



M2M SETTLEMENT ADJUSTMENT FORM

Settlement Adjustment Identifier:

Merit Order and Load Forecast

Settlement Adjustment Justification:

PJM – Merit Order issue
MISO – Load Forecast issue

Background and Support:

Time Frame of resettlement: Merit Order – 4/6/2013-7/17/2013
Load Forecast – 6/1/2013 – 8/14/2013

FERC Filings associated: N/A

JOA Impacts: N/A

Merit Order – During the summer seasonal allocation run, PJM incorrectly changed the dispatch priority for some of their generators that came on-line after the April 2004 freeze date. Therefore units were dispatched in the calculation of the allocation when they should not have been. This, in turn, caused the incorrect Firm Flow Entitlements (FFE) to be used in the settlements processing.

Load Forecast – Effective June 1, 2013, MISO Monthly Load forecast for MISO LBAs was not getting refreshed in SDX, causing flowgate allocation calculation to use stale load forecast data. This, in turn, impacted FFEs used in the M2M process.

Financial Adjustments:

Dollar amount: \$8,586,866.31

Direction of Payment: Payment will be made from PJM to MISO

Date of Settlement Adjustment: PJM will be processing the invoices starting in February continuing through June. MISO will issue payout within one week of receipt of payment from PJM.

All settlements values will have notification made via website posting:

- if settlement value is less than \$500K, notification will ONLY be made via website notification
- if settlement value is between \$500K and \$1M, notification will be made at individual RTO stakeholder meetings
- If settlement value is greater than \$1M, notification will be done at JCM