



Revisions to Governing Documents

	Definition	Correct Definition (with section if applicable)	Revisions	Reason(s) For Changes
1.	Offer Data		<p>“Offer Data” shall mean the scheduling, operations planning, dispatch, new resource, and other data and information necessary to schedule and dispatch generation resources and Demand Resource(s) for the provision of energy and other services and the maintenance of the reliability and security of the Transmission System in the PJM Region, and specified for submission to the PJM Interchange Energy Market for such purposes by the Office of the Interconnection.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.20</p>	Capitalize “Transmission System” to reflect it is a defined term
2.	Operating Reserve	<p>“Operating Reserve” shall mean the amount of generating capacity scheduled to be available for a specified period of an operating day to ensure the reliable operation of the PJM Region, as specified in the PJM Manuals.</p> <p>RAA, section 1.58</p>	<p>“Operating Reserve” shall mean the amount of generating capacity scheduled to be available for a specified period of an Operating Day to ensure the reliable operation of a Control Zone <u>the PJM Region</u>, as specified in the PJM Manuals.</p> <p>OA, section 1.28</p>	Operating Reserve is used to ensure reliable operation of the PJM Region, not just a Control Zone, as properly reflected in the RAA’s definition. PJM used to be controlled and operated on a Zonal basis, however for several years, PJM has controlled and operated the entire RTO and does not operate it on a sub-RTO basis. The definition in the RAA is thus appropriate.
3.	Load Serving Entity	<p>Load Serving Entity or LSE shall mean any entity (or the duly designated agent of such an entity), including a load aggregator or power marketer, (i) serving end-users within the PJM Region, and (ii) that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electric energy to end-users located within the PJM Region. Load Serving Entity shall include any end-use customer that qualifies under state</p>	<p>“Load Serving Entity” shall mean any entity (or the duly designated agent of such an entity), including a load aggregator or power marketer, (4i) serving end-users within the PJM Region, and (2ii) that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electric energy to end-users located within the PJM Region. or the duly designated agent of such an entity. <u>Load Serving Entity shall include any end-use</u></p>	RAA definition is more appropriate because it specifies that LSEs include any end-use customers that qualify under state rules or a utility retail tariff to manage directly their own supply of electric power and energy and use of transmission and ancillary services. Further, moving the parenthetical from the end towards the beginning of the definition is clearer.



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		rules or a utility retail tariff to manage directly its own supply of electric power and energy and use of transmission and ancillary services. RAA, section 1.44	<u>customer that qualifies under state rules or a utility retail tariff to manage directly its own supply of electric power and energy and use of transmission and ancillary services.</u> OA, section 1.18	
4.	Wholesale Transaction		As used in Part IV <u>of the Tariff</u> , <u>“Wholesale Transaction”</u> means any transaction involving the transmission or sale for resale of electricity in interstate commerce that utilizes any portion of the Transmission System. Tariff, section 1.49G	Add clarifying language to make the definition clearer
5.	PJM Settlement, Inc. PJMSettlement		<u>“PJMSettlement” or “PJM Settlement, Inc.” shall mean PJM Settlement, Inc.</u> (or its successor), <u>established by PJM as set forth in Section 3.3 of the Operating Agreement.</u> Tariff, section 1.32.F.01 <u>“PJMSettlement” or “PJM Settlement, Inc.” shall mean PJM Settlement, Inc.</u> (or its successor), established by PJM as set forth in Section 3.3 <u>of this Agreement.</u> OA, section 1.35C.	Add clarifying language to both definitions to make them consistent with one another
6.	Counterparty	“Counterparty” shall mean PJMSettlement as the contracting party, in its name and own right and not as an agent, to an agreement or transaction with Market Participants or other entities, including the agreements and transactions with customers regarding transmission service and other transactions under the PJM Tariff and this Operating	<u>“Counterparty” shall mean PJM-Settlement as the contracting party, in its name and own right and not as an agent, to an agreement or transaction with a Market Participants or other customer entities, including the agreements and transactions with customers regarding transmission service and other transactions under the PJM Tariff and this</u>	Align definitions to use more precise definition in the OA that specifies some specific instances when PJMSettlement will and will not be a Counterparty to a transaction or agreement. The OA definition is the correct definition because it is less ambiguous than the Tariff definition.



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		<p>Agreement. PJMSettlement shall not be a counterparty to (i) any bilateral transactions between Market Participants, or (ii) with respect to self-supplied or self scheduled transactions reported to the Office of the Interconnection.</p> <p>OA, section 1.7.01a</p>	<p><u>Operating Agreement. PJMSettlement shall not be a counterparty to (i) any bilateral transactions between Market Participants, or (ii) with respect to self-supplied or self scheduled transactions reported to the Office of the Interconnection.</u></p> <p>Tariff, section 1.6D</p>	
7.	Auction Revenue Rights		<p>Auction Revenue Rights” or “ARRs” shall mean the right to receive the revenue from the Financial Transmission Right auction, as further described in Section 7.4 of this Schedule.</p> <p>Schedule 1 OA, Attachment K-Appendix, section 1.3.1A</p>	Minor formatting correction to add quotation mark
8.	Demand Resource	<p>Demand Resource or “DR” shall mean a Limited Demand Resource, Extended Summer Demand Resource, or Annual Demand Resource with a demonstrated capability to provide a reduction in demand or otherwise control load in accordance with the requirements of 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. As set forth in Schedule 6, a Limited Demand Resource, Extended Summer Demand Resource or Annual Demand Resource may be an existing demand response resource or a Planned Demand Resource.</p> <p>RAA, Section 1.13 (Attachment DD of the Tariff and Section 1 of OA reference this definition).</p>	<p>“Demand Resource” shall mean a resource with the capability to provide a reduction in demand. <u>Demand Resource or “DR” shall mean a Limited Demand Resource, Extended Summer Demand Resource, or Annual Demand Resource with a demonstrated capability to provide a reduction in demand or otherwise control load in accordance with the requirements of 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. As set forth in Schedule 6, a Limited Demand Resource, Extended Summer Demand Resource or Annual Demand Resource may be an existing demand response resource or a Planned Demand Resource.</u></p> <p>Att. K Appendix Tariff and Sched. 1 OA,</p>	Use more detailed and complete definition in RAA in both the Tariff and OA. More detailed definition is correct because it uses less ambiguous language and clearly specifies the different types of Demand Resources that currently participate in PJM’s markets. RAA definition also states that such resources may be an existing demand resource or a Planned Demand Resource.



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			Section 1.3.1E.01:	