

## 1.12 Dynamic ~~Scheduling~~Transfers.

(a) An entity that owns or controls a generating resource in the PJM Region may request that the Transmission Provider electrically remove all or part of the generating resource's output from the PJM Region through ~~dynamic scheduling~~ a Dynamic Transfer of the output to load outside the PJM Region. Such output shall not be available for economic dispatch by the Office of the Interconnection. ~~–A generating unit~~Market Participant otherwise eligible pursuant to section 3.2.3 to submit start-up and no-load values of a generating unit for consideration in calculation of the Operating Reserve Credit shall not be so eligible if all of the output of the generating unit is ~~dynamically scheduled~~transferred outside of the PJM Region by a Dynamic Transfer.

(b) An entity that owns or controls a generating resource outside of the PJM Region may request that the Transmission Provider electrically add all or part of the generating resource's output to the PJM Region through ~~dynamic scheduling~~a Dynamic Transfer of the output to load inside the PJM Region. A ~~generating unit~~Market Participant otherwise eligible pursuant to section 3.2.3 to submit start-up and no-load values of a generating unit for consideration in calculation of the Operating Reserve Credit shall be so eligible only if all of the output of the generating unit is ~~dynamically scheduled~~transferred into the PJM Region by a Dynamic Transfer.

(c) The Transmission Provider shall implement ~~dynamic scheduling~~Dynamic Transfers pursuant to a request under subsections (a) or (b) above, provided that the requesting entity can demonstrate to the satisfaction of the Transmission Provider that the requesting entity has arranged for the provision of signal processing and communications from the ~~generator~~generating unit to the Office of the Interconnection and other participating control areas and remains in compliance with any other procedures and operational requirements established by the Office of the Interconnection regarding ~~dynamic scheduling~~ Dynamic Transfer as set forth in the PJM Manuals.

(d) An entity requesting ~~dynamic scheduling~~a Dynamic Transfer shall be responsible for reserving the amounts of ~~firm or non-firm~~ transmission service necessary to deliver the range of the ~~dynamic transfer~~Dynamic Transfer and any required ancillary services as applicable. Firm or non-firm transmission service may be used to deliver Dynamic Schedules. Dynamic Schedules are not eligible to provide ancillary services. Only firm transmission service may be used to deliver Pseudo-Ties. Pseudo-Ties are eligible to provide Regulation, Synchronized Reserve and Non-Synchronized Reserve as further described in the PJM Manuals. Provided, however, that an An entity seeking to utilize ~~dynamic scheduling~~a Dynamic ScheduleTransfer to coordinate operations and beneficially manage congestion in real time with PJM may execute a mutually agreeable interregional congestion management agreement as contemplated in Section 2.6A of this Schedule. Dynamic ~~scheduled~~Schedule transactions that occur in real time pursuant to such a congestion management agreement may utilize after-the-fact transmission reservations to account for actual energy transfers.

(e) The ~~generating unit~~Market Participant shall cooperate with PJM to ensure that changes in the ~~dynamic schedule~~Dynamic Transfer value do not adversely impact PJM's management of the

PJM Area Control Error in a manner unacceptable to PJM, and, in the event that PJM, in its sole discretion, determines that the ~~generating unit~~Market Participant's actions in this regard are unacceptable, PJM may terminate the ~~dynamic scheduling~~Dynamic Transfer arrangement and may require such additional conditions as it deems appropriate prior to any further ~~dynamic scheduling~~Dynamic Transfers.

(f) Market Sellers of generators and other sources otherwise eligible pursuant to Schedule 2 of the PJM Tariff to receive compensation for providing reactive supply and voltage control shall not be so eligible if the generating unit is outside of the PJM Region regardless of whether the generating unit is transferred into the PJM Region by a Dynamic Transfer.