

Welcome to the *Metering Reconciliation Accounting* section of the PJM Manual for **Operating Agreement Accounting**. In this section, you will find the following information:

- How metering errors and corrections are reconciled and corrected (see “*Meter Correction Billing*”).

## 12.1 Meter Error Correction Billing

Metering errors and corrections are reconciled at the end of each month by a meter correction charge. The monthly meter error correction charge (plus/minus) is determined by the product of the positive or negative deviation in energy amounts times the load weighted average real-time LMP for all load buses in the PJM Region, as applicable for tie meter corrections; ~~or times the generation weighted average real-time LMP for individual generation buses,~~ energy injections into the transmission system modeled as generators, and Pseudo Tie imports into PJM for generator ~~(or for net energy injections into the transmission system modeled as generators)~~ meter corrections; ~~or times the Dynamic Schedule weighted average interface real-time LMP for meter corrections for Dynamic Schedule imports into PJM and non-unit specific Dynamic Schedule exports out of PJM;~~ or times the difference between the RT MWh weighted average interface real-time LMP and RT MWh weighted average generator bus real-time LMP for Pseudo Tie exports and unit specific Dynamic Schedule exports out of PJM meter corrections.

Meter error data is submitted to PJM via Power Meter no later than the last PJM business day of the month following the end of the monthly billing cycle applicable to the meter correction.

A PJM Member may not assert a claim for an adjustment in billing as a result of a meter error for any error discovered more than two years after the date on which the metering occurred. Any claim for an adjustment in billing as a result of a meter is limited to bills for transactions occurring in the most recent annual accounting period of the billing PJM Member in which the meter error occurred and the prior annual accounting period. Billing cycle accounting for PJM Mid-Atlantic 500 kV transmission losses is adjusted to account for errors in meters on those 500 kV Transmission Facilities.

### 12.1.1 Meter Corrections between PJM Members

If a PJM Member or PJM discovers a meter error affecting an interchange of energy with another PJM Member(s) and makes the error known to the other PJM Member(s) prior to the completion by PJM of the accounting for the interchange, and if the PJM Members are willing to adjust hourly tie readings to compensate for the error, an adjustment in tie readings may be made by the PJM Members in order to correct for the meter error, provided corrected information is provided to PJM in accordance with PJM’s accounting deadlines. No such adjustment may be made if PJM has completed the accounting for the Operating Day in which the interchange occurred. If this is not practical, the error is accounted for by a correction at the end of the billing cycle.

### 12.1.2 Meter Corrections between Control Areas

An error in metered interchange between a PJM Member and an entity in another Control Area is corrected by adjusting the hourly meter readings. If this is not practical, the error is accounted for by a correction at the end of the billing cycle. The PJM Member with ties or Dynamic Transfers with ~~to~~ such other Control Area experiencing the error accounts for the full amount of the discrepancy and an appropriate debit or credit is applied proportionately among all LSEs based on load (de-rated for transmission losses). PJM adjusts the actual or scheduled interchange between PJM and the other Control Area to maintain a proper record of inadvertent energy flow.

**PJM Actions:**

- PJM receives meter correction data from the fully metered PJM Members.
- PJM verifies and reconciles the meter correction data to ensure data consistency.
- PJM allocates PJM Mid-Atlantic 500 kV meter corrections to all fully metered PJM Mid-Atlantic EDCs in proportion to their monthly PJM Mid-Atlantic real-time load (excluding losses), and allocates external tie line meter corrections to all PJM RTO LSEs in proportion to their monthly PJM RTO real-time load (excluding losses).
- PJM calculates a monthly: load weighted-average real-time LMP for the PJM RTO, and node specific generation weighted-average real-time LMPs, and Dynamic Schedule weighted-average interface real-time LMPs.
- PJM calculates meter error correction charges or credits for each EDC, LSE, or generator, or Dynamic Transfer as follows:

Meter Correction Charge (+/-) = (Tie Meter Correction MWh \* PJM Monthly Load Weighted-Average LMP) + (Generation Meter Correction MWh \* Applicable Monthly Generation Weighted-Average LMP) + (Dynamic Schedule Import Correction MWh \* Applicable Monthly Dynamic Schedule Weighted-Average Interface LMP) + (Dynamic Schedule Non-Unit specific Export Correction MWh \* Applicable Monthly Dynamic Schedule Weighted-Average Interface LMP) + (Unit Specific Dynamic Transfer Correction MWh \* ( Applicable Monthly Dynamic Transfer Weighted-Average Interface LMP - Applicable Monthly Generation Weighted-Average LMP))

- The following table shows the market participants that receive +/- meter correction charges based on the various types of meters that require corrections.

Type of Tie Meter Correction	Mid-Atlantic 500kv?	Impacted Participant(s)	Impacted Participant(s)
PJM Internal Tie	Yes	Applicable EDC	PJM Mid-Atlantic EDCs
	No	Applicable EDC	Applicable EDC
PJM External Tie	Yes	PJM Mid-Atlantic EDCs	All PJM LSEs
	No	Applicable EDC	All PJM LSEs
Generator Tie	Yes	Generator	PJM Mid-Atlantic EDCs
	No	Generator	Applicable EDC
<u>Pseudo Tie Generator Import</u>	<u>No</u>	<u>PJM Market Participant Receiving LMP Credit</u>	<u>All PJM LSEs</u>
<u>Pseudo Tie Generator or Dynamic Schedule Generator Export</u>	<u>Yes and No</u>	<u>Exporting Party</u>	<u>All PJM LSEs</u>

<u>Dynamic Schedule Import</u>	<u>No</u>	<u>PJM Market Participant receiving LMP credit</u>	<u>All PJM LSEs</u>
<u>Dynamic Schedule Export (Not Unit Specific)</u>	<u>No</u>	<u>PJM Market Participant receiving LMP charge</u>	<u>All PJM LSEs</u>

- For each EDC that requests PJM to further allocate their meter correction charges to all LSEs in their territory (and provides PJM with documented concurrence from all of their LSEs), that EDC's meter correction charges will be allocated to all LSEs in their territory in proportion to their monthly real-time load (excluding losses).