

Proposal for Pro Forma Pseudo-Tie and Dynamic Schedule Agreements



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Changes Since June MRC

- Pro forma pseudo-tie agreements
 - Removed Effective Date heading; not needed per FERC prior directive
 - Clarified provisions to eliminate ambiguity
 - Corrected and added agreement and section references
 - Added cure period for breaches
 - Incorporated specific time periods by which certain actions must occur
 - Specified that certain requirements are pursuant to applicable tariff provisions, business rules or NERC standards
 - Added indemnification exception where prohibited by applicable law
- Pro forma system modification reimbursement agreement
 - Added second administrative fee provision
 - Will apply if PJM's external capacity filing is accepted because in that case PJM will only be doing one comprehensive estimate



Relevant Happenings Since June 2017 MRC

- PJM presented proposed JOA language to OC
- PJM continued discussions with MISO regarding PJM MISO JOA revisions for pseudo-tie implementation and operation; made revisions to same based on feedback received from PJM and MISO stakeholders



Pseudo-Tie Agreement Package Filing

- Pseudo-Tie Agreements Package Filing Late July to Mid August 2017
 - PJM Tariff/OA revisions
 - clarify PJM is not required to permit a pseudo-tie; entity must sign agreement before PJM will pseudo-tie
 - System Modification Reimbursement Agreement
 - administrative fee to cover PJM study costs; reimburse PJM for cost to modify systems and models to accommodate the Pseudo-Tie
 - Pro Forma Pseudo-Tie Agreement Two Forms
 - one requires Native BA to sign; use when no agreement between PJM and Native BA regarding implementation and operation of Pseudo-Ties
 - second does not require Native BA to sign; use when PJM and Native BA have separate agreement addressing implementation and operation of Pseudo-Ties
 - PJM MISO JOA revisions
 - revisions to PJM MISO JOA to address implementation and operation of Pseudo-Ties between the PJM BAA and MISO BAA



- Markets and Reliability Committee
 - Vote July 2017
- Members Committee
 - Vote July 2017
- FERC Filing Late July/Mid-August 2017