distribution company is the Load Serving Entity for all End-Use Customers in the aggregation. Residential customers that are part of an aggregate that does not participate in the Day- Ahead Energy Market do not need to share the same Load Serving Entity. If the aggregation will provide Synchronized Reserves, all customers in the aggregation must also be part of the same Synchronized Reserve sub-zone;</p> <p>iii. All End-Use Customers in an aggregation that settle at Transmission Zone, existing load aggregate, or node prices shall be located in the same Transmission Zone, existing load aggregate or at the same node, respectively;</p> <p>v. If the aggregation will only provide energy to the market then only one End-Use Customer within the aggregation shall have the ability to reduce more than 0.099 megawatt of load unless the Curtailment Service Provider, Load Serving Entity and PJM approve. If the aggregation will provide an Ancillary Service to the market then only one End-Use Customer within the aggregation shall have the ability to reduce more than 0.099 megawatt of load unless the Curtailment Service Provider, Load Serving Entity and PJM approve;</p> <p>vi. Each End-Use Customer site must meet the requirements for market participation by an Economic Load Response Participant resource except for the 0.1 megawatt minimum load reduction requirement for energy or the 0.1 megawatt minimum load reduction requirement for Ancillary Services; and</p>	<p>Limiting this section’s applications to only allow aggregation of end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM’s demand response programs.</p> <p>These provisions were first included in a March 18, 2010 filing in Docket No. ER09-1063-003, responding to a Commission directive from its December 18, 2009 order. <i>See PJM Interconnection, L.L.C.</i>, 129 FERC ¶ 61,250, at P 45 (2009). That order directed PJM to modify the Tariff and OA to reflect the aggregation rules for demand response resources and to make conforming changes to aggregation rules in PJM Manuals. Accordingly, the stated purpose of this revision was to have “[i]ncorporated the aggregation rules, as directed.” <i>See PJM Interconnection, L.L.C.</i>, Transmittal Letter, Docket No. ER19-1063-003, Attachment C, at 1 (March 18, 2010).</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing the qualifications for a PJM Member to be an End-Use Customer and Member Sector Selection. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			vii. An End-Use Customer's participation in the Energy and Ancillary Services markets shall be administered under one economic registration.	vii. An E end- U se C ustomer's participation in the Energy and Ancillary Services markets shall be administered under one economic registration.	classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if" certain conditions are met. Finally, the definition concludes that "[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer." As detailed above, this definition of an End-Use Customer is not pertinent to the Economic Load Response Participants; rather, its primary purpose relates to PJM's governance.
32.	Tariff, Attachment K-Appendix, section 8.11 & Operating Agreement, Schedule 1, Section 8.11, Emergency Load Response and Pre-Emergency Load Response Participant Aggregation.	Daniel Vinnik	<p>The purpose for aggregation is to allow the participation of End-Use Customers in the Emergency Load Response and Pre-Emergency Load Response Programs that can provide less than 100 kW of demand response on an individual basis. Emergency Load Response and Pre-Emergency Load Response Participant aggregations shall be subject to the following requirements:</p> <p>i. All End-Use Customers in an aggregation shall be specifically identified;</p> <p>ii. All End-Use Customers in an aggregation shall be served by the same electric distribution company ;</p> <p>iii. All End-Use Customers in an aggregation that settle at Transmission Zone, existing load aggregate, or node prices shall be located in the same Transmission Zone, existing load aggregate or at the same node, respectively;</p> <p>iv. Energy settlement will be based on each individual customer's load reductions, or a current statistical sample of end-use customers' load reductions for non-interval metered residential Direct Load Control customers as set forth in the PJM Manuals, pursuant to section 3.3A of Schedule 1 of this Agreement, the PJM Reliability</p>	<p>The purpose for aggregation is to allow the participation of Eend-Use Customers in the Emergency Load Response and Pre-Emergency Load Response Programs that can provide less than 100 kW of demand response on an individual basis. Emergency Load Response and Pre-Emergency Load Response Participant aggregations shall be subject to the following requirements:</p> <p>i. All Eend-Use Customers in an aggregation shall be specifically identified;</p> <p>ii. All Eend-Use Customers in an aggregation shall be served by the same electric distribution company ;</p> <p>iii. All Eend-Use Customers in an aggregation that settle at Transmission Zone, existing load aggregate, or node prices shall be located in the same Transmission Zone, existing load aggregate or at the same node, respectively;</p> <p>iv. Energy settlement will be based on each individual customer's load reductions, or a current statistical sample of end-use customers' load reductions for non-interval metered residential Direct Load Control customers as set forth in the PJM Manuals, pursuant to section 3.3A of Schedule 1 of this Agreement, the PJM Reliability Assurance</p>	<p>Corrections made for scrivener's error resulting in inadvertent capitalizations of the term "end-use customer" from prior to 2010.</p> <p>PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit aggregation of end-use customers to only PJM Members, for over 14 years.</p> <p>Limiting this section's applications to only allow aggregation of end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM's demand response programs.</p> <p>These provisions were first included in a March 18, 2010 filing in Docket No. ER09-1063-003, responding to a Commission directive from its December 18, 2009 order. <i>See PJM Interconnection, L.L.C.</i>, 129 FERC ¶ 61,250, at P 45 (2009). That order directed</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			<p>Assurance Agreement Among Load Serving Entities in the PJM Region and the PJM Manuals. Capacity compliance will be based on each individual customers' load reductions, or a current statistical sample of end-use customers' load reductions, and then aggregated pursuant to section 3.3A of Schedule 1 of this Agreement, the PJM Reliability Assurance Agreement Among Load Serving Entities in the PJM Region and the PJM Manuals; and</p> <p>v. Each End-Use Customer site must meet the requirements for market participation by a Demand Resource.</p>	<p>Agreement Among Load Serving Entities in the PJM Region and the PJM Manuals. Capacity compliance will be based on each individual customers' load reductions, or a current statistical sample of end-use customers' load reductions, and then aggregated pursuant to section 3.3A of Schedule 1 of this Agreement, the PJM Reliability Assurance Agreement Among Load Serving Entities in the PJM Region and the PJM Manuals; and</p> <p>v. Each End-Use Customer site must meet the requirements for market participation by a Demand Resource.</p>	<p>PJM to modify the Tariff and OA to reflect the aggregation rules for demand response resources and to make conforming changes to aggregation rules in PJM Manuals. Accordingly, the stated purpose of this revision was to have “[i]ncorporated the aggregation rules, as directed.” See <i>PJM Interconnection, L.L.C.</i>, Transmittal Letter, Docket No. ER19-1063-003, Attachment C, at 1 (March 18, 2010).</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that “[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.” As detailed above, this definition of an End-Use Customer is not pertinent to the Economic Load Response Participants; rather, its primary purpose relates to PJM’s governance.</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
33.	Tariff, Attachment K-Appendix, section 3.3A.2 & Operating Agreement, Schedule 1, section 3.3A.2, Customer Baseline Load.	Daniel Vinnik	For Economic Load Response Participants that choose to measure demand reductions using an end-use customer’s Customer Baseline Load (“CBL”), the CBL shall be determined using the following formula for such participant's Non-Variable Loads. Additionally, the following formula shall be used to determine a Peak Shaving Adjustment End-Use Customer's demand reductions when determining peak shaving performance rating as described in PJM Manual 19WEB, unless an alternative CBL is approved pursuant to section 3.3A.2.01 of this schedule:	For Economic Load Response Participants that choose to measure demand reductions using an end-use customer’s Customer Baseline Load (“CBL”), the CBL shall be determined using the following formula for such participant's Non-Variable Loads. Additionally, the following formula shall be used to determine a Peak Shaving Adjustment End-Use C ustomer’s demand reductions when determining peak shaving performance rating as described in PJM Manual 19WEB, unless an alternative CBL is approved pursuant to section 3.3A.2.01 of this schedule:	<p>Corrections made for scrivener’s error resulting in inadvertent capitalizations of the term “end-use customer” from revisions proposed in PJM’s December 7, 2018 filing in Docket No. ER19-511-000 intended to specify that the metric for measuring the actual performance of a peak shaving program will be Customer Baseline Load, which is the same performance measurement used for Economic Load Response Participants.</p> <p>The transmittal included no mention of restricting the meaning of “end-use customer” in this provision to include only PJM Members.</p> <p>PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit peak shavings adjustments to only those end-use customers who are also PJM Members, for over 5 years.</p> <p>Limiting this section’s applications to only allow peak shavings adjustments for end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM’s peak shavings adjustments programs.</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
					the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that “[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.” As detailed above, this definition of an End-Use Customer is not pertinent to the Peak Shaving Adjustment; rather, its primary purpose relates to PJM’s governance.
34.	Tariff, Attachment K-Appendix, section 3.3A.8(a) & Operating Agreement, Schedule 1, section 3.3A.8(a), Economic Load Response Participant Review Process.	Daniel Vinnik	<p>iv. An Economic Load Response Participant's registration will be reviewed when settlements are frequently submitted or if its actual loads frequently deviate from the previously scheduled quantities (as determined for purposes of assessing balancing operating reserves charges). PJM will notify the Participant when their registration is under review. While the Participant's registration is under review by PJM, the Participant may continue economic load reductions but all settlements will be denied by PJM until the registration review is resolved pursuant to subsection (i) or (ii) below. PJM will require the Participant to provide information within 30 days to support that the settlements were submitted for load reduction activity done in response to price and not submitted based on the End-Use Customer's normal operations.</p> <p>v. The electric distribution company may only deny settlements during the normal settlement review process for inaccurate data including, but not limited to: meter data, line loss</p>	<p>iv. An Economic Load Response Participant's registration will be reviewed when settlements are frequently submitted or if its actual loads frequently deviate from the previously scheduled quantities (as determined for purposes of assessing balancing operating reserves charges). PJM will notify the Participant when their registration is under review. While the Participant's registration is under review by PJM, the Participant may continue economic load reductions but all settlements will be denied by PJM until the registration review is resolved pursuant to subsection (i) or (ii) below. PJM will require the Participant to provide information within 30 days to support that the settlements were submitted for load reduction activity done in response to price and not submitted based on the End-Use Customer's normal operations.</p> <p>v. The electric distribution company may only deny settlements during the normal settlement review process for inaccurate data including, but not limited to: meter data, line loss factor, Customer</p>	<p>Corrections made for scrivener’s error resulting in inadvertent capitalizations of the term “end-use customer” from prior to 2010.</p> <p>PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit aggregation of end-use customers to only PJM Members, for over 14 years.</p> <p>Limiting this section’s applications to only allow aggregation of end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM’s demand response programs.</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			factor, Customer Baseline Load calculation, interval meter owner and a known recurring End-Use Customer outage or holiday.	Baseline Load calculation, interval meter owner and a known recurring End-Use Customer outage or holiday.	<p>These revisions were first included in a March 18, 2010 filing in Docket No. ER09-1063-003, responding to a Commission directive from its December 18, 2009 order. <i>See PJM Interconnection, L.L.C.</i>, 129 FERC ¶ 61,250, at P 92 (2009). That order directed PJM to modify the Tariff and OA to reflect the normal operations review criteria posted on PJM’s website at pjm.com/committees-and-groups/closed-groups/~media/committees-groups/committees/drsc/20081031-item-04-dsr-activity-review-proc.ashx. Accordingly, the stated purpose of this revision was to have “[r]eflected the criteria posted on the website, as directed.” <i>See PJM Interconnection, L.L.C.</i>, Transmittal Letter, Docket No. ER19-1063-003, Attachment C, at 1 (March 18, 2010).</p> <p>Throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
					“[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.” As detailed above, this definition of an End-Use Customer is not pertinent to the Economic Load Response Participants; rather, its primary purpose relates to PJM’s governance.
35.	Tariff, Attachment DD-2, section (B), Peak Shaving Plan Details	Daniel Vinnik	<p>(2) Peak Shaving Value by End-Use Customer Site. The Peak Shaving Adjustment program administrator shall provide the following information when the End-Use Customer is known at the time of the submittal of the Peak Shaving Adjustment Plan. This section shall also be completed for peak shaving quantities identified in the Peak Shaving Adjustment plan as requiring site-specific information, since this identified quantity should reflect planned peak shaving associated with specific End-Use Customer sites for which the Peak Shaving Adjustment program administrator has a high degree of certainty that it will physically deliver for the relevant summer period. The Peak Shaving Adjustment program administrator shall provide the following information:</p> <p>In the event that Peak Shaving Adjustment program administrators identify the same End-Use Customer site, the MWs associated with such site will not be approved for offering into the RPM auction or inclusion in the peak shaving adjustment by any of the Peak Shaving Adjustment program administrators, unless it can be supported by evidence, such as a letter of support from the End-Use Customer indicating that they have been in contact with the Peak Shaving Adjustment program administrator and are likely to execute a contract with that Peak Shaving Adjustment program administrator for the relevant summer period. In the event that multiple letters of support indicating different Peak Shaving Adjustment program administrators are provided from the end use customer, the MWs associated with the End-Use Customer site will not be approved for</p>	<p>(2) Peak Shaving Value by Eend-Use Customer Site. The Peak Shaving Adjustment program administrator shall provide the following information when the Eend-Use Customer is known at the time of the submittal of the Peak Shaving Adjustment Plan. This section shall also be completed for peak shaving quantities identified in the Peak Shaving Adjustment plan as requiring site-specific information, since this identified quantity should reflect planned peak shaving associated with specific Eend-Use Customer sites for which the Peak Shaving Adjustment program administrator has a high degree of certainty that it will physically deliver for the relevant summer period. The Peak Shaving Adjustment program administrator shall provide the following information:</p> <p>In the event that Peak Shaving Adjustment program administrators identify the same Eend-Use Customer site, the MWs associated with such site will not be approved for offering into the RPM auction or inclusion in the peak shaving adjustment by any of the Peak Shaving Adjustment program administrators, unless it can be supported by evidence, such as a letter of support from the Eend-Use Customer indicating that they have been in contact with the Peak Shaving Adjustment program administrator and are likely to execute a contract with that Peak Shaving Adjustment program administrator for the relevant summer period. In the event that multiple letters of support indicating different Peak Shaving Adjustment program administrators are provided from the end use customer, the MWs associated with the Eend-Use Customer site will not be approved for inclusion in the</p>	<p>Corrections made for scrivener’s error resulting in inadvertent capitalizations of the term “end-use customer” from revisions proposed in PJM’s</p> <p>The compliance filing in Docket No. ER19-511-002 resulting from the Commission’s May 3, 2019 order directing PJM to incorporate into the Tariff PJM Manual provisions pertaining to the terms and conditions of Peak Shaving Adjustment, consisting of PJM Manual 19, Attachment D: Peak Shaving Adjustment Plan and Performance Rating, Section 2: Peak Shaving Adjustment Plan Template, Sections A through E.</p> <p>The compliance filing included no mention of restricting the meaning of “end-use customer” in this provision to include only PJM Members.</p> <p>PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit peak shavings adjustments to only those end-use</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			inclusion in the load forecast by any of the Peak Shaving Adjustment program administrators.	load forecast by any of the Peak Shaving Adjustment program administrators.	<p>customers who are also PJM Members, for over 5 years.</p> <p>The 2018 PJM Manual 19 specifically stated that the Peak Shaving program administrator must identify planned peak shaving by the “end-use customer segment” and notes that such segments “include residential, commercial, small industrial (less than 3 MW), medium industrial (between 3 MW and 10 MW) and large industrial (greater than 10 MW).” 2018 PJM Manual 19 at 46. The 2018 PJM Manual 19’s use of the term in accordance with its common meaning supports that when PJM migrated the Peak Shaving Adjustment procedures to its Tariff, capitalization of the term end-use customer was inadvertent and not purposeful; i.e. PJM did not intend to limit the Peak Shaving Adjustment to certain PJM Members. This contention is further supported by PJM’s transmittal letter for that migration, which refers to the lowercase “end-use customer” when describing the Peak Shaving Adjustment details. <i>See PJM Interconnection, L.L.C.</i>, Compliance Filing Concerning Peak Shaving Adjustment, Docket No. ER19-511-002, at 2 (“Specifically, the new section details the requisite information that are required to be specified in a Peak Shaving Adjustment plan, including the details of the program, historic program impacts, and timelines for procuring end-use customer sites.”).</p>

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					<p>Limiting this section’s applications to only allow peak shavings adjustments for end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM’s peak shavings adjustments programs.</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that “[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.” As detailed above, this definition of an End-Use Customer is not pertinent to the Peak Shaving Adjustment; rather, its primary purpose relates to PJM’s governance.</p>
36.	Tariff, Attachment DD-2, section (B) – Peak Shaving Plan Details	Daniel Vinnik	(3) Planned Peak Shaving Value by Customer Segment. For those planned peak shaving values for which an End-Use Customer site is not identified in this section B(2) of the Peak Shaving Adjustment plan details, the Peak Shaving Adjustment program administrator shall identify the planned peak shaving values by Zone and by End-Use Customer segment. End-Use Customer segments include residential,	(3) Planned Peak Shaving Value by Customer Segment. For those planned peak shaving values for which an End-Use C customer site is not identified in this section B(2) of the Peak Shaving Adjustment plan details, the Peak Shaving Adjustment program administrator shall identify the planned peak shaving values by Zone and by End-Use C customer segment. End-Use C customer segments include	Corrections made for scrivener’s error resulting in inadvertent capitalizations of the term “end-use customer” from revisions proposed in PJM’s

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
			<p>commercial, small industrial (less than 3 MW), medium industrial (between 3 MW and 10 MW) and large industrial (greater than 10 MW). If known, the Peak Shaving Adjustment program administrator may identify more specific customer segments within the commercial and industrial category. The Peak Shaving Adjustment program administrator shall provide estimates of the following information by Zone and by End-Use Customer segment:</p> <ul style="list-style-type: none"> (a) Number of End-Use Customer to be registered for each summer period; (b) Average Peak Load Contribution (PLC) per End-Use Customer in kW; and (c) Average peak shaving value per customer in kW. <p>Based on the above provided information, a total peak shaving value in MW will be calculated for each End-Use Customer segment and for each Zone. The total peak shaving value identified by customer segment and aggregated for each Zone of the Peak Shaving Plan details plus the total peak shaving values identified by End-Use Customer site(s) and aggregated for each Zone of the Peak Shaving Plan details shall equal the total peak shaving value for each Zone as identified in the Peak Shaving Adjustment plan.</p>	<p>residential, commercial, small industrial (less than 3 MW), medium industrial (between 3 MW and 10 MW) and large industrial (greater than 10 MW). If known, the Peak Shaving Adjustment program administrator may identify more specific customer segments within the commercial and industrial category. The Peak Shaving Adjustment program administrator shall provide estimates of the following information by Zone and by End-Use Customer segment:</p> <ul style="list-style-type: none"> (a) Number of End-Use Customer to be registered for each summer period; (b) Average Peak Load Contribution (PLC) per End-Use Customer in kW; and (c) Average peak shaving value per customer in kW. <p>Based on the above provided information, a total peak shaving value in MW will be calculated for each End-Use Customer segment and for each Zone. The total peak shaving value identified by customer segment and aggregated for each Zone of the Peak Shaving Plan details plus the total peak shaving values identified by End-Use Customer (s) and aggregated for each Zone of the Peak Shaving Plan details shall equal the total peak shaving value for each Zone as identified in the Peak Shaving Adjustment plan.</p>	<p>The compliance filing in Docket No. ER19-511-002 resulting from the Commission’s May 3, 2019 order directing PJM to incorporate into the Tariff PJM Manual provisions pertaining to the terms and conditions of Peak Shaving Adjustment, consisting of PJM Manual 19, Attachment D: Peak Shaving Adjustment Plan and Performance Rating, Section 2: Peak Shaving Adjustment Plan Template, Sections A through E.</p> <p>The compliance filing included no mention of restricting the meaning of “end-use customer” in this provision to include only PJM Members.</p> <p>PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit peak shavings adjustments to only those end-use customers who are also PJM Members, for over 5 years.</p> <p>Limiting this section’s applications to only allow peak shaving adjustments for end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM’s peak shavings adjustments programs.</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
					the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that “[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.” As detailed above, this definition of an End-Use Customer is not pertinent to the Peak Shaving Adjustment; rather, its primary purpose relates to PJM’s governance.
37.	Tariff, Attachment DD-2, section E, Schedule	Daniel Vinnik	E. Schedule. The Peak Shaving Adjustment program administrator shall provide an approximate timeline for procuring End-Use Customer sites in order to physically deliver the total peak shaving value (existing and planned peak shaving) by Zone in the Peak Shaving Adjustment plan. For each Zone and for each customer segment, the Peak Shaving Adjustment program administrator shall specify the cumulative number of customers and the cumulative peak shaving value associated with that group of customers that the Peak Shaving Adjustment program administrator expects to have under contract by the beginning of each of the summer periods in the PJM load forecast horizon.	E. Schedule. The Peak Shaving Adjustment program administrator shall provide an approximate timeline for procuring End-Use C ustomer sites in order to physically deliver the total peak shaving value (existing and planned peak shaving) by Zone in the Peak Shaving Adjustment plan. For each Zone and for each customer segment, the Peak Shaving Adjustment program administrator shall specify the cumulative number of customers and the cumulative peak shaving value associated with that group of customers that the Peak Shaving Adjustment program administrator expects to have under contract by the beginning of each of the summer periods in the PJM load forecast horizon.	Corrections made for scrivener’s error resulting in inadvertent capitalizations of the term “end-use customer” from revisions proposed in PJM’s The compliance filing in Docket No. ER19-511-002 resulting from the Commission’s May 3, 2019 order directing PJM to incorporate into the Tariff PJM Manual provisions pertaining to the terms and conditions of Peak Shaving Adjustment, consisting of PJM Manual 19, Attachment D: Peak Shaving Adjustment Plan and Performance Rating, Section 2: Peak Shaving Adjustment Plan Template, Sections A through E.

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
					<p>The compliance filing included no mention of restricting the meaning of “end-use customer” in this provision to include only PJM Members.</p> <p>PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit peak shavings adjustments to only those end-use customers who are also PJM Members, for over 5 years.</p> <p>Limiting this section’s applications to only allow peak shavings adjustments for end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM’s peak shaving adjustments programs.</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that “[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
					Member as an End-Use Customer.” As detailed above, this definition of an End-Use Customer is not pertinent to the Peak Shaving Adjustment; rather, its primary purpose relates to PJM’s governance.
38.	Reliability Assurance Agreement, Schedule 1, Definitions	Daniel Vinnik	<p>Peak Shaving Adjustment:</p> <p>“Peak Shaving Adjustment” shall mean a load forecast mechanism that allows load reductions by end-use customers to result in a downward adjustment of the summer load forecast for the associated Zone. Any End-Use Customer identified in an approved peak shaving plan shall not also participate in PJM Markets as Price Responsive Demand, Demand Resource, Base Capacity Demand Resource, Capacity Performance Demand Resource, or Economic Load Response Participant.</p>	<p>Peak Shaving Adjustment:</p> <p>“Peak Shaving Adjustment” shall mean a load forecast mechanism that allows load reductions by end-use customers to result in a downward adjustment of the summer load forecast for the associated Zone. Any End-Use Customer identified in an approved peak shaving plan shall not also participate in PJM Markets as Price Responsive Demand, Demand Resource, Base Capacity Demand Resource, Capacity Performance Demand Resource, or Economic Load Response Participant.</p>	<p>Corrections made for scrivener’s error resulting in inadvertent capitalizations of the term “end-use customer” from revisions proposed in PJM’s December 7, 2018 filing in Docket No. ER19-511-000 intended to alter the specific definition of Peak Shaving Adjustment to ensure that participants in a peak shaving program do not also participate as PRD, Demand Resource, or Economic Load Response Participants.</p> <p>PJM’s March 6, 2019 Response of Deficiency Letter re: Peak Shaving Adjustment Proposal used the lowercase term "end-use customer" eleven times and made no reference to the capitalized term or to restricting the meaning of that term to only include PJM Members.</p> <p>The transmittal and deficiency response included no mention of restricting the meaning of “end-use customer” in this provision to include only PJM Members.</p> <p>PJM has implemented this section consistent with stakeholder intent and industry understanding, which is not to limit peak shavings adjustments to only those end-use customers who are also PJM Members, for over 5 years.</p>

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
					<p>Limiting this section’s applications to only allow peak shavings adjustments for end-use customers that are also PJM members would cause significant market disruption and unsettle long-standing expectations of PJM’s peak shavings adjustments programs.</p> <p>Moreover, throughout PJM’s governing documents, the defined term “End-Use Customer” is applicable only in one context, which is exclusively focused on establishing the qualifications for a PJM Member to be an End-Use Customer. The RAA defines an “End-Use Customer” as “a Member that is a retail end-user of electricity within the PJM Region.” The definition then goes on to detail that “[f]or purposes of Members Committee sector classification, a Member that is a retail end-user that owns generation may qualify as an End-Use customer if” certain conditions are met. Finally, the definition concludes that “[t]he foregoing notwithstanding, taking retail service may not be sufficient to qualify a Member as an End-Use Customer.” As detailed above, this definition of an End-Use Customer is not pertinent to the Peak Shaving Adjustment; rather, its primary purpose relates to PJM’s governance.</p>