



Revisions to Governing Documents

	Definition	Correct Definition (with section if applicable)	Revisions	Reason(s) For Changes
1.	Corrective Action	<p>1.7.15 : Corrective Action. Consistent with Good Utility Practice, the Office of the Interconnection shall be authorized to direct or coordinate corrective action, whether or not specified in the PJM Manuals, as necessary to alleviate unusual conditions that threaten the integrity or reliability of the PJM Region, or the regional power system.</p> <p>OA Schedule 1, section 1.7.15; OATT, Attachment K-Appendix section 1.7.15</p>	<p>(c) “Corrective Action” means an action set forth in section IV.I of this Plan. [Reserved for future use.]</p> <p>OATT Attachment M, section II(c)</p> <p>(w-1) “Referral” means a formal report of the Market Monitoring Unit to the Commission for investigation of behavior of a Market Participant, or behavior of PJM, or of a market design flaw, pursuant to Section IV.I of this Plan.</p> <p>OATT Attachment M, section II(w-1)</p> <p>2. Except as provided in subsection IV.K.3, in exercising its authority to make Referrals Corrective Actions, the Market Monitoring Unit shall observe the confidentiality provisions of the PJM Operating Agreement and Attachment M - Appendix.</p> <p>OATT Attachment M, section IV.K(2)</p> <p>Making the term referral uppercase in the following sections (see attached which shows all the redlines in document form):</p> <p>OATT Attachment M, Section IV.D-1, VI.I, IV.J, VI.D.</p> <p>Changing the term referral or lower cased term corrective action where it is not meant to be a Referral as newly defined:</p>	<p>OA Schedule 1, section 1.7.15 and the corresponding OATT Attachment K-Appendix, section 1.7.15 include a definition of “Corrective Action” that differs from the definition of “Corrective Action” in OATT Attachment M. Thus, we propose to use a different term in OATT Attachment M to reflect what is meant in that text.</p> <p>In doing so, there are other changes to OATT Attachment M and Attachment M-Appendix that used the term Corrective Action, that will need to be changed to reflect the new defined term. These are all shown in the column to the left and are also described here:</p> <ul style="list-style-type: none"> • Removing the term Corrective Action, and replacing it with a newly defined term Referral. • Where the term referral was previously lower-cased, we are making it upper-case (except as explained in the next bullet) to reflect that it is as defined in the term Referral. • In one case – Attachment M Section IV.H -- the term referral does not have the same meaning as what was the term Corrective Action. We are removing the word Referral from the title of that paragraph H, “Referrals to State Commissions” and rewording it to say “Reports of Wrongdoing to State Commissions” which matches up with exact terminology used in the



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		<p>H. Referrals-Reports of Wrongdoing to State Commissions: If during the ordinary course of its activities the Market Monitoring Unit discovers evidence of wrongdoing (other than minor misconduct) that the Market Monitor reasonably believes to be within a State Commission's jurisdiction, the Market Monitoring Unit shall report such information to the State Commission(s).</p> <p>OATT Attachment M, Section IV.H</p> <p>(ii) The Office Market Monitoring Unit shall terminate the right of such Authorized Commission to receive confidential information under this Section I upon written notice to such Authorized Commission unless: (i) there was no harm or damage suffered by the Affected Member; or (ii) similar good cause is shown. Any appeal of the Market Monitoring Unit's actions under this Section I shall be to Commission. An Authorized Commission shall be entitled to reestablish its certification as set forth in Section I.D.1 by submitting a filing with the Commission showing that it has taken <u>sufficient and appropriate steps to protect confidential information</u>corrective action. If the Commission does not act upon an Authorized Commission's recertification filing with sixty (60) days of the date of the filing, the recertification shall be deemed approved and the Authorized Commission shall be permitted to receive confidential information pursuant to this section.</p> <p>OATT Attachment M-Appendix, Section I.D.4.ii</p>	<p>text of that paragraph H .</p> <ul style="list-style-type: none"> • In one case – OATT Attachment M-Appendix, section I.D.4..ii -- we are changing the lower case term corrective action to something different than Referral because it was not meant to be a Referral as it is newly defined.



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2.	Delivery Year		<p>Delivery Year shall mean a Planning Period for which a Capacity Resource is Committed pursuant to the auction procedures specified in Section 5 of Attachment DD to the Tariff or pursuant to an FRR Capacity Plan.</p> <p>RAA 1.12</p> <p>Delivery Year shall mean the Planning Period for which a Capacity Resource is committed pursuant to the auction procedures specified in Section 5 hereof, or pursuant to an FRR Capacity Plan.</p> <p>OATT Attachment DD, section 2.19</p>	Both definitions needed minor modifications to conform to each other. The RAA definition is being modified to specifically cross-reference section 35 of DD. The OATT Attachment DD definition is being modified to add the concept of FRR Capacity plan to the definition in Attachment DD similar to how it is captured in the RAA definition of Delivery Year.
3.	Daily Unforced Capacity Obligation		<p>Daily Unforced Capacity Obligation shall mean the capacity obligation of a Load Serving Entity during the Delivery Year, determined in accordance with have the meaning set forth in Schedule 8 hereof or, as to an FRR Entity, in Schedule 8.1 hereof.</p> <p>RAA section 1.11</p> <p>“Daily Unforced Capacity Obligation” shall mean the capacity obligation of a Load Serving Entity during the Delivery Year, determined in accordance with Schedule 8 of the Reliability Assurance Agreement or, as to an FRR Entity in Schedule 8.1 of the RAA.</p> <p>OATT Attachment DD, section 2.18</p>	Both definitions need minor modifications to conform to each other. The RAA definition is being modified to add the substance of what the term means, as it is stated in the OATT, so that it not merely referencing the section where it is later calculated. The OATT Attachment DD definition is being modified to add the concept of FRR Capacity plan to the definition in Attachment DD similar to how it is captured in the RAA definition of Daily Unforced Capacity Obligation.
4.	Demand Resource Factor		<p>“Demand Resource Factor” or “DR Factor” shall have the meaning specified in the Reliability Assurance Agreement.</p>	This change captures that the same definition was used for DR Factor as Demand Resource Factor and updates both the OATT and RAA to reflect both uses of the term/acronym.



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			<p>OATT Attachment DD section 2.21</p> <p><u>Demand Resource Factor or DR Factor</u> <u>Demand Resource Factor or DR Factor</u> shall mean 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 Schedule 6.</p> <p>RAA section 1.15</p>	
5.	Zonal Capacity Price	<p>“Zonal Capacity Price” shall mean the clearing price required in each Zone to meet the demand for Unforced Capacity and satisfy Locational Deliverability Requirements for the LDA or LDAs associated with such Zone. If the Zone contains multiple LDAs with different Capacity Resource Clearing Prices, the Zonal Capacity Price shall be a weighted average of the Capacity Resource Clearing Prices for such LDAs, weighted by the Unforced Capacity of Capacity Resources cleared in each such LDA.</p> <p>OATT Attachment DD, section 2.71</p>	<p>1.88 Zonal Capacity Price shall mean the price of Unforced Capacity in a Zone that an LSE that has not elected the FRR Alternative is obligated to pay for a Delivery Year as determined pursuant to have the same meaning as in Attachment DD to the PJM Tariff.</p>	<p>The Attachment DD definition is correct. There is no need to define Zonal Capacity Price any differently in the RAA. The concept that the Zonal Capacity Price does not apply to LSEs who elected the FRR Alternative is captured elsewhere in the RAA and does not need to be in the definition.</p>