

IMM / PJM Proposed Timelines (April 11, 2012)

Item 1: Unit-Specific ACR Data Submission, Review of Data, Offer Cap Calculation, and Offer Cap Affirmation

Key: X = RPM Auction window opens; CMS = Capacity Market Seller

Actor	Milestone Activity	IMM Proposed Milestone Date	PJM Proposed Milestone Date
CMS	Submits data and supporting documentation necessary for calculating offer caps and unit-specific ACR	X – 90 days	X – 110 days ¹
CMS	Submits notarized statement of corporate officer indicating that Generation Capacity Resource will retire in order to utilize retirement ACR	X + 6 days	X – 90 days
IMM	May request additional data/documentation from CMS as needed by IMM for initial determination		X – 95 days
CMS	Provides additional data to IMM, if requested		X – 85 days
IMM	Provide ACR, Projected PJM Market Revenues or Opportunity Cost Unit-Specific Values to CMS Provide initial determination of ACR, Market Seller Offer Cap, and Unit-Specific Values to CMS	X – 60 days	X – 80 days
IMM	May request additional data/documentation from CMS		X – 70 days
CMS	Provides additional data to IMM, if requested		X – 65 days
IMM/CMS	Attempt to reach agreement on unit-specific ACR and Market Seller Offer Cap		X – 60 days
IMM	Notify CMS and PJM of final determination of requested unit-specific ACR and Market Seller Offer Cap		X – 60 days
CMS	Affirms IMM calculated offer cap or communicates lowest calculated offer cap to which it agrees to commit	X – 50 days	X – 60 days

¹ Information highlighted in red indicate differences between PJM's proposals and the IMM's proposals.

PJM	If IMM/CMS cannot agree, PJM reviews submitted EFORd exception request and supporting information and makes determination of offer cap		X – 50 days
PJM	RPM Auction commences and PJM makes determination of whether Sell Offers are compliant with the tariff	X	
PJM	RPM Auction commences		X
IMM	Annually provide updated default ACR to PJM or notice of its determination that updated values aren't needed	September 30 th	September 30 th
PJM	Files its determination of appropriate default ACR if disagrees with values proposed by IMM		X – 65 days

Item 5: Offer EFORd in RPM for Exceptions

Key: X = RPM Auction window opens; CMS = Capacity Market Seller

Actor	Milestone Activity	IMM Proposed Milestone Date	PJM Proposed Milestone Date for BRA, 1 st IA, 2 nd IA
CMS	Submits EFORd data and notifies IMM if CMS requests exception (EFORd exceeding Sell Offer EFORd) and provides supporting documentation	X – 90 days	X – 90 days
IMM	Reviews submitted EFORd and exception request and provides EFORd value acceptable to IMM	X – 60 days	X – 80 days
CMS	Provide additional supporting documentation in response to IMM request		X – 70 days
IMM	IMM makes determination of maximum EFORd		X – 70 days
IMM/CMS	CMS affirms agreement with IMM of EFORd exception value or communicates highest EFORd value to which it agrees to commit or informs PJM and IMM that it disagrees with IMM's determination	X – 50 days	X – 60 days
PJM	If IMM/CMS cannot agree, PJM reviews submitted EFORd exception request and supporting information and makes determination of EFORd		X – 50 days
PJM	RPM Auction commences and PJM makes determination of whether Sell Offers are compliant with the tariff	X	
PJM	RPM Auction		X

Key: X = Third Incremental Auction; Conditional Incremental Auction held after date on which final EFORD used for Delivery Year is Posted

Actor	Milestone Activity	IMM Proposed Milestone Date	PJM Proposed Milestone Date for 3 rd IA
CMS	Submits maximum EFORD request and provides supporting documentation; submit exception to calculation of maximum EFORD	X – 90 days	X – 50 days
IMM	May request additional data and documentation from CMS		X – 40 days
IMM	Reviews submitted EFORD and exception request and provides initial determination of maximum EFORD value acceptable to IMM		X – 35 days
IMM/CMS	Attempt to come to agreement on maximum EFORD exception and value and notify PJM and CMS of determination		X – 30 days
IMM/CMS	CMS affirms agreement with IMM of EFORD exception value or communicates highest EFORD value to which it agrees to commit or informs PJM and IMM that it disagrees with IMM's determination	X – 50 days	X – 30 days
PJM	If IMM/CMS cannot agree, PJM reviews submitted EFORD exception request and supporting information and makes determination of EFORD		X – 20 days
PJM	RPM Auction		X

Item 8: Mitigation Checks for Planned Capacity Resources

Key: X = RPM Auction window opens; CMS = Capacity Market Seller

Actor	Milestone Activity	IMM Proposed Milestone Date	PJM Proposed Milestone Date
CMS	Submit highest Sell Offer for Planned Generation Capacity Resource	X – 30 days	
IMM	Reviews submitted value and provides highest value acceptable to IMM	X – 10 days	
PJM	RPM Auction period commences	X	X
PJM	RPM Auction period closes	X + 4 days	X + 4 days
IMM	Notifies CMS and PJM if offer found non-competitive	X + 7 days	X + 7 days
PJM	Notifies CMS and IMM if offer is rejected	X + 8 days	X + 8 days
CMS	Resubmits revised offer	X + 10 days	X + 10 days

Item 9: Black Start Revenue Requirements

Key: BSMP = Black Start Market Participant

Actor	Milestone Activity	IMM Proposed Milestone Date	PJM Proposed Milestone Date
BSMP	Submit Black Start Service (BSS) revenue requirement data to PJM and IMM	May 3	May 3
IMM	Provide evaluation of values to BSMP	May 14	May 14
IMM/BSMP	Attempt to come to agreement on level of components of Black Start Service revenue requirements for annual calculation	May 21	May 21
BSMP	Affirms BSS values to which it agrees and/or communicates lowest BSS values to which it agrees to commit to IMM	May 21	May 21
IMM	Reviews submitted BSS revenue requirement data and provides BSS values acceptable to IMM to PJM	May 21	May 21
BSMP	Provides calculation of revenue requirement to PJM if not in agreement with IMM calculation		May 21
PJM	PJM makes determination of BSS values comply with the tariff and any applicable FERC orders PJM makes determination of BSS values if IMM doesn't provide revenue requirement calculations by May 21 st and if IMM and BSMP can't agree on level of components included in calculation of BSS revenue requirements	June 1	May 27
PJM	Effective date of BSS revenue requirements	June 1	June 1

Item 10: Determination of Frequently Mitigated Units

Frequently Mitigated Units (FMUs) and Associated Units (Aus) are determined on a monthly basis.

Key: MS = Market Seller; X = Commencement of negotiations

Actor	Milestone Activity	IMM Proposed Milestone Date	PJM Proposed Milestone Date
PJM/MS	Attempt to come to agreement on rates, terms and conditions of proposed offer cap	X + 60 days	X + 60 days
MS	May submit its proposed rates, terms and conditions of proposed offer cap to FERC for resolution	X + 60 days	X + 60 days
IMM	IMM calculates cost capping percentages for FMUs and AUs IMM notifies unit and PJM of FMU/AU status of unit	21 st day of the month	21 st day of the month