

Governing Documents Initiative

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- Improve user-friendliness of PJM governing documents by:
 - Creating web-based versions
 - Incorporating pop-up definitions and links to cross-references within each document
- Involves significant work behind the scenes
- During pre-work uncovered issues to be addressed for IT-solution to work optimally
 - Inconsistency in agreement/section references
 - Erroneous references

- Implement standard naming convention for agreements:
Agreement, Schedule/Attachment, section
 - Wrong: Section 1 of Attachment Q of the Tariff
 - Correct: Tariff, Attachment Q, section 1
- Use standard naming convention for future filings
- Conform existing governing agreement language to make consistent with standard naming convention

- For all filings requiring changes to governing document, PJM counsel will review sections being filed to determine
 - if non-substantive changes are needed for consistency
 - if errors need to be corrected, i.e. incorrect agreement or section reference
- If changes needed, will incorporate them into tariff sheets being filed
- These corrective changes likely to be made in majority of upcoming filings throughout year

Target Allocation:

“Target Allocation” shall mean the allocation of Transmission Congestion Credits as set forth in Operating Agreement, Schedule 1, section 5.2.3, and the parallel provisions of Tariff, Attachment K-Appendix, [section 5.2.3](#), or the allocation of Auction Revenue Rights Credits as set forth in Operating Agreement, Schedule 1, section 7.4.3, and the parallel provisions of Tariff, Attachment K-Appendix, [section 7.4.3](#).

Transmission Interconnection Feasibility Study:

“Transmission Interconnection Feasibility Study” shall mean a study conducted by the Transmission Provider in accordance with [Tariff, sSection 36.2](#) ~~of the Tariff~~.

Upgrade Request:

“Upgrade Request” shall mean a request submitted in the form prescribed in [Tariff, Attachment EE](#) ~~of the Tariff~~, for evaluation by the Transmission Provider of the feasibility and estimated costs of (a) a Merchant Network Upgrade or (b) the Customer-Funded Upgrades that would be needed to provide Incremental Auction Revenue Rights specified in a request pursuant to [Operating Agreement, Schedule 1, sSection 7.8](#) ~~of Schedule 1 of the Operating Agreement~~.

Total Lost Opportunity Cost Offer:

“Total Lost Opportunity Cost Offer” shall mean the applicable offer used to calculate lost opportunity cost credits. For pool-scheduled resources specified in PJM Operating Agreement, Schedule 1, section 3.2.3(f-1), and the parallel provisions of Tariff, Attachment K-Appendix, section section 3.2.3(f-1), the Total Lost Opportunity Cost Offer shall equal the *Real-time Settlement Interval* offer integrated under the applicable offer curve for the LOC Deviation, as determined by the greater of the Committed Offer or last Real-Time Offer submitted for the offer on which the resource was committed in the Day-ahead Energy Market for each hour in an Operating Day. For all other pool-scheduled resources, the Total Lost Opportunity Cost Offer shall equal the *Real-time Settlement Interval* offer integrated under the applicable offer curve for the LOC Deviation, as determined by the offer curve associated with the greater of the

Transmission Interconnection Customer:

“Transmission Interconnection Customer” shall mean an entity that submits an Interconnection Request to interconnect or add Merchant Transmission Facilities to the Transmission System or to increase the capacity of Merchant Transmission Facilities interconnected with the Transmission System in the PJM Region or an entity that submits an Upgrade Request for Merchant Network Upgrades (including accelerating the construction of any transmission enhancement or expansion, other than Merchant Transmission Facilities, that is included in the Regional Transmission Expansion Plan prepared pursuant to Operating Agreement, Schedule 6 of the Operating Agreement).

- More efficient to make “clean up” changes as submit substantive filings rather than waiting to take everything through GDECS when already filing changes in a section anyway
- Approach will not address all inconsistencies and errors since PJM nor stakeholders have plans to make substantive changes to every section of governing documents
- Not intended to replace GDECS – will still use GDECS for changes in sections not already being revised