



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. | Wholesale Transaction | | <p>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.</p> <p>Tariff, section 1.49G</p> | Add clarifying language to make the definition clearer |
| 4. | PJM Settlement, Inc. PJMSettlement | | <p>“<u>PJMSettlement</u>” or “<u>PJM Settlement, Inc.</u>” shall mean <u>PJM Settlement, Inc.</u> (or its successor), <u>established by PJM as set forth in</u></p> | Add clarifying language to both definitions to make them consistent with one another |



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| | | | <p>Section 3.3 of the Operating Agreement.</p> <p>Tariff, section 1.32.F.01</p> <p>“PJMSettlement” or “PJM Settlement, Inc.” shall mean PJM Settlement, Inc. (or its successor), established by PJM as set forth in Section 3.3 of this Agreement.</p> <p>OA, section 1.35C.</p> | |
| 5. | Counterparty | <p>“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 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>“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 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.</p> <p>Tariff, section 1.6D</p> | 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. |
| 6. | 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,</p> | Minor formatting correction to add quotation mark |



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| | | | section 1.3.1A | |