



Revisions to Governing Documents
First Read Definitions
For the 01/28/2016 MRC

	Definition	Correct Definition (with section if applicable)	Revisions	Reason(s) For Changes
1.	Capacity Emergency Transfer Limit	<p>OATT, Attachment DD, section 2.8</p> <p>2.8 Capacity Emergency Transfer Limit “Capacity Emergency Transfer Limit” or “CETL” shall have the meaning provided in the Reliability Assurance Agreement.</p>	<p>RAA, section 1.7.</p> <p>1.7 Capacity Emergency Trans mission <u>Transfer</u> Limit (“CETL”) Capacity Emergency Transmission <u>Transfer</u> Limit (“CETL”) shall mean the capability of the transmission system to support deliveries of electric energy to a given area experiencing a localized capacity emergency as determined in accordance with the PJM Manuals.</p> <p>RAA, section 1.7A</p> <p>1.7A Capacity Import Limit Capacity Import Limit shall mean</p> <p>...As more fully set forth in the PJM Manuals, PJM shall make such determination based on the latest peak load forecast for the studied period, the same computer simulation model of loads, generation and transmission topography employed in the determination of Capacity Emergency Transmission <u>Transfer</u> Limit for such Delivery Year....</p> <p>RAA, Schedule 8.1, section 6</p> <p>6. An FRR Entity may reduce the Percentage Internal Resources Required as to any LDA to the extent the FRR Entity commits to a</p>	<p>The correct terminology is “Capacity Emergency Transfer Limit” and not “Capacity Emergency Transmission Limit”</p> <p>PJM intends to make conforming change in the RAA where the term “transmission” is in the defined term. See proposed change to RAA section 1.7A</p> <p>PJM intends to use the acronym of this term (as well as CETO) in two places in the RAA where it inadvertently was not capitalized. RAA, Schedule 8.1, section 6; RAA, Schedule 10.1, section B.</p>



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			<p>transmission upgrade that increases the capacity emergency transfer limit CETL for such LDA. Any such transmission upgrade shall adhere to all requirements for a Qualified Transmission Upgrade as set forth in Attachment DD to the PJM Tariff. The increase in CETL used in the FRR Capacity Plan shall be that approved by PJM prior to inclusion of any such upgrade in an FRR Capacity Plan. The FRR Entity shall designate specific additional Capacity Resources located in the LDA from which the CETL was increased, to the extent of such increase.</p> <p>RAA, Schedule 10.1, section B</p> <p>B. For purposes of evaluating If the Office of the Interconnection includes a new Locational Deliverability Area in the Regional Transmission Expansion Planning Protocol, it shall make a filing with FERC to amend this Schedule to add a new Locational Deliverability Area (including a new aggregate LDA), if such new Locational Deliverability Area is projected to have a capacity emergency transfer limit CETL less than 1.15 times the capacity emergency transfer objective CETO of such area, or if warranted by other reliability concerns consistent with the Reliability Principles and Standards. In addition, any Party may propose, and the Office of the Interconnection shall evaluate, consistent with the same CETO/CETO comparison or other reliability concerns, possible new Locational Deliverability Areas (including</p>	



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			aggregate LDAs) for inclusion under the Regional Transmission Expansion Planning Protocol and for purposes of determining locational capacity obligations hereunder.	
2.	OATT, §1.7B Daily Capacity Deficiency Rate	N/A	<p>1.7B [Reserved.] Daily Capacity Deficiency Rate Daily Capacity Deficiency Rate is as defined in Schedule 11 of the Reliability Assurance Agreement.</p> <p>Modification to OATT § 114 to reflect the correct term:</p> <p>. . . . Deactivation Avoidable Cost Credit shall not be less than zero. If at any time, the Deactivation Avoidable Cost Rate + Applicable Adder, expressed in \$/MW day, exceeds the Daily Capacity Deficiency Rate, the Generation Owner shall be credited the Daily Capacity Deficiency Rate multiplied by the generating unit's MW capability, less any Actual Net Revenues. . . .</p>	<p>This definition does not exist. It is only used in one place in the OATT (and not at all in the RAA or OA). PJM believes the reference to RAA Schedule 11 is a remnant of pre-RPM days.</p> <p>The only reference to this in the OATT is in § 114 concerning the Deactivation Avoidable Cost Rate for a deactivating unit. The correct terminology to use in that formula is the Daily Deficiency Rate, which is a defined term in OATT, Attachment DD, § 2.17 which refers to, for example, OATT, Attachment DD, § 7. As such, PJM modify OATT § 114 to use that term rather than the obsolete term of Daily Capacity Deficiency Rate. That change is shown to the left.</p> <p>For transparency, the Daily Deficiency Rate as defined in OATT, Attachment DD, § 7 is:</p> <p>The Daily Deficiency Rate shall equal the Capacity Resource Clearing Price (weighted as necessary to reflect the clearing prices in all RPM Auctions that resulted in installed capacity commitments from such resource), in \$/MW-day</p>