June 30, 2014

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Dockets, Room 1A, East
Washington, D.C.  20426

Re:  Exelon Corporation Attachment M-2 Filing on Behalf of Baltimore Gas and Electric Company; Docket No. ER14-2339-000

Dear Secretary Bose:


STATEMENT OF NATURE, REASONS, AND BASIS

BGE does not currently have an Attachment M-2 in the PJM Tariff. The purpose of providing an Attachment M-2 applicable to BGE is to provide a description of the general procedures that BGE follows in determining Capacity Obligations (Peak Load Obligations or “PLCs”), and Transmission Obligations (Network Service Peak Loads, or “NSPLs”), and Final Hourly Load Obligations for PJM Tariff customers who are Load Serving Entities (“LSEs”) serving load within the BGE Electric Distribution Company (“EDC”) Zone, (“BGE Rate Zone”), a zone located entirely within the PJM Regional Transmission Organization footprint.

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1 16 U.S.C. § 824d.
2 18 C.F.R. Pt. 35.
3 Pursuant to Order No. 714, this filing is submitted by PJM on behalf of Exelon as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff.
BGE determines the PLC and NSPL based on historical prior year usage and demand, scaled in relation to historical experience and projections of future load growth and weather data. BGE aggregates PLC and NSPL values to LSEs serving load in the BGE Rate Zone on a daily basis and transmits those updates to PJM per PJM procedural requirements and capacity market schedules.

BGE settles hourly load obligations with each LSE in the BGE Rate Zone and PJM via a Settlement A estimated “day after” (delivery day) hourly load responsibility, a Settlement B hourly load responsibility approximately 60 days after an energy delivery month, and a post-60-day settlement reconciliation procedure for purposes of making adjustments to the settlements with suppliers of electricity over the PJM network grid to load with PJM, including the BGE Rate Zone. The Settlement A calculation utilizes a combination of available known, preliminary and historically-based information. The Settlement B calculation is based on actual consumption data, and variances from the Settlement A estimates are reported to PJM to incorporate within its market settlement processes with LSEs. The post-60-day settlement process is essentially a metering reconciliation methodology to account for after-the-fact adjustments and different metering characteristics of wholesale network customers/retail LSEs taking service under Attachment F-1 of the PJM Tariff. BGE provides PJM with metering data calculations by which PJM makes the post-60-day settlement adjustments. The purpose of the Attachment M-2 tariff provision being filed herein is to provide the mechanism by which all of these settlement calculations and adjustments will be accomplished.

Exelon notes that the methodologies included in BGE’s Attachment M-2 are consistent with the terms of Section 8 of PJM’s Reliability Assurance Agreement, PJM Manual 18 and Section 34 of the PJM tariff. Except to the extent that certain detailed calculations are omitted here, the Commission has approved essentially the same Attachment M-2 tariff provision and is currently in effect applicable to Commonwealth Edison Company pursuant to Delegation Letter Order of the Director of the Division of Electric Power Regulation – East issued in Commonwealth Edison Co, Docket No. ER12-1330-000 on April 23, 2012. Accordingly, the instant filing raises no issue of first impression and merely reflects extension of previously approved tariff language already applicable to one PJM transmission owner to another PJM transmission owner.

**IDENTIFICATION OF APPLICANT**

This filing is being submitted by Exelon, on behalf of BGE, its indirect subsidiary. Exelon is a publicly held corporation incorporated in Pennsylvania, with its principal headquarters located in Chicago, Illinois. BGE is an energy delivery company in Central Maryland, where it delivers energy to more than 1.2 million electric customers and 640,000 gas customers. BGE is regulated by the Commission and the Maryland Public Service Commission.
As one of the original eight transmission owners within PJM, BGE has a significant involvement with bulk electric power transmission over broad regions. BGE maintains 22,500 miles of distribution lines and almost 1,300 circuit miles of transmission lines in a 2,300-square-mile service territory. BGE provides unbundled, open access delivery service, and is a default load-serving provider for customers that do not opt for alternative energy providers under BGE’s retail customer choice program.

ADDITIONAL SUPPORTING MATERIAL

Exelon submits the following additional information in substantial compliance with relevant provisions of Section 35.13:

A. Contents of this Filing – Section 35.13(b)(1)

This filing consists of the following document:

- The instant Transmittal Letter; and
- Proposed Tariff Sheet (both a marked and clean tariff sheet version is provided).

B. List of Persons Receiving a Copy of This Filing – Section 35.13(b)(3)

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission’s regulations,4 PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region5 alerting them that this filing has been made by PJM today and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission’s eLibrary website located at the following link: http://www.ferc.gov/docs-filing/elibrary.asp in accordance with the Commission’s regulations and Order No. 714.

Additionally, a copy of this filing is being served by Exelon on representatives of the Maryland Public Service Commission and the Maryland Office of People’s Counsel, and is

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4 See 18 C.F.R. §§ 35.2(e) and 385.2010(f)(3).

5 PJM already maintains, updates, and regularly uses e-mail lists for all PJM members and affected state commissions.
also available for public inspection, during regular business hours, in a convenient form and place, at the offices of BGE.

C. **Description of Rate Schedule Change – Section 35.13(b)(4)**

*See discussion above.*

D. **Reasons for the Rate Schedule Change – Section 35.13(b)(5)**

*See discussion above.*

E. **Showing of Requisite Agreements – Section 35.13(b)(6)**

Not applicable.

F. **Costs or expenses that have been alleged or judged to be illegal, duplicative or unnecessary that are the product of discriminatory employment practices – Section 35.13(b)(7)**

None.

**REQUESTED EFFECTIVE DATE**

Exelon requests that the enclosed proposed tariff sheet be included as Attachment M-2 (BGE) under the PJM Tariff effective September 1, 2014.

**REQUEST FOR WAIVERS**

As no cost of service or rate design change is being made as part of this filing, BGE requests that the Commission find good cause to waive Section 35.13 of the Commission’s Regulations, 18 C.F.R. § 35.13, including any requirement that the filing contain Statements AA through BM in support of the filing; any Period I-Period II data requirements, and any requirement in Section 35.13(a)(2)(iv) to determine if and the extent to which a proposed change constitutes a rate increase based on Period I-Period II rates and billing determinants. In addition, Exelon hereby respectfully requests a waiver, to the extent one is deemed necessary, of the requirement that it file an attestation pursuant to 18 C.F.R § 35.13(d) as inapplicable under the circumstances presented here, inasmuch as there are no costs contained in this filing to be attested to by any corporate official.

Although Exelon has not identified any additional waivers of the Commission’s Regulations that are necessary to permit this filing to be granted, Exelon further requests that the Commission grant any additional waivers of its rules and regulations it may deem necessary to approve this rate application by the requested effective date.
MISCELLANEOUS

No agreement is required by contract for the filing of this rate application. There are no costs included in this filing that have been alleged or adjudged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs, nor has any expense or cost been demonstrated to be the product of discriminatory or employment practices, within the meaning of Section 35.13(d)(3).

NOTICE AND CORRESPONDENCE

Exelon requests that all communications regarding this filing be directed to the individuals listed below, and that their names be entered on the official service list maintained by the Secretary for this proceeding:

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202-347-7500
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CONCLUSION

For all the reasons set forth herein, Exelon respectfully requests that, the Commission accept the enclosed Attachment M-2 for filing, effective September 1, 2014.

Respectfully submitted,

/s/ Gary E. Guy
Gary E. Guy
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Attachment A

Revisions to Section(s) of the PJM Open Access Transmission Tariff

(Marked / Redline Format)
ATTACHMENT M-2 (BGE)

Determination of Capacity Peak Load Contributions,
Network Service Peak Load and Hourly Load Obligations

PURPOSE

This document outlines the process by which BGE determines Capacity Peak Load Contributions, or “PLCs”, Network Service Peak Loads, or “NSPLs”, and Final Hourly Load Obligations for customers and subsequently Load Serving Entities (“LSEs”) serving load within the BGE Electric Distribution Company (“EDC”) Zone (the “BGE Zone”), a zone located entirely within the PJM Regional Transmission Organization (RTO) footprint.

Attachment M-2 does not amend or replace any existing contracts or agreements between BGE and any LSE.

Capitalized terms used in the Attachment M-2 have the meaning given them under the provisions of the PJM Open Access Transmission Tariff unless otherwise defined herein.

CAPACITY (PLC) AND TRANSMISSION (NSPL)

OVERVIEW

On a monthly basis, BGE calculates and updates load profiles for each customer segment based on a continuous statistical sampling of hourly metered data. Also on a monthly basis, BGE calculates usage factors as the ratio of a customers’ monthly billed energy to the customer segment average profiled energy.

Once complete for the months containing peak hours, BGE then calculates PLCs and NSPLs for all accounts. BGE then scales these preliminary values up or down, when submitting to PJM, such that:

- **PLCs** – The sum of all individual customer PLCs equals the normalized peak load target allocated to the BGE zone as determined by PJM.

- **NSPLs** – The sum of all individual customer NSPLs equals BGE’s metered zonal load at the time of the zone’s highest transmission peak value (as determined by PJM).

BGE then aggregates the resulting PLC and NSPL values by LSE and transmits to PJM. BGE subsequently provides PJM with updated aggregations on a daily basis.
BGE calculates individual PLCs based on normal peak load conditions and adjusts all values to include transmission and distribution losses. The PLCs calculated are effective from June 1st of the following calendar year through May 31st of the subsequent calendar year, in alignment with PJM planning periods. For the purposes of these procedures, BGE considers the first day of summer to be June 1st and the final day to be September 30th.

1. CALCULATE THE UNRECONCILED PEAK LOADS

The initial peak load, for each of the five days coincident with the highest PJM system peak hours, based on each profiled customer class and interval metered account is determined. Loss factors are applied to determine the five hourly unreconciled system peak loads.

a. Interval Metered Accounts—peak load is the actual measured account data including an “add-back” of energy curtailed as a result of load management initiatives or restrictions as identified by PJM.

b. Non Interval Metered Accounts—the average peak load is determined using a BGE statistical sample for each profiled customer class. Peak load is allocated to each account in the customer class by applying an account-specific usage factor, represented by the ratio of metered usage to average profiled usage.

2. CALCULATE RECONCILED PEAK LOADS

The unreconciled peak loads are then scaled to BGE’s total zonal load, as determined by PJM, for each of the five hours. The imbalance is computed and apportioned to each interval metered account and each profiled class in proportion to its unreconciled load.

3. CALCULATE THE PROFILED SEGMENT WEIGHT AND OBLIGATION FACTOR FOR EACH PROFILED CLASS

The unreconciled peak loads are then scaled to BGE’s total zonal load, as determined by PJM, for each of the five hours. The imbalance is computed and apportioned to each interval metered account and each profiled class in proportion to its unreconciled load.

a. Profiled segment weight for monthly metered customers—the sum of the account specific usage factors for each monthly metered profiled class.

b. Profiled segment weight for demand metered customers—the sum of the account specific billed demands for each demand billed profiled class.
c. Obligation factor—the reconciled peak load divided by the profiled segment weight for each profiled class

4. **CALCULATE THE PRELIMINARY INDIVIDUAL ACCOUNT LEVEL PLCS**

   a. Interval Metered Accounts—average of the five hourly reconciled peak loads is the preliminary account PLC.

   b. Non Interval Metered Accounts—the hourly PLC is the product of the obligation factor for the profiled class and account specific usage factor. The average of the five hourly PLCs is the preliminary account PLC.

5. **CALCULATE FINAL WEATHER ADJUSTED ACCOUNT PLC**

   Weather normalization scaling factors are determined for each customer class and applied to the preliminary PLCs.

New accounts, absent the availability of more certain load information, are assigned a PLC based on the average default value calculated for the associated customer’s rate class and load profile.

**ANNUAL CALCULATION OF NETWORK SERVICE PEAK LOAD**

BGE uses the same PLC calculation method above (excluding step 5 for weather adjustment) for the NSPL calculations with a restriction adjustment to account for load impacts associated with Active Load Management (ALM). The NSPLs calculated will be effective from January 1st through December 31st of the following year.

The restriction adjustments are as follows:

1. **CALCULATE THE UNRECONCILED PEAK LOADS**

   Interval accounts do not have any energy curtailment “add-back”, the unreconciled load is the actual meter data.

2. **CALCULATE THE RECONCILED PEAK LOADS—NO CHANGE**

3. **CALCULATE THE PROFILED SEGMENT WEIGHT AND OBLIGATION FACTOR FOR EACH PROFILED CLASS**

   a. Profiled segment weight for monthly metered customers—no change

   b. Profiled segment weight for demand metered customers—no change

   c. Obligation factor—the reconciled peak load plus the sum of the loss adjusted ALM impact divided by the profiled segment weight for each profiled class

4. **CALCULATE THE INDIVIDUAL ACCOUNT LEVEL PLCS**

   a. Interval Metered Accounts—no change
b. Non Interval Metered Accounts—the hourly PLC is the product of the obligation factor for the profiled class and account specific usage factor minus the hourly loss adjusted ALM load impact. The average of the five hourly PLCs is the account PLC.

Like the Capacity PLCs, new locations where individual data is not yet available are assigned a PLC based on the average default value calculated for the associated customer’s rate class and load profile.

**DAILY UPDATES TO PLC AND NSPL**

Because the LSE responsible for a customer’s Capacity Peak Load Contribution and Network Service Peak Load is subject to change at points throughout the effective period, BGE aggregates PLC and NSPL values to LSEs serving load within the zone on a daily basis and transmits those updates to PJM in accordance with PJM procedural requirements and capacity market schedules.

**DETERMINATION OF HOURLY LOAD OBLIGATIONS**

**OVERVIEW**

BGE settles hourly load obligations with each LSE and PJM via a two-step process.

**SETTLEMENT A**

BGE determines the estimated “day after” (delivery day) hourly load responsibility by recreating the load characteristics of the delivery day in question using a combination of available known, preliminary, and historically-based information. BGE then submits the load responsibility for all LSEs serving load on the settled day(s) to PJM in accordance with PJM procedural requirements and energy market schedules.

**SETTLEMENT B**

BGE determines the final hourly load responsibility approximately 60 days after an energy delivery month by reconciling actual individual customer meter readings and applicable load profile data with the Settlement A data for that month. BGE then calculates and submits the energy variances from Settlement A hourly scheduling for all LSEs to PJM in accordance with PJM procedural requirements and energy market schedules.

All hourly load obligations are adjusted for transmission and distribution losses.

**SETTLEMENT A (ESTIMATED “DAY AFTER” HOURLY LOAD OBLIGATIONS)**

**FOR INTERVAL-SETTLED CUSTOMERS**

1. For certain large customers, BGE receives previous day hourly loads for settlement use.
2. For all other interval customers, BGE calculates the estimated load responsibility for each individual customer based on prior energy delivery days of similar day-type and similar weather.

FOR ALL MONTHLY METERED CUSTOMERS

1. BGE aggregates customers by LSE and assigned load profiles respectively.

2. BGE calculates the estimated hourly load responsibility based on the customer’s assigned load profile and the usage factor initially mentioned in Part I, Section 1 above.
   a. BGE assigns new customers the default usage factors for their rate class and assigned load profile.
   b. The load profiles used by BGE for this purpose are split into various customer segments, seasons, day-types, and hours.

3. BGE adjusts all calculations for losses and then aggregates the resulting estimated hourly load obligations by LSE and assigned load profile respectively.

BGE then scales all Settlement A load responsibilities such that the sum of all hourly energy obligations in the BGE zone for an energy delivery date matches the actual metered zone load for that date.

Finally, BGE aggregates the hourly energy obligations by LSE and reports the resulting energy schedules to PJM by the PJM defined Contract Number.

SETTLEMENT B (“60 DAY SETTLEMENT—FINAL” HOURLY LOAD OBLIGATIONS)

For interval-settled customers, BGE uses the customer’s actual interval data to determine the associated hourly load obligations, and then adjusts for losses.

For monthly-metered customers, BGE converts the monthly aggregate consumption into hourly consumption values for the related billing periods. BGE accomplishes this by generating an hourly load shape for the periods based directly on the customer’s assigned load shape and weather, then scaling that load shape to tie to the customer’s actual usage, calculating the associated hourly load obligation values, and adjusting those values for losses.

For all customers, BGE then calculates a “bottom-up” load shape for the energy delivery month being reconciled and compares that shape with a load shape comprised of actual metered BGE zone load. BGE considers any resulting variance as being Unaccounted-For Energy for that hour and allocates it to hourly load obligations as appropriate.

BGE then calculates the hourly difference between the “day after” estimated load obligations previously determined in Settlement A and the final hourly load obligations for Settlement B, aggregating the resulting variances by LSE and PJM Contract Number. BGE then reports the
resulting energy variances to PJM. PJM incorporates the variances as adjustments within its market settlement processes with LSEs.

If adjustments are made to the Hourly Load of a LSE in the BGE Zone after this load reconciliation, BGE may calculate the financial value of the adjustment and report that value to PJM. BGE will also allocate the equal and opposite financial value to all LSEs in the BGE Zone, on a load-ratio share basis, and report the adjustments to PJM. PJM will include any adjustments in the next monthly billing statement issued by PJM to the affected LSE(s).
Attachment B

Revisions to Section(s) of the
PJM Open Access Transmission Tariff

(Clean Format)
ATTACHMENT M-2 (BGE)

Determination of Capacity Peak Load Contributions, Network Service Peak Load and Hourly Load Obligations

PURPOSE

This document outlines the process by which BGE determines Capacity Peak Load Contributions, or “PLCs”, Network Service Peak Loads, or “NSPLs”, and Final Hourly Load Obligations for customers and subsequently Load Serving Entities (“LSEs”) serving load within the BGE Electric Distribution Company (“EDC”) Zone (the “BGE Zone”), a zone located entirely within the PJM Regional Transmission Organization (RTO) footprint.

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Capitalized terms used in the Attachment M-2 have the meaning given them under the provisions of the PJM Open Access Transmission Tariff unless otherwise defined herein.

CAPACITY (PLC) AND TRANSMISSION (NSPL)

OVERVIEW

On a monthly basis, BGE calculates and updates load profiles for each customer segment based on a continuous statistical sampling of hourly metered data. Also on a monthly basis, BGE calculates usage factors as the ratio of a customers’ monthly billed energy to the customer segment average profiled energy.

Once complete for the months containing peak hours, BGE then calculates PLCs and NSPLs for all accounts. BGE then scales these preliminary values up or down, when submitting to PJM, such that:

- **PLCs** – The sum of all individual customer PLCs equals the normalized peak load target allocated to the BGE zone as determined by PJM.

- **NSPLs** – The sum of all individual customer NSPLs equals BGE’s metered zonal load at the time of the zone’s highest transmission peak value (as determined by PJM).

BGE then aggregates the resulting PLC and NSPL values by LSE and transmits to PJM. BGE subsequently provides PJM with updated aggregations on a daily basis.
ANNUAL CALCULATION OF CAPACITY PEAK LOAD CONTRIBUTIONS (PLCS)

BGE calculates individual PLCs based on normal peak load conditions and adjusts all values to include transmission and distribution losses. The PLCs calculated are effective from June 1st of the following calendar year through May 31st of the subsequent calendar year, in alignment with PJM planning periods. For the purposes of these procedures, BGE considers the first day of summer to be June 1st and the final day to be September 30th.

1. CALCULATE THE UNRECONCILED PEAK LOADS

The initial peak load, for each of the five days coincident with the highest PJM system peak hours, based on each profiled customer class and interval metered account is determined. Loss factors are applied to determine the five hourly unreconciled system peak loads.

a. Interval Metered Accounts—peak load is the actual measured account data including an “add-back” of energy curtailed as a result of load management initiatives or restrictions as identified by PJM.

b. Non Interval Metered Accounts—the average peak load is determined using a BGE statistical sample for each profiled customer class. Peak load is allocated to each account in the customer class by applying an account-specific usage factor, represented by the ratio of metered usage to average profiled usage.

2. CALCULATE RECONCILED PEAK LOADS

The unreconciled peak loads are then scaled to BGE’s total zonal load, as determined by PJM, for each of the five hours. The imbalance is computed and apportioned to each interval metered account and each profiled class in proportion to its unreconciled load.

3. CALCULATE THE PROFILED SEGMENT WEIGHT AND OBLIGATION FACTOR FOR EACH PROFILED CLASS

The unreconciled peak loads are then scaled to BGE’s total zonal load, as determined by PJM, for each of the five hours. The imbalance is computed and apportioned to each interval metered account and each profiled class in proportion to its unreconciled load.

a. Profiled segment weight for monthly metered customers—the sum of the account specific usage factors for each monthly metered profiled class.

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c. Obligation factor—the reconciled peak load divided by the profiled segment weight for each profiled class

4. CALCULATE THE PRELIMINARY INDIVIDUAL ACCOUNT LEVEL PLCS
   a. Interval Metered Accounts— average of the five hourly reconciled peak loads is the preliminary account PLC.
   b. Non Interval Metered Accounts— the hourly PLC is the product of the obligation factor for the profiled class and account specific usage factor. The average of the five hourly PLCs is the preliminary account PLC.

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   Weather normalization scaling factors are determined for each customer class and applied to the preliminary PLCs.

   New accounts, absent the availability of more certain load information, are assigned a PLC based on the average default value calculated for the associated customer’s rate class and load profile.

   **ANNUAL CALCULATION OF NETWORK SERVICE PEAK LOAD**

   BGE uses the same PLC calculation method above (excluding step 5 for weather adjustment) for the NSPL calculations with a restriction adjustment to account for load impacts associated with Active Load Management (ALM). The NSPLs calculated will be effective from January 1st through December 31st of the following year.

   The restriction adjustments are as follows:

   1. CALCULATE THE UNRECONCILED PEAK LOADS
      Interval accounts do not have any energy curtailment “add-back”, the unreconciled load is the actual meter data.

   2. CALCULATE THE RECONCILED PEAK LOADS—NO CHANGE

   3. CALCULATE THE PROFILED SEGMENT WEIGHT AND OBLIGATION FACTOR FOR EACH PROFILED CLASS
      a. Profiled segment weight for monthly metered customers—no change
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**DETERMINATION OF HOURLY LOAD OBLIGATIONS**

**OVERVIEW**

BGE settles hourly load obligations with each LSE and PJM via a two-step process.

**SETTLEMENT A**

BGE determines the estimated “day after” (delivery day) hourly load responsibility by recreating the load characteristics of the delivery day in question using a combination of available known, preliminary, and historically-based information. BGE then submits the load responsibility for all LSEs serving load on the settled day(s) to PJM in accordance with PJM procedural requirements and energy market schedules.

**SETTLEMENT B**

BGE determines the final hourly load responsibility approximately 60 days after an energy delivery month by reconciling actual individual customer meter readings and applicable load profile data with the Settlement A data for that month. BGE then calculates and submits the energy variances from Settlement A hourly scheduling for all LSEs to PJM in accordance with PJM procedural requirements and energy market schedules.

All hourly load obligations are adjusted for transmission and distribution losses.

**SETTLEMENT A (ESTIMATED “DAY AFTER” HOURLY LOAD OBLIGATIONS)**

**FOR INTERVAL-SETTLED CUSTOMERS**

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   a. BGE assigns new customers the default usage factors for their rate class and assigned load profile.
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3. BGE adjusts all calculations for losses and then aggregates the resulting estimated hourly load obligations by LSE and assigned load profile respectively.

BGE then scales all Settlement A load responsibilities such that the sum of all hourly energy obligations in the BGE zone for an energy delivery date matches the actual metered zone load for that date.

Finally, BGE aggregates the hourly energy obligations by LSE and reports the resulting energy schedules to PJM by the PJM defined Contract Number.

SETTLEMENT B (“60 DAY SETTLEMENT—FINAL” HOURLY LOAD OBLIGATIONS)

For interval-settled customers, BGE uses the customer’s actual interval data to determine the associated hourly load obligations, and then adjusts for losses.

For monthly-metered customers, BGE converts the monthly aggregate consumption into hourly consumption values for the related billing periods. BGE accomplishes this by generating an hourly load shape for the periods based directly on the customer’s assigned load shape and weather, then scaling that load shape to tie to the customer’s actual usage, calculating the associated hourly load obligation values, and adjusting those values for losses.

For all customers, BGE then calculates a “bottom-up” load shape for the energy delivery month being reconciled and compares that shape with a load shape comprised of actual metered BGE zone load. BGE considers any resulting variance as being Unaccounted-For Energy for that hour and allocates it to hourly load obligations as appropriate.

BGE then calculates the hourly difference between the “day after” estimated load obligations previously determined in Settlement A and the final hourly load obligations for Settlement B, aggregating the resulting variances by LSE and PJM Contract Number. BGE then reports the
resulting energy variances to PJM. PJM incorporates the variances as adjustments within its market settlement processes with LSEs.

If adjustments are made to the Hourly Load of a LSE in the BGE Zone after this load reconciliation, BGE may calculate the financial value of the adjustment and report that value to PJM. BGE will also allocate the equal and opposite financial value to all LSEs in the BGE Zone, on a load-ratio share basis, and report the adjustments to PJM. PJM will include any adjustments in the next monthly billing statement issued by PJM to the affected LSE(s).