

Section 6: Glossary



TERM	Acronym	Definition
Active Load Management	ALM	Retail customer load that can be interrupted at the request of PJM. Such a PJM request is considered an emergency action and is implemented prior to a voltage reduction. ALM derives an ALM credit in the accounted-for-obligation.
Adequacy		The ability of the electric system to supply the aggregate electrical demand and energy requirements of the end-use customer at all times, taking into account scheduled and reasonably expected unscheduled outages of system elements.
Ancillary Service		Those services necessary to support the transmission of capacity and energy from resources to loads while, in accordance with good utility practice, maintaining reliable operation of the transmission provider's transmission system.
Attachment Facilities		The facilities necessary to physically connect a Customer Facility to the Transmission System or interconnected distribution facilities.
Auction Revenue Right (ARR)	ARR	A financial instrument entitling its holder to auction revenue from Financial Transmission Rights (FTRs) based on locational marginal price (LMP) differences across a specific path in the Annual FTR Auction.
Available Transfer Capability	ATC	A measure of the transfer capability remaining in the physical transmission network for further commercial activity over and above already committed uses. It is defined as Total Transfer Capability less existing transmission commitments (including retail customer service), less a Capacity Benefit Margin, less a Transmission Reliability Margin.
Baseline Upgrades		In developing the RTEP, PJM tests the baseline adequacy of the transmission system to deliver energy and capacity resources to each load in the PJM region. The system as planned to accommodate forecast demand, committed resources, and commitments for firm transmission service for a specified time frame is tested for compliance with NERC and the applicable regional reliability council (ReliabilityFirst or SERC) standards, Nuclear Plant Licensee requirements, PJM Reliability Standards and PJM design standards. Areas not in compliance with the standards are identified and enhancement plans to achieve compliance are developed. The baseline analysis and the Baseline Upgrade expansion plans that result serve as the base system for conducting Feasibility Studies and System Impact studies for all proposed requests for generation and merchant transmission and for long-term firm transmission service. (Baseline upgrades are a subset of Network Upgrades.)

Behind The Meter Generation	BTM	Behind The Meter Generation refers to a generation unit that delivers energy to load without using the Transmission System or any distribution facilities (unless the entity that owns or leases the distribution facilities has consented to such use of the distribution facilities and such consent has been demonstrated to the satisfaction of the Office of the Interconnection); provided, however, that Behind The Meter Generation does not include (i) at any time, any portion of such generating unit's capacity that is designated as a Capacity Resource; or (ii) in an hour, any portion of the output of such generating unit[s] that is sold to another entity for consumption at another electrical location or into the PJM Interchange Energy Market.
Bilateral Transaction		A contractual arrangement between two entities (one or both being PJM Members) for the sale and delivery of a service.
Capacity Credit		An entitlement to a specified number of MW of unforced capacity from a specific resource, for the purpose of satisfying capacity obligations imposed under the RAA.
Capacity Emergency		System condition where operating capacity plus firm purchases from other systems, to the extent available or limited by transfer capability, is inadequate to meet the total of its demand, firm sales and regulating requirements.
Capacity Emergency Transfer Limit	CETL	Part of Deliverability analysis to determine the maximum limit, expressed in megawatts, of a study area's import capability.
Capacity Emergency Transfer Objective	CETO	The CETO is the emergency import capability required of a PJM sub-area to satisfy established reliability criteria.
Capacity Interconnection Rights	CIRs	The rights to input generation as Resource or Available Capacity Resource into the Transmission System where the generating facilities connect to the Transmission System.
Capacity Resource		The net capacity from owned or contracted for generating facilities which are accredited pursuant to established procedures.
Capacity Status		A capacity status designation permits a unit to participate in PJM's capacity market. A generating unit is ineligible for capacity status until all transmission upgrades needed to ensure deliverability are completed. Only then will PJM grant a capacity status designation which permits a unit thereafter to participate in PJM's Capacity Market. For the sake of reporting, generating resources that are fully in-service are designated "IS". A status code of "IS-NC" (in-service, no capacity) indicates a generator that is in-service for energy only. Such units have not requested consideration for capacity status. A status code of "ISP" (in-service, partial) denotes a generating resource that is only partially in-service and has not reached full capacity status.
Combined Cycle	CC	A generating unit generally consisting of a gas-fired turbine and a heat recovery steam generator. Electricity is produced by a gas turbine whose exhaust is recovered to heat water, yielding steam for a steam turbine that produces still more electricity.
Combustion Turbine	CT	A generating unit in which a combustion turbine engine is the prime mover.
Deactivation		The retirement or mothballing of a generating unit governed by the PJM Open Access Transmission Tariff.
Deliverability		Deliverability is a test of the physical capability of the transmission network for transfer capability to deliver energy from generation facilities to wherever it is needed to ensure, only, that the transmission system is adequate for delivery of energy to load. The testing procedure includes two components: (1) Deliverability of Generation; and (2) Deliverability to Load.

Deliverability of Generation		The ability of the transmission system to export capacity resources from one electrical area to the remainder of PJM, to ensure that, under normal transmission system conditions, if capacity resources are available and called on, their ability to provide energy to the system at peak load will not be limited by the dispatch of other certified capacity resources.
Deliverability of Load		The ability of the transmission system to deliver energy from the aggregate of available capacity resources in one PJM electrical area and adjacent non-PJM areas to another PJM electrical area that is experiencing a capacity deficiency.
Demand-Side Response	DSR	The term for all activities or programs undertaken by a Load-Serving Entity or its customers to influence the amount or timing of electricity used.
Diversity		The amount of MWs that account for the difference between a Transmission Owner zone's forecasted peak load at the time of its own peak and the coincident peak load of PJM at the time of PJM peak.
Electrical Distribution Company	EDC	A company that owns and/or operates electrical distribution facilities for the delivery of electrical energy to end-use customers.
Electrical Topography		A geographically based or other diagrammatic representation of the physical features of an electrical system or portion of an electrical system.
Energy Resource		A generating facility that does not have Capacity Resource status.
Federal Energy Regulatory Commission	FERC	The Federal Energy Regulatory Commission, or FERC, is an independent agency that regulates the interstate transmission of electricity, natural gas and oil.
Financial Transmission Right	FTR	A financial instrument entitling the holder to receive revenues based on transmission congestion measured as hourly energy LMP differences in the PJM Day-Ahead Energy Market across a specific path.
Firm Transmission Service		Transmission service that is intended to be available at all times to the maximum extent practicable. Service availability is subject to system emergency conditions, unanticipated facility failure or other unanticipated event.
Good Utility Practice		Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.
Independent System Operator	ISO	An entity that is authorized to operate an electric transmission system and is independent of any influence from the owner(s) of that electric transmission system.
Interconnection Queue		All Interconnection Requests that are received within each six-month period ending on January 31 and July 31 of each year collectively comprise an Interconnection Queue.
Load		Demand for electricity at a given time, expressed in megawatts (MW).
Load Serving Entity	LSE	Load-serving entities provide electricity to retail customers including traditional distribution utilities.

Loss-of-load Expectation	LOLE	Loss-of-load expectation (LOLE) defines the adequacy of capacity for the entire PJM footprint based on load exceeding available capacity, on average, during only one day in ten years (1/10).
Market Participant		A PJM market participant can be a market supplier, a market buyer or both. Market buyers and market sellers are members that have met creditworthiness standards as established by PJM. Market buyers are otherwise able to make purchases and market sellers are otherwise able to make sales in PJM Energy and Capacity Markets.
Merchant Transmission Facility		A.C. or D.C. transmission facilities that are interconnected with or added to the Transmission System in accordance with the PJM Open Access Transmission Tariff and that are not any physical facilities of the Transmission System that are already in existence and that are not any transmission facilities that are included in the rate base of a public utility and on which a regulated return is earned.
MVAR		(See “Reactive Power“)
Network Upgrades		Modifications or additions to transmission-related facilities that are integrated with and support the Transmission Provider’s overall Transmission System for the general benefit of all users of such Transmission System.
North American Electric Reliability Council	NERC	A voluntary organization of U.S. and Canadian utilities, ISOs and RTOs established to assure coordinated operation of the interconnected transmission systems.
PJM Manuals		The instructions, rules, procedures and guidelines established by PJM for the operation, planning, and accounting requirements of the PJM Region and the PJM Interchange Energy Market.
PJM Member		Any entity that has completed an application and satisfies the requirements of PJM to conduct business with PJM, including transmission owners, generating entities, load-serving entities and marketers.
PJM Open Access Transmission Tariff	OATT	A FERC filed contractual arrangement specifying the terms of conditions under which PJM provides transmission service and carries out its generation and merchant transmission interconnection process.
Planning Horizon		The future time period over which system transmission expansion plans are developed based on forecasted conditions.
Planning Period		The twelve months beginning June 1 and extending through May 31 of the following year.
Probabilistic Risk Assessment	PRA	PJM assesses risk exposure using a PRA risk management tool. Initially, this tool is being used to assess the risk of PJM’s aging 500/230kV transformer fleet. The goal of the PRA model is to minimize asset service cost. PJM’s PRA method integrates the economics of transformation loss with the likelihood of incurring the precipitating event. Using the PRA, PJM can determine the amount of risk each transformer poses to the system; the best way to mitigate each transformer’s risk; the optimum number of spare transformers; where to locate them on the system; the value of moving a low-risk spare transformer to a higher risk location; the value of a common transformer design; and, the point at which the risk associated with continued operation of an older transformer unit exceeds the value of a new unit.
Programmable Logic Controller	PLC	An electronic device that is capable of being programmed with instructions to provide specific operating control over electrical equipment.

Reactive Power (expressed in MVAR)		The portion of electricity that establishes and sustains the electric and magnetic fields of alternating-current equipment. Reactive power must be supplied to most types of magnetic equipment, such as motors and transformers. It also must supply the reactive losses on transmission facilities. Reactive power is provided by generators, synchronous condensers, or electrostatic equipment such as capacitors and directly influences electric system voltage. It is usually expressed in megavars (MVAR).
Regional Transmission Expansion Plan	RTEP	The plan prepared by the Office of the Interconnection pursuant to Schedule 6 of the PJM Operating Agreement for the enhancement and expansion of the Transmission System in order to meet the demands for firm transmission service in the PJM Region.
Regional Transmission Organization	RTO	A FERC-approved organization that coordinates the movement of wholesale electricity, acting neutrally and independently, operating the competitive wholesale electricity market and ensures the reliability in managing the regional transmission system and the wholesale electricity market, under a FERC approved tariff.
Reliability		Descriptive term indicating the actual availability of electrical service relative to full availability.
Reliability Assurance Agreement	RAA	The Reliability Assurance Agreement among load-serving entities in the PJM Region. This Agreement is intended to ensure that adequate Capacity Resources will be planned and made available to provide reliable service to loads within PJM, to assist other Parties during Emergencies and to coordinate planning of Capacity Resources consistent with the Reliability Principles and Standards.
ReliabilityFirst Corporation		ReliabilityFirst is a not-for-profit company incorporated in the State of Delaware whose goal is to preserve and enhance electric service reliability and security for the interconnected electric systems within its territory. ReliabilityFirst was approved by the North American Electric Reliability Council (NERC) to become one of eight Regional Reliability Councils in North America and began operations on January 1, 2006. ReliabilityFirst is the successor organization to three former NERC Regional Reliability Councils: the Mid-Atlantic Area Council (MAAC), the East Central Area Coordination Agreement (ECAR) and the Mid-American Interconnected Network organizations (MAIN).
Sources and Sinks		Sources are the origins or the injection end of a transmission transaction. Sinks are the destinations or the withdrawal end of a transaction.
Special Protection Scheme	SPS	A load transfer relaying scheme intended to reduce the adverse post-contingency impact on a protected facility.
Temperature-Humidity Index	THI	A temperature-humidity index has been developed by the U.S. National Weather Service (NWS). It gives a single, numerical value in the general range of 70 to 80, reflecting the outdoor atmospheric conditions of temperature and humidity as a measure of comfort (or discomfort) during warm weather. The temperature-humidity index, THI, is defined as follows: $THI = Td - (0.55 - 0.55RH) * (Td - 58)$ where Td is the dry-bulb temperature and RH is the percentage of relative humidity.
Transmission Customer		Any Eligible Customer (or its Designated Agent) that (i) executes a Transmission Service Agreement, or (ii) requests in writing that PJM file with the FERC, a proposed unexecuted Service Agreement to receive transmission service under Part II of the PJM OATT.

Transmission Facilities		Those power system physical facilities that transmit electricity that: (i) are within the PJM Region; (ii) meet the definition of transmission facilities pursuant to FERC's Uniform System of Accounts or have been classified as transmission facilities in a ruling by FERC addressing such facilities; and (iii) have been demonstrated to the satisfaction of PJM to be integrated with the transmission system of PJM and integrated into the planning and operation of such to serve all of the power and transmission customers within such region.
Transmission Loading Relief	TLR	A NERC procedure developed for the Eastern Interconnection to mitigate overloads on the transmission system by allowing reliability coordinators to request the curtailment of transactions that are causing parallel flows through their system.
Transmission Owner	TO	A PJM Member that owns or leases with rights equivalent to ownership in Transmission Facilities. Taking transmission service is not sufficient to qualify a Member as a Transmission Owner.
Transmission Provider		The Transmission Provider is the PJM Office of the Interconnection for all purposes in accordance with the PJM OATT.
Transmission Service Request	TSR	A request submitted by a PJM market participant for transmission service over PJM designated facilities. Typically the request is for either short term or long term service, over a specific path for a specific megawatt amount. PJM evaluates each request and to determine if it can be accommodated. And, if the requestor so chooses, pursue needed upgrades to accommodate the request.
Violation		A PJM planning study result that shows a specific system condition that is not in compliance with an established NERC, ReliabilityFirst, SERC or PJM standard.
Zone / Control Zone		Control zone An area within the PJM Control Area, as set forth in the PJM Open Access Tariff and the Reliability Assurance Agreement (RAA). Schedule 16 of the RAA defines the distinct zones that comprise the PJM Control Area.