

C. Methodology

Each year, the Forecast Pool Requirement for at least each of the next five Planning Periods shall be projected by applying suitable probability methods to the data and forecasts provided by the Parties and obtained from Electric Distributors, as described in Schedule 11, the Operating Agreement and in the PJM Manuals. The projection of the Forecast Pool Requirement shall consider the following data and forecasts as necessary:

1. Seasonal peak load forecasts for each Planning Period as calculated by PJM in accordance with the PJM Manuals reflecting (a) load forecasts with a 50 percent probability of being too high or too low and (b) summer peak diversities determined by the Office of the Interconnection from recent experience.
2. Forecasts of aggregate seasonal load shape of the Parties which are consistent with forecast averages of 52 weekly peak loads prepared by the Parties and obtained from Electric Distributors for their respective systems.
3. Variability of loads within each week, due to weather and other recurring and random factors, as determined by the Office of the Interconnection.
4. Generating unit capability and types for every existing and proposed unit.
5. Generator Forced Outage rates for existing mature generating units, as determined by the Office of the Interconnection, based on data submitted by the Parties for their respective systems, from recent experience, and for immature and proposed units based upon forecast rates related to unit types, capabilities and other pertinent characteristics.
6. Generator Maintenance Outage factors and planned outage schedules as determined by the Office of the Interconnection based on forecasts and historical data submitted by the Parties for their respective systems.
7. Miscellaneous adjustments to capacity due to all causes, as determined by the Office of the Interconnection, based on forecasts submitted by the Parties for their respective systems.
8. The emergency capacity assistance available as a function of interconnections of the PJM Region with other Control Areas, as limited by the capacity benefit margin considered in the determination of available transfer capability and the probable availability of generation in excess of load requirements in such areas.