

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
1.	Tariff, Definitions, A-B	<p>Base Capacity Demand Resource:</p> <p>"Base Capacity Demand Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	<p>Base Capacity Demand Resource:</p> <p>"Base Capacity Demand Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
2.	Tariff, Definitions, A-B	<p>Base Capacity Demand Resource Constraint:</p> <p>"Base Capacity Demand Resource Constraint" for the PJM Region or an LDA, shall mean, for the 2018/2019 and 2019/2020 Delivery Years, the maximum Unforced Capacity amount, determined by PJM, of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources that is consistent with the maintenance of reliability. As more fully set forth in the PJM Manuals, PJM calculates the Base Capacity Demand Resource Constraint for the PJM Region or an LDA, by first determining a reference annual loss of load expectation ("LOLE") assuming no Base Capacity Resources, including no Base Capacity Demand Resources or Base Capacity Energy Efficiency Resources. The calculation for the PJM Region uses a daily distribution of loads under a range of weather scenarios (based on the most recent load forecast and iteratively shifting the load distributions to result in the Installed Reserve Margin established for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). The calculation for each relevant LDA uses a daily distribution of loads under a range of weather scenarios (based on the most recent load forecast for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). For the relevant LDA calculation, the weekly</p>	<p>Base Capacity Demand Resource Constraint:</p> <p>"Base Capacity Demand Resource Constraint" for the PJM Region or an LDA, shall mean, for the 2018/2019 and 2019/2020 Delivery Years, the maximum Unforced Capacity amount, determined by PJM, of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources that is consistent with the maintenance of reliability. As more fully set forth in the PJM Manuals, PJM calculates the Base Capacity Demand Resource Constraint for the PJM Region or an LDA, by first determining a reference annual loss of load expectation ("LOLE") assuming no Base Capacity Resources, including no Base Capacity Demand Resources or Base Capacity Energy Efficiency Resources. The calculation for the PJM Region uses a daily distribution of loads under a range of weather scenarios (based on the most recent load forecast and iteratively shifting the load distributions to result in the Installed Reserve Margin established for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). The calculation for each relevant LDA uses a daily distribution of loads under a range of weather scenarios (based on the most recent load forecast for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>capacity distributions are adjusted to reflect the Capacity Emergency Transfer Limit for the Delivery Year in question.</p> <p>For both the PJM Region and LDA analyses, PJM then models the commitment of varying amounts of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources (displacing otherwise committed generation) as interruptible from June 1 through September 30 and unavailable the rest of the Delivery Year in question and calculates the LOLE at each DR and EE level. The Base Capacity Demand Resource Constraint is the combined amount of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources, stated as a percentage of the unrestricted annual peak load, that produces no more than a five percent increase in the LOLE, compared to the reference value. The Base Capacity Demand Resource Constraint shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [the Forecast Pool Requirement] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	<p>Delivery Year in question). For the relevant LDA calculation, the weekly capacity distributions are adjusted to reflect the Capacity Emergency Transfer Limit for the Delivery Year in question.</p> <p>For both the PJM Region and LDA analyses, PJM then models the commitment of varying amounts of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources (displacing otherwise committed generation) as interruptible from June 1 through September 30 and unavailable the rest of the Delivery Year in question and calculates the LOLE at each DR and EE level. The Base Capacity Demand Resource Constraint is the combined amount of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources, stated as a percentage of the unrestricted annual peak load, that produces no more than a five percent increase in the LOLE, compared to the reference value. The Base Capacity Demand Resource Constraint shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [the Forecast Pool Requirement] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	
3.	Tariff, Definitions, A-B	<p>Base Capacity Energy Efficiency Resource:</p> <p>"Base Capacity Energy Efficiency Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	<p>Base Capacity Energy Efficiency Resource:</p> <p>"Base Capacity Energy Efficiency Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
4.	Tariff, Definitions, A-B	<p>Base Capacity Resource:</p> <p>"Base Capacity Resource" shall mean a Capacity Resource as described in Tariff, Attachment DD, section 5.5A(b).</p>	<p>Base Capacity Resource:</p> <p>"Base Capacity Resource" shall mean a Capacity Resource as described in Tariff, Attachment DD, section 5.5A(b).</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
5.	Tariff, Definitions, A-B	<p>Base Capacity Resource Constraint:</p> <p>"Base Capacity Resource Constraint" for the PJM Region or an LDA, shall mean, for the 2018/2019 and 2019/2020 Delivery Years, the maximum Unforced Capacity amount, determined by PJM, of Base Capacity Resources, including Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources, that is consistent with the maintenance of reliability. As more fully set forth in the PJM Manuals, PJM calculates the above Base Capacity Resource Constraint for the PJM Region or an LDA, by first determining a reference annual loss of load expectation ("LOLE") assuming no Base Capacity Resources, including no Base Capacity Demand Resources or Base Capacity Energy Efficiency Resources. The calculation for the PJM Region uses the weekly load distribution from the Installed Reserve Margin study for the Delivery Year in question (based on the most recent load forecast and iteratively shifting the load distributions to result in the Installed Reserve Margin established for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). The calculation for each relevant LDA uses a weekly load distribution (based on the Installed Reserve Margin study and the most recent load forecast for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). For the relevant LDA calculation, the</p>	<p>Base Capacity Resource Constraint:</p> <p>"Base Capacity Resource Constraint" for the PJM Region or an LDA, shall mean, for the 2018/2019 and 2019/2020 Delivery Years, the maximum Unforced Capacity amount, determined by PJM, of Base Capacity Resources, including Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources, that is consistent with the maintenance of reliability. As more fully set forth in the PJM Manuals, PJM calculates the above Base Capacity Resource Constraint for the PJM Region or an LDA, by first determining a reference annual loss of load expectation ("LOLE") assuming no Base Capacity Resources, including no Base Capacity Demand Resources or Base Capacity Energy Efficiency Resources. The calculation for the PJM Region uses the weekly load distribution from the Installed Reserve Margin study for the Delivery Year in question (based on the most recent load forecast and iteratively shifting the load distributions to result in the Installed Reserve Margin established for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). The calculation for each relevant LDA uses a weekly load distribution (based on the Installed Reserve Margin study and the most recent load forecast for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>weekly capacity distributions are adjusted to reflect the Capacity Emergency Transfer Limit for the Delivery Year in question. Additionally, for the PJM Region and relevant LDA calculation, the weekly capacity distributions are adjusted to reflect winter ratings.</p> <p>For both the PJM Region and LDA analyses, PJM models the commitment of an amount of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources equal to the Base Capacity Demand Resource Constraint (displacing otherwise committed generation). PJM then models the commitment of varying amounts of Base Capacity Resources (displacing otherwise committed generation) as unavailable during the peak week of winter and available the rest of the Delivery Year in question and calculates the LOLE at each Base Capacity Resource level. The Base Capacity Resource Constraint is the combined amount of Base Capacity Demand Resources, Base Capacity Energy Efficiency Resources and Base Capacity Resources, stated as a percentage of the unrestricted annual peak load, that produces no more than a ten percent increase in the LOLE, compared to the reference value. The Base Capacity Resource Constraint shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [one minus the pool-wide average EFORD] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	<p>distributions developed for the Installed Reserve Margin study for the Delivery Year in question). For the relevant LDA calculation, the weekly capacity distributions are adjusted to reflect the Capacity Emergency Transfer Limit for the Delivery Year in question. Additionally, for the PJM Region and relevant LDA calculation, the weekly capacity distributions are adjusted to reflect winter ratings.</p> <p>-</p> <p>For both the PJM Region and LDA analyses, PJM models the commitment of an amount of Base Capacity Demand Resources and Base Capacity Energy Efficiency Resources equal to the Base Capacity Demand Resource Constraint (displacing otherwise committed generation). PJM then models the commitment of varying amounts of Base Capacity Resources (displacing otherwise committed generation) as unavailable during the peak week of winter and available the rest of the Delivery Year in question and calculates the LOLE at each Base Capacity Resource level. The Base Capacity Resource Constraint is the combined amount of Base Capacity Demand Resources, Base Capacity Energy Efficiency Resources and Base Capacity Resources, stated as a percentage of the unrestricted annual peak load, that produces no more than a ten percent increase in the LOLE, compared to the reference value. The Base Capacity Resource Constraint shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [one minus the pool-wide average EFORD] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
6.	Tariff, Definitions, C-D	<p>Capacity Performance Transition Incremental Auction:</p> <p>"Capacity Performance Transition Incremental Auction" shall have the meaning specified in Tariff, Attachment DD, section 5.14D.</p>	<p>Capacity Performance Transition Incremental Auction:</p> <p>"Capacity Performance Transition Incremental Auction" shall have the meaning specified in Tariff, Attachment DD, section 5.14D.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct. No information on Capacity Performance Transitional Incremental Auction in Tariff, Attachment DD, section 5.14D. Information was already removed from Tariff.
7.	Tariff, Definitions, C-D	<p>Demand Resource Factor or DR Factor:</p> <p>"Demand Resource Factor" or ("DR Factor") shall have the meaning specified in the Reliability Assurance Agreement.</p>	<p>Demand Resource Factor or DR Factor:</p> <p>"Demand Resource Factor" or ("DR Factor") shall have the meaning specified in the Reliability Assurance Agreement.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
8.	Tariff, Definitions, E-F	<p>Extended Summer Demand Resource:</p> <p>"Extended Summer Demand Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	<p>Extended Summer Demand Resource:</p> <p>"Extended Summer Demand Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
9.	Tariff, Definitions, L-M-N	<p>Limited Demand Resource:</p> <p>"Limited Demand Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	<p>Limited Demand Resource:</p> <p>"Limited Demand Resource" shall have the meaning specified in the Reliability Assurance Agreement.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
10.	Tariff, Definitions, L-M-N	<p>Limited Demand Resource Reliability Target:</p> <p>"Limited Demand Resource Reliability Target" for the PJM Region or an LDA, shall mean the maximum amount of Limited Demand Resources determined by PJM to be consistent with the maintenance of reliability, stated in Unforced Capacity that shall be used to calculate the Minimum Extended Summer Demand Resource Requirement for Delivery Years through May 31, 2017 and the Limited Resource Constraint for the 2017/2018 and 2018/2019 Delivery Years for the PJM Region or such LDA. As more fully set forth in the PJM Manuals, PJM calculates the Limited Demand Resource Reliability Target by first: i) testing the effects of the ten-interruption requirement by comparing possible loads on peak days under a range of weather conditions (from the daily load forecast distributions for the Delivery Year in question) against possible generation capacity on such days under a range of conditions (using the cumulative capacity distributions employed in the Installed Reserve Margin study for the PJM Region and in the Capacity Emergency Transfer Objective study for the relevant LDAs for such Delivery Year) and, by varying the assumed amounts of DR that is committed and displaces committed generation, determines the DR penetration level at which there is a ninety percent probability that DR will not be called (based on the applicable operating reserve margin for the PJM Region and for the relevant LDAs) more than ten times over those peak days; ii) testing the six-hour duration requirement by calculating the MW difference between the highest hourly unrestricted peak load and seventh highest hourly unrestricted peak load on certain high peak load days (e.g., the annual peak, loads above the weather normalized peak, or days where load management was called) in recent years, then dividing those loads by the forecast peak for those years and averaging the</p>	<p>Limited Demand Resource Reliability Target:</p> <p>"Limited Demand Resource Reliability Target" for the PJM Region or an LDA, shall mean the maximum amount of Limited Demand Resources determined by PJM to be consistent with the maintenance of reliability, stated in Unforced Capacity that shall be used to calculate the Minimum Extended Summer Demand Resource Requirement for Delivery Years through May 31, 2017 and the Limited Resource Constraint for the 2017/2018 and 2018/2019 Delivery Years for the PJM Region or such LDA. As more fully set forth in the PJM Manuals, PJM calculates the Limited Demand Resource Reliability Target by first: i) testing the effects of the ten-interruption requirement by comparing possible loads on peak days under a range of weather conditions (from the daily load forecast distributions for the Delivery Year in question) against possible generation capacity on such days under a range of conditions (using the cumulative capacity distributions employed in the Installed Reserve Margin study for the PJM Region and in the Capacity Emergency Transfer Objective study for the relevant LDAs for such Delivery Year) and, by varying the assumed amounts of DR that is committed and displaces committed generation, determines the DR penetration level at which there is a ninety percent probability that DR will not be called (based on the applicable operating reserve margin for the PJM Region and for the relevant LDAs) more than ten times over those peak days; ii) testing the six-hour duration requirement by calculating the MW difference between the highest hourly unrestricted peak load and seventh highest hourly unrestricted peak load on certain high peak load days (e.g., the annual peak, loads above the weather</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>result; and (iii) (for the 2016/2017 and 2017/2018 Delivery Years) testing the effects of the six-hour duration requirement by comparing possible hourly loads on peak days under a range of weather conditions (from the daily load forecast distributions for the Delivery Year in question) against possible generation capacity on such days under a range of conditions (using a Monte Carlo model of hourly capacity levels that is consistent with the capacity model employed in the Installed Reserve Margin study for the PJM Region and in the Capacity Emergency Transfer Objective study for the relevant LDAs for such Delivery Year) and, by varying the assumed amounts of DR that is committed and displaces committed generation, determines the DR penetration level at which there is a ninety percent probability that DR will not be called (based on the applicable operating reserve margin for the PJM Region and for the relevant LDAs) for more than six hours over any one or more of the tested peak days. Second, PJM adopts the lowest result from these three tests as the Limited Demand Resource Reliability Target. The Limited Demand Resource Reliability Target shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [the Forecast Pool Requirement] times [the DR Factor] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	<p>normalized peak, or days where load management was called) in recent years, then dividing those loads by the forecast peak for those years and averaging the result; and (iii) (for the 2016/2017 and 2017/2018 Delivery Years) testing the effects of the six-hour duration requirement by comparing possible hourly loads on peak days under a range of weather conditions (from the daily load forecast distributions for the Delivery Year in question) against possible generation capacity on such days under a range of conditions (using a Monte Carlo model of hourly capacity levels that is consistent with the capacity model employed in the Installed Reserve Margin study for the PJM Region and in the Capacity Emergency Transfer Objective study for the relevant LDAs for such Delivery Year) and, by varying the assumed amounts of DR that is committed and displaces committed generation, determines the DR penetration level at which there is a ninety percent probability that DR will not be called (based on the applicable operating reserve margin for the PJM Region and for the relevant LDAs) for more than six hours over any one or more of the tested peak days. Second, PJM adopts the lowest result from these three tests as the Limited Demand Resource Reliability Target. The Limited Demand Resource Reliability Target shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [the Forecast Pool Requirement] times [the DR Factor] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	
11.	Tariff, Definitions, L-M-N	<p>Limited Resource Constraint:</p> <p>"Limited Resource Constraint" shall mean, for the 2017/2018 Delivery Year and for FRR Capacity Plans the 2017/2018 and Delivery Years, for the PJM Region or each LDA for which the Office of the Interconnection is required under</p>	<p>Limited Resource Constraint:</p> <p>"Limited Resource Constraint" shall mean, for the 2017/2018 Delivery Year and for FRR Capacity Plans the 2017/2018 and Delivery Years, for the PJM Region or each LDA for which the Office of the</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for a Delivery Year, a limit on the total amount of Unforced Capacity that can be committed as Limited Demand Resources for the 2017/2018 Delivery Year in the PJM Region or in such LDA, calculated as the Limited Demand Resource Reliability Target for the PJM Region or such LDA, respectively, minus the Short Term Resource Procurement Target for the PJM Region or such LDA, respectively.	Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for a Delivery Year, a limit on the total amount of Unforced Capacity that can be committed as Limited Demand Resources for the 2017/2018 Delivery Year in the PJM Region or in such LDA, calculated as the Limited Demand Resource Reliability Target for the PJM Region or such LDA, respectively, minus the Short Term Resource Procurement Target for the PJM Region or such LDA, respectively.	
12.	Tariff, Definitions, L-M-N	<p>Minimum Annual Resource Requirement:</p> <p>“Minimum Annual Resource Requirement” shall mean, for Delivery Years through May 31, 2017, the minimum amount of capacity that PJM will seek to procure from Annual Resources for the PJM Region and for each Locational Deliverability Area for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year. For the PJM Region, the Minimum Annual Resource Requirement shall be equal to the RTO Reliability Requirement minus [the Sub-Annual Resource Reliability Target for the RTO in Unforced Capacity]. For an LDA, the Minimum Annual Resource Requirement shall be equal to the LDA Reliability Requirement minus [the LDA CETL] minus [the Sub-Annual Resource Reliability Target for such LDA in Unforced Capacity]. The LDA CETL may be adjusted pro rata for the amount of load served under the FRR Alternative</p>	<p>Minimum Annual Resource Requirement:</p> <p>“Minimum Annual Resource Requirement” shall mean, for Delivery Years through May 31, 2017, the minimum amount of capacity that PJM will seek to procure from Annual Resources for the PJM Region and for each Locational Deliverability Area for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year. For the PJM Region, the Minimum Annual Resource Requirement shall be equal to the RTO Reliability Requirement minus [the Sub-Annual Resource Reliability Target for the RTO in Unforced Capacity]. For an LDA, the Minimum Annual Resource Requirement shall be equal to the LDA Reliability Requirement minus [the LDA CETL] minus [the Sub-Annual Resource Reliability Target for such LDA in Unforced Capacity]. The LDA CETL may be adjusted pro rata for the amount of load served under the FRR Alternative</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
13.	Tariff, Definitions L-M-N	<p>Minimum Extended Summer Resource Requirement:</p> <p>"Minimum Extended Summer Resource Requirement" shall mean, for Delivery Years through May 31, 2017, the minimum amount of capacity that PJM will seek to procure from Extended Summer Demand Resources and Annual Resources for</p>	<p>Minimum Extended Summer Resource Requirement:</p> <p>"Minimum Extended Summer Resource Requirement" shall mean, for Delivery Years through May 31, 2017, the minimum amount of capacity that PJM will seek to procure from Extended Summer Demand</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		the PJM Region and for each Locational Deliverability Area for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year. For the PJM Region, the Minimum Extended Summer Resource Requirement shall be equal to the RTO Reliability Requirement minus [the Limited Demand Resource Reliability Target for the PJM Region in Unforced Capacity]. For an LDA, the Minimum Extended Summer Resource Requirement shall be equal to the LDA Reliability Requirement minus [the LDA CETL] minus [the Limited Demand Resource Reliability Target for such LDA in Unforced Capacity]. The LDA CETL may be adjusted pro rata for the amount of load served under the FRR Alternative.	Resources and Annual Resources for the PJM Region and for each Locational Deliverability Area for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year. For the PJM Region, the Minimum Extended Summer Resource Requirement shall be equal to the RTO Reliability Requirement minus [the Limited Demand Resource Reliability Target for the PJM Region in Unforced Capacity]. For an LDA, the Minimum Extended Summer Resource Requirement shall be equal to the LDA Reliability Requirement minus [the LDA CETL] minus [the Limited Demand Resource Reliability Target for such LDA in Unforced Capacity]. The LDA CETL may be adjusted pro rata for the amount of load served under the FRR Alternative.	
14.	Tariff, Definitions L-M-N	MOPR Floor Offer Price: "MOPR Floor Offer Price" shall mean a minimum offer price applicable to certain Market Seller's Capacity Resources under certain conditions, as determined in accordance with Tariff, Attachment DD, sections 5.14(h), 5.14(h-1), and 5.14(h-2).	MOPR Floor Offer Price: "MOPR Floor Offer Price" shall mean a minimum offer price applicable to certain Market Seller's Capacity Resources under certain conditions, as determined in accordance with Tariff, Attachment DD, sections 5.14(h), 5.14(h-1), and 5.14(h-2).	Tariff, Attachment DD, sections 5.14(h) and (h-1) have passed sunset date and are no longer relevant under the Capacity Performance construct.
15.	Tariff, Definitions O-P-Q	Performance Assessment Interval: "Performance Assessment Interval" shall mean each Real-time Settlement Interval for which an Emergency Action has been declared by the Office of the Interconnection, provided, however, that Performance Assessment Intervals for a Base Capacity Resource shall not include any intervals outside the calendar months of June through September.	Performance Assessment Interval: "Performance Assessment Interval" shall mean each Real-time Settlement Interval for which an Emergency Action has been declared by the Office of the Interconnection, provided, however, that Performance Assessment Intervals for a Base Capacity Resource shall not include any intervals outside the calendar months of June through September.	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.
16.	Tariff, Definitions R-S	Reliability Pricing Model Auction: "Reliability Pricing Model Auction" or "RPM Auction" shall mean the Base Residual Auction or any Incremental Auction, or, for the 2016/2017 and	Reliability Pricing Model Auction: "Reliability Pricing Model Auction" or "RPM Auction" shall mean the Base Residual Auction or any Incremental Auction, or, for the	Capacity Performance Transition Incremental Auction term has passed sunset date and is no

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		2017/2018 Delivery Years, any Capacity Performance Transition Incremental Auction.	2016/2017 and 2017/2018 Delivery Years, any Capacity Performance Transition Incremental Auction.	longer relevant under the Capacity Performance construct.
17.	Tariff, Definitions R-S	<p>Short-Term Resource Procurement Target:</p> <p>“Short-Term Resource Procurement Target” shall mean, for Delivery Years through May 31, 2018, as to the PJM Region, for purposes of the Base Residual Auction, 2.5% of the PJM Region Reliability Requirement determined for such Base Residual Auction, for purposes of the First Incremental Auction, 2% of the of the PJM Region Reliability Requirement as calculated at the time of the Base Residual Auction; and, for purposes of the Second Incremental Auction, 1.5% of the of the PJM Region Reliability Requirement as calculated at the time of the Base Residual Auction; and, as to any Zone, an allocation of the PJM Region Short-Term Resource Procurement Target based on the Preliminary Zonal Forecast Peak Load, reduced by the amount of load served under the FRR Alternative. For any LDA, the LDA Short-Term Resource Procurement Target shall be the sum of the Short-Term Resource Procurement Targets of all Zones in the LDA</p>	<p>Short-Term Resource Procurement Target:</p> <p>“Short-Term Resource Procurement Target” shall mean, for Delivery Years through May 31, 2018, as to the PJM Region, for purposes of the Base Residual Auction, 2.5% of the PJM Region Reliability Requirement determined for such Base Residual Auction, for purposes of the First Incremental Auction, 2% of the of the PJM Region Reliability Requirement as calculated at the time of the Base Residual Auction; and, for purposes of the Second Incremental Auction, 1.5% of the of the PJM Region Reliability Requirement as calculated at the time of the Base Residual Auction; and, as to any Zone, an allocation of the PJM Region Short-Term Resource Procurement Target based on the Preliminary Zonal Forecast Peak Load, reduced by the amount of load served under the FRR Alternative. For any LDA, the LDA Short-Term Resource Procurement Target shall be the sum of the Short-Term Resource Procurement Targets of all Zones in the LDA</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
18.	Tariff, Definitions R-S	<p>Short-Term Resource Procurement Target Applicable Share:</p> <p>“Short-Term Resource Procurement Target Applicable Share” shall mean, for Delivery Years through May 31, 2018: (i) for the PJM Region, as to the First and Second Incremental Auctions, 0.2 times the Short-Term Resource Procurement Target used in the Base Residual Auction and, as to the Third Incremental Auction for the PJM Region, 0.6 times such target; and (ii) for an LDA, as to the First and Second Incremental Auctions, 0.2 times the Short-Term Resource Procurement Target used in the Base Residual Auction for such LDA and, as to the Third Incremental Auction, 0.6 times such target</p>	<p>Short-Term Resource Procurement Target Applicable Share:</p> <p>“Short-Term Resource Procurement Target Applicable Share” shall mean, for Delivery Years through May 31, 2018: (i) for the PJM Region, as to the First and Second Incremental Auctions, 0.2 times the Short-Term Resource Procurement Target used in the Base Residual Auction and, as to the Third Incremental Auction for the PJM Region, 0.6 times such target; and (ii) for an LDA, as to the First and Second Incremental Auctions, 0.2 times the Short-Term Resource Procurement Target used in the Base Residual</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
			Auction for such LDA and, as to the Third Incremental Auction, 0.6 times such target	
19.	Tariff, Definitions R-S	<p>Sub-Annual Resource Constraint:</p> <p>“Sub-Annual Resource Constraint” shall mean, for the 2017/2018 Delivery Year and for FRR Capacity Plans the 2017/2018 and 2018/2019 Delivery Years, for the PJM Region or for each LDA for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for a Delivery Year, a limit on the total amount of Unforced Capacity that can be committed as Limited Demand Resources and Extended Summer Demand Resources for the 2017/2018 Delivery Year in the PJM Region or in such LDA, calculated as the Sub-Annual Resource Reliability Target for the PJM Region or for such LDA, respectively, minus the Short-Term Resource Procurement Target for the PJM Region or for such LDA, respectively.</p>	<p>Sub-Annual Resource Constraint:</p> <p>“Sub-Annual Resource Constraint” shall mean, for the 2017/2018 Delivery Year and for FRR Capacity Plans the 2017/2018 and 2018/2019 Delivery Years, for the PJM Region or for each LDA for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for a Delivery Year, a limit on the total amount of Unforced Capacity that can be committed as Limited Demand Resources and Extended Summer Demand Resources for the 2017/2018 Delivery Year in the PJM Region or in such LDA, calculated as the Sub-Annual Resource Reliability Target for the PJM Region or for such LDA, respectively, minus the Short-Term Resource Procurement Target for the PJM Region or for such LDA, respectively.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct
20.	Tariff, Definitions R-S	<p>Sub-Annual Resource Reliability Target:</p> <p>“Sub-Annual Reliability Target” for the PJM Region or an LDA, shall mean the maximum amount of the combination of Extended Summer Demand Resources and Limited Demand Resources in Unforced Capacity determined by PJM to be consistent with the maintenance of reliability, stated in Unforced Capacity, that shall be used to calculate the Minimum Annual Resource Requirement for Delivery Years through May 31, 2017 and the Sub-Annual Resource Constraint for the 2017/2018 and 2018/2019 Delivery Years. As more fully set forth in the PJM Manuals, PJM calculates the Sub-Annual Resource Reliability Target, by first determining a reference annual loss of load expectation (“LOLE”) assuming no Demand Resources. The calculation for the unconstrained portion of the PJM Region uses a daily distribution of loads under a range of weather scenarios</p>	<p>Sub-Annual Resource Reliability Target:</p> <p>“Sub-Annual Reliability Target” for the PJM Region or an LDA, shall mean the maximum amount of the combination of Extended Summer Demand Resources and Limited Demand Resources in Unforced Capacity determined by PJM to be consistent with the maintenance of reliability, stated in Unforced Capacity, that shall be used to calculate the Minimum Annual Resource Requirement for Delivery Years through May 31, 2017 and the Sub-Annual Resource Constraint for the 2017/2018 and 2018/2019 Delivery Years. As more fully set forth in the PJM Manuals, PJM calculates the Sub-Annual Resource Reliability Target, by first determining a reference annual loss of load expectation (“LOLE”) assuming no Demand Resources. The calculation for the unconstrained</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>(based on the most recent load forecast and iteratively shifting the load distributions to result in the Installed Reserve Margin established for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). The calculation for each relevant LDA uses a daily distribution of loads under a range of weather scenarios (based on the most recent load forecast for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Capacity Emergency Transfer Objective study for the Delivery Year in question). For the relevant LDA calculation, the weekly capacity distributions are adjusted to reflect the Capacity Emergency Transfer Limit for the Delivery Year in question. For both the PJM Region and LDA analyses, PJM then models the commitment of varying amounts of DR (displacing otherwise committed generation) as interruptible from May 1 through October 31 and unavailable from November 1 through April 30 and calculates the LOLE at each DR level. The Extended Summer DR Reliability Target is the DR amount, stated as a percentage of the unrestricted peak load, that produces no more than a ten percent increase in the LOLE, compared to the reference value. The Sub-Annual Resource Reliability Target shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [the Forecast Pool Requirement] times [the DR Factor] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	<p>portion of the PJM Region uses a daily distribution of loads under a range of weather scenarios (based on the most recent load forecast and iteratively shifting the load distributions to result in the Installed Reserve Margin established for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Installed Reserve Margin study for the Delivery Year in question). The calculation for each relevant LDA uses a daily distribution of loads under a range of weather scenarios (based on the most recent load forecast for the Delivery Year in question) and a weekly capacity distribution (based on the cumulative capacity availability distributions developed for the Capacity Emergency Transfer Objective study for the Delivery Year in question). For the relevant LDA calculation, the weekly capacity distributions are adjusted to reflect the Capacity Emergency Transfer Limit for the Delivery Year in question. For both the PJM Region and LDA analyses, PJM then models the commitment of varying amounts of DR (displacing otherwise committed generation) as interruptible from May 1 through October 31 and unavailable from November 1 through April 30 and calculates the LOLE at each DR level. The Extended Summer DR Reliability Target is the DR amount, stated as a percentage of the unrestricted peak load, that produces no more than a ten percent increase in the LOLE, compared to the reference value. The Sub-Annual Resource Reliability Target shall be expressed as a percentage of the forecasted peak load of the PJM Region or such LDA and is converted to Unforced Capacity by multiplying [the reliability target percentage] times [the Forecast Pool Requirement] times [the DR Factor] times [the forecasted peak load of the PJM Region or such LDA, reduced by the amount of load served under the FRR Alternative].</p>	

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
21.	Tariff, Definitions T-U-V	<p>Updated VRR Curve:</p> <p>“Updated VRR Curve” shall mean the Variable Resource Requirement Curve for use in the Base Residual Auction of the relevant Delivery Year, updated to reflect any change in the Reliability Requirement from the Base Residual Auction to such Incremental Auction, and for Delivery Years through May 31, 2018, the Short-term Resource Procurement Target applicable to the relevant Incremental Auction.</p>	<p>Updated VRR Curve:</p> <p>“Updated VRR Curve” shall mean the Variable Resource Requirement Curve for use in the Base Residual Auction of the relevant Delivery Year, updated to reflect any change in the Reliability Requirement from the Base Residual Auction to such Incremental Auction, and for Delivery Years through May 31, 2018, the Short-term Resource Procurement Target applicable to the relevant Incremental Auction.</p>	Short-term Resource Procurement Target term has passed sunset date and is no longer relevant under the Capacity Performance construct.
22.	Tariff, Definitions T-U-V	<p>Updated VRR Curve Decrement:</p> <p>“Updated VRR Curve Decrement” shall mean the portion of the Updated VRR Curve to the left of a vertical line at the level of Unforced Capacity on the x-axis of such curve equal to the net Unforced Capacity committed to the PJM Region as a result of all prior auctions conducted for such Delivery Year and adjusted, if applicable, by a change in Unforced Capacity commitments associated with the transition provision of Tariff, Attachment DD, section 5.14C, Tariff, Attachment DD, section 5.14D (as related to the 2016/2017 Delivery Year), Tariff, Attachment DD, section 5.14E, and Tariff, Attachment DD, section 5.5A(c)(i)(B), and RAA, Schedule 6, section L.9</p>	<p>Updated VRR Curve Decrement:</p> <p>“Updated VRR Curve Decrement” shall mean the portion of the Updated VRR Curve to the left of a vertical line at the level of Unforced Capacity on the x-axis of such curve equal to the net Unforced Capacity committed to the PJM Region as a result of all prior auctions conducted for such Delivery Year and adjusted, if applicable, by a change in Unforced Capacity commitments associated with the transition provision of Tariff, Attachment DD, section 5.14C, Tariff, Attachment DD, section 5.14D (as related to the 2016/2017 Delivery Year), Tariff, Attachment DD, section 5.14E, and Tariff, Attachment DD, section 5.5A(c)(i)(B), and RAA, Schedule 6, section L.9</p>	Tariff, Attachment DD, sections 5.14B, 5.14C, 5.14D, and 5.14E no longer exist in the tariff.
23.	Tariff, Definitions T-U-V	<p>Updated VRR Curve Increment:</p> <p>“Updated VRR Curve Increment” shall mean the portion of the Updated VRR Curve to the right of a vertical line at the level of Unforced Capacity on the x-axis of such curve equal to the net Unforced Capacity committed to the PJM Region as a result of all prior auctions conducted for such Delivery Year and adjusted, if applicable, by a change in Unforced Capacity commitments associated with the transition provision of Tariff, Attachment DD, section 5.14C, Tariff, Attachment DD, section 5.14D (as related to the 2016/2017 Delivery Year), Tariff,</p>	<p>Updated VRR Curve Increment:</p> <p>“Updated VRR Curve Increment” shall mean the portion of the Updated VRR Curve to the right of a vertical line at the level of Unforced Capacity on the x-axis of such curve equal to the net Unforced Capacity committed to the PJM Region as a result of all prior auctions conducted for such Delivery Year and adjusted, if applicable, by a change in Unforced Capacity commitments associated with the transition provision of Tariff, Attachment DD, section 5.14C, Tariff, Attachment DD, section 5.14D (as</p>	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	Current Language	Proposed Revisions	Rationale/Notes
		Attachment DD, section 5.14E and Tariff, Attachment DD, section 5.5A(c)(i)(B), and RAA, Schedule 6, section L.9	related to the 2016/2017 Delivery Year), Tariff, Attachment DD, section 5.14E and Tariff, Attachment DD, section 5.5A(c)(i)(B), and RAA, Schedule 6, section L.9	
24.	Tariff, Att. K Appendix, Section 6.6 (b) (ii) and (c)	<p>(ii) For Base Capacity Resources, the Office of the Interconnection: (i) declares a Maximum Generation Emergency during hot weather operations during the period of June 1 through September 30; (ii) issues a Maximum Generation Emergency Alert or Hot Weather Alert during hot weather operations during the period of June 1 through September 30; or (iii) schedules units based on the anticipation of a Hot Weather Alert, or a Maximum Generation Emergency or Maximum Generation Emergency Alert during hot weather operations during the period of June 1 through September 30, for all, or any part, of an Operating Day.</p> <p>(c) For the 2014/2015 through 2017/2018 Delivery Years for Generation Capacity Resources other than Capacity Performance Resources, and the 2016/2017 through 2018/2019 Delivery Years for Generation Capacity Resources identified and committed in an FRR Capacity Plan, parameter limited schedules shall be defined for the following parameters: (i) Turn Down Ratio; (ii) Minimum Down Time; (iii) Minimum Run Time; (iv) Maximum Daily Starts; (v) Maximum Weekly Starts.</p> <p>For the 2018/2019 and 2019/2020 Delivery Years for Base Capacity Resources, and for the 2016/2017 Delivery Year and subsequent Delivery Years for Capacity Performance Resources, the Office of the Interconnection shall determine the unit-specific achievable operating parameters for each individual unit on the basis of its operating design characteristics and other constraints, recognizing that remedial and ongoing</p>	<p>(ii) For Base Capacity Resources, the Office of the Interconnection: (i) declares a Maximum Generation Emergency during hot weather operations during the period of June 1 through September 30; (ii) issues a Maximum Generation Emergency Alert or Hot Weather Alert during hot weather operations during the period of June 1 through September 30; or (iii) schedules units based on the anticipation of a Hot Weather Alert, or a Maximum Generation Emergency or Maximum Generation Emergency Alert during hot weather operations during the period of June 1 through September 30, for all, or any part, of an Operating Day.</p> <p>(c) For the 2014/2015 through 2017/2018 Delivery Years for Generation Capacity Resources other than Capacity Performance Resources, and the 2016/2017 through 2018/2019 Delivery Years for Generation Capacity Resources identified and committed in an FRR Capacity Plan, parameter limited schedules shall be defined for the following parameters: (i) Turn Down Ratio; (ii) Minimum Down Time; (iii) Minimum Run Time; (iv) Maximum Daily Starts; (v) Maximum Weekly Starts.</p> <p>For the 2018/2019 and 2019/2020 Delivery Years for Base Capacity Resources, and for the 2016/2017 Delivery Year and subsequent Delivery Years for Capacity Performance Resources, the Office of the Interconnection shall determine the unit-specific achievable</p>	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		investment and maintenance may be required to perform on the basis of those characteristics, for the following parameters: (i) Turn Down Ratio; (ii) Minimum Down Time; (iii) Minimum Run Time; (iv) Maximum Daily Starts; (v) Maximum Weekly Starts; (vi) Maximum Run Time; (vii) Start-up Time; and (viii) Notification Time.	operating parameters for each individual unit on the basis of its operating design characteristics and other constraints, recognizing that remedial and ongoing investment and maintenance may be required to perform on the basis of those characteristics, for the following parameters: (i) Turn Down Ratio; (ii) Minimum Down Time; (iii) Minimum Run Time; (iv) Maximum Daily Starts; (v) Maximum Weekly Starts; (vi) Maximum Run Time; (vii) Start-up Time; and (viii) Notification Time.	
25.	Tariff, Att. K Appendix, Section 6, (e)-(g)	<p>(e) For the 2014/2015 through 2017/2018 Delivery Years, upon receipt of proposed revised parameter limited schedule values from the Market Monitoring Unit, prepared in accordance with the procedures for periodic review included in Tariff, Attachment M-Appendix, section II.B.1, the Office of the Interconnection shall file to revise the Parameter Limited Schedule Matrix in section 6.6(d) above accordingly. In the event that the Office of the Interconnection disagrees with the values proposed for revising the matrix, the Office of the Interconnection shall file the values that it determines are appropriate.</p> <p>(f) For the 2014/2015 through 2017/2018 Delivery Years, the Market Monitoring Unit shall calculate and provide to Market Sellers default values in accordance with Tariff, Attachment M-Appendix, section II.B. The default values set forth in the table in subsection (d) above shall apply for the referenced technology types unless a generating unit is operating pursuant to an exception from the default values under subsection (i) due to physical operational limitations that prevent the unit from meeting the minimum parameters, or any megawatts of the unit are committed as a Capacity Performance Resource in which case the unit-specific or adjusted</p>	<p>(e) For the 2014/2015 through 2017/2018 Delivery Years, upon receipt of proposed revised parameter limited schedule values from the Market Monitoring Unit, prepared in accordance with the procedures for periodic review included in Tariff, Attachment M-Appendix, section II.B.1, the Office of the Interconnection shall file to revise the Parameter Limited Schedule Matrix in section 6.6(d) above accordingly. In the event that the Office of the Interconnection disagrees with the values proposed for revising the matrix, the Office of the Interconnection shall file the values that it determines are appropriate.</p> <p>(f) For the 2014/2015 through 2017/2018 Delivery Years, the Market Monitoring Unit shall calculate and provide to Market Sellers default values in accordance with Tariff, Attachment M-Appendix, section II.B. The default values set forth in the table in subsection (d) above shall apply for the referenced technology types unless a generating unit is operating pursuant to an exception from the default values under subsection (i) due to physical operational limitations that prevent the unit from meeting the minimum</p>	Provisions in sections (e) and (f) have sunset dates that have expired.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>unit-specific values for the generating unit determined by the Office of the Interconnection shall apply to all megawatts of the generating unit offered into the PJM energy markets. For generating units having the ability to operate on multiple fuels, Market Sellers may submit a parameter limited schedule associated with each fuel type.</p> <p>(g) For the 2016/2017 Delivery Year and subsequent Delivery Years, the following additional parameter limits shall apply for Capacity Performance Resources, other than Capacity Storage Resources, submitted in the Day-ahead Energy Market or rebidding period that occurs after the clearing of the Day-ahead Energy Market for the following Operating Day, and for the Real-time Energy Market for the same Operating Day, unless the Capacity Market Seller has requested for its Capacity Performance Resource, and the Office of the Interconnection has granted, an adjusted unit-specific start-up and/or notification time due to actual operating constraints pursuant to the process described in subsection (c) above: (i) The combined start-up and notification times shall not exceed 24 hours, except when a Hot Weather Alert or Cold Weather Alert has been issued; (ii) When a Hot Weather Alert or Cold Weather Alert has been issued, combined start-up and notification times shall not exceed 14 hours; (iii) When a Hot Weather Alert or Cold Weather Alert has been issued, notification time shall not exceed one hour; and, (iv) When a Hot Weather Alert or Cold Weather Alert has been issued, parameters shall be based on the actual operational limitations of the Capacity Performance Resource for both its market-based schedules and cost-based schedules.</p>	<p>parameters, or any megawatts of the unit are committed as a Capacity Performance Resource in which case the unit-specific or adjusted unit-specific values for the generating unit determined by the Office of the Interconnection shall apply to all megawatts of the generating unit offered into the PJM energy markets. For generating units having the ability to operate on multiple fuels, Market Sellers may submit a parameter limited schedule associated with each fuel type.</p> <p>(g) For the 2016/2017 Delivery Year and subsequent Delivery Years,†The following additional parameter limits shall apply for Capacity Performance Resources, other than Capacity Storage Resources, submitted in the Day-ahead Energy Market or rebidding period that occurs after the clearing of the Day-ahead Energy Market for the following Operating Day, and for the Real-time Energy Market for the same Operating Day, unless the Capacity Market Seller has requested for its Capacity Performance Resource, and the Office of the Interconnection has granted, an adjusted unit-specific start-up and/or notification time due to actual operating constraints pursuant to the process described in subsection (c) above: (i) The combined start-up and notification times shall not exceed 24 hours, except when a Hot Weather Alert or Cold Weather Alert has been issued; (ii) When a Hot Weather Alert or Cold Weather Alert has been issued, combined start-up and notification times shall not exceed 14 hours; (iii) When a Hot Weather Alert or Cold Weather Alert has been issued, notification time shall not exceed one hour; and, (iv) When a Hot Weather Alert or Cold Weather Alert has been</p>	

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
			issued, parameters shall be based on the actual operational limitations of the Capacity Performance Resource for both its market-based schedules and cost-based schedules.	
26.	Tariff, Att. K Appendix, Section 6.6 (h)	<p>(h) For the 2018/2019 and 2019/2020 Delivery Years, the following additional parameter limits for Base Capacity Resources submitted in the Day-ahead Energy Market or rebidding period that occurs after the clearing of the Day-ahead Energy Market for the following Operating Day, and for the Real-time Energy Market for the same Operating Day, unless the Capacity Market Seller has requested for its Base Capacity Resource, and the Office of the Interconnection has granted, an adjusted unit-specific start-up and/or notification time due to actual operating constraints pursuant to the process described in subsection (c) above:</p> <p>(i) Combined start-up and notification times shall not exceed 48 hours;</p> <p>(ii) When a Hot Weather Alert has been issued, notification time shall not exceed one hour; and,</p> <p>(iii) When a Hot Weather Alert has been issued, parameters shall be based on the actual operational limitations of the Base Capacity Resource for both its market-based schedules and cost-based schedules.</p>	<p>(h) For the 2018/2019 and 2019/2020 Delivery Years, the following additional parameter limits for Base Capacity Resources submitted in the Day-ahead Energy Market or rebidding period that occurs after the clearing of the Day-ahead Energy Market for the following Operating Day, and for the Real-time Energy Market for the same Operating Day, unless the Capacity Market Seller has requested for its Base Capacity Resource, and the Office of the Interconnection has granted, an adjusted unit-specific start-up and/or notification time due to actual operating constraints pursuant to the process described in subsection (c) above:</p> <p>(i) Combined start-up and notification times shall not exceed 48 hours;</p> <p>(ii) When a Hot Weather Alert has been issued, notification time shall not exceed one hour; and,</p> <p>(iii) When a Hot Weather Alert has been issued, parameters shall be based on the actual operational limitations of the Base Capacity Resource for both its market-based schedules and cost-based schedules.</p>	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.
27.	Tariff, Att. K Appendix, Section 6.6 (i) (ii) (1)-(5)	<p>(1) for generating units for which no megawatts of the unit are committed as Capacity Performance Resources the default values specified in the Parameter Limited Schedule Matrix shall apply for the 2016/2017 through 2017/2018 Delivery years,</p> <p>(2) for generating units for which any megawatts of the unit are committed as a Base Capacity Resource and no megawatts are committed as a Capacity Performance Resource, and for which no adjusted unit-specific values have been approved by PJM, the Base Capacity Resource unit-</p>	<p>(1) for generating units for which no megawatts of the unit are committed as Capacity Performance Resources the default values specified in the Parameter Limited Schedule Matrix shall apply for the 2016/2017 through 2017/2018 Delivery years,</p> <p>(2) for generating units for which any megawatts of the unit are committed as a Base Capacity Resource and no megawatts are committed as a Capacity Performance Resource, and for which no adjusted unit-specific values have been approved by PJM, the Base</p>	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>specific values determined by PJM shall apply for the 2018/2019 and 2019/2020 Delivery Years,</p> <p>(3) for generating units for which any megawatts of the unit are committed as a Capacity Performance Resource, but for which no adjusted unit-specific values have been approved by PJM, the Capacity Performance Resource unit-specific values determined by PJM shall apply for the 2016/2017 Delivery Year and subsequent Delivery Years,</p> <p>(4) for generating units for which any megawatts of the unit are committed as a Base Capacity Resource and no megawatts are committed as a Capacity Performance Resource, and for which adjusted unit-specific values have been approved by PJM, the Base Capacity Resource adjusted unit-specific values shall apply for the 2018/2019 and 2019/2020 Delivery Years, and</p> <p>(5) for generating units for which any megawatts of the unit are committed as a Capacity Performance Resource and for which adjusted unit-specific values have been approved by PJM, the Capacity Performance Resource adjusted unit-specific values shall apply for the 2016/2017 Delivery Year and subsequent Delivery Years.</p>	<p>Capacity Resource unit-specific values determined by PJM shall apply for the 2018/2019 and 2019/2020 Delivery Years,</p> <p>(3) (1) for generating units for which any megawatts of the unit are committed as a Capacity Performance Resource, but for which no adjusted unit-specific values have been approved by PJM, the Capacity Performance Resource unit-specific values determined by PJM shall apply for the 2016/2017 Delivery Year and subsequent Delivery Years,</p> <p>(4) for generating units for which any megawatts of the unit are committed as a Base Capacity Resource and no megawatts are committed as a Capacity Performance Resource, and for which adjusted unit-specific values have been approved by PJM, the Base Capacity Resource adjusted unit-specific values shall apply for the 2018/2019 and 2019/2020 Delivery Years, and</p> <p>(5) (2) for generating units for which any megawatts of the unit are committed as a Capacity Performance Resource and for which adjusted unit-specific values have been approved by PJM, the Capacity Performance Resource adjusted unit-specific values shall apply for the 2016/2017 Delivery Year and subsequent Delivery Years.</p>	
28.	Tariff, Att. M-Appendix, Section II.D	<p><u>D. Unit Specific Minimum Sell Offers:</u></p> <p>1. If a Capacity Market Seller timely submits an exception request, with all of the required documentation as specified in Tariff, Attachment DD, sections 5.14(h) and 5.14(h-1), the Market Monitoring Unit shall review the request and documentation and shall provide in writing to the Capacity Market Seller and the Office of the Interconnection by no later than ninety</p>	<p><u>D. Unit Specific Minimum Sell Offers:</u></p> <p>1. If a Capacity Market Seller timely submits an exception request, with all of the required documentation as specified in Tariff, Attachment DD, sections 5.14(h) and 5.14(h-1)2), the Market Monitoring Unit shall review the request and documentation and shall provide in writing to the Capacity Market Seller and the Office</p>	Tariff, Attachment DD, sections 5.14(h) and (h-1) have passed sunset date and are no longer relevant under the Capacity Performance construct. Section 5.14(h-2) is the relevant section under the

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		(90) days prior the commencement of the offer period for the RPM Auction in which it seeks to submit its Sell Offer (a) its determination whether the level of the proposed Sell Offer raises market power concerns, and (b) if so it shall calculate and provide to such Capacity Market Seller a minimum Sell offer Based on the data and documentation received.	of the Interconnection by no later than ninety (90) days prior the commencement of the offer period for the RPM Auction in which it seeks to submit its Sell Offer (a) its determination whether the level of the proposed Sell Offer raises market power concerns, and (b) if so it shall calculate and provide to such Capacity Market Seller a minimum Sell offer Based on the data and documentation received.	Capacity Performance construct.
29.	Tariff, Att. Q, (4) (a) – (d)	<p>(a) Prior to the posting of the results of a Base Residual Auction for a Delivery Year, the Auction Credit Rate shall be:</p> <p>(i) For all Capacity Resources other than Capacity Performance Resources, (the greater of (A) 0.3 times the Net Cost of New Entry for the PJM Region for such Delivery Year, in MW-day or (B) \$20 per MW-day) times the number of calendar days in such Delivery Year; and</p> <p>(ii) For Capacity Performance Resources, the greater of ((A) 0.5 times the Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA, in MW-day or (B) \$20 per MW-day) times the number of calendar days in such Delivery Year.</p> <p>(iii) For Seasonal Capacity Performance Resources, the same as the Auction Credit Rate for Capacity Performance Resources, but reduced to be proportional to the number of calendar days in the relevant season.</p> <p>(b) Subsequent to the posting of the results from a Base Residual Auction, the Auction Credit Rate used for ongoing credit requirements for supply committed in such auction shall be:</p> <p>(i) For all Capacity Resources other than Capacity Performance Resources, (the greater of (A) \$20/MW-day or (B) 0.2 times the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within</p>	<p>(a) Prior to the posting of the results of a Base Residual Auction for a Delivery Year, the Auction Credit Rate shall be:</p> <p>(i) For all Capacity Resources other than Capacity Performance Resources, (the greater of (A) 0.3 times the Net Cost of New Entry for the PJM Region for such Delivery Year, in MW-day or (B) \$20 per MW-day) times the number of calendar days in such Delivery Year; and</p> <p>(ii) (i) For Capacity Performance Resources, the greater of ((A) 0.5 times the Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA, in MW-day or (B) \$20 per MW-day) times the number of calendar days in such Delivery Year.</p> <p>(iii) (ii) For Seasonal Capacity Performance Resources, the same as the Auction Credit Rate for Capacity Performance Resources, but reduced to be proportional to the number of calendar days in the relevant season.</p> <p>(i) For Capacity Performance Resources, the greater of ((A) 0.5 times the Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA, in MW-day or (B) \$20 per MW-day) times the number of calendar days in such Delivery Year.</p> <p>(ii) For Seasonal Capacity Performance Resources, the same as the Auction Credit Rate for Capacity Performance Resources, but reduced to be proportional to the number of calendar days in the relevant season.</p> <p>(b) Subsequent to the posting of the results from a Base Residual Auction, the Auction Credit Rate used for ongoing credit requirements for supply committed in such auction shall be:</p> <p>(i) For all Capacity Resources other than Capacity Performance Resources, (the greater of (A) \$20/MW-day or (B) 0.2 times the</p>	<p>Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.</p>

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>which the resource is located) times the number of calendar days in such Delivery Year; and</p> <p>(ii) For Capacity Performance Resources, the (greater of [(A) \$20/MW-day or (B) 0.2 times the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located) or (C) the lesser of (1) 0.5 times the Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA, in \$/MW-day or (2) 1.5 times the Net Cost of New Entry (stated on an installed capacity basis) for the PJM Region for such Delivery year or for the Relevant LDA, in \$/MW-day minus (the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located)] times the number of calendar days in such Delivery Year).</p> <p>(iii) For Seasonal Capacity Performance Resources, the same as the Auction Credit Rate for Capacity Performance Resources, but reduced to be proportional to the number of calendar days in the relevant season.</p> <p>(c) For any resource not previously committed for a Delivery Year that seeks to participate in an Incremental Auction, the Auction Credit Rate shall be:</p> <p>(i) For all Capacity Resources other than Capacity Performance Resources, (the greater of (A) 0.3 times the Net Cost of New Entry for the PJM Region for such Delivery Year, in MW-day or (B) 0.24 times the Capacity Resource Clearing Price in the Base Residual Auction for such Delivery Year for the Locational Deliverability Area within which the resource is located or (C) \$20 per MW-day) times the number of calendar days in such Delivery Year; and</p>	<p>Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located) times the number of calendar days in such Delivery Year; and</p> <p>(ii) (i) For Capacity Performance Resources, the (greater of [(A) \$20/MW-day or (B) 0.2 times the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located) or (C) the lesser of (1) 0.5 times the Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA, in \$/MW-day or (2) 1.5 times the Net Cost of New Entry (stated on an installed capacity basis) for the PJM Region for such Delivery year or for the Relevant LDA, in \$/MW-day minus (the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located)] times the number of calendar days in such Delivery Year).</p> <p>(iii) (ii) For Seasonal Capacity Performance Resources, the same as the Auction Credit Rate for Capacity Performance Resources, but reduced to be proportional to the number of calendar days in the relevant season.</p> <p>(c) For any resource not previously committed for a Delivery Year that seeks to participate in an Incremental Auction, the Auction Credit Rate shall be:</p> <p>(i) For all Capacity Resources other than Capacity Performance Resources, (the greater of (A) 0.3 times the Net Cost of New Entry for the PJM Region for such Delivery Year, in MW-day or (B) 0.24 times the Capacity Resource Clearing Price in the Base Residual Auction for such Delivery Year for the Locational Deliverability</p>	

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>(ii) For Capacity Performance Resources, the (greater of (A) 0.5 times Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA or (B) \$20/MWday) times the number of calendar days in such Delivery Year.</p> <p>(d) Subsequent to the posting of the results of an Incremental Auction, the Auction Credit Rate used for ongoing credit requirements for supply committed in such auction shall be:</p> <p>(i) For Base Capacity Resources: (the greater of (A) \$20/MW-day or (B) 0.2 times the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located) times the number of calendar days in such Delivery Year, but no greater than the Auction Credit Rate previously established for such resource's participation in such Incremental Auction pursuant to subsection (c) above) times the number of calendar days in such Delivery Year; (ii) For Capacity Performance Resources, the greater of [(A) \$20/MW-day or (B) 0.2 times the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located or (C) the lesser of (1) 0.5 times the Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA, in \$/MW-day or (2) 1.5 times the Net Cost of New Entry (stated on an installed capacity basis) for the PJM Region for such Delivery Year or for the Relevant LDA, in \$/MW-day minus (the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located)] times the number of calendar days in such Delivery Year); and</p>	<p>Area within which the resource is located or (C) \$20 per MW-day) times the number of calendar days in such Delivery Year; and</p> <p>(ii) (i) For Capacity Performance Resources, the (greater of (A) 0.5 times Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA or (B) \$20/MWday) times the number of calendar days in such Delivery Year.</p> <p>(d) Subsequent to the posting of the results of an Incremental Auction, the Auction Credit Rate used for ongoing credit requirements for supply committed in such auction shall be:</p> <p>(i) For Base Capacity Resources: (the greater of (A) \$20/MW-day or (B) 0.2 times the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located) times the number of calendar days in such Delivery Year, but no greater than the Auction Credit Rate previously established for such resource's participation in such Incremental Auction pursuant to subsection (c) above) times the number of calendar days in such Delivery Year; (ii) (i) For Capacity Performance Resources, the greater of [(A) \$20/MW-day or (B) 0.2 times the Capacity Resource Clearing Price in such auction for the Locational Deliverability Area within which the resource is located or (C) the lesser of (1) 0.5 times the Net Cost of New Entry for the PJM Region for such Delivery Year or for the Relevant LDA, in \$/MW-day or (2) 1.5 times the Net Cost of New Entry (stated on an installed capacity basis) for the PJM Region for such Delivery Year or for the Relevant LDA, in \$/MW-day minus (the Capacity Resource Clearing Price in such auction for the Locational</p>	

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		(iii) For Seasonal Capacity Performance Resources, the same as the Auction Credit Rate for Capacity Performance Resources, but reduced to be proportional to the number of calendar days in the relevant season.	Deliverability Area within which the resource is located)] times the number of calendar days in such Delivery Year); and (iii) (ii) For Seasonal Capacity Performance Resources, the same as the Auction Credit Rate for Capacity Performance Resources, but reduced to be proportional to the number of calendar days in the relevant season.	
30.	Tariff, Att. DD, Section 3.2 Administration of the Base Residual Auction and Incremental Auctions	3.2 Administration of the Base Residual Auction and Incremental Auctions The Office of the Interconnection shall conduct and administer the Base Residual Auction and Incremental Auctions in accordance with this Attachment, the Operating Agreement, and the Reliability Assurance Agreement. Administration of the Base Residual Auction and Incremental Auctions shall include, but not be limited to, the following: a) Determining the qualification of entities to become Capacity Market Sellers and Capacity Market Buyers; b) Determining PJM Region Peak Load Forecasts and Locational Deliverability Area Reliability Requirements; c) Determining the Minimum Annual Resource Requirements and the Minimum Extended Summer Resource Requirements for the PJM Region and applicable LDAs for Delivery Years starting June 1, 2014 and ending May 31, 2017; d) Determining Limited Resource Constraints and Sub-Annual Resource Constraints for the 2017/2018 Delivery Year; e) Determining Base Capacity Demand Resource Constraints and Base Capacity Resource Constraints for the 2018/2019 and 2019/2020 Delivery Years; f) Determining the need, if any, for a Conditional Incremental Auction and providing appropriate prior notice of any such auction	3.2 Administration of the Base Residual Auction and Incremental Auctions The Office of the Interconnection shall conduct and administer the Base Residual Auction and Incremental Auctions in accordance with this Attachment, the Operating Agreement, and the Reliability Assurance Agreement. Administration of the Base Residual Auction and Incremental Auctions shall include, but not be limited to, the following: a) Determining the qualification of entities to become Capacity Market Sellers and Capacity Market Buyers; b) Determining PJM Region Peak Load Forecasts and Locational Deliverability Area Reliability Requirements; e) Determining the Minimum Annual Resource Requirements and the Minimum Extended Summer Resource Requirements for the PJM Region and applicable LDAs for Delivery Years starting June 1, 2014 and ending May 31, 2017; d) Determining Limited Resource Constraints and Sub-Annual Resource Constraints for the 2017/2018 Delivery Year; e) Determining Base Capacity Demand Resource Constraints and Base Capacity Resource Constraints for the 2018/2019 and 2019/2020 Delivery Years; f) c) Determining the need, if any, for a Conditional Incremental Auction and providing appropriate prior notice of any such auction	Terms listed in (c) through (e) have passed sunset dates and are no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
31.	Tariff, Att. DD, 5.2 Nomination of Self Supplied Capacity Resources	<p>5.2 Nomination of Self Supplied Capacity Resources</p> <p>A Capacity Market Seller, including a Load Serving Entity, may designate a Capacity Resource as Self-Supply for a Delivery year by submitting a Sell Offer for such resource in the Base Residual Auction or an Incremental Auction in accordance with the procedure and time schedule set forth in the PJM Manuals. The LSE shall indicate its intent in the Sell Offer that the Capacity Resource be deemed Self-Supply and shall indicate whether it is committing the resource regardless of clearing price or with a price bid. Any such Sell Offer shall be subject to the minimum offer price rule set forth in Tariff, Attachment DD, section 5.14(h) and Tariff, Attachment DD, section 5.14(h-1). Upon receipt of a Self-Supply Sell Offer, the Office of the Interconnection will verify that the designated Capacity Resource is available, in accordance with Tariff, Attachment DD, section 5.6, and, if the LSE indicated that it is committing the resource regardless of clearing price, will treat such Capacity Resource as committed in the clearing process of the Reliability Pricing Model Auction for which it was offered for such Delivery Year. To address capacity obligation quantity uncertainty associated with the Variable Resource Requirement Curve, a Load Serving Entity may submit a Sell Offer with a contingent designation of a portion of its Capacity Resources as either Self-Supply (to the extent required to meet a portion (as specified by the LSE) of the LSE’s peak load forecast in each transmission zone) or as not Self-Supply (to the extent not so required) and subject to an offer price, in accordance with the PJM Manuals. PJMSettlement shall not be the Counterparty with respect to a Capacity Resource designated as Self-Supply.</p>	<p>5.2 Nomination of Self Supplied Capacity Resources</p> <p>A Capacity Market Seller, including a Load Serving Entity, may designate a Capacity Resource as Self-Supply for a Delivery year by submitting a Sell Offer for such resource in the Base Residual Auction or an Incremental Auction in accordance with the procedure and time schedule set forth in the PJM Manuals. The LSE shall indicate its intent in the Sell Offer that the Capacity Resource be deemed Self-Supply and shall indicate whether it is committing the resource regardless of clearing price or with a price bid. Any such Sell Offer shall be subject to the minimum offer price rule set forth in Tariff, Attachment DD, section 5.14(h) and Tariff, Attachment DD, section 5.14(h-1) (h-2). Upon receipt of a Self-Supply Sell Offer, the Office of the Interconnection will verify that the designated Capacity Resource is available, in accordance with Tariff, Attachment DD, section 5.6, and, if the LSE indicated that it is committing the resource regardless of clearing price, will treat such Capacity Resource as committed in the clearing process of the Reliability Pricing Model Auction for which it was offered for such Delivery Year. To address capacity obligation quantity uncertainty associated with the Variable Resource Requirement Curve, a Load Serving Entity may submit a Sell Offer with a contingent designation of a portion of its Capacity Resources as either Self-Supply (to the extent required to meet a portion (as specified by the LSE) of the LSE’s peak load forecast in each transmission zone) or as not Self-Supply (to the extent not so required) and subject to an offer price, in accordance with the PJM Manuals. PJMSettlement</p>	Tariff, Attachment DD, section 5.14(h) and 5.14(h-2) have passed sunset date. Minimum offer price rule that is relevant is in section 5.14 (h-2).

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
			shall not be the Counterparty with respect to a Capacity Resource designated as Self-Supply.	
32.	Tariff, Att. DD, Section 5.5A (d)	<p>(d) Base Capacity Resources</p> <p>For the 2018/2019 and 2019/2020 Delivery Years, following types of Capacity Resources eligible to submit a Sell Offer as a Base Capacity Resource: Generation Capacity Resources, Capacity Storage Resources, Annual Demand Resources, Base Capacity Demand Resources, and Base Capacity Energy Efficiency Resources. Each resource that clears a RPM Auction as a Base Capacity Resource must provide energy output to PJM if called during Performance Assessment Intervals occurring in the calendar months of June through September, including any necessary recall of such capacity and energy from service to areas outside the PJM Region. As further detailed in Tariff, Attachment DD, section 10A, Base Capacity Resources that fail to meet this obligation will be subject to a Non-Performance Charge, unless excused pursuant to Tariff, Attachment DD, section 10A(d).</p>	<p>(d) Base Capacity Resources-</p> <p>For the 2018/2019 and 2019/2020 Delivery Years, following types of Capacity Resources eligible to submit a Sell Offer as a Base Capacity Resource: Generation Capacity Resources, Capacity Storage Resources, Annual Demand Resources, Base Capacity Demand Resources, and Base Capacity Energy Efficiency Resources. Each resource that clears a RPM Auction as a Base Capacity Resource must provide energy output to PJM if called during Performance Assessment Intervals occurring in the calendar months of June through September, including any necessary recall of such capacity and energy from service to areas outside the PJM Region. As further detailed in Tariff, Attachment DD, section 10A, Base Capacity Resources that fail to meet this obligation will be subject to a Non-Performance Charge, unless excused pursuant to Tariff, Attachment DD, section 10A(d).</p>	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.
33.	Tariff, Att. DD, Section 5.7 (c)	<p>5.7 Buy Bids Buy Bids may be submitted in any Incremental Auction. Buy Bids shall specify, as appropriate:</p> <p>c) The type of Unforced Capacity desired, i.e., Annual Resource, Extended Summer Demand Resource, or Limited Demand Resource; and</p>	<p>5.7 Buy Bids Buy Bids may be submitted in any Incremental Auction. Buy Bids shall specify, as appropriate: ...</p> <p>c) The type of Unforced Capacity desired, i.e., Annual Resource, Extended Summer Demand Resource, or Limited Demand Resource; and</p>	Terms listed have passed sunset date and are no longer relevant under the Capacity Performance construct.
34.	Tariff, Att. DD, Section 5.8 (c)	c) A Buy Bid that fails to designate the type of Unforced Capacity desired, i.e., an Annual Resource, Extended Summer Demand Resource, or Limited Demand Resource, shall be rejected by the Office of the Interconnection.	c) A Buy Bid that fails to designate the type of Unforced Capacity desired, i.e., an Annual Resource, Extended Summer Demand	Terms listed have passed sunset date and are no longer relevant under the

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
			Resource, or Limited Demand Resource, shall be rejected by the Office of the Interconnection.	Capacity Performance construct.
35.	Tariff, Att. DD, Section 5.8 (g)	(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, not to exceed the Accredited UCAP of such resource, as applicable. 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 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 Capacity Exchange 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.	(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, not to exceed the Accredited UCAP of such resource, as applicable. 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 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 Capacity Exchange 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	Tariff, Section 5.14(h) and (h-1) have passed sunset dates and are no longer relevant under the Capacity Performance construct. Minimum Offer Price rule in Tariff, Section 5.14(h-2) is the relevant section under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
			applicable MOPR Floor Offer Prices (zero if not applicable) of the aggregated resources in such Sell Offer.	
36.	Tariff, Att. DD, Section 5.11 (a) (vi)	vi) For the Delivery Years starting June 1, 2014 and ending May 31, 2017, the Minimum Annual Resource Requirement and the Minimum Extended Summer Resource Requirement for the PJM Region and for each Locational Deliverability Area for which PJM is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year; and for the 2017/2018 Delivery Year, the Limited Resource Constraints and the Sub-Annual Resource Constraints for the PJM Region and for each Locational Deliverability Area for which PJM is required under section 5.10(a) of this Attachment DD to establish a separate VRR Curve for such Delivery Year. For the 2018/2019 and 2019/2020 Delivery Years, the Office of the Interconnection shall establish the Base Capacity Demand Resource Constraints and the Base Capacity Resource Constraints for the PJM Region and for each Locational Deliverability Area for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year;	vi) For the Delivery Years starting June 1, 2014 and ending May 31, 2017, the Minimum Annual Resource Requirement and the Minimum Extended Summer Resource Requirement for the PJM Region and for each Locational Deliverability Area for which PJM is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year; and for the 2017/2018 Delivery Year, the Limited Resource Constraints and the Sub-Annual Resource Constraints for the PJM Region and for each Locational Deliverability Area for which PJM is required under section 5.10(a) of this Attachment DD to establish a separate VRR Curve for such Delivery Year. For the 2018/2019 and 2019/2020 Delivery Years, the Office of the Interconnection shall establish the Base Capacity Demand Resource Constraints and the Base Capacity Resource Constraints for the PJM Region and for each Locational Deliverability Area for which the Office of the Interconnection is required under Tariff, Attachment DD, section 5.10(a) to establish a separate VRR Curve for such Delivery Year;	Terms listed have passed sunset date and are no longer relevant under the Capacity Performance construct.
37.	OATT, Att. DD, Section 5.14, (c), (3)	3.Acceptance of all or any part of a Sell Offer that meets the conditions in section 5.14(c)(1)-(2) in the BRA increases the total Unforced Capacity committed in the BRA (including any minimum block quantity) for the LDA in which such Resource will be located from a megawatt quantity below the LDA Reliability Requirement, minus the Short Term Resource Procurement Target, to a megawatt quantity at or above a megawatt quantity at the price-quantity point on the VRR Curve at which the price is 0.40 times the applicable Net CONE divided by (one minus the pool-wide average EFORD) through the 2024/2025 Delivery Year, and	3.Acceptance of all or any part of a Sell Offer that meets the conditions in section 5.14(c)(1)-(2) in the BRA increases the total Unforced Capacity committed in the BRA (including any minimum block quantity) for the LDA in which such Resource will be located from a megawatt quantity below the LDA Reliability Requirement, minus the Short Term Resource Procurement Target, to a megawatt quantity at or above a megawatt quantity at the price-quantity point on the VRR Curve at which the price is 0.40 times the applicable Net CONE divided by (one minus the	Short Term Resource Procurement Target term has passed its sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		beginning with the 2025/2026 Delivery Year, divided by the applicable ELCC Class Rating for the Reference Resource.	pool-wide average EFORD) through the 2024/2025 Delivery Year, and beginning with the 2025/2026 Delivery Year, divided by the applicable ELCC Class Rating for the Reference Resource.	
38.	OATT, Att. DD, Sections 5.14 (h) & (h-1)	OATT, Att DD, Sections 5.14(h) & (h-1) https://agreements.pjm.com/oatt/5156	Delete the entirety of Sections 5.14(h) & (h-1) https://agreements.pjm.com/oatt/5156	Sections 5.14(h) & (h-1) have passed sunset dates and are no longer relevant under Capacity Performance construct.
39	OATT, Att. DD, Section 5.14 (f) (iii)	iii) The Office of the Interconnection shall calculate and post the Final Zonal Capacity Price for each Delivery Year after the final auction is held for such Delivery Year, as set forth above. The Final Zonal Capacity Price for each Zone shall equal the Adjusted Zonal Capacity Price, as further adjusted to reflect any decreases in the Nominated Demand Resource Value of any existing Demand Resource cleared in the Base Residual Auction and Second Incremental Auction.	iii) The Office of the Interconnection shall calculate and post the Final Zonal Capacity Price for each Delivery Year after the final auction is held for such Delivery Year, as set forth above. The Final Zonal Capacity Price for each Zone shall equal the Adjusted Zonal Capacity Price, as further adjusted to reflect any decreases in the Nominated Demand Resource Value of any existing Demand Resource cleared in the Base Residual Auction, First Incremental, or and Second Incremental Auction.	Requests for relief from Capacity Resource Deficiency Charges for DR Resources due to permanent departure of load (OATT Att DD, Section 8.4) are not limited Base Residual Auction and Second Incremental Auction commitments. Final Zonal Capacity Prices must be adjusted to account for approved requests for relief from Base Residual Auction, First Incremental, or Second Incremental Auction commitments to ensure that total RPM

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
				charges equal RPM credits.
40.	Tariff, Att. DD, Section 6.7 (c)	To determine the default retirement and mothball ACR values for the 2018/2019 and 2019/2020 Delivery Years for Base Capacity Resources, the Office of the Interconnection shall multiply the updated base default retirement and mothball ACR values from the immediately preceding Delivery Year by a factor equal to one plus the most recent annual average rate of change in the July Handy-Whitman Index. These values become the new adjusted base default retirement and mothball ACR values, as calculated by the Office of the Interconnection and posted to its website. These resulting adjusted base values for the Delivery Year shall be multiplied by a factor equal to one plus the most recent ten-calendar-year annual average rate of change in the applicable Handy-Whitman Index, taken to the fourth power, as calculated by the Office of the Interconnection and posted to its website.	To determine the default retirement and mothball ACR values for the 2018/2019 and 2019/2020 Delivery Years for Base Capacity Resources, the Office of the Interconnection shall multiply the updated base default retirement and mothball ACR values from the immediately preceding Delivery Year by a factor equal to one plus the most recent annual average rate of change in the July Handy-Whitman Index. These values become the new adjusted base default retirement and mothball ACR values, as calculated by the Office of the Interconnection and posted to its website. These resulting adjusted base values for the Delivery Year shall be multiplied by a factor equal to one plus the most recent ten-calendar-year annual average rate of change in the applicable Handy-Whitman Index, taken to the fourth power, as calculated by the Office of the Interconnection and posted to its website.	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.
41.	Tariff, Att. DD, Section 6.8	CPQR (Capacity Performance Quantifiable Risk) consists of the quantifiable and reasonably-supported costs of mitigating the risks of nonperformance associated with submission of a Capacity Performance Resource offer (or of a Base Capacity Resource offer for the 2018/19 or 2019/20 Delivery Years), such as insurance expenses associated with resource non-performance risks. CPQR shall be considered reasonably supported if it is based on actuarial practices generally used by the industry to model or value risk and if it is based on actuarial practices used by the Capacity Market Seller to model or value risk in other aspects of the Capacity Market Seller’s business. Such reasonable support shall also	CPQR (Capacity Performance Quantifiable Risk) consists of the quantifiable and reasonably-supported costs of mitigating the risks of nonperformance associated with submission of a Capacity Performance Resource offer (or of a Base Capacity Resource offer for the 2018/19 or 2019/20 Delivery Years) , such as insurance expenses associated with resource non-performance risks. CPQR shall be considered reasonably supported if it is based on actuarial practices generally used by the industry to model or value risk and if it is based on actuarial practices used by the Capacity Market Seller to model or value risk in other aspects of the Capacity Market	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		include an officer certification that the modeling and valuation of the CPQR was developed in accord with such practices. Provision of such reasonable support shall be sufficient to establish the CPQR. A Capacity Market Seller may use other methods or forms of support for its proposed CPQR that shows the CPQR is limited to risks the seller faces from committing a Capacity Resource hereunder, that quantifies the costs of mitigating such risks, and that includes supporting documentation (which may include an officer certification) for the identification of such risks and quantification of such costs. Such showing shall establish the proposed CPQR upon acceptance by the Office of the Interconnection.	Seller’s business. Such reasonable support shall also include an officer certification that the modeling and valuation of the CPQR was developed in accord with such practices. Provision of such reasonable support shall be sufficient to establish the CPQR. A Capacity Market Seller may use other methods or forms of support for its proposed CPQR that shows the CPQR is limited to risks the seller faces from committing a Capacity Resource hereunder, that quantifies the costs of mitigating such risks, and that includes supporting documentation (which may include an officer certification) for the identification of such risks and quantification of such costs. Such showing shall establish the proposed CPQR upon acceptance by the Office of the Interconnection.	
42.	Tariff, Att. DD, Section 8.1	A Capacity Resource Deficiency Charge shall be assessed on any Capacity Market Seller that commits a Capacity Resource, and on any Locational UCAP Seller that sells Locational UCAP for a Delivery Year based on a Generation Capacity Resource, for a Delivery Year that is unable or unavailable to deliver Unforced Capacity for all or any part of such Delivery Year for any reason, including but not limited to the following, and that does not obtain replacement Unforced Capacity meeting the same locational requirements and same or better temporal availability characteristics (i.e., Annual Resource, Extended Summer Demand Resource, or Limited Demand Resource) in the megawatt quantity required to satisfy the capacity committed from such resource by such seller as a result of all cleared Sell Offers from such seller based on such resource in any RPM Auctions for such Delivery Year, the reduction in any such commitment for such resource to the extent and for the time period of any replacement capacity committed in lieu of such resource, and the increase	A Capacity Resource Deficiency Charge shall be assessed on any Capacity Market Seller that commits a Capacity Resource, and on any Locational UCAP Seller that sells Locational UCAP for a Delivery Year based on a Generation Capacity Resource, for a Delivery Year that is unable or unavailable to deliver Unforced Capacity for all or any part of such Delivery Year for any reason, including but not limited to the following, and that does not obtain replacement Unforced Capacity meeting the same locational requirements and same or better temporal availability characteristics (i.e., Annual Resource, Extended Summer Demand Resource, or Limited Demand Resource) in the megawatt quantity required to satisfy the capacity committed from such resource by such seller as a result of all cleared Sell Offers from such seller based on such resource in any RPM Auctions for such Delivery Year, the reduction in any such commitment for such resource to the extent and for the	Terms listed have passed sunset date and are no longer relevant to the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		in any such commitment for such resource to the extent and for the time period that such resource is committed as replacement capacity for any other resource:	time period of any replacement capacity committed in lieu of such resource, and the increase in any such commitment for such resource to the extent and for the time period that such resource is committed as replacement capacity for any other resource:	
43.	OATT, Att. DD, Section 10A, (c)	Such calculation shall encompass all resources and Price Responsive Demand located in the area defined by the Emergency Action; provided, however, that Performance Shortfall shall be calculated for external Generation Capacity Resources for any Performance Assessment Interval for which performance by such external resource would have helped resolve the declared Emergency Action that was the subject to the Performance Assessment Hour; provided, however, that for any Delivery Year up to and including the 2019/2020 Delivery Year, Performance Shortfall shall be calculated for external Generation Capacity Resources only during Performance Assessment Hours which the Emergency Action was declared for the entire PJM Region. At the start of the Delivery Year, PJM will inform the Capacity Market Seller of an external resource as to which Locational Deliverability Area it has been assigned. For purposes of this provision, Qualifying Transmission Upgrades shall be deemed to be located in the Locational Deliverability Area into which such upgrade increased the Capacity Emergency Transfer Limit, and a Qualifying Transmission Upgrade shall be included in calculations of Expected Performance and Actual Performance only if, and to the extent that, the declared Emergency Action encompasses the Locational Deliverability Area into which such upgrade increased the Capacity Emergency Transfer Limit. The Performance Shortfall shall be calculated for each Performance Assessment Interval, and any committed Capacity Resource for which the above calculation produces a negative number for a Performance	Such calculation shall encompass all resources and Price Responsive Demand located in the area defined by the Emergency Action; provided, however, that Performance Shortfall shall be calculated for external Generation Capacity Resources for any Performance Assessment Interval for which performance by such external resource would have helped resolve the declared Emergency Action that was the subject to the Performance Assessment Hour; provided, however, that for any Delivery Year up to and including the 2019/2020 Delivery Year, Performance Shortfall shall be calculated for external Generation Capacity Resources only during Performance Assessment Hours which the Emergency Action was declared for the entire PJM Region. At the start of the Delivery Year, PJM will inform the Capacity Market Seller of an external resource as to which Locational Deliverability Area it has been assigned. For purposes of this provision, Qualifying Transmission Upgrades shall be deemed to be located in the Locational Deliverability Area into which such upgrade increased the Capacity Emergency Transfer Limit, and a Qualifying Transmission Upgrade shall be included in calculations of Expected Performance and Actual Performance only if, and to the extent that, the declared Emergency Action encompasses the Locational Deliverability Area into which such upgrade increased the Capacity Emergency Transfer Limit. The Performance Shortfall shall be calculated for each	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>Assessment Interval shall not have a Performance Shortfall for such Performance Assessment Interval. For any resource that is partially committed as a Capacity Performance Resource and partially committed as a Base Capacity Resource, the performance of such resource during a Performance Assessment Interval shall first be attributed to the resource's Capacity Performance Resource obligation; any performance by such resource in excess of the Capacity Performance Resource's Expected Performance shall be attributed to the resource's Base Capacity Resource obligation.</p>	<p>Performance Assessment Interval, and any committed Capacity Resource for which the above calculation produces a negative number for a Performance Assessment Interval shall not have a Performance Shortfall for such Performance Assessment Interval. For any resource that is partially committed as a Capacity Performance Resource and partially committed as a Base Capacity Resource, the performance of such resource during a Performance Assessment Interval shall first be attributed to the resource's Capacity Performance Resource obligation; any performance by such resource in excess of the Capacity Performance Resource's Expected Performance shall be attributed to the resource's Base Capacity Resource obligation.</p>	
44.	Tariff, Att. DD, Section 10A, (e)	<p>(e) Subject to the Non-Performance Charge Limit specified in subsection (f) hereof, each Capacity Market Seller and Locational UCAP Seller shall be assessed a Non-Performance Charge for each of its Capacity Resources or Locational UCAP that has a Performance Shortfall for a Performance Assessment Interval based on the following formula, applied to each such resource:</p> <p>Non-Performance Charge = Performance Shortfall * Non-Performance Charge Rate</p> <p>Where For Capacity Performance Resources and Seasonal Capacity Performance Resources, the Non-Performance Charge Rate = (Net Cost of New Entry (stated in terms of installed capacity) for the LDA and Delivery Year for which such calculation is performed * (the number of days in the Delivery Year / 30) / (the number of Real-Time Settlement Intervals in an</p>	<p>(e) Subject to the Non-Performance Charge Limit specified in subsection (f) hereof, each Capacity Market Seller and Locational UCAP Seller shall be assessed a Non-Performance Charge for each of its Capacity Resources or Locational UCAP that has a Performance Shortfall for a Performance Assessment Interval based on the following formula, applied to each such resource:</p> <p>Non-Performance Charge = Performance Shortfall * Non-Performance Charge Rate</p> <p>Where For Capacity Performance Resources and Seasonal Capacity Performance Resources, the Non-Performance Charge Rate = (Net Cost of New Entry (stated in terms of installed capacity) for the LDA and Delivery Year for which such calculation is performed * (the number of days in the Delivery Year / 30) / (the number of</p>	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		hour). and for Base Capacity Resources the Non-Performance Charge Rate = (Weighted Average Resource Clearing Price applicable to the resource * (the number of days in the Delivery Year / 30) (the number of Real-Time Settlement Intervals in an hour)	Real-Time Settlement Intervals in an hour). and for Base Capacity Resources the Non-Performance Charge Rate = (Weighted Average Resource Clearing Price applicable to the resource * (the number of days in the Delivery Year / 30) (the number of Real-Time Settlement Intervals in an hour)	
45.	Tariff, Att. DD, Section 10A, (f)	(f) The Non-Performance Charges for each Capacity Performance Resource (including Locational UCAP from such a resource) and each PRD Provider for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the Net Cost of New Entry times the megawatts of Unforced Capacity committed by such resource or such PRD Provider times the number of days in the Delivery Year. All references to Net Cost of New Entry in this section 10A shall be to the Net Cost of New Entry for the LDA and Delivery Year for which the calculation is performed. The total Non-Performance Charges for each Base Capacity Resource (including Locational UCAP from such a resource) for a Delivery Year shall not exceed a NonPerformance Charge Limit equal to the total payments due such Capacity Resource or Locational UCAP under Tariff, Attachment DD, section 5.14 for such Delivery Year. The NonPerformance Charges for each Seasonal Capacity Performance Resource for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the Net Cost of New Entry times the megawatts of Unforced Capacity committed by such resource times the number of days in the season applicable to such resource.	(f) The Non-Performance Charges for each Capacity Performance Resource (including Locational UCAP from such a resource) and each PRD Provider for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the Net Cost of New Entry times the megawatts of Unforced Capacity committed by such resource or such PRD Provider times the number of days in the Delivery Year. All references to Net Cost of New Entry in this section 10A shall be to the Net Cost of New Entry for the LDA and Delivery Year for which the calculation is performed. The total Non-Performance Charges for each Base Capacity Resource (including Locational UCAP from such a resource) for a Delivery Year shall not exceed a NonPerformance Charge Limit equal to the total payments due such Capacity Resource or Locational UCAP under Tariff, Attachment DD, section 5.14 for such Delivery Year. The NonPerformance Charges for each Seasonal Capacity Performance Resource for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the Net Cost of New Entry times the megawatts of Unforced Capacity committed by such resource times the number of days in the season applicable to such resource.	Base Capacity Resource term has passed sunset date and is no longer relevant under the Capacity Performance construct.
46.	Tariff, Att. DD, Section 10A, (f-1)	(f-1)Effective with the 2025/2026 Delivery Year and subsequent Delivery Years, the Non-Performance Charges for each Capacity Performance Resource (including Locational UCAP from such a resource) and each PRD	(f-1)Effective with the 2025/2026 Delivery Year and subsequent Delivery Years, the Non-Performance Charges for each Capacity Performance Resource (including Locational UCAP from such a resource) and	Non-Performance Charge Limit calculation incorrectly states “times

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>Provider for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the RPM Base Residual Auction clearing price times the number of days in the Delivery Year for the applicable Delivery Year and for the LDA where the resource resides, times the megawatts of Unforced Capacity committed by such resource or such PRD Provider, where such megawatts shall be based on the maximum Unforced Capacity committed up through the end of the month in which the PAI occurs, times the number of days in the Delivery Year. The Non-Performance Charges for each Seasonal Capacity Performance Resource for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the RPM Base Residual Auction clearing price times the number of days in the Delivery Year for the applicable Delivery Year and for the LDA where the resource resides, times the megawatts of Unforced Capacity committed by such resource, where such megawatts shall be based on maximum Unforced Capacity committed up through the end of the month in which the Performance Assessment Interval occurs, times the number of days in the season applicable to such resource.</p>	<p>each PRD Provider for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the RPM Base Residual Auction clearing price times the number of days in the Delivery Year for the applicable Delivery Year and for the LDA where the resource resides, times the megawatts of Unforced Capacity committed by such resource or such PRD Provider, where such megawatts shall be based on the maximum Unforced Capacity committed up through the end of the month in which the PAI occurs, times the number of days in the Delivery Year. The Non-Performance Charges for each Seasonal Capacity Performance Resource for a Delivery Year shall not exceed a Non-Performance Charge Limit equal to 1.5 times the RPM Base Residual Auction clearing price times the number of days in the Delivery Year for the applicable Delivery Year and for the LDA where the resource resides, times the megawatts of Unforced Capacity committed by such resource, where such megawatts shall be based on maximum Unforced Capacity committed up through the end of the month in which the Performance Assessment Interval occurs, times the number of days in the season applicable to such resource.</p>	<p>the number of days in the Delivery Year” twice due to a drafting error. See PJM Interconnection, L.L.C., 186 FERC ¶ 61,080 at P 210.</p>
47.	Tariff, Att. DD, Section 10A, (g)	<p>Expected Performance is as defined in subsection (c), provided, however, that for purposes of this calculation, Expected Performance shall be zero for any resource that is not a Capacity Resource or Locational UCAP, or that is a Capacity Resource or Locational UCAP, but for which the Performance Assessment Interval occurs outside the resource’s capacity obligation period, including, without limitation, a Base Capacity Demand Resource providing demand response during non-summer months; and</p>	<p>Expected Performance is as defined in subsection (c), provided, however, that for purposes of this calculation, Expected Performance shall be zero for any resource that is not a Capacity Resource or Locational UCAP, or that is a Capacity Resource or Locational UCAP, but for which the Performance Assessment Interval occurs outside the resource’s capacity obligation period, including, without limitation, a Base Capacity Demand Resource providing demand response during non-summer months; and</p>	<p>Base Capacity Demand Resource term has passed sunset date and is no longer relevant in the Capacity Performance construct.</p>
48.	Tariff, Att. DD, Section 11 Demand Resource	<p>Section 11 Demand Resource Compliance Penalty Charge (https://agreements.pjm.com/oatt/5164)</p>	<p>Delete the entirety of Section 11 Demand Resource Compliance Penalty Charge (https://agreements.pjm.com/oatt/5164)</p>	<p>Provisions of Section 11 are not applicable to Demand Resources</p>

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
	Compliance Penalty Charge			committed as Capacity Performance Resources.
49.	RAA, Article 1 - Definitions	<p>Base Capacity Demand Resource:</p> <p>"Base Capacity Demand Resource" shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a resource that is placed under the direction of the Office of the Interconnection and that will be available June through September of a Delivery Year, and will be available to the Office of the Interconnection for an unlimited number of interruptions during such months, and will be capable of maintaining each such interruption for at least a 10-hour duration between the hours of 10:00AM to 10:00PM Eastern Prevailing Time. The Base Capacity Demand Resource must be available June through September in the corresponding Delivery Year to be offered for sale or self-supplied in an RPM Auction, or included as a Base Capacity Demand Resource in an FRR Capacity Plan for the corresponding Delivery Year.</p>	<p>Base Capacity Demand Resource:</p> <p>"Base Capacity Demand Resource" shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a resource that is placed under the direction of the Office of the Interconnection and that will be available June through September of a Delivery Year, and will be available to the Office of the Interconnection for an unlimited number of interruptions during such months, and will be capable of maintaining each such interruption for at least a 10-hour duration between the hours of 10:00AM to 10:00PM Eastern Prevailing Time. The Base Capacity Demand Resource must be available June through September in the corresponding Delivery Year to be offered for sale or self-supplied in an RPM Auction, or included as a Base Capacity Demand Resource in an FRR Capacity Plan for the corresponding Delivery Year.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
50.	RAA, Article 1 – Definitions	<p>Base Capacity Energy Efficiency Resource:</p> <p>"Base Capacity Energy Efficiency Resource" shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a project, including installation of more efficient devices or equipment or implementation of more efficient processes or systems, meeting the requirements of RAA, Schedule 6 and exceeding then-current building codes, appliance standards, or other relevant standards, designed to achieve a continuous (during the summer peak periods as described in Reliability Assurance Agreement, Schedule 6 and the PJM Manuals) reduction in electric energy consumption that is not reflected in the peak load forecast prepared for the Delivery Year for which the Base Capacity Energy Efficiency Resource is</p>	<p>Base Capacity Energy Efficiency Resource:</p> <p>"Base Capacity Energy Efficiency Resource" shall mean, for the 2018/2019 and 2019/2020 Delivery Years, a project, including installation of more efficient devices or equipment or implementation of more efficient processes or systems, meeting the requirements of RAA, Schedule 6 and exceeding then-current building codes, appliance standards, or other relevant standards, designed to achieve a continuous (during the summer peak periods as described in Reliability Assurance Agreement, Schedule 6 and the PJM Manuals) reduction in electric energy consumption that is not reflected in the peak load forecast prepared for the Delivery Year for which the Base Capacity Energy Efficiency Resource is proposed, and that</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		proposed, and that is fully implemented at all times during such Delivery Year, without any requirement of notice, dispatch, or operator intervention.	is fully implemented at all times during such Delivery Year, without any requirement of notice, dispatch, or operator intervention.	
51.	RAA, Article 1 – Definitions	Base Capacity Resource: "Base Capacity Resource" shall have the same meaning as in Tariff, Attachment DD.	Base Capacity Resource: "Base Capacity Resource" shall have the same meaning as in Tariff, Attachment DD.	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
52.	RAA, Article 1 - Definitions	Demand Resource (DR): "Demand Resource" or "DR" shall mean a Limited Demand Resource, Extended Summer Demand Resource, Annual Demand Resource, Base Capacity Demand Resource or Summer-Period Demand Resource with a demonstrated capability to provide a reduction in demand or otherwise control load in accordance with the requirements of RAA, Schedule 6 that offers and that clears load reduction capability in a Base Residual Auction or Incremental Auction or that is committed through an FRR Capacity Plan.	Demand Resource (DR): "Demand Resource" or "DR" shall mean an Limited Demand Resource, Extended Summer Demand Resource, Base Capacity Demand Resource or Summer-Period Demand Resource with a demonstrated capability to provide a reduction in demand or otherwise control load in accordance with the requirements of RAA, Schedule 6 that offers and that clears load reduction capability in a Base Residual Auction or Incremental Auction or that is committed through an FRR Capacity Plan.	Limited Demand Resource, Extended Summer Demand Resource, and Base Capacity Demand Resource terms have passed sunset date and are no longer relevant under the Capacity Performance construct.
53.	RAA, Article 1 – Definitions	Demand Resource Factor or DR Factor: "Demand Resource Factor" or "DR Factor" shall mean, for Delivery Years through May 31, 2018, that factor approved from time to time by the PJM Board used to determine the unforced capacity value of a Demand Resource in accordance with Reliability Assurance Agreement, Schedule 6	Demand Resource Factor or DR Factor: "Demand Resource Factor" or "DR Factor" shall mean, for Delivery Years through May 31, 2018, that factor approved from time to time by the PJM Board used to determine the unforced capacity value of a Demand Resource in accordance with Reliability Assurance Agreement, Schedule 6	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
54.	RAA, Article 1 - Definitions	Energy Efficiency Resource:	Energy Efficiency Resource:	Base Capacity Energy Efficiency Resource term has passed sunset date and

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>“Energy Efficiency Resource” shall mean a project, including installation of more efficient devices or equipment or implementation of more efficient processes or systems, meeting the requirements of RAA, Schedule 6 and exceeding then-current building codes, appliance standards, or other relevant standards, designed to achieve a continuous (during the periods described in Reliability Assurance Agreement, Schedule 6 and the PJM Manuals) reduction in electric energy consumption 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. Annual Energy Efficiency Resources, Base Capacity Energy Efficiency Resources and Summer-Period Energy Efficiency Resources are types of Energy Efficiency Resources.</p>	<p>“Energy Efficiency Resource” shall mean a project, including installation of more efficient devices or equipment or implementation of more efficient processes or systems, meeting the requirements of RAA, Schedule 6 and exceeding then-current building codes, appliance standards, or other relevant standards, designed to achieve a continuous (during the periods described in Reliability Assurance Agreement, Schedule 6 and the PJM Manuals) reduction in electric energy consumption 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. Annual Energy Efficiency Resources, Base Capacity Energy Efficiency Resources and Summer-Period Energy Efficiency Resources are types of Energy Efficiency Resources.</p>	<p>is no longer relevant under the Capacity Performance construct.</p>
55.	RAA, Article 1 - Definitions	<p>Extended Summer Demand Resource:</p> <p>"Extended Summer Demand Resource" shall mean, for Delivery Years through May 31, 2018, and for FRR Capacity Plans Delivery Years through May 31, 2019, a resource that is placed under the direction of the Office of the Interconnection and that will be available June through October and the following May, and will be available for an unlimited number of interruptions during such months by the Office of the Interconnection, and will be capable of maintaining each such interruption for at least a 10-hour duration between the hours of 10:00AM to 10:00PM Eastern Prevailing Time. The Extended Summer Demand Resource must be available June through October and the following May in the corresponding Delivery Year to be offered for sale or Self-Supplied in an RPM</p>	<p>Extended Summer Demand Resource:</p> <p>"Extended Summer Demand Resource" shall mean, for Delivery Years through May 31, 2018, and for FRR Capacity Plans Delivery Years through May 31, 2019, a resource that is placed under the direction of the Office of the Interconnection and that will be available June through October and the following May, and will be available for an unlimited number of interruptions during such months by the Office of the Interconnection, and will be capable of maintaining each such interruption for at least a 10-hour duration between the hours of 10:00AM to 10:00PM Eastern Prevailing Time. The Extended Summer Demand Resource must be available June through October and the following May in the corresponding Delivery Year to be offered for sale or Self-Supplied in an</p>	<p>Term has passed sunset date and is no longer relevant under the Capacity Performance construct.</p>

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		Auction, or included as an Extended Summer Demand Resource in an FRR Capacity Plan for the corresponding Delivery Year.	RPM Auction, or included as an Extended Summer Demand Resource in an FRR Capacity Plan for the corresponding Delivery Year.	
56.	RAA, Article 1 - Definitions	<p>Limited Demand Resource:</p> <p>"Limited Demand Resource" shall mean, for Delivery Years through May 31, 2018, and for FRR Capacity Plans Delivery Years through May 31, 2019, a resource that is placed under the direction of the Office of the Interconnection and that will, at a minimum, be available for interruption for at least 10 Load Management Events during the summer period of June through September in the Delivery Year, and will be capable of maintaining each such interruption for at least a 6-hour duration. At a minimum, the Limited Demand Resource shall be available for such interruptions on weekdays, other than NERC holidays, from 12:00PM (noon) to 8:00PM Eastern Prevailing Time. The Limited Demand Resource must be available during the summer period of June through September in the corresponding Delivery Year to be offered for sale or Self-Supplied in an RPM Auction, or included as a Limited Demand Resource in an FRR Capacity Plan for the corresponding Delivery Year.</p>	<p>Limited Demand Resource:</p> <p>"Limited Demand Resource" shall mean, for Delivery Years through May 31, 2018, and for FRR Capacity Plans Delivery Years through May 31, 2019, a resource that is placed under the direction of the Office of the Interconnection and that will, at a minimum, be available for interruption for at least 10 Load Management Events during the summer period of June through September in the Delivery Year, and will be capable of maintaining each such interruption for at least a 6-hour duration. At a minimum, the Limited Demand Resource shall be available for such interruptions on weekdays, other than NERC holidays, from 12:00PM (noon) to 8:00PM Eastern Prevailing Time. The Limited Demand Resource must be available during the summer period of June through September in the corresponding Delivery Year to be offered for sale or Self-Supplied in an RPM Auction, or included as a Limited Demand Resource in an FRR Capacity Plan for the corresponding Delivery Year.</p>	Term has passed sunset date and is no longer relevant under the Capacity Performance construct.
57.	RAA, Article 1 - Definitions	<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</p>	Base Capacity Demand Resource term has passed sunset date and is no longer relevant under the Capacity Performance Construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
			Resource , Capacity Performance Demand Resource, or Economic Load Response Participant.	
58.	Tariff, Attachment DD-1, Section K RAA, Schedule 6, Section K	Load reduction compliance is determined on an hourly basis for a Demand Resource Registration linked to an Annual Demand Resource with a Capacity Performance commitment, for each FSL and GLD customer dispatched by the Office of the Interconnection for at least 30 minutes of the clock hour (i.e., "partial dispatch compliance hour"). Curtailment Service Provider may submit 1 minute load data for use in capacity compliance calculations for partial dispatch compliance hours subject to PJM approval and in accordance with the PJM Manuals where: (a) metering meets all Tariff and Manual requirements, (b) 1 minute load data shall be submitted to PJM for all locations on the registration, and (c) 1 minute load data measures energy consumption over the minute. The registered capacity commitment for a Demand Resource Registration with a Base or Capacity Performance commitment is not prorated based on the number of minutes dispatched during the clock hours. The actual hourly load reduction for the hour ending that includes a Performance Assessment Interval(s) is flat-profiled over the set of dispatch intervals in the hour in accordance with the PJM Manuals.	Load reduction compliance is determined on an hourly basis for a Demand Resource Registration linked to an Annual Demand Resource with a Capacity Performance commitment, for each FSL and GLD customer dispatched by the Office of the Interconnection for at least 30 minutes of the clock hour (i.e., "partial dispatch compliance hour"). Curtailment Service Provider may submit 1 minute load data for use in capacity compliance calculations for partial dispatch compliance hours subject to PJM approval and in accordance with the PJM Manuals where: (a) metering meets all Tariff and Manual requirements, (b) 1 minute load data shall be submitted to PJM for all locations on the registration, and (c) 1 minute load data measures energy consumption over the minute. The registered capacity commitment for a Demand Resource Registration with a Base or Capacity Performance commitment is not prorated based on the number of minutes dispatched during the clock hours. The actual hourly load reduction for the hour ending that includes a Performance Assessment Interval(s) is flat-profiled over the set of dispatch intervals in the hour in accordance with the PJM Manuals.	Base commitment is no longer relevant since Base Capacity Resource term has passed its sunset date.
59.	RAA, Schedule 8, B	B. Following the Base Residual Auction for a Delivery Year, the Office of the Interconnection shall determine the Base Zonal RPM Scaling Factor and the Base Zonal Unforced Capacity Obligation for each Zone for such Delivery Year as follows: For Delivery Years through May 31, 2018, Base Zonal Unforced Capacity Obligation = (ZWNSP * Base Zonal RPM Scaling Factor * FPR) + Zonal Short-Term Resource Procurement Target	B. Following the Base Residual Auction for a Delivery Year, the Office of the Interconnection shall determine the Base Zonal RPM Scaling Factor and the Base Zonal Unforced Capacity Obligation for each Zone for such Delivery Year as follows: For Delivery Years through May 31, 2018, Base Zonal Unforced Capacity Obligation = (ZWNSP * Base Zonal RPM Scaling Factor * FPR) + Zonal Short-Term Resource Procurement Target	Provision is past the sunset date and is no longer relevant.
60.	RAA, Schedule 8.1 C (1)	1. No less than four months before the conduct of the Base Residual Auction for the first Delivery Year for which such election is to be effective, any Party seeking to elect the FRR Alternative shall notify the	1. No less than four months before the conduct of the Base Residual Auction for the first Delivery Year for which such election is to be effective, any Party seeking to elect the FRR Alternative shall notify	Base Capacity Resource term has passed sunset date and is no longer

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		Office of the Interconnection in writing of such election. Such election shall be for a minimum term of five consecutive Delivery Years. No later than one month before such Base Residual Auction, such Party shall submit its FRR Capacity Plan demonstrating its commitment of Capacity Resources for the term of such election sufficient to meet such Party's Daily Unforced Capacity Obligation (and all other applicable obligations under this Schedule) for the load identified in such plan. No later than the last business day prior to the start of the relevant Delivery Year in which Capacity Performance requirements shall apply to such FRR Entity, the FRR Entity must also elect whether it seeks to be subject to the Non-Performance Charge for Capacity Performance Resources, Seasonal Capacity Performance Resources, and Base Capacity Resources, as provided in section 10A of Attachment DD of the PJM Tariff, and described in section G.1 of this Schedule 8.1, or to physical non-performance assessments, as described in section G.2 of this Schedule 8.1.	the Office of the Interconnection in writing of such election. Such election shall be for a minimum term of five consecutive Delivery Years. No later than one month before such Base Residual Auction, such Party shall submit its FRR Capacity Plan demonstrating its commitment of Capacity Resources for the term of such election sufficient to meet such Party's Daily Unforced Capacity Obligation (and all other applicable obligations under this Schedule) for the load identified in such plan. No later than the last business day prior to the start of the relevant Delivery Year in which Capacity Performance requirements shall apply to such FRR Entity, the FRR Entity must also elect whether it seeks to be subject to the Non-Performance Charge for Capacity Performance Resources, and Seasonal Capacity Performance Resources, and Base Capacity Resources, as provided in section 10A of Attachment DD of the PJM Tariff, and described in section G.1 of this Schedule 8.1, or to physical non-performance assessments, as described in section G.2 of this Schedule 8.1.	relevant under Capacity Performance construct.
61.	RAA, Schedule 8.1.G (1)	Any Capacity Resource committed by an FRR Entity in an FRR Capacity Plan for a Delivery Year shall be subject during such Delivery Year to the charges set forth in Tariff, Attachment DD, section 7, Tariff, Attachment DD, section 7A, Tariff, Attachment DD, section 10A, Tariff, Attachment DD, section 11A, and Tariff, Attachment DD, section 13; provided, however: (i) the Daily Deficiency Rate under Tariff, Attachment DD, section 7, Tariff, Attachment DD, section 7A, Tariff, Attachment DD, section 11A, and Tariff, Attachment DD, section 13 shall be 1.20 times the Capacity Resource Clearing Price resulting from all RPM Auctions for such Delivery Year for the LDA encompassing the Zone of the FRR Entity, weight-averaged for the Delivery Year based on the prices established and quantities cleared in such auctions); and (ii) the charges set forth in Tariff,	Any Capacity Resource committed by an FRR Entity in an FRR Capacity Plan for a Delivery Year shall be subject during such Delivery Year to the charges set forth in Tariff, Attachment DD, section 7, Tariff, Attachment DD, section 7A, Tariff, Attachment DD, section 10A, Tariff, Attachment DD, section 11A, and Tariff, Attachment DD, section 13; provided, however: (i) the Daily Deficiency Rate under Tariff, Attachment DD, section 7, Tariff, Attachment DD, section 7A, Tariff, Attachment DD, section 11A, and Tariff, Attachment DD, section 13 shall be 1.20 times the Capacity Resource Clearing Price resulting from all RPM Auctions for such Delivery Year for the LDA encompassing the Zone of the FRR Entity, weight-averaged for the Delivery Year based on the prices	ER24-98 filing was not approved by FERC. The physical Non-Performance Assessment option for FRR Entities still remains in effect.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		Attachment DD, section 10A shall apply, however, through the 2024/2025 Delivery Year, only to those FRR Entities which opted to be subject to the Non-Performance Charge under section C.1 of this Schedule 8.1. An FRR Entity shall have the same opportunities to cure deficiencies and avoid or reduce associated charges during the Delivery Year that a Market Seller has under Tariff, Attachment DD, section 7, Tariff, Attachment DD, section 7A, Tariff, Attachment DD, section 10A, and Tariff, Attachment DD, section 11A. An FRR Entity may cure deficiencies and avoid or reduce associated charges prior to the Delivery Year by procuring replacement Unforced Capacity outside of any RPM Auction and committing such capacity in its FRR Capacity Plan.	established and quantities cleared in such auctions); and (ii) the charges set forth in Tariff, Attachment DD, section 10A shall apply, however, through the 2024/2025 Delivery Year, only to those FRR Entities which opted to be subject to the Non-Performance Charge under section C.1 of this Schedule 8.1. An FRR Entity shall have the same opportunities to cure deficiencies and avoid or reduce associated charges during the Delivery Year that a Market Seller has under Tariff, Attachment DD, section 7, Tariff, Attachment DD, section 7A, Tariff, Attachment DD, section 10A, and Tariff, Attachment DD, section 11A. An FRR Entity may cure deficiencies and avoid or reduce associated charges prior to the Delivery Year by procuring replacement Unforced Capacity outside of any RPM Auction and committing such capacity in its FRR Capacity Plan.	
62.	RAA, Schedule 8.1, section H, (3), (a)	3. Annexation whereby a Party that has not elected the FRR Alternative acquires load from an FRR Entity: a. For any Delivery Year for which a Base Residual Auction already has been conducted, PJM would consider shifted load as unanticipated load growth for purposes of determining the RTO/LDA Reliability Requirements, Limited Resource and Sub-Annual Constraints for the 2017/2018 Delivery Year, and Base Capacity Demand Resource Constraint and Base Capacity Resource Constraint for the 2018/2019 and 2019/2020 Delivery Years in all future Incremental Auctions for such Delivery Years, and such shifted load shall pay a Locational Reliability Charge. For the next Incremental Auction, the FRR Entity would have an RPM must offer requirement for a fixed amount of unforced capacity equal to the shifted load times the updated Forecast Pool Requirement applicable to the next Incremental Auction. The FRR Entity would continue to have an RPM must offer requirement for all future Incremental Auctions for such	3. Annexation whereby a Party that has not elected the FRR Alternative acquires load from an FRR Entity: a. For any Delivery Year for which a Base Residual Auction already has been conducted, PJM would consider shifted load as unanticipated load growth for purposes of determining the RTO/LDA Reliability Requirements, Limited Resource and Sub-Annual Constraints for the 2017/2018 Delivery Year, and Base Capacity Demand Resource Constraint and Base Capacity Resource Constraint for the 2018/2019 and 2019/2020 Delivery Years in all future Incremental Auctions for such Delivery Years, and such shifted load shall pay a Locational Reliability Charge. For the next Incremental Auction, the FRR Entity would have an RPM must offer requirement for a fixed amount of unforced capacity equal to the shifted load times the updated Forecast Pool Requirement applicable to the next Incremental Auction. The FRR Entity would continue to	Terms listed in this section have passed sunset date and are no longer relevant in the Capacity Performance construct.

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		Delivery Year; however, the RPM must offer requirement would terminate once the FRR Entity cleared the required fixed amount of Unforced Capacity in Incremental Auction(s) for such Delivery Year.	have an RPM must offer requirement for all future Incremental Auctions for such Delivery Year; however, the RPM must offer requirement would terminate once the FRR Entity cleared the required fixed amount of Unforced Capacity in Incremental Auction(s) for such Delivery Year.	
63.	Tariff, Attachment K-Appendix, section 3.2.3(f-5)(i)-(v); Operating Agreement, Schedule 1, section 3.2.3(f-5)(i)-(v).	<p>(f-5) If a Market Participant of an Energy Storage Resource Model Participant believes that the above calculations in this section 3.2.3 do not accurately compensate the Market Participant for opportunity costs associated with following PJM manual dispatch instructions to modify a unit's charging or discharging due to a transmission constraint or other reliability issue, then the Office of the Interconnection, the Market Monitoring Unit and the individual Market Participant will discuss a mutually acceptable, modified amount of opportunity cost compensation, taking into account the specific circumstances binding on the Market Participant. Following such discussion, if the Office of the Interconnection accepts a modified amount of opportunity cost compensation, the Office of the Interconnection shall invoice the Market Participant accordingly.</p> <p>If the Market Monitoring Unit disagrees with the modified amount of opportunity cost compensation, as accepted by the Office of the Interconnection, it will exercise its powers to inform the Commission staff of its concerns.</p> <p>(i) A Market Seller of a pool-scheduled resource or a dispatchable self-scheduled resource shall receive Dispatch Differential Lost Opportunity Cost credits as</p>	<p>(f-5) If a Market Participant of an Energy Storage Resource Model Participant believes that the above calculations in this section 3.2.3 do not accurately compensate the Market Participant for opportunity costs associated with following PJM manual dispatch instructions to modify a unit's charging or discharging due to a transmission constraint or other reliability issue, then the Office of the Interconnection, the Market Monitoring Unit and the individual Market Participant will discuss a mutually acceptable, modified amount of opportunity cost compensation, taking into account the specific circumstances binding on the Market Participant. Following such discussion, if the Office of the Interconnection accepts a modified amount of opportunity cost compensation, the Office of the Interconnection shall invoice the Market Participant accordingly.</p> <p>If the Market Monitoring Unit disagrees with the modified amount of opportunity cost compensation, as accepted by the Office of the Interconnection, it will exercise its powers to inform the Commission staff of its concerns.</p> <p>(f-6) (i) A Market Seller of a pool-scheduled resource or a dispatchable self-scheduled resource shall receive Dispatch Differential Lost Opportunity Cost credits as</p>	<p>Two different, unrelated (f-5)s were proposed in overlapping filings.</p> <p>PJM proposes separating the provisions relating to pool-scheduled and dispatchable self-scheduled resources that was filed on August 30, 2019 in Docket No. ER19-2722 as section 3.2.3(f-5)(i)-(v) from the provisions in section 3.2.3(f-5) referencing Energy Storage Resources filed on April 30, 2021, in Docket No. ER21-1802-000.</p>

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
		<p>calculated under subsection (iv) below if the resource is dispatched to provide energy in the Real-time Energy Market, provided such resource is not committed to provide real-time ancillary services (Regulation, reserves, reactive service) or instructed to reduce or suspend output due to a transmission constraint or other reliability issue pursuant to Tariff, Attachment K-Appendix, section 3.2.3(f-1) through Tariff, Attachment K-Appendix, section (f-4).</p> <p>(iv) The Dispatch Differential Lost Opportunity Cost credit shall equal the greater of (A) the difference between the revenue above cost based on the pricing run determined in subsection (f-5)(ii) and the revenue above cost based on the dispatch run determined in subsection (f-5)(iii) or (B) zero.</p>	<p>calculated under subsection (iv) below if the resource is dispatched to provide energy in the Real-time Energy Market, provided such resource is not committed to provide real-time ancillary services (Regulation, reserves, reactive service) or instructed to reduce or suspend output due to a transmission constraint or other reliability issue pursuant to Tariff, Attachment K-Appendix, section 3.2.3(f-1) through Tariff, Attachment K-Appendix, section (f-4).</p> <p>(iv)The Dispatch Differential Lost Opportunity Cost credit shall equal the greater of (A) the difference between the revenue above cost based on the pricing run determined in subsection (f-5)(ii) and the revenue above cost based on the dispatch run determined in subsection (f-5)(iii) or (B) zero.</p>	
64.	Tariff, Schedule 6A, section 18	<p>“X” is the Black Start Service allocation factor unless a higher or lower value is supported by the documentation of the actual costs of providing Black Start Service. For such units qualifying as Black Start Units on the basis of demonstrated ability to operate at reduced levels when automatically disconnected from the grid, X shall be zero. For non-fuel assured Black Start Units with a commitment established under section 5 of this Schedule 6A, X shall be .01 for Hydro units, .02 for CT units. For fuel assured Black Start Units with a commitment established under section 5 of this Schedule 6A, X shall be .02 for all units.</p>	<p>“X” is the Black Start Service allocation factor unless a higher or lower value is supported by the documentation of the actual costs of providing Black Start Service. For such units qualifying as Black Start Units on the basis of demonstrated ability to operate at reduced levels when automatically disconnected from the grid, X shall be zero. For non-fuel assured Black Start Units with a commitment established under section 5 of this Schedule 6A, X shall be .01 for Hydro units, .02 for CT units. For fuel assured Black Start Units with a commitment established under section 5 of this Schedule 6A, X shall be .02 for all units.</p>	<p>This change removes the reference to “section 5” to make it clear that the value of “X” in the formula rate applies to both the Base Formula Rate under Section 5, and the NERC-CIP Recovery rate. The filings in Docket No. ER11-4402-000, where PJM added the Schedule 6A NERC-CIP</p>

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
				<p>Recovery rate provisions in section 18 supports this change because the NERC-CIP Recovery X factor was always intended to be the same value as the X factor applicable to the Based Formula Rate with a commitment period established under Section 5. The failure to delete the limiting references to “under section 5” in the definition of the “X” factor in section 18 at the time PJM filed to add the Schedule 6A NERC-CIP Recovery rate provisions in section 18 was an oversight because the intent was always to use the same value for “X” in the Schedule 6A formula rates. The</p>

	Governing Document, Agreement, Attachment, Section, Title	Current Language	Proposed Revisions	Rationale/Notes
				<p>FERC order accepting PJM’s August 30, 2011 filing to amend Schedule 6A, specifically stated as follows:</p> <p>“This proposed formulaic calculation is, essentially, the Base Formula Rate with the added ability to document, and recover, incremental NERC-CIP specific capital costs (at P8).”</p>
65	Tariff, Schedule 6A, section 18	<p>The CRF applicable to Black Start Capital Costs and/or for Fuel Assurance Capital Costs, of Black Start Units selected for Black Start Service after June 6, 2021, shall be updated annually on March 1 for (i) federal income tax rates as utilized by the U.S. Internal Revenue Service in effect at the time of the annual CRF update; (ii) average state tax rate; and (iii) debt interest rates and shall be posted on the PJM website by March 31 each year as shown in the table below. Interested parties shall have until April 15 of each year to contest PJM’s calculation of the annual CRF value before it becomes effective on June 1 of each year.</p>	<p>The CRF applicable to Black Start Capital Costs and/or for Fuel Assurance Capital Costs, of Black Start Units selected for Black Start Service after June 6, 2021, shall be updated annually on March 1 (if March 1 is not a Business day then the first Business Day after March 1) for (i) federal income tax rates as utilized by the U.S. Internal Revenue Service in effect at the time of the annual CRF update; (ii) average state tax rate; and (iii) debt interest rates and shall be posted on the PJM website by March 31 each year as shown in the table below. Interested parties shall have until April 15 of each</p>	<p>Corrections to Tariff, Schedule 6A, section 10, to clarify that annual CRF updates will occur on March 1 or the first Business Day after March 1, and the inputs to perform the annual CRF calculations will be as of March 1 or the</p>

	Governing Document, Agreement, Attachment, Section, Title	Current Language		Proposed Revisions		Rationale/Notes
		PJM determines annual CRF inputs	March 1	year to contest PJM’s calculation of the annual CRF value before it becomes effective on June 1 of each year.		first Business Day after March 1. These non-substantive Tariff changes are needed to address inaccurate Tariff provisions by conforming the annual CRF update and calculation procedures with necessary and established business practices.
PJM posts annual CRF	March 31	Deadline for contesting annual CRF	April 15			
Annual revenue requirement calculation	May 3 through May 27	Annual revenue requirement with CRF in effect	June 1	PJM posts annual CRF	March 31	
				Deadline for contesting annual CRF	April 15	
				Annual revenue requirement calculation	May 3 through May 27	
				Annual revenue requirement with CRF in effect	June 1	