



# Manual 27 Revisions - Firm Point-to-Point Transmission Service

Ray Fernandez  
Market Settlements Development  
Market Settlements Subcommittee  
November 26, 2019

On November 6, 2019 FERC accepted the proposed tariff revisions associated with ER19-2105, suspend them to be effective January 1, 2020, subject to refund, and establish hearing and settlement judge procedures.

Action Required	Deadline	Who May Be Affected
Review 2020 Border Rate data	12/01/2019	Transmission Customers
		

- The Border Rate for Firm Point-to-Point Transmission Service is filed in the PJM tariff in Schedule 7
- The current Border Rate is a stated rate approved in 2004 based on Annual Transmission Revenue Requirements (ATRR) for Transmission Owners (TOs) at that time
- The Border Rate is defined for annual, monthly, weekly, and daily transmission service

- PJM TOs filed revisions to the PJM tariff with FERC to perform an annual calculation of the Border Rate
- Revisions are contained in Schedule 7
- “Border Yearly Charge” is equal to the sum of the PJM TO ATRR divided by the sum of the annual Zonal Network Peak Loads
- Border Rate information will be posted no later than December 1 for the following calendar year
- No change to the base calculation for firm point-to-point transmission service charges

- Revisions in Schedule 7 describe a discount to the border rate for Merchant Transmission Facilities (MTFs) with Firm or Non-Firm Transmission Withdrawal Rights (TWRs)
- MTFs holding TWRs pay applicable Transmission Enhancement charges
- To prevent duplicative charges for MTFs with TWRs, a discount is applied to the border rate for firm point-to-point transmission service

- Section 6.1.1
  - Deleted the table with the border rates
  - Referenced Schedule 7 of the PJM OATT for the border rate calculation
  - Noted posting location of annual border rates

- Section 6.2.4
  - New section to describe the monthly adjustment to firm point-to-point transmission service charges for MTFs holding TWRs through a discount to the border rate