



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
1.	Adjusted Zonal Capacity Price	<p>The Adjusted Zonal Capacity Price for each Zone shall equal the sum of: (1) the average marginal value of system capacity weighted by the Unforced Capacity cleared in all auctions previously conducted for such Delivery Year (excluding any Unforced Capacity cleared as replacement capacity); (2) the average Locational Price Adder weighted by the Unforced Capacity cleared in all auctions previously conducted for such Delivery Year (excluding any Unforced Capacity cleared as replacement capacity); (3) an adjustment, if required, to account for adders paid to Annual Resources and Extended Summer Demand Resources for all auctions previously conducted for such Delivery Year (excluding any Unforced Capacity cleared as replacement capacity); (4) an adjustment, if required, to account for Resource Make-Whole Payments for all actions previously conducted (excluding any Resource Make-Whole Payments to be charged to the buyers of replacement capacity); and (5) an adjustment, if required to provide sufficient revenue for payment of any PRD Credits. The Adjusted Zonal Capacity Price may decrease if Unforced Capacity is decommitted or the Resource Clearing Price decreases in an Incremental Auction.</p> <p>Tariff, Attachment DD, Section 5.14(f)(ii)</p>	<p><del>The results of the Second Incremental Auction. Preliminary Zonal Capacity Prices that result from the Base Residual Auction are adjusted to account for the procurement in the 2nd Incremental Auction for the RTO.</del> <u>The Adjusted Zonal Capacity Price for each Zone shall equal the sum of (1) the average marginal value of system capacity weighted by the Unforced capacity cleared in all auctions previously conducted for such Delivery Year (excluding any Unforced Capacity cleared as replacement capacity); (2) the average Locational Price Adder weighted by the Unforced Capacity cleared in all auctions previously conducted for such Delivery Year (excluding any Unforced Capacity cleared as replacement capacity); (3) an adjustment, if required, to account for adders paid to Annual Resources and Extended Summer Demand Resources for all auctions previously conducted for such Delivery Year (excluding any Unforced Capacity cleared as replacement capacity); (4) an adjustment, if required, to account for Resource Make-Whole Payments for all actions previously conducted (excluding any Resource Make-Whole Payments to be charged to the buyers of replacement capacity); and (5) an adjustment, if required to provide sufficient revenue for payment of any PRD Credits. The Adjusted Zonal Capacity Price may decrease if Unforced Capacity is decommitted or the Resource Clearing Price decreases in an Incremental Auction.</u></p>
2.	Ancillary Services	<p>Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's</p>	<p>Those services that are necessary to support the transmission of <del>C</del>capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.</p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		Transmission System in accordance with Good Utility Practice.  Tariff, Section 1.1.	
3.	Applicant	Applicant is an entity desiring to become a PJM Member, or to take Transmission Service that has submitted the PJMSettlement Credit Application, PJMSettlement Credit Agreement and other required submittals as set forth in this policy.  Tariff, Attachment Q, section IX	An entity <del>that desires</del> <u>desiring</u> to become a PJM Participant <u>Member, or to take Transmission Service that has submitted the PJMSettlement Credit Application, PJMSettlement Credit Agreement and other required submittals as set forth in this policy.</u> <del>under the Agreement.</del>
4.	Associated Unit	Any generating unit, without regard to ownership, located at the same site as a Frequently Mitigated Unit qualifying under Sections 6.4.2(a)(iii) shall become an "Associated Unit" upon issuance of written notice from the Market Monitoring Unit by no later than the 21 <sup>st</sup> day of each month pursuant to Section II.A of Attachment M-Appendix, that it meets all of the following criteria: 1. The unit has the identical electric impact on the transmission system as the FMU; 2. The unit (i) belongs to the same design class (where a design class includes generation that is the same size and utilizes the same technology, without regard to manufacturer) and uses the identical primary fuel as the FMU or (ii) is regularly dispatched by PJM as a substitute for the FMU based on differences in cost that result from the currently applicable FMU adder; 3. The unit (i) has an average daily cost-based offer, as measured over the preceding 12-month period, that is less than or equal to the FMU's average daily cost-based offer adjusted	<u>Any generating unit, without regard to ownership, that is located at the same site as a Frequently Mitigated Unit (FMU) qualifying under Section 6.4.2(a)(iii) shall become an "Associated Unit" upon issuance of written notice from the Market Monitoring Unit by no later than the 21st day of each month pursuant to Section II.A of Attachment M-Appendix, that it meets all of the following criteria: 1. The unit and which has identical electrical and economic impacts on the transmission system as an the FMU; 2. but which does not qualify for FMU status. The unit (i) belongs to the same design class (where a design class includes generation that is the same size and utilizes the same technology, without regard to manufacturer) and uses the identical primary fuel as the FMU or (ii) is regularly dispatched by PJM as a substitute for the FMU based on differences in cost that result from the currently applicable FMU adder; 3. The unit (i) has an average daily cost-based offer, as measured over the preceding 12-month period, that is less than or equal to the FMU's average daily cost-based offer adjusted to include the currently applicable FMU adder or (ii) is regularly dispatched by PJM as a substitute for the FMU based on differences in cost that result from the currently applicable FMU adder.</u>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		to include the currently applicable FMU adder or (ii) is regularly dispatched by PJM as a substitute for the FMU based on differences in cost that result from the currently applicable FMU adder.  Schedule 1 OA, Attachment K-Appendix, section 6.4.2	
5.	Auction Revenue Rights	Auction Revenue Rights” or “ARRs” shall mean the right to receive the revenue from the Financial Transmission Right auction, as further described in Section 7.4 of this Schedule.  Schedule 1 OA, Attachment K-Appendix, section 1.3.1A	<del>Entitlements allocated annually to Firm Transmission Service Customers that entitle the holder to receive an allocation of the revenues from the Annual FTR Auction.</del> <u>Auction Revenue Rights or “ARRs” shall mean the right to receive the revenue from the Financial Transmission Right auction, as further described in Section 7.4 of this Schedule.</u>
6.	Base Residual Auction	“Base Residual Auction” shall mean the auction conducted three years prior to the start of the Delivery Year to secure commitments from Capacity Resources as necessary to satisfy any portion of the Unforced Capacity Obligation of the PJM Region not satisfied through Self-Supply.  Tariff, Attachment DD, section 2.5	<del>Allows for the procurement of resource commitments to satisfy the region’s unforced capacity obligation and allocates the cost of those commitments among the LSEs through the Locational Reliability Charge</del> <u>The auction conducted three years prior to the start of the Delivery Year to secure commitments from Capacity Resources as necessary to satisfy any portion of the Unforced Capacity Obligation of the PJM Region not satisfied through Self-Supply.</u>
7.	Black Start Service	The capability of generating units to start without an outside electrical supply or the demonstrated ability of a generating unit with a high operating factor (subject to Transmission Provider concurrence) to automatically remain operating at reduced levels when disconnected from the grid.	<del>enables Transmission Provider and Transmission Owners to designate specific generators called Black Start Units whose location and capabilities required to re-energize the transmission system following a system wide blackout.</del> <u>The capability of generating units to start without an outside electrical supply or the demonstrated ability of a generating unit with a high operating factor (subject to Transmission Provider concurrence) to automatically remain operating at reduced levels when disconnected from the grid.</u>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		Tariff, section 1.3BB	
8.	Capacity Emergency Transfer Objective (“CETO”)	<p>The amount of electric energy that a given area must be able to import in order to remain within a loss of load expectation of one event in 25 years when the area is experiencing a localized capacity emergency, as determined in accordance with the PJM Manuals. Without limiting the foregoing, CETO shall be calculated based in part on EFORD determined in accordance with Paragraph C of Schedule 5.</p> <p>RAA, Article 1, section 1.6</p>	<p>The amount of electric energy that a given area must be able to import in order to remain within a loss of load expectation of one event in 25 years when the area is experiencing a localized capacity emergency, <u>as determined in accordance with the PJM Manuals. Without limiting the foregoing, CETO shall be calculated based in part on EFORD determined in accordance with Paragraph C of Schedule 5.</u></p>
9.	Curtailment Service Provider	<p>A Member or a Special Member, which action on behalf of itself or one or more other Members or non-Members, participates in the PJM Interchange Energy Market, Ancillary Services markets, and/or Reliability Pricing Model by causing a reduction in demand.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.1B.03</p>	<p><u>A Member or a Special Member, whose which</u> action on behalf of itself or one or more other Members or non-Members, participates in the PJM Interchange <u>Energy Market, Ancillary Services markets, and/or Reliability Pricing Model</u> by causing a reduction in demand.</p>
10.	Day-ahead Energy Market	<p>“Day-ahead Energy Market” shall mean the schedule of commitments for the purchase or sale of energy and payment of Transmission Congestion Charges developed by the Office of the Interconnection as a result of the offers and specifications submitted in accordance with Section 1.10 of Attachment K-Appendix of the Tariff or Schedule 1 of the Operating Agreement.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA,</p>	<p><del>A day-ahead hourly forward market in which PJM market participants may submit offers to sell and bids to buy energy. The results of the Day-Ahead Energy Market are posted daily at 4:00 p.m. and are financially binding. The Day-Ahead Energy Market is based on the concept of Locational Marginal Pricing and is cleared using least price security constrained unit commitment and dispatch programs.</del> The schedule of commitments for the purchase or sale of energy and payment of Transmission Congestion Charges developed by the Office of the Interconnection as a result of the offers and specifications submitted in accordance with Section 1.10 of Attachment K-Appendix of the Tariff or Schedule 1 of the Operating Agreement.</p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		section 1.3.1C	
11.	Day-ahead Scheduling Reserves Market	<p>“Day-ahead Scheduling Reserves Market” shall mean the schedule of commitments for the purchase or sale of Day-ahead Scheduling Reserves developed by the Office of the Interconnection as a result of the offers and specifications submitted in accordance with Section 1.10 of this Schedule.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.1D.04</p>	<p><del>Voluntary, offer-based market for 30-minute (supplemental) reserves that can be provided by both Generation and Demand Resources. Clears the Day Ahead 30-minute reserve requirement simultaneously with Day Ahead Energy Market.</del> The schedule of commitments for the purchase or sale of Day-ahead Scheduling Reserves developed by the Office of the Interconnection as a result of the offers and specifications submitted in accordance with Section 1.10 of this Schedule.</p>
12.	Decrement Bid	<p>A bid to purchase energy in the PJM Day-Ahead LMP that is less than or equal to the specified bid price. This bid must specify hourly quantity, bid price and location (transmission zone, hub, aggregate or single bus)</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.1E</p>	<p><del>A n-hourly bid, expressed in MWh, to purchase energy in the PJM Day-Ahead LMP that is less than or equal to the specified bid price. This bid must specify hourly quantity, bid price and location (transmission zone, hub, aggregate or single bus).</del></p>
13.	Demand Resource Factor	<p>“Demand Resource Factor” shall mean that factor approved from time to time by the PJM Board used to determine the unforced capacity value of a Demand Resource in accordance with Schedule 6 of the RAA.</p> <p>RAA, section 1.15</p>	<p><del>Used to determine the reliability benefit of demand resource products and to assign an appropriate value to demand resource products. The DR Factor is calculated by PJM and is approved and posted by February 1 prior to its use in the Base Residual Auction for the Delivery Year.</del> <u>The factor approved from time to time by the PJM Board used to determine the unforced capacity value of a Demand Resource in accordance with Schedule 6 of the RAA.</u></p>
14.	Equivalent Load	<p>The sum of a Market Participant’s net system requirements to serve its customer load in the PJM Region, if any, plus its net bilateral transactions.</p>	<p>The sum of an <del>Internal-Market Buyer</del> <u>Participant’s</u> net system requirements to serve its customer load in the PJM RTO <del>Region, if any,</del> <u>Region, if any,</u> plus its net bilateral transactions.</p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.2	
15.	External Market Buyer	A Market Buyer making purchases of energy from the PJM Interchange Market for consumption by end-users outside the PJM Region, or for load in the PJM Region that is not served by Network Transmission Service.  Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.3	A Market Buyer making purchases of energy from the PJM Interchange Market for consumption by end-users outside the PJM <del>RTO</del> <u>Region</u> , or for load in the <del>Control Area</del> <u>PJM Region</u> that is not served by Network Transmission Service.
16.	External Resource	A generation resource located outside the metered boundaries of the PJM Region.  Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.4	A generation resource located outside the metered boundaries of the PJM <del>RTO</del> <u>Region</u> .
17.	Financial Transmission Right	"Financial Transmission Right" or "FTR" shall mean a right to receive Transmission Congestion Credits as specified in Section 5.2.2 of this Schedule.  Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.5	<u>Financial Transmission Right or "FTR" shall mean a right to receive Transmission Congestion Credits as specified in Section 5.2.2 of this Schedule.</u> <del>[Financial Transmission Right (FTR)] A financial instrument that entitles the holder to receive compensation for certain congestion-related transmission charges that arise when the grid is congested and differences in locational prices result from the redispatch of generators out of merit order to relieve that congestion.</del>
18.	Forecast Pool Requirement	The amount equal to one plus the unforced reserve margin (stated as a decimal number) for the PJM Region required pursuant to the Reliability Assurance Agreement, as approved by the PJM Board pursuant to schedule 4.1.  RAA, section 1.26	The amount equal to one plus the unforced reserve margin (stated as a decimal number) for the PJM Region <u>required pursuant to the Reliability Assurance Agreement, as approved by the PJM Board pursuant to schedule 4.1.</u>
19.	Generating Market Buyer	"Generating Market Buyer" shall mean an	An Internal Market Buyer that <u>is a Load Serving Entity</u> that owns or has contractual rights to the



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		<p>Internal Market Buyer that is a Load Serving Entity that owns or has contractual rights to the output of generation resources capable of serving the Market Buyer's load in the PJM Region, or of selling energy or related services in the PJM Interchange Energy Market or elsewhere.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.6</p>	<p>output of generation resources capable of serving the Market Buyers load in the PJM RTO <del>Region</del>, or of selling energy or related services in the PJM Interchange Energy Market or elsewhere.</p>
20.	Generator Maintenance Outage	<p>"Generator Maintenance Outage" shall mean the scheduled removal from service, in whole or in part, of a generating unit in order to perform necessary repairs on specific components of the facility, if removal of the facility meets the guidelines specified in the PJM Manuals.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.6</p>	<p><u>The scheduled removal from service, in whole or in part, of a generating unit in order to perform necessary repairs on specific components of the facility, if removal of the facility meets the guidelines specified in the PJM Manuals.</u> <del>The scheduled removal from service, in whole or in part, of a generating unit in order to perform necessary repairs on specific components of the facility approved by PJM.</del></p>
21.	Generator Planned Outage	<p>"Generator Planned Outage" shall mean the scheduled removal from service, in whole or in part, of a generating unit for inspection, maintenance or repair with the approval of the Office of the Interconnection in accordance with the PJM Manuals.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.7</p>	<p><del>The scheduled removal from service, in whole or in part, of a generating unit for inspection, maintenance or repair with the approval of PJM.</del> <u>"Generator Planned Outage" shall mean the scheduled removal from service, in whole or in part, of a generating unit for inspection, maintenance or repair with the approval of the Office of the Interconnection in accordance with the PJM Manuals.</u></p>
22.	Inadvertent Interchange	<p>"Inadvertent Interchange" shall mean the difference between net actual energy flow and net scheduled energy flow into or out of the</p>	<p>Difference between net actual energy flow and net scheduled energy flow into or out of the <u>individual Control Areas operated by PJM.</u></p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		individual Control Areas operated by PJM.  Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.11	
23.	Increment Offer	“Increment Offer” shall mean an offer to sell energy at a specified location in the Day-ahead Energy Market. An accepted Increment Offer results in scheduled generation at the specified location in the Day-ahead Energy Market.  Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.9A	An hourly offer to sell energy at a specified location in the , expressed in MWh, to sell energy into the PJM Day-ahead Energy Market. if the Day-Ahead LMP is greater than or equal to the specified offer price. This offer must specify hourly quantity, offer price and location (Transmission Zone, Hub, Aggregate or single bus). <u>An accepted increment offer results in scheduled generation at the specified location in the Day-ahead Energy Market.</u>
24.	Incremental Cost	The incremental operating cost of the generation resource as determined in accordance with Schedule 2 of the Operating Agreement and the PJM Manuals (“incremental cost”), plus 10% of such costs.  Tariff, Attachment K-Appendix, Schedule 1 OA, Section 6.4.2	The component of the total cost of generator operation that varies as the output varies. It is the cost of the next increment of generation (the next megawatt), expressed in dollars per megawatt hour or in mills per kilowatt-hour. <u>The incremental operating cost of the generation resource as determined in accordance with Schedule 2 of the Operating Agreement and the PJM Manuals (“incremental cost”), plus 10% of such costs.</u>
25.	Internal Market Buyer	“Internal Market Buyer” shall mean a Market Buyer making purchases of energy from the PJM Interchange Energy Market for ultimate consumption by end-users inside the PJM Region that are served by Network Transmission Service.  Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.10	A Market Buyer making purchases of energy from the PJM Interchange Energy Market for <u>ultimate consumption by end-users inside the PJM RTO Region that are served by Network Transmission Service.</u>





## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
26.	Load Management	<p>“Load Management” shall mean a Demand Resource (“DR”) as defined in the Reliability Assurance Agreement.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.11.01</p>	<p><del>Previously known as ALM (Active Load Management). ALM was a term that PJM used prior to the implementation of RPM where end use customer load could be reduced at the request of PJM. The ability to reduce metered load, either manually by the customer, after a request from the resource provider which holds the Load management rights or its agent (for Contractually Interruptible), or automatically in response to a communication signal from the resource provider which holds the Load management rights or its agent (for Direct Load Control).</del> <u>A Demand Resource (“DR”) as defined in the Reliability Assurance Agreement.</u></p>
27.	Locational Marginal Price	<p>“Locational Marginal Price” or “LMP” shall mean the hourly integrated market clearing marginal price for energy at the location the energy is delivered or received, calculated as specified in Section 2 of Schedule 1 of this Agreement.</p> <p>OA, section 1.19</p>	<p><del>The hourly integrated market clearing marginal price for energy at the location the energy is delivered or received.</del> <u>“Locational Marginal Price” or “LMP” shall mean the hourly integrated market clearing marginal price for energy at the location the energy is delivered or received, calculated as specified in Section 2 of Schedule 1 of this Agreement.</u></p>
28.	Market Buyer	<p>“Market Buyer” shall mean a Member that has met reasonable creditworthiness standards established by the Office of the Interconnection and that is otherwise able to make purchases in the PJM Interchange Energy Market.</p> <p>OA, section 1.21</p>	<p><del>A PJM Member that meets reasonable creditworthiness standards established by PJM and that is otherwise able to make purchases in the PJM Interchange Energy Market.</del> <u>A Member that has met reasonable creditworthiness standards established by the Office of the Interconnection and that is otherwise able to make purchases in the PJM Interchange Energy Market.</u></p>
29.	Market Participant	<p>“Market Participant” shall mean a Market Buyer, a Market Seller, an Economic Load Response Participant, or all three.</p> <p>OA, section 1.22</p>	<p><del>A Market Buyer, or a Market Seller or both,</del> <u>an Economic Load Response Participant, or all three.</u></p>
30.	Normal Maximum Generation	<p>“Normal Maximum Generation” shall mean the highest output level of a generating resource under normal operating conditions.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.18</p>	<p><del>The highest output level of a generating resource under normal operating conditions. See economic maximum.</del></p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
31.	Normal Minimum Generation	<p>“Normal Minimum Generation” shall mean the lowest output level of a generating resource under normal operating conditions.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.19</p>	<p>The lowest output level of a generating resource under normal operating conditions. See <del>economic minimum</del></p>
32.	Offer Data	<p>“Offer Data” shall mean the scheduling, operations planning, dispatch, new resource, and other data and information necessary to schedule and dispatch generation resources and Demand Resource(s) for the provision of energy and other services and the maintenance of the reliability and security of the <b>transmission system</b> in the PJM Region, and specified for submission to the PJM Interchange Energy Market for such purposes by the Office of the Interconnection.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.20 (note: the highlighted term should be capitalized as “Transmission System.” Change is being made in separate chart related to revisions in governing documents).</p>	<p>The scheduling, operations planning, dispatch, new resource, and other data and information necessary to schedule and dispatch generation resources <u>and Demand Resource(s)</u> for the provision of energy and other services and the maintenance of the reliability and security of the Transmission System in the PJM <u>Region RTO</u>, and specified for submission to the PJM Interchange Energy Market <u>for such purposes by the Office of the Interconnection.</u></p>
33.	Operating Margin	<p>“Operating Margin” shall mean the incremental adjustments, measured in megawatts, required in PJM Region operations in order to accommodate, on a first contingency basis, an operating contingency in the PJM Region resulting from operations in an interconnected</p>	<p><u>The incremental adjustments, measured in megawatts, required in PJM Region operations in order to accommodate, on a first contingency basis, an operating contingency in the PJM Region resulting from operations in an interconnected Control Area. Such adjustments may result in constraints causing Transmission Congestion Charges, or may result in Ancillary Services charges pursuant to the PJM Tariff.</u> <del>Incremental adjustments, measured in MW, required in the PJM RTO operations in order to accommodate in a first come contingency basis, an operating</del></p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		<p>Control Area. Such adjustments may result in constraints causing Transmission Congestion Charges, or may result in Ancillary Services charges pursuant to the PJM Tariff.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.23</p>	<p><del>contingency in the PJM RTO resulting from operation in an interconnected Control Area.</del></p>
34.	PJM Interchange	<p>“PJM Interchange” shall mean the following, as determined in accordance with the Schedules to this Agreement: (a) for a Market Participant that is a Network Service User, the amount by which its hourly Equivalent Load exceeds, or is exceeded by, the sum of the hourly outputs of its operating generating resources; or (b) for a Market Participant that is not a Network Service User, the amount of its Spot Market Backup; or (c) the hourly scheduled deliveries of Spot Market Energy by a Market Seller from an External Resource; or (d) the hourly net metered output of any other Market Seller; or (e) the hourly scheduled deliveries of Spot Market Energy to an External Market Buyer; or (f) the hourly scheduled deliveries to an Internal Market Buyer that is not a Network Service User.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.25</p>	<p><u>PJM Interchange” shall mean the following, as determined in accordance with the Schedules to this Agreement: (a) for a Market Participant that is a Network Service User, the amount by which its hourly Equivalent Load exceeds, or is exceeded by, the sum of the hourly outputs of its operating generating resources; or (b) for a Market Participant that is not a Network Service User, the amount of its Spot Market Backup; or (c) the hourly scheduled deliveries of Spot Market Energy by a Market Seller from an External Resource; or (d) the hourly net metered output of any other Market Seller; or (e) the hourly scheduled deliveries of Spot Market Energy to an External Market Buyer; or (f) the hourly scheduled deliveries to an Internal Market Buyer that is not a Network Service User.</u> <del>☐ The amount by which an Internal Market Buyer’s hourly Equivalent Load is exceeded by the sum of the hourly outputs of the Internal Market Buyer’s operating generating resources; or</del>  <del>☐ The hourly scheduled deliveries of Spot Market Energy by an External Market Seller from an External Resource; or</del>  <del>☐ The hourly net metered output of any other Market Seller</del></p>
35.	PJM Interchange Energy Market	<p>“PJM Interchange Energy Market” shall mean the regional competitive market administered by the Office of the Interconnection for the purchase and sale of spot electric energy at wholesale in interstate commerce and related</p>	<p>The regional competitive market administered by PJM <u>the Office of the Interconnection</u> for the purchase and sale of spot electric energy at wholesale in interstate commerce and related services established in <u>pursuant to Schedule 1 of</u> the PJM Operating Agreement.</p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
	<p>services established pursuant to Schedule 1 to this Agreement.</p> <p>OA, section 1.3.4</p>	
36. PJM Interchange Export	<p>“PJM Interchange Export” shall mean the following, as determined in accordance with the Schedules to this Agreement: (a) for a Market Participant that is a Network Service User, the amount by which its hourly Equivalent Load is exceeded by the sum of the hourly outputs of its operating generating resources; or (b) for a Market Participant that is not a Network Service User, the amount of its Spot Market Backup sales; or (c) the hourly scheduled deliveries of Spot Market Energy by a Market Seller from an External Resource; or (d) the hourly net metered output of any other Market Seller.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.26</p>	<p><del><input type="checkbox"/> The amount by which an Internal Market Buyer’s hourly Equivalent Load is exceeded by the sum of the hourly outputs of the Internal Market Buyer’s operating generating resources; or</del></p> <p><del><input type="checkbox"/> The hourly scheduled deliveries of Spot Market Energy by a Market Seller from an External Resource; or</del></p> <p><del><input type="checkbox"/> The hourly net metered output of any other Market Seller.</del></p> <p><u>“PJM Interchange Export” shall mean the following, as determined in accordance with the Schedules to this Agreement: (a) for a Market Participant that is a Network Service User, the amount by which its hourly Equivalent Load is exceeded by the sum of the hourly outputs of its operating generating resources; or (b) for a Market Participant that is not a Network Service User, the amount of its Spot Market Backup sales; or (c) the hourly scheduled deliveries of Spot Market Energy by a Market Seller from an External Resource; or (d) the hourly net metered output of any other Market Seller.</u></p>
37. PJM Interchange Import	<p>“PJM Interchange Import” shall mean the following, as determined in accordance with the Schedules to this Agreement: (a) for a Market Participant that is a Network Service User, the amount by which its hourly Equivalent Load exceeds the sum of the hourly outputs of its operating generating resources; or (b) for a Market Participant that is not a Network Service User, the amount of its Spot Market Backup purchases; or (c) the hourly scheduled deliveries of Spot Market Energy to an External Market Buyer; or (d) the hourly scheduled deliveries to an Internal Market Buyer that is</p>	<p><u>“PJM Interchange Import” shall mean the following, as determined in accordance with the Schedules to this Agreement: (a) for a Market Participant that is a Network Service User, the amount by which its hourly Equivalent Load exceeds the sum of the hourly outputs of its operating generating resources; or (b) for a Market Participant that is not a Network Service User, the amount of its Spot Market Backup purchases; or (c) the hourly scheduled deliveries of Spot Market Energy to an External Market Buyer; or (d) the hourly scheduled deliveries to an Internal Market Buyer that is not a Network Service User.</u> <del>The amount by which an Internal Market Buyer’s hourly Equivalent Load exceeds the sum of the hourly outputs of the Internal Market Buyer’s operating generating resources; or</del></p> <p><del>The hourly scheduled deliveries of Spot Market Energy to an External Market Buyer.</del></p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		not a Network Service User.  Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.27	
38.	Price Responsive Demand	Price Responsive Demand or PRD shall mean end-use customer load registered by a PRD Provider pursuant to Schedule 6.1 of the PJM Reliability Assurance Agreement that have, as set forth in more detail in the PJM Manuals, the metering capability to record electricity consumption at an interval of one hour or less, Supervisory Control capable of curtailing such load (consistent with applicable RERRA requirements) at each PRD Substation identified in the relevant PRD Plan or PRD registration in response to a Maximum Generation Emergency declared by the Office of the Interconnection, and a retail rate structure, or equivalent contractual arrangement, capable of changing retail rates as frequently as an hourly basis, that is linked to or based upon changes in real-time Locational Marginal Prices at a PRD Substation level and that results in a predictable automated response to varying wholesale electricity prices.  RAA, section 1.71F	<del>Price Responsive Demand (PRD) is demand reduced in response to rising wholesale prices. The response follows a predictable curve that represents price versus quantity demanded.</del> <u>or PRD shall mean end-use customer load registered by a PRD Provider pursuant to Schedule 6.1 of the PJM Reliability Assurance Agreement that have, as set forth in more detail in the PJM Manuals, the metering capability to record electricity consumption at an interval of one hour or less, Supervisory Control capable of curtailing such load (consistent with applicable RERRA requirements) at each PRD Substation identified in the relevant PRD Plan or PRD registration in response to a Maximum Generation Emergency declared by the Office of the Interconnection, and a retail rate structure, or equivalent contractual arrangement, capable of changing retail rates as frequently as an hourly basis, that is linked to or based upon changes in real-time Locational Marginal Prices at a PRD Substation level and that results in a predictable automated response to varying wholesale electricity prices.</u>
39.	Primary Reserve	“Primary Reserve” shall mean the total reserve capability of generation resources that can be converted fully into energy or Demand Resources whose demand can be reduced within ten minutes of a request from the Office of the Interconnection dispatcher, and is	<del>Reserve capability that can be converted fully into energy within 10 minutes from the request of PJM. Current approved value for this objective is 1,700 MW.</del> <u>The total reserve capability of generation resources that can be converted fully into energy or Demand Resources whose demand can be reduced within ten minutes of a request from the Office of the Interconnection dispatcher, and is comprised of both Synchronized Reserve and Non-Synchronized Reserve.</u>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		<p>comprised of both Synchronized Reserve and Non-Synchronized Reserve.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.29F</p>	
40.	Spot Market Energy	<p>“Spot Market Energy” shall mean energy bought or sold by Market Participants through the PJM Interchange Energy Market at System Energy Prices determined as specified in Section 2 of this Schedule.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.33</p>	<p>Energy bought or sold by Market Participants through the PJM Interchange Energy Market at <del>Locational Marginal Prices</del> <u>System Energy Prices determined as specified in Section 2 of this Schedule.</u></p>
41.	Synchronized Reserve	<p>“Synchronized Reserve” shall mean the reserve capability of generation resources that can be converted fully into energy or Demand Resources whose demand can be reduced within ten minutes from the request of the Office of the Interconnection dispatcher, and is provided by equipment that is electrically synchronized to the Transmission System.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.33B.01</p>	<p><del>Reserve capability which is required in order to enable an area to restore its tie lines to the pre-contingency state within 10 minutes of a contingency that causes an imbalance between load and generation. During normal operation, these reserves must be provided by increasing energy output on electrically synchronized equipment, by reducing load on pumped storage hydroelectric facilities or by reducing the demand by demand side resources. During system restoration, customer load may be classified as synchronized reserve.</del> <u>The reserve capability of generation resources that can be converted fully into energy or Demand Resources whose demand can be reduced within ten minutes from the request of the Office of the Interconnection dispatcher, and is provided by equipment that is electrically synchronized to the Transmission System.</u></p>
42.	Transmission Congestion Charge	<p>“Transmission Congestion Charge” shall mean a charge attributable to the increased cost of energy delivered at a given load bus when the <u>transmission system</u> serving that load bus is operating under constrained conditions, or as necessary to provide energy for third-party transmission losses in accordance with Section 9.3, which shall be calculated and allocated as specified in Section 5.1 of this Schedule.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA,</p>	<p>A charge attributable to the increased cost of energy delivered at a given load bus when the Transmission System serving that load bus is operating under constrained conditions, <u>or as necessary to provide energy for third-party transmission losses in accordance with Section 9.3, which shall be calculated and allocated as specified in Section 5.1 of this Schedule.</u></p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		section 1.3.34 (note: the highlighted term should be capitalized as "Transmission System." Change is being made in separate chart related to revisions in governing documents).	
43.	Transmission Congestion Credit	<p>"Transmission Congestion Credit" shall mean the allocated share of total Transmission Congestion Charges credited to each holder of Financial Transmission Rights, calculated and allocated as specified in Section 5.2 of this Schedule.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.35</p>	<p><u>The allocated share of total Transmission Congestion Charges credited to each holder of Financial Transmission Rights.</u> <del>"Transmission Congestion Credit" shall mean the allocated share of total Transmission Congestion Charges credited to each holder of Financial Transmission Rights, calculated and allocated as specified in Section 5.2 of this Schedule.</del></p>
44.	Wholesale Transaction	<p>As used in Part IV of the Tariff, "Wholesale Transaction" means any transaction involving the transmission or sale for resale of electricity in interstate commerce that utilizes any portion of the Transmission System.</p> <p>Tariff, section 1.49G (note: highlighted language is being added to existing definition. Change is being made in separate chart related to revisions in governing documents).</p>	<p><del>A bulk energy transaction between two market entities.</del> <u>As used in Part IV of the Tariff, "Wholesale Transaction" means any transaction involving the transmission or sale for resale of electricity in interstate commerce that utilizes any portion of the Transmission System.</u></p>
45.	Maximum Generation Emergency	<p>"Maximum Generation Emergency" shall mean an Emergency declared by the Office of the Interconnection to address either a generation or transmission emergency in which the Office of the Interconnection anticipates requesting one or more Generation Capacity Resources, or NonRetail Behind The Meter Generation resources to operate at its maximum net or gross electrical power output, subject to the equipment stress limits for such Generation</p>	<p><del>An Emergency declared by PJM in which PJM anticipates requesting one or more Capacity Resources to operate at its maximum net or gross electrical power output, subject to the equipment stress limits for such Capacity Resource, in order to manage, alleviate, or end the Emergency.</del> <u>An Emergency declared by the Office of the Interconnection to address either a generation or transmission emergency in which the Office of the Interconnection anticipates requesting one or more Generation Capacity Resources, or NonRetail Behind The Meter Generation resources to operate at its maximum net or gross electrical power output, subject to the equipment stress limits for such Generation Capacity Resource or Non-Retail Behind The Meter resource in order to manage, alleviate, or end the Emergency.</u></p>



## Conforming Revisions to Manual 35 to Make Definitions Consistent With Governing Documents

	Definition	Correct Definition (with section if applicable)	Proposed Revisions to Manual 35
		<p>Capacity Resource or Non-Retail Behind The Meter resource in order to manage, alleviate, or end the Emergency.</p> <p>Tariff, Attachment K-Appendix, Schedule 1 OA, section 1.3.13</p>	
46.	PJM Settlement, Inc.	<p><b>PJMSettlement” or “PJM Settlement, Inc.” shall mean PJM Settlement, Inc. (or its successor), established by PJM as set forth in Section 3.3 of the Operating Agreement.</b></p> <p>Tariff, section 1.32.F.01 (Note: highlighted language is being added to existing definition. Change is being made in separate chart related to revisions in governing documents).</p>	<p><del>“PJMSettlement” or PJM Settlement, Inc., a subsidiary of PJM Interconnection, LLC, provides member settlement transaction activities for those participating in PJM’s markets. The subsidiary acts as a counterparty to members’ pool transactions and provides a clearly defined legal standing to collect unpaid balances of a member if the member should declare bankruptcy. All current PJM members are also members of PJM Settlement, Inc. PJM Settlement, Inc. is a Pennsylvania nonprofit corporation that has a service agreement with PJM to provide and retain services, including PJM staff support.</del> <u>shall mean PJM Settlement, Inc. (or its successor), established by PJM as set forth in Section 3.3 of the Operating Agreement.</u></p>