

GDECS - Proposed Clean-Up, Clarification and Corrections to Governing Documents

As of 3/22/2023

	Governing Document, Agreement, Attachment, Section, Title	Source	Current Language	Proposed Revisions	Rationale/Notes
1.	OA, definitions C-D.	Chen Lu	“Catastrophic Force Majeure” shall not include any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, or Curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, unless as a consequence of any such action, event, or combination of events, either (i) all, or substantially all, of the Transmission System is unavailable, or (ii) all, or substantially all, of the interstate natural gas pipeline network, interstate rail, interstate highway or federal waterway transportation network serving the PJM Region is unavailable. The Office of the Interconnection shall determine whether an event of Catastrophic Force Majeure has occurred for purposes of this Agreement, the PJM Tariff, and the Reliability Assurance Agreement, based on an examination of available evidence. The Office of the Interconnection’s determination is subject to review by the Commission.	“Catastrophic Force Majeure” shall not include any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, or C urtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, unless as a consequence of any such action, event, or combination of events, either (i) all, or substantially all, of the Transmission System is unavailable, or (ii) all, or substantially all, of the interstate natural gas pipeline network, interstate rail, interstate highway or federal waterway transportation network serving the PJM Region is unavailable. The Office of the Interconnection shall determine whether an event of Catastrophic Force Majeure has occurred for purposes of this Agreement, the PJM Tariff, and the Reliability Assurance Agreement, based on an examination of available evidence. The Office of the Interconnection’s determination is subject to review by the Commission	As used here, the term “curtailment” refers to actions imposed by governmental, military or lawfully established civilian authorities. The use of a defined term “Curtailment” is inappropriate as such action is limited to “reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.”
2.	Tariff, Attachment DD, section 6.5(a)	Chen Lu	Notwithstanding the foregoing, any Capacity Market Seller, together with Affiliates, whose Sell Offers based on Planned Generation Capacity Resources in that modeled LDA are pivotal, shall be subject to mitigation.	Notwithstanding the foregoing, any Capacity Market Seller, together with A ffiliates, whose Sell Offers based on Planned Generation Capacity Resources in that modeled LDA are pivotal, shall be subject to mitigation.	The use of the defined “Affiliate” term may be inconsistent with affiliate tests used for other market mitigation purposes. For instance, the Three Pivotal Supplier Test used for regulation market uses the lower case “affiliate” term. See OA, Schedule 1, Section 3.2.2A(ii). Likewise, for energy market offer capping, the term “affiliate” is used for purposes of the three pivotal supplier test.
3..	Tariff, Attachment K – Appendix, section 1.10.1A(j)(i)(3) Operating Agreement,	Chen Lu	The expected value of the penalty shall be determined by an annual review of the twelve-month period ending October 31 of the calendar year in which the review is performed. The Office of the Interconnection shall post the results of its annual review by no later than December 15, and the revised offer price cap shall be effective as of the following January 1; provided, however, that at the time of implementation of this rule the expected value	The expected value of the penalty shall be determined by an annual review of the twelve-month period ending October 31 of the calendar year in which the review is performed. The Office of the Interconnection shall post the results of its annual review by no later than December 15, and the revised offer price cap shall be effective as of the following January 1; provided, however, that at the time of	There is a conflict in the existing language that specifies the monthly calculation will be used through January 1, but the yearly calculation should start January 1. This correction would end the monthly calculation on December 31 and allow the

	<p>Schedule 1, section 1.10.1A(j)(i)(3)</p>		<p>of the penalty shall be \$0.02/MWh, and for the period from the second month after implementation through the second January 1 following such date of implementation, the expected value of the penalty shall be recalculated on a monthly basis using data from the implementation date of this rule through the 15th day of the current month, and the revised value shall be effective the 1st day of the following month.</p>	<p>implementation of this rule the expected value of the penalty shall be \$0.02/MWh, and for the period from the second month after implementation through the second January 1 January 4-December 31 following such date of implementation, the expected value of the penalty shall be recalculated on a monthly basis using data from the implementation date of this rule through the 15th day of the current month, and the revised value shall be effective the 1st day of the following month.</p>	<p>yearly calculation to begin January 1, as intended.</p> <p>Because the offer cap penalty was implemented with Reserve Price Formation on 10/01/22, the second December 31 would be 12/31/23.</p>
<p>4..</p>	<p>Tariff, Attachment DD, section 6.6(g)</p>	<p>Chen Lu</p>	<p>In order to obtain an exception to the RPM must-offer requirement for the reason specified in Paragraph A above, a Capacity Market Seller shall first submit a preliminary exception request in writing, along with supporting data and documentation indicating the reasons and conditions upon which the Capacity Market Seller is relying in its analysis of whether to retire such resource, to the Market Monitoring Unit for evaluation, notifying the Office of the Interconnection by copy of the same, by no later than (a) November 1, 2013 for the Base Residual Auction for the 2017/2018 Delivery Year, (b) the September 1 that last precedes the Base Residual Auction for the 2018/2019 and subsequent Delivery Years, and (c) two hundred forty (240) days prior to the commencement of the offer period for the applicable Incremental Auction. By no later than five (5) Business Days after receipt of any such preliminary exception requests, the Office of the Interconnection will post on its website a summary of the number of megawatts of Generation Capacity Resources for which it has received notification of preliminary exception requests, on an aggregate basis by Zone and Locational Deliverability Area that comprises a subset of a Zone, as specified in the PJM Manuals.</p> <p>Thereafter, as applicable, such Capacity Market Seller shall by no later than (a) the December 1 that last precedes the Base Residual Auction for the applicable Delivery Year, or (b) one hundred twenty (120) days prior to the commencement of the offer period for the applicable Incremental Auction, either (a) notify the Office of the Interconnection and the Market Monitoring Unit in writing that it is withdrawing its preliminary exception request and explaining the changes to its analysis of whether to retire such resource that support its decision to 2</p>	<p>In order to obtain an exception to the RPM must-offer requirement for the reason specified in Paragraph A above, a Capacity Market Seller shall first submit a preliminary exception request in writing, along with supporting data and documentation indicating the reasons and conditions upon which the Capacity Market Seller is relying in its analysis of whether to retire such resource, to the Market Monitoring Unit for evaluation, notifying the Office of the Interconnection by copy of the same, by no later than (a) November 1, 2013 for the Base Residual Auction for the 2017/2018 Delivery Year, (b) the September 1 that last precedes the Base Residual Auction for the 2018/2019 and subsequent Delivery Years, and (c) two hundred forty (240) days prior to the commencement of the offer period for the applicable Incremental Auction. By no later than five (5) Business Days after the notification deadline receipt of for any such preliminary exception requests, the Office of the Interconnection will post on its website a summary of the number of megawatts of Generation Capacity Resources for which it has received notification of preliminary exception requests, on an aggregate basis by Zone and Locational Deliverability Area that comprises a subset of a Zone, as specified in the PJM Manuals.</p> <p>Thereafter, as applicable, such Capacity Market Seller shall by no later than (a) the December 1 that last precedes the Base Residual Auction for the applicable Delivery Year, or (b) one hundred twenty (120) days prior to the commencement of the offer period for the applicable Incremental Auction, either (a) notify the Office of the Interconnection and the Market</p>	<p>This revision updates the deadline from 5 days after the seller notification of exception request or removal of Capacity Resource status to 5 days after the notification deadline. This update is appropriate given that a Seller can rescind their notification prior to the deadline and therefore PJM does not know until the actual deadline what to post. Further, it is confusing to constantly update posting after each notification is received instead of simply posting all together at one point in time.</p>

		<p>withdraw, or (b) demonstrate that it has met the requirements specified under Paragraph A above. By no later than five (5) Business Days after receipt of such notification, the Office of the Interconnection will post on its website a revised summary of the number of megawatts of Generation Capacity Resources for which it has received requests for exceptions to the RPM must-offer requirement for the reason specified in Paragraph A above, on an aggregate basis by Zone and Locational Deliverability Area that comprises a subset of a Zone, as specified in the PJM Manuals.</p> <p>A Capacity Market Seller that seeks to remove a Generation Capacity Resource from Capacity Resource status shall first submit a preliminary request in writing, along with supporting data and documentation indicating the reasons and conditions upon which the Capacity Market Seller is relying in its analysis of whether to remove the Capacity Resource status of such resource to the Market Monitoring Unit for evaluation, notifying the Office of the Interconnection by copy of the same, by no later than (a) the September 1 that last precedes the Base Residual Auction, and (b) two hundred forty (240) days prior to the commencement of the offer period for the applicable Incremental Auction. For the Base Residual Auction for the 2023/2024 Delivery Year, a Capacity Market Seller that seeks to remove a Generation Capacity Resource from Capacity Resource status shall first submit such preliminary request by no later than November 1, 2019. By no later than five (5) Business Days after receipt of any such preliminary requests, the Office of the Interconnection will post on its website a summary of the number of megawatts of Generation Capacity Resources for which it has received notification of preliminary requests, on an aggregate basis by Zone and Locational Deliverability Area that comprises a subset of a Zone, as specified in the PJM Manuals.</p> <p>Thereafter, as applicable, such Capacity Market Seller shall, by no later than (a) the December 1 that last precedes the Base Residual Auction for the applicable Delivery Year, or (b) one hundred twenty (120) days prior to the commencement of the offer period for the applicable Incremental Auction, notify the Office of the Interconnection and the Market Monitoring Unit in writing that it</p>	<p>Monitoring Unit in writing that it is withdrawing its preliminary exception request and explaining the changes to its analysis of whether to retire such resource that support its decision to withdraw, or (b) demonstrate that it has met the requirements specified under Paragraph A above. By no later than five (5) Business Days after receipt the notification deadline for of such notification, the Office of the Interconnection will post on its website a revised summary of the number of megawatts of Generation Capacity Resources for which it has received requests for exceptions to the RPM must-offer requirement for the reason specified in Paragraph A above, on an aggregate basis by Zone and Locational Deliverability Area that comprises a subset of a Zone, as specified in the PJM Manuals.</p> <p>A Capacity Market Seller that seeks to remove a Generation Capacity Resource from Capacity Resource status shall first submit a preliminary request in writing, along with supporting data and documentation indicating the reasons and conditions upon which the Capacity Market Seller is relying in its analysis of whether to remove the Capacity Resource status of such resource to the Market Monitoring Unit for evaluation, notifying the Office of the Interconnection by copy of the same, by no later than (a) the September 1 that last precedes the Base Residual Auction, and (b) two hundred forty (240) days prior to the commencement of the offer period for the applicable Incremental Auction. For the Base Residual Auction for the 2023/2024 Delivery Year, a Capacity Market Seller that seeks to remove a Generation Capacity Resource from Capacity Resource status shall first submit such preliminary request by no later than November 1, 2019. By no later than five (5) Business Days after receipt the notification deadline for of any such preliminary requests, the Office of the Interconnection will post on its website a summary of the number of megawatts of Generation Capacity Resources for which it has received notification of preliminary requests, on an aggregate basis by Zone and Locational Deliverability Area that comprises a subset of a Zone, as specified in the PJM Manuals.</p>	
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5.	RAA, Schedule 8.1.D	Chen Lu	<p>7. The Office of the Interconnection will review the adequacy of all submittals hereunder both as to timing and content. A Party that seeks to elect the FRR Alternative that submits an FRR Capacity Plan which, upon review by the Office of the Interconnection, is determined not to satisfy such Party's capacity obligations hereunder, shall not be permitted to elect the FRR Alternative. If a previously approved FRR Entity submits an FRR Capacity Plan that, upon review by the Office of the Interconnection, is determined not to satisfy such Party's capacity obligations hereunder, the Office of the Interconnection shall notify the FRR Entity, in writing, of the insufficiency within five (5) business days of the submittal of the FRR Capacity Plan. If the FRR Entity does not cure such insufficiency within five (5) business days after receiving such notice of insufficiency, then such FRR Entity shall be assessed an FRR Commitment Insufficiency Charge, in an amount equal to two times the Cost of New Entry for the relevant location, in \$/MW-day, times the shortfall of Capacity Resources below the FRR Entity's capacity obligation (including any Threshold Quantity requirement) in such FRR Capacity Plan, for the remaining term of such plan.</p> <p style="text-align: right;">4</p>	<p>7. The Office of the Interconnection will review the adequacy of all submittals hereunder both as to timing and content. A Party that seeks to elect the FRR Alternative that submits an FRR Capacity Plan which, upon review by the Office of the Interconnection, is determined not to satisfy such Party's capacity obligations hereunder, shall not be permitted to elect the FRR Alternative. If a previously approved FRR Entity submits an FRR Capacity Plan that, upon review by the Office of the Interconnection, is determined not to satisfy such Party's capacity obligations hereunder, the Office of the Interconnection shall notify the FRR Entity, in writing, of the insufficiency within five (5) business days after -of the submittal deadline of the FRR Capacity Plan. If the FRR Entity does not cure such insufficiency within five (5) business days after receiving such notice of insufficiency, then such FRR Entity shall be assessed an FRR Commitment Insufficiency Charge, in an amount equal to two times the Cost of New Entry for the relevant location, in \$/MW-day, times the shortfall of Capacity Resources below the FRR Entity's capacity obligation (including any Threshold Quantity requirement) in such FRR Capacity Plan, for the remaining term of such plan.</p>	<p>Because FRR entities can adjust and resend a new plan up until the deadline, it is not practical for PJM to provide its determination within 5 days after the plan is submitted. Instead, this should be within 5 business days after the FRR Capacity Plan deadline, which is 30 days before the BRA. Market Sellers continue to have 5 business days to cure any insufficiency after receiving notice.</p>

6.	RAA, Schedule 8.1.E	Chen Lu	<p>1. An FRR Entity may not include in its FRR Capacity Plan for any Delivery Year any Capacity Resource that has a capacity commitment cleared in any auction under Tariff, Attachment DD for such Delivery Year. Nothing herein shall preclude an FRR Entity from including in its FRR Capacity Plan any Capacity Resource has not cleared such an auction for such Delivery Year. Furthermore, nothing herein shall preclude an FRR Entity from including in its FRR Capacity Plan a Capacity Resource obtained from a different FRR Entity, provided, however, that each FRR Entity shall be individually responsible for meeting its capacity obligations hereunder, and provided further that the same megawatts of Unforced Capacity shall not be committed to more than one FRR Capacity Plan for any given Delivery Year.</p>	<p>1. An FRR Entity may not include in its FRR Capacity Plan for any Delivery Year any Capacity Resource MWs that are committed to RPM has a capacity commitment cleared in any auction under Tariff, Attachment DD for such Delivery Year. Nothing herein shall preclude an FRR Entity from including in its FRR Capacity Plan any uncommitted Capacity Resource MWs has not cleared such an auction for such Delivery Year. Furthermore, nothing herein shall preclude an FRR Entity from including in its FRR Capacity Plan a Capacity Resource obtained from a different FRR Entity, provided, however, that each FRR Entity shall be individually responsible for meeting its capacity obligations hereunder, and provided further that the same megawatts of Unforced Capacity shall not be committed to more than one FRR Capacity Plan for any given Delivery Year.</p>	<p>Clarifies that only RPM committed MWs cannot be included in the capacity plan. If a MW cleared, but then is later available (through replacement etc), it can still be used in a capacity plan</p>
7.	Tariff, definition L-M-N	Chen Lu	<p>Minimum Run Time For all generating units that are not combined cycle units, "Minimum Run Time" shall mean the minimum number of hours a unit must run, in real-time operations, from the time after generator breaker closure, which is typically indicated by telemetered or aggregated State Estimator megawatts greater than zero, to the time of generator breaker opening, as measured by PJM's State Estimator. For combined cycle units, "Minimum Run Time" shall mean the time period after the first combustion turbine generator breaker closure, which is typically indicated by telemetered or aggregated State Estimator megawatts greater than zero, and the last generator breaker opening as measured by PJM's State Estimator.</p>	<p>Minimum Run Time For all generating units that are not combined cycle units, "Minimum Run Time" shall mean the minimum number of hours a unit must run, in real-time operations, from the time after generator breaker closure, which is typically indicated by telemetered or aggregated State Estimator megawatts greater than zero, to the time of generator breaker opening, as measured by PJM's State Estimator. For combined cycle units, "Minimum Run Time" shall mean the time period between the first combustion turbine generator breaker closure, which is typically indicated by telemetered or aggregated State Estimator megawatts greater than zero, and to the time of the last generator breaker opening as measured by PJM's State Estimator.</p>	<p>A literal read of the definition as described for combined cycles would mean Minimum Run Time begins after the last generator breaker opens, which is after the unit stops generating for PJM. As a result, PJM proposes to clarify that for a combined cycle resource, the min run time is measured as the minimum number of hours a unit must run, which is measured between the first generator breaker closure to the time of the last breaker opening.</p>
8.	Tariff, Attachment K – Appendix, section 3.2.3A(j); Operating Agreement,	Chen Lu	<p>(j) In the event a generation resource or Economic Load Response Participant Resource that either has been assigned by the Office of the Interconnection or self-scheduled to provide Synchronized Reserve in real-time fails to provide the assigned or self-scheduled amount of Synchronized Reserve in response to a Synchronized Reserve Event,</p>	<p>(j) In the event a generation resource or Economic Load Response Participant Resource that either has been assigned by the Office of the Interconnection or self-scheduled to provide Synchronized Reserve in real-time fails to provide the assigned or self-scheduled amount of Synchronized Reserve in response to a Synchronized</p>	<p>In Docket #ER19-1486, Enhanced Price Formation filing, PJM's proposed language inadvertently inserted the capping provision in the wrong location. The assignment should not be capped when determining the under response or</p>

	Schedule 1, section 3.2.3A(j)		the resource will be charged at the Real-time Synchronized Reserve Market Clearing Price for the real-time Synchronized Reserve assignment, which is capped at the lesser of the Economic Maximum and the Synchronized Reserve maximum MW minus the Revenue Data for Settlements for the resource, in excess of amount that actually responded for all Real-time Settlement Intervals the resource was assigned or self-scheduled Synchronized Reserve real-time on the Operating Day during which the event occurred. The determination of the amount of Synchronized Reserve credited to a resource shall be on an individual resource basis, not on an aggregate basis.	Reserve Event, the resource will be charged at the Real-time Synchronized Reserve Market Clearing Price for the real-time Synchronized Reserve assignment, which is capped at the lesser of the Economic Maximum and the Synchronized Reserve maximum MW minus the Revenue Data for Settlements for the resource , in excess of amount that actually responded for all Real-time Settlement Intervals the resource was assigned or self-scheduled Synchronized Reserve real-time, which is capped at the lesser of the Economic Maximum and the Synchronized Reserve maximum MW minus the Revenue Data for Settlements for the resource, on the Operating Day during which the event occurred . The determination of the amount of Synchronized Reserve credited to a resource shall be on an individual resource basis, not on an aggregate basis.	Penalty MW that is assessed to the resource. The intention was to charge the resource for the underresponse/penalty MW which can be further limited by the capped assignments in all other intervals of the Operating Day. This correction is consistent with the retroactive penalty megawatt language in the same section of the Tariff. Transmittal letters for past filings support the intention for the retroactive penalty megawatt and day-of penalty MW calculations to be parallel.
9.	Tariff, Attachment K – Appendix, section 3.2.3A(f)(ii) and Operating Agreement, Schedule 1, section 3.2.3A(f)(ii)	Chen Lu	(ii) In determining the credit under subsection (b) to a generation resource, except a generation resource that is operating as a synchronous condenser, selected to provide Synchronized Reserve in the Real-time Synchronized Reserve Market in excess of the resource's Day-ahead Synchronized Reserve Market assignment and that actively follows the Office of the Interconnection's signals and instructions, the unit-specific opportunity cost of that generation resource shall be determined for each Real-time Settlement Interval that the Office of the Interconnection requires that generation resource to provide Synchronized Reserve and shall be in accordance with the following equation: (A x B) - C Where: A = The Real-time Locational Marginal Price at the generation bus of the generation resource; B = The deviation of the generation resource's output necessary to supply Synchronized Reserve in real-time, capped at the amount of Synchronized Reserve the resource responded during a Synchronized Reserve Event during the Operating Day, in excess of its Day-ahead Synchronized Reserve Market assignment and follow the Office of the Interconnection's signals and instructions from the generation resource's expected output level if it had been dispatched in economic merit order to provide energy; and	(ii) In determining the credit under subsection (b) to a generation resource, except a generation resource that is operating as a synchronous condenser, selected to provide Synchronized Reserve in the Real-time Synchronized Reserve Market in excess of the resource's Day-ahead Synchronized Reserve Market assignment and that actively follows the Office of the Interconnection's signals and instructions, the unit-specific opportunity cost of that generation resource shall be determined for each Real-time Settlement Interval that the Office of the Interconnection requires that generation resource to provide Synchronized Reserve and shall be in accordance with the following equation: (A x B) - C Where: A = The Real-time Locational Marginal Price at the generation bus of the generation resource; B = The deviation of the generation resource's output necessary to supply Synchronized Reserve in real-time, capped at reduced by the amount of Synchronized Reserve the resource failed to respond ed during a Synchronized Reserve Event during the Operating Day, in excess of its Day-ahead Synchronized Reserve Market assignment and follow the Office of the Interconnection's signals and instructions from the generation resource's expected output level if it had been dispatched in economic merit order to provide energy; and	In Docket #ER19-1486, Enhanced Price Formation filing, PJM's Real-time Opportunity Cost language inadvertently used the incorrect capping terminology when a resource is penalized for under response during a Synchronized Reserve Event on the Operating Day. Consistent with the Day-of Penalty Charge described in (j) above, the amount the resource failed to respond during a Synchronized Reserve event reduces any deviation in output necessary to supply Synchronized Reserve in real-time when determining the real-time opportunity cost during all intervals of the Operating Day.

			C = The energy offer integrated under the applicable energy offer curve for the generation resource's output necessary to supply Synchronized Reserve in real-time from the lesser of the generation resource's output necessary to provide a Day-ahead Synchronized Reserve Market assignment or follow the Office of the Interconnection's signals and instructions from the generation resource's expected output level if it had been dispatched in economic merit order to provide energy.	C = The energy offer integrated under the applicable energy offer curve for the generation resource's output necessary to supply Synchronized Reserve in real-time from the lesser of the generation resource's output necessary to provide a Day-ahead Synchronized Reserve Market assignment or follow the Office of the Interconnection's signals and instructions from the generation resource's expected output level if it had been dispatched in economic merit order to provide energy.	
10.	Tariff, Attachment K – Appendix, section 3.2.3A (f)(iv) Operating Agreement, Schedule 1, section 3.2.3A (f)(iv)	Chen Lu	(iv) A Synchronized Reserve lost opportunity cost credit is determined for each resource for each Real-time Settlement Interval in accordance with the following equation: $(A + B + C + D) - (E + F + G + H)$ Where: A = day-ahead Synchronized Reserve offer price times the Synchronized Reserve MW assignment; B = real-time Synchronized Reserve offer price times the Synchronized Reserve MW assigned in real-time in excess of the Synchronized Reserve MW assigned day-ahead, where the Synchronized Reserve MW assigned is capped at the lesser of the Economic Maximum and the Synchronized Reserve maximum MW minus the Revenue Data for Settlements of the resource for each Real-time Settlement Interval where there is not a Synchronized Reserve event; C = day-ahead opportunity cost as determined in subsection (f)(i) above; D = real-time opportunity cost as determined in subsection (f)(ii) above; E = day-ahead clearing price credits as determined in subsection (b)(i) above; F = real-time clearing price credits as determined in subsection (b)(ii) above; G = the applicable Market Revenue Neutrality Offset as determined in subsection (f)(iii) above; and H = the opportunity cost credit owed due to a reduction in assignment in real-time as described in section 3.2.3A(f)(iii) above if not eligible for Market Revenue Neutrality Offset.	(iv) A Synchronized Reserve lost opportunity cost credit is determined for each resource for each Real-time Settlement Interval in accordance with the following equation: $(A + B + C + D) - (E + F + G + H)$ Where: A = day-ahead Synchronized Reserve offer price times the Synchronized Reserve MW assignment; B = real-time Synchronized Reserve offer price times the Synchronized Reserve MW assigned in real-time in excess of the Synchronized Reserve MW assigned day-ahead, where the Synchronized Reserve MW assigned is capped at the lesser of the Economic Maximum and the Synchronized Reserve maximum MW minus the Revenue Data for Settlements of the resource for each Real-time Settlement Interval where there is not a Synchronized Reserve event; C = day-ahead opportunity cost as determined in subsection (f)(i) above; D = real-time opportunity cost as determined in subsection (f)(ii) above; E = day-ahead clearing price credits as determined in subsection (b)(i) above; F = real-time clearing price credits as determined in subsection (b)(ii) above less any applicable charges for failure to respond to a Synchronized Reserve Event as determined in subsection (j) below; G = the applicable Market Revenue Neutrality Offset as determined in subsection (f)(iii) above; and H = the opportunity cost credit owed due to a reduction in	In Docket #ER19-1486, Enhanced Price Formation filing, PJM's filing included a change to the Day-of Synchronized Reserve Event Penalty settlements implementation. The change was intended to separately identify the Day-of Penalty as a charge rather than the previous billing practice of reducing the credits paid to a resource. As a result, a reference to subsection (j) was inadvertently missed in the equation for Lost Opportunity Cost Credits. Item F referencing the real-time clearing price credits should include any offsetting Day-of Penalty charges for failure to respond to a Synchronized Reserve Event during the Operating Day.

				assignment in real-time as described in section 3.2.3A(f)(iii) above if not eligible for Market Revenue Neutrality Offset.	
11.	Tariff, Attachment Q, section VI.C.2.	Colleen Hicks	(e) Realized Gains and/or Losses Any realized gains and/or losses resulting from the sale of Financial Transmission Right Obligations will be subtracted from the FTR Credit Requirement. A realized gain will decrease the FTR Credit Requirement (but not below \$0.00), whereas a realized loss will increase the FTR Credit Requirement.	(e) Realized Gains and/or Losses Any realized gains and/or losses resulting from the sale settlement of Financial Transmission Right Obligations that have not been paid out will be subtracted from the FTR Credit Requirement. A realized gain will decrease the FTR Credit Requirement (but not below \$0.00), whereas a realized loss will increase the FTR Credit Requirement.	In Docket ER22-2029-000 FERC approved PJM's Revised FTR Credit Requirement. This change clarifies the FTR Credit Requirement to reflect that activity resulting from settled FTR activity will be included as part of realized gains and losses.
12.	Operating Agreement Section 14B.2.	Colleen Hicks	Late Payment Charges that are collected pursuant to this Section 7.1A(f) shall be credited to PJM Settlement administrative costs and will be included in any applicable stated rate refund calculations as contemplated under Schedule 9 of this Tariff	Late Payment Charges that are collected pursuant to this Section 7.1A(f) shall be credited to PJM's Settlement administrative costs and will be included in any applicable stated rate refund calculations as contemplated under Schedule 9 of this Tariff	FERC accepted PJM compliance filing in its administrative rate case in Docket ER22-26-003. PJM has changed from stated rate to formula rate

13	Tariff, Attachment K, Appendix, 7.1.2 Operating Agreement, Schedule 1, 7.1.2	Colleen Hicks	Subject to Operating Agreement, Schedule 1, section 7.1.1, annual Financial Transmission Rights auctions shall offer the entire FTR capability of the PJM system in four rounds with 25 percent of the capability offered in each round. All four rounds of the annual Financial Transmission Rights auction shall occur within the two-month period (April – May) preceding the start of the PJM Planning Period. Each round shall occur over five Business Days and shall be conducted sequentially. Each round shall begin with the bid and offer period. The bid and offer period for annual Financial Transmission Rights auctions shall be open for three consecutive Business Days, opening the first day at 12:00 midnight (Eastern Prevailing Time) and closing the third day at 5:00 p.m. (Eastern Prevailing Time). Monthly Financial Transmission Rights auctions shall be held each month. The bid and offer period for monthly Financial Transmission Rights auctions shall be open for three consecutive Business Days in the month preceding the first month for which Financial Transmission Rights are being auctioned, opening the first day at 12:00 midnight (Eastern Prevailing Time) and closing the third day at 5:00 p.m. (Eastern Prevailing Time).	Subject to Operating Agreement, Schedule 1, section 7.1.1, annual Financial Transmission Rights auctions shall offer the entire FTR capability of the PJM system in four rounds with 25 percent of the capability offered in each round. All four rounds of the annual Financial Transmission Rights auction shall occur within the two-month period (April – May) preceding the start of the PJM Planning Period. Each round shall occur over five Business Days and shall be conducted sequentially. Each round shall begin with the bidding and offer period. The bidding and offer period for annual Financial Transmission Rights auctions shall be open for three consecutive Business Days, opening the first day at 12:00 midnight (Eastern Prevailing Time) and closing the third day at 5:00 p.m. (Eastern Prevailing Time), subject to extension of the bidding period in accordance with Tariff, Attachment K-Appendix, section 7.3.5(e) . Monthly Financial Transmission Rights auctions shall be held each month. The bidding and offer period for monthly Financial Transmission Rights auctions shall be open for three consecutive Business Days in the month preceding the first month for which Financial Transmission Rights are being auctioned, opening the first day at 12:00 midnight (Eastern Prevailing Time) and closing the third day at 5:00 p.m. (Eastern Prevailing Time), subject to extension of the bidding period in accordance with Tariff, Attachment K-Appendix, section 7.3.5(e) .	Correspond to tariff/OA changes regarding extension of the FTR bidding period.
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14	Tariff, Attachment K, Appendix, 7.1A.2 Operating Agreement, Schedule 1, 7.1A.2	Colleen Hicks	<p>The long-term Financial Transmission Rights auction process shall consist of five rounds. The first round shall be conducted by the Office of the Interconnection approximately 11 months prior to the start of the three Planning Period term covered by the relevant long-term Financial Transmission Rights auction. The second round shall be conducted approximately 2 months after the first round. The third round shall be conducted approximately 2 months after the second round. The fourth round shall be conducted approximately 2 months after the third round, and the fifth round shall be conducted approximately 3 months after the fourth round. In each round 20 percent of total capacity available in the long-term Financial Transmission Rights auction shall be offered for sale. Eligible entities may submit bids to purchase and offers to sell Financial Transmission Rights at the start of the bidding period in each round. The bidding period shall be three Business Days ending at 5:00 p.m. on the last day). PJM performs the Financial Transmission Rights auction clearing analysis for each round and posts the auction results on the market user interface within five Business Days after the close of the bidding period for each round unless circumstances beyond PJM's control prevent PJM from meeting the applicable deadline. Under such circumstances, PJM will post the auction results at the earliest possible opportunity. If the Office of the Interconnection discovers a <i>potential</i> error in the results posted for a long-term Financial Transmission Rights auction, the Office of the Interconnection shall notify Market Participants as soon as possible after it is found, but in no event later than 5:00 p.m. of the Business Day immediately following the initial publication of the results for that auction. After this initial notification, if the Office of the Interconnection determines it is necessary to post modified auction results, it shall provide notification of its intent to do so, <i>along with a description detailing the cause and scope of the error,</i> by</p>	<p>The long-term Financial Transmission Rights auction process shall consist of five rounds. The first round shall be conducted by the Office of the Interconnection approximately 11 months prior to the start of the three Planning Period term covered by the relevant long-term Financial Transmission Rights auction. The second round shall be conducted approximately 2 months after the first round. The third round shall be conducted approximately 2 months after the second round. The fourth round shall be conducted approximately 2 months after the third round, and the fifth round shall be conducted approximately 3 months after the fourth round. In each round 20 percent of total capacity available in the long-term Financial Transmission Rights auction shall be offered for sale. Eligible entities may submit bids to purchase and offers to sell Financial Transmission Rights at the start of the bidding period in each round. The bidding period shall be three Business Days ending at 5:00 p.m. on the last day), subject to extension of the bidding period in accordance with Tariff, Attachment K-Appendix, section 7.3.5(e). PJM performs the Financial Transmission Rights auction clearing analysis for each round and posts the auction results on the market user interface within five Business Days after the close of the bidding period for each round unless circumstances beyond PJM's control prevent PJM from meeting the applicable deadline. Under such circumstances, PJM will post the auction results at the earliest possible opportunity. If the Office of the Interconnection discovers a <i>potential</i> error in the results posted for a long-term Financial Transmission Rights auction, the Office of the Interconnection shall notify Market Participants as soon as possible after it is found, but in no event later than 5:00 p.m. of the Business Day immediately following the initial publication of the results for that auction. After this initial notification, if the Office of the</p>	Correspond to tariff/OA changes regarding extension of the FTR bidding period.
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			<p>no later than 5:00 p.m. of the second Business Day following the initial publication of prices for that auction. <i>The provided description will not contain information that is market sensitive or confidential.</i> Thereafter, the Office of the Interconnection must post the corrected prices by no later than 5:00 p.m. of the fourth calendar day following the initial publication of prices in the auction. Should any of the above deadlines pass without the associated action on the part of the Office of the Interconnection, the originally posted results will be considered final. Notwithstanding the foregoing, the deadlines set forth above shall not apply if the referenced auction results are under publicly noticed review by the FERC.</p>	<p>Interconnection determines it is necessary to post modified auction results, it shall provide notification of its intent to do so, <i>along with a description detailing the cause and scope of the error</i>, by no later than 5:00 p.m. of the second Business Day following the initial publication of prices for that auction. <i>The provided description will not contain information that is market sensitive or confidential.</i> Thereafter, the Office of the Interconnection must post the corrected prices by no later than 5:00 p.m. of the fourth calendar day following the initial publication of prices in the auction. Should any of the above deadlines pass without the associated action on the part of the Office of the Interconnection, the originally posted results will be considered final. Notwithstanding the foregoing, the deadlines set forth above shall not apply if the referenced auction results are under publicly noticed review by the FERC.</p>	
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15	Tariff, Attachment K, Appendix 7.3.5 Operating Agreement, Schedule 1, Section 7.3.5	Colleen Hicks	(d) Bids and offers shall be specified to the nearest tenth of a megawatt and shall be greater than zero. The Office of the Interconnection may require that a market participant shall not submit in excess of 5000 bids and offers for any single monthly auction, or for any single round of the annual auction, when the Office of the Interconnection determines that such limit is required to avoid or mitigate significant system performance problems related to bid/offer volume. Notice of the need to impose such limit shall be provided prior to the start of the bidding period if possible. Where such notice is provided after the start of the bidding period, market participants shall be required within one day to reduce their bids and offers for such auction below 5000, and the bidding period in such cases shall be extended by one day.	(d) Bids and offers shall be specified to the nearest tenth of a megawatt and shall be greater than zero. The Office of the Interconnection may require that a market participant shall not submit in excess of 5000 bids and offers for any single monthly auction, or for any single round of the annual auction, when the Office of the Interconnection determines that such limit is required to avoid or mitigate significant system performance problems related to bid/offer volume. Notice of the need to impose such limit shall be provided prior to the start of the bidding period if possible. Where such notice is provided after the start of the bidding period, market participants shall be required within one day to reduce their bids and offers for such auction below 5000, and the bidding period in such cases shall be extended by one day. (e) In the event of extraordinary circumstances affecting the submission of bids within the bidding period in which the Office of the Interconnection determines it necessary to extend the bidding period, the Office of the Interconnection shall notify Market Participants as soon as possible of the new bidding period ending day and time.	Addition of language to provide for notice to Members in the event the bidding period is extended.
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16	Tariff, Attachment K, Appendix 7.3.7 Operating Agreement, Schedule 1, Section 7.3.7	Colleen Hicks	<p>Within two (2) Business Days after the close of the bid and offer period for an annual Financial Transmission Rights auction round, and within five (5) Business Days after the close of the bid and offer period for a monthly Financial Transmission Rights auction, the Office of the Interconnection shall post the winning bidders, the megawatt quantity, the term and the receipt and delivery points for each Financial Transmission Right awarded in the auction and the price at which each Financial Transmission Right was awarded unless circumstances beyond PJM’s control prevent PJM from meeting the applicable deadline. Under such circumstances, PJM will post the auction results at the earliest possible opportunity. The Office of the Interconnection shall not disclose the price specified in any bid to purchase or the reservation price specified in any offer to sell. If the Office of the Interconnection discovers an error in the results posted for a Financial Transmission Rights auction (or a given round of the annual Financial Transmission Rights auction), the Office of the Interconnection shall notify Market Participants of the error as soon as possible after it is found, but in no event later than 5:00 p.m. of the Business Day following the initial publication of the results of the auction or round of the annual auction. After this initial notification, if the Office of the Interconnection determines that it is necessary to post modified results, it shall provide notification of its intent to do so, together with all available supporting documentation, by no later than 5:00 p.m. of the second Business Day following the initial publication of the results of that auction or round of the annual auction. Thereafter, the Office of the Interconnection must post any corrected results by no later than 5:00 p.m. of the fourth calendar day following the initial publication of the results of the auction or round of the annual auction. Should any of the above deadlines pass without the associated action on the part of the Office of the Interconnection, the originally posted results will be considered final. Notwithstanding the foregoing, the deadlines set forth above shall not apply if the referenced auction results are under publicly noticed review by the FERC.</p>	<p>Within two (2) Business Days after the close of the bidding-and-offer period for an annual Financial Transmission Rights auction round, and within five (5) Business Days after the close of the bidding-and-offer period for a monthly Financial Transmission Rights auction, the Office of the Interconnection shall post the winning bidders, the megawatt quantity, the term and the receipt and delivery points for each Financial Transmission Right awarded in the auction and the price at which each Financial Transmission Right was awarded unless circumstances beyond PJM’s control prevent PJM from meeting the applicable deadline. Under such circumstances, PJM will post the auction results at the earliest possible opportunity. The Office of the Interconnection shall not disclose the price specified in any bid to purchase or the reservation price specified in any offer to sell. If the Office of the Interconnection discovers an error in the results posted for a Financial Transmission Rights auction (or a given round of the annual Financial Transmission Rights auction), the Office of the Interconnection shall notify Market Participants of the error as soon as possible after it is found, but in no event later than 5:00 p.m. of the Business Day following the initial publication of the results of the auction or round of the annual auction. After this initial notification, if the Office of the Interconnection determines that it is necessary to post modified results, it shall provide notification of its intent to do so, together with all available supporting documentation, by no later than 5:00 p.m. of the second Business Day following the initial publication of the results of that auction or round of the annual auction. Thereafter, the Office of the Interconnection must post any corrected results by no later than 5:00 p.m. of the fourth calendar day following the initial publication of the results of the auction or round of the annual auction. Should any of the above deadlines pass without the associated action on the part of the Office of the Interconnection, the originally posted results will be considered final. Notwithstanding the foregoing, the deadlines</p>	Correspond to tariff/OA changes regarding extension of the FTR bidding period.
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				set forth above shall not apply if the referenced auction results are under publicly noticed review by the FERC.	
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