



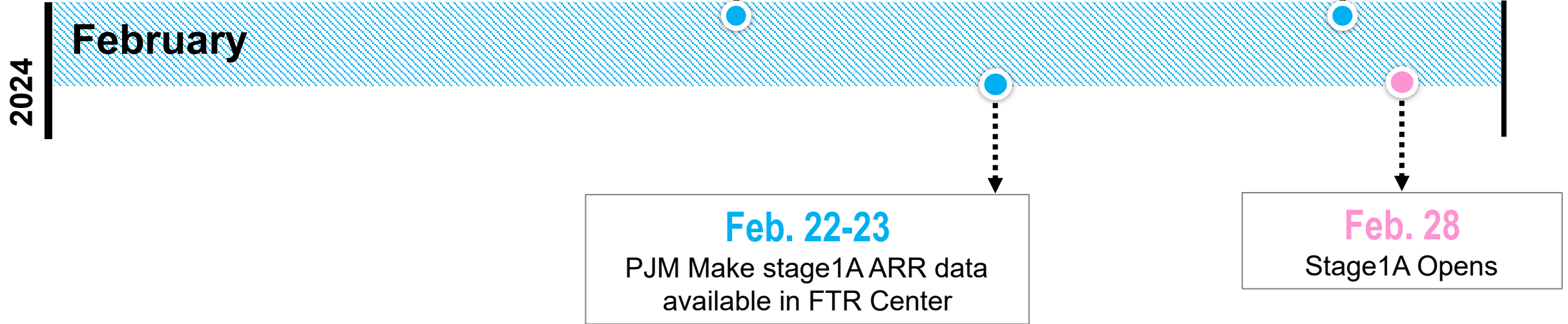
2024/2025 ARR/FTR Update

Xu Xu, Lead Engineer

Market Implementation Committee

February 7th, 2024

- 2024/2025 Auction Revenue Rights (ARR) allocation and FTR Auction
 - ARR setup dates and nomination requirements
 - Timeline of annual allocation and auction
 - Updates of annual preparations
- 2024/2025 Incremental Auction Revenue Rights (IARRs) for RTEP upgrades

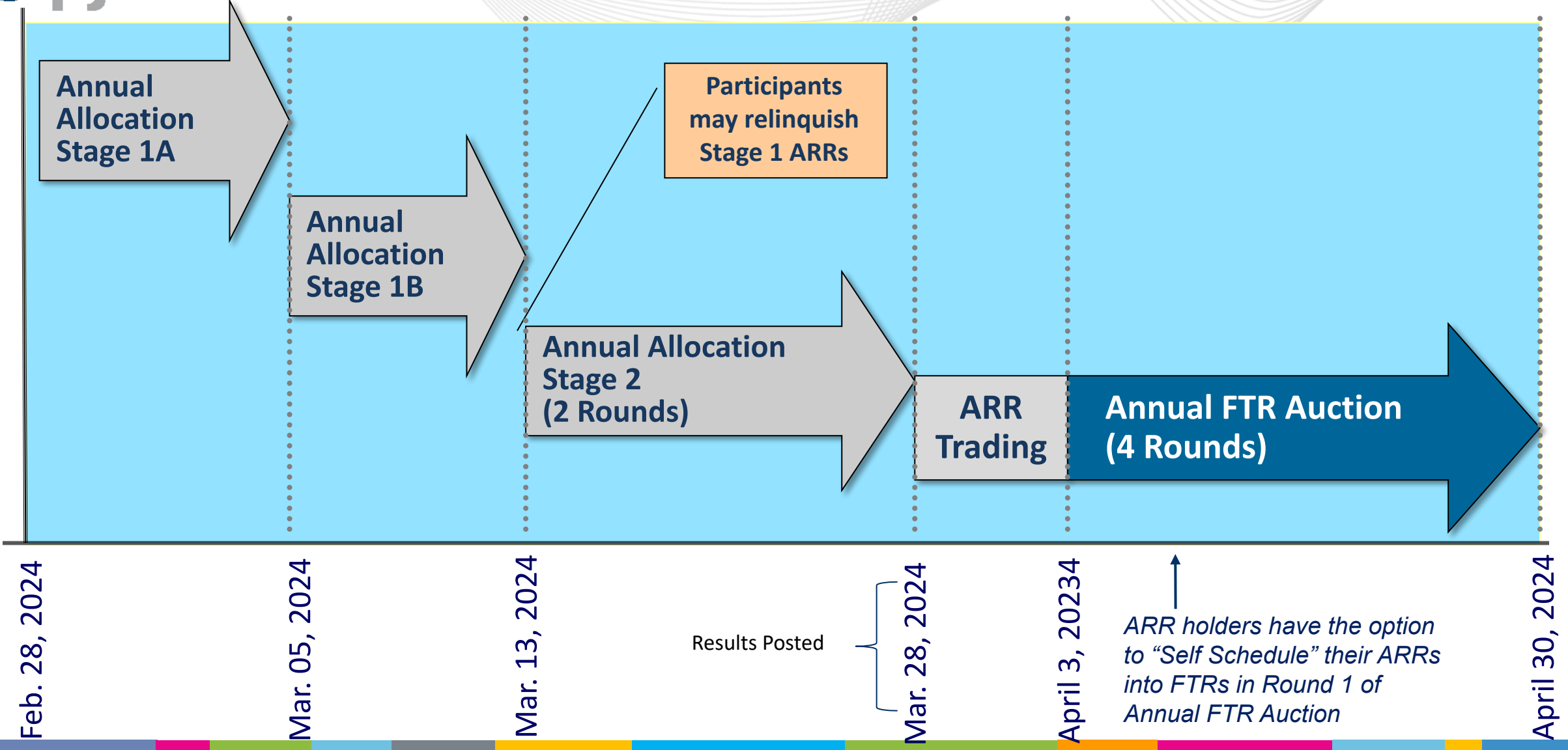




ARR Nomination Requirements

ARR Round	Source Pnode	Sink Pnode	Capability (MW)
Stage1A	Active historical resources or Qualified Replacement Resources	Aggregate Network Customer Load in the Transmission Zone or other designated Load Aggregation Zone	Guarantee <u>60% of Network Service Peak Load (NSPL)</u>
Stage1B	Same as stage1A, <u>plus Hub, Zone and Interface</u>	Same as stage1A	Up to NSPL (subject to proration)
Stage2 <u>Round1</u>	any available generator, interface, hub, zone	Same as stage1A, and <u>any available generator, interface, hub, zone (Aggregate pnodes for all loads*)</u>	Up to NSPL (subject to proration)
Stage2 <u>Round2</u>	Same as Round1	Same as round1	Up to NSPL (subject to proration)

* Difference from 2023/2024 ARR



- Completed
 - Zonal Network Service Peak Load (NSPL)
 - ARR Stage1 Resources
- Next steps
 - Transmission outages
 - Key system upgrades
 - Market-to-Market Flowgates Entitlements
 - Contingencies
 - Point-to-Point ARR nomination form

- Overview
 - PJM Operating Agreement requires annual IARR analysis for eligible RTEP upgrades scheduled to be in-service for 2024/25 planning year
- Analysis Results
 - No IARRs could be awarded for eligible RTEP upgrades
 - See Appendix for Analysis Details
- Previously approved RTEP IARRs will populate at FTR Center

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2024/2025 ARR/FTR Update



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Appendix



RTEP IARR Analysis for 2024/25 Planning Period

Project	Type	Upgrade Description	In-Service Date	Pre-Upgrade ARR Capability	Pre-Upgrade Limit	Post-Upgrade ARR Capability	Post-Upgrade Limit	IARR MW
b3698	Merchant	Reconductor the 14.2 miles of the existing Juniata-Cumberland 230 kV line with 1272 ACSS/TW HS285 "Pheasant" conductor.	12/31/2023	EP	East Towanda - Canyon 230 kV I/o Haviland T4	0	East Towanda - Canyon 230 kV I/o Haviland T4	0
b3213	Backbone	Install 2nd Chickahominy 500/230 kV transformerRelocate the Chickahominy – Elmont 500kV line #557 to terminate in a new bay at Chickahominy substation and relocate the Chesterfield – Lanexa 115kV line #92 to allow for the expansion of the Chickahominy substation • Add three new 500 kV breakers with 50kA interrupting rating and associated equipment	6/30/2024	UC	AEP-DOM	0	AEP-DOM	0
b3021	Backbone	Rebuild 500kV Line #581 Ladysmith to Chancellor - 15.2 miles long	6/30/2024	UC	ASHBURN 230 KV 227A I/o L230 Beaumead-Ashburn-PleasantView.274	0	ASHBURN 230 KV 227A I/o L230 Beaumead-Ashburn-PleasantView.274	0

Acronym	Term & Definition
ARR	Auction Revenue Rights are Entitlements allocated annually to Firm Transmission Service Customers that entitle the holder to receive an allocation of the revenues from the Annual FTR Auction..
EDC	Electric Distribution Company
FTR	Financial Transmission Right is a financial instrument awarded to bidders in the FTR Auctions that entitle the holder to a stream of revenues (or charges) based on the hourly Day Ahead congestion price differences across the path.
NSPL	Network Service Peak Load is a load’s contribution to the zone’s metered annual peak load.
RTEP IARR	Incremental Auction Revenue Rights are allocated to responsible customers that are assigned cost responsibility for Regional Transmission Expansion Plan upgrades that meet certain criterion.

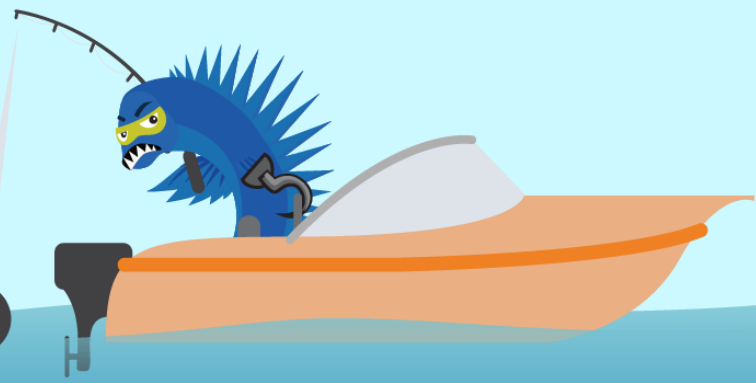
[PJM Glossary](#)

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