

Joint Operating Agreement
Between the
Midcontinent Independent System Operator, Inc.
And
PJM Interconnection, L.L.C.
(December 11, 2008)

As presented to PJM Operating Committee July 2017
With MISO Requested Revisions 7/6/2017 (highlighted in yellow)

ARTICLE II ABBREVIATIONS, ACRONYMS AND DEFINITIONS

2.2 Definitions.

Any undefined, capitalized terms used in this Agreement shall have the meaning given under industry custom and, where applicable, in accordance with good utility practices.

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2.2.4.a “Attaining Balancing Authority” or “Attaining BA”

Attaining Balancing Authority shall have the same meaning set forth in the then current version of the NERC Glossary of Terms used in NERC Reliability Standards.

2.2.4.b “Attaining Balancing Authority Area” or “Attaining BAA”

The Attaining Balancing Authority Area shall have the same meaning set forth in the then current version of the NERC Glossary of Terms Used in NERC Reliability Standards

2.2.4.c “Attaining Reliability Coordinator” or “Attaining RC)”

The Attaining Reliability Coordinator is the entity that is responsible for Reliable Operation of the Bulk Electric System, as those terms are defined in the NERC Glossary of Terms, for the Attaining Balancing Authority.

2.2.4d “Attaining Transmission Operator” or “Attaining TOP”

The Attaining Transmission Operator is the entity that operates or directs operations for the reliability of the Attaining BAA Transmission System.

2.2.5 “Available Flowgate Capability”

Available Flowgate Capability shall mean the rating of the applicable Flowgate less the projected loading across the applicable Flowgate less TRM and CBM. The firm AFC is calculated with only the appropriate Firm Transmission Service reservations (or interchange schedules) in the model, including recognition of all roll-over Transmission Service rights. Non-firm AFC is determined with appropriate firm and non-firm reservations (or interchange schedules) modeled.

2.2.6 “Balancing Authority”

Balancing Authority shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real-time. For MISO references to a BA may be applicable to a BA and/or an LBA.

2.2.7 “Balancing Authority Area”

Balancing Authority Area shall mean the collection of generation, transmission, and loads within the metered boundaries of the BA. The BA maintains load-resource balance

within this area. For MISO references to a BAA may be applicable to a BAA and/or an LBAA.

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2.2.24 “Flowgate”

Flowgate shall mean a representative modeling of facilities or groups of facilities that may act as significant constraint points on the regional system.

2.2.25 “Generation Resource”

Generation Resource shall mean a PJM Generation Capacity Resource, as that term is defined in the PJM Reliability Assurance Agreement, or a MISO Generation Resource or Capacity Resource, as those terms are defined in Module A of MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff.

~~**2.2.25 “Hold Harmless Issues”**~~

~~Hold Harmless Issues shall have the meaning given in Section 4.3.~~

2.2.26 “Governing Documents”

Governing Documents shall mean the PJM Open Access Transmission Tariff, the PJM Operating Agreement, the PJM Consolidated Transmission Owners Agreement, the PJM Reliability Assurance Agreement, the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff, the Agreement of Transmission Facilities Owners To Organize The Midcontinent Independent System Operator, Inc., A Delaware Non-Stock Corporation,” or any other applicable agreement approved by the FERC and intended to govern the relationship by and among PJM and MISO and any of their respective members or market participants.

2.2.26.a “Hold Harmless Issues”

Hold Harmless Issues shall have the meaning given in Section 4.3.

2.2.27 “Intellectual Property”

Intellectual Property shall mean (i) ideas, designs, concepts, techniques, inventions, discoveries, or improvements, regardless of patentability, but including without limitation patents, patent applications, mask works, trade secrets, and know-how; (ii) works of authorship, regardless of copyright ability, including copyrights and any moral rights recognized by law; and (iii) any other similar rights, in each case on a worldwide basis.

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2.2.44 “MISO”

MISO has the meaning stated in the preamble of this Agreement.

2.2.44a “MOPI M2M Flowgate”

MOPI M2M Flowgate shall mean a Flowgate subject to the requirements in Section 10 of the Interregional Coordination Process.

2.2.44.b “Native Balancing Authority” or “Native BA”

The Native Balancing Authority shall have the same meaning set forth in the then current version of the NERC Glossary of Terms Used in NERC Reliability Standards.

2.2.44.c “Native Balancing Authority Area” or “Native BAA”

The Native Balancing Authority Area shall have the same meaning set forth in the then current version of the NERC Glossary of Terms Used in NERC Reliability Standards.

2.2.44.d “Native Reliability Coordinator” or “Native RC”

The Native Reliability Coordinator is the entity that is responsible for Reliable Operation of the Bulk Electric System, as those terms are defined in the NERC Glossary of Terms, where the pseudo-tied unit is physically located.

2.2.44.e “Native Transmission Operator” or “Native TOP”

The Native Transmission Operator is the entity that operates or directs operations for the reliability of the local transmission system where the pseudo-tied unit is physically located.

2.3.45 “NERC Compliance Registry”

NERC Compliance Registry shall mean a listing of all organizations subject to compliance with the approved reliability standards.

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**ARTICLE IV
EXCHANGE OF INFORMATION AND DATA**

4.1 Exchange of Operating Data.

Purpose: Sharing data is necessary to facilitate effective coordination of operations and to maintain regional system reliability while assuring the maximum commercial flexibility for market participants.

Requirements: The Parties will exchange the following types of data and information on a continuous, real-time basis:

- (a) Real-Time and Projected Operating Data;
- (b) SCADA Data;
- (c) EMS Models;
- (d) Operations Planning Data; and
- (e) Planning Information and Models.

Each Party shall provide the data identified in items (a) through (e) of this Section to the other Party with respect to all entities that participate in Party's markets during the term of this Agreement, whether or not the entity is a participant as of the Effective Date.

To facilitate the exchange of all such data, each Party will designate to the other Party's Vice President of Operations a contact to be available twenty-four (24) hours each day, seven (7) days per week, and an alternate contact to act in the absence or unavailability of the primary contact, to respond to any inquiries. With respect to each contact and alternate, each Party shall provide the name, telephone number, e-mail address, and fax number. Each Party may change a designee from time to time by Notice to the other Party's Vice President of Operations.

The Parties agree to exchange data in a timely manner consistent with existing defined formats or such other formats to which the Parties may agree. If any required data exchange format has not been agreed upon as of the Effective Date, or if a Party determines that an agreed format should be revised, a Party shall give Notice of the need for an agreed format or revision and the Parties will jointly seek to complete development of the format within thirty (30) days of such Notice.

Effective Date: 9/17/2010 - Docket #: ER10-2746-000

4.1.1 Real-Time and Projected Operating Data.

4.1.1.1 Requirements:

The Parties will exchange two categories of operating data (real-time information and projected information), as follows:

- (a) The real-time operating information consists of:
 - (i) Generation status of the units in each Party's RC Area;
 - (ii) Transmission line status;
 - (iii) Real-time loads;
 - (iv) Scheduled use of reservations;
 - (v) TLR information, including calculation of Market Flows;
 - (vi) Redispatch information, including the next most economical generation block to decrement/increment; and
 - (vii) List of real-time constraints that are binding in the real-time market solution.
- (b) Projected operating information consists of:
 - (i) Merit order for generators participating in the Parties' markets;
 - (ii) Maintenance schedules for generators and transmission facilities in either of the Parties' RC Area;
 - (iii) Transmission Service Reservations reflecting firm purchase and sales;
 - (iv) Independent power producer information including current operating level, projected operating levels, Outage start and end dates;
 - (v) The planned and actual operational start-up dates for any permanently added, removed or significantly altered transmission segments;
 - (vi) Points of interconnection between the two Parties that will be permanently removed or added (this information to be shared by the Party responsible for the action shortly before taking such action); and
 - (vii) The planned and actual start-up testing and operational start-up dates for any permanently added, removed or significantly altered generation units.

4.1.2 Exchange of SCADA Data.

Background: NERC reliability standard TOP-005 Attachment 1 “Electric System Reliability Data,” describes the types of data that TOPs, BAs, and Purchase Selling Entities are expected to provide, and RCs are expected to share with each other as explained in reliability standard TOP-005 “Operational Reliability Information.”

Requirements:

- (a) The Parties shall exchange requested transmission power flows, measured bus voltages and breaker equipment statuses of their bulk transmission facilities via ICCP or ISN.
- (b) Each Party shall accommodate, as soon as practical, the other Party’s requests for additional existing ICCP/ISN bulk transmission data points, but in any event no more than one (1) week after the request has been submitted.
- (c) Each Party shall respond, as soon as practical, to the other Party’s requests for additional, unavailable ICCP/ISN bulk transmission data points, but in any event no more than two (2) weeks after the request has been submitted, with an expected availability target date for the requested data.
- (d) The Parties will comply with all governing confidentiality agreements executed by the Parties relating to ICCP/ISN data.
- (e) The Parties shall exchange SCADA Data consisting of:
 - (i) Status measurements 69 kV and above (breaker statuses) (as available and required to observe for reliability as the respective Parties may determine);
 - (ii) Analog measurements 69 kV and above (flows and voltages); (as available and required to observe for reliability as the respective Parties may determine);
 - (iii) Generation point measurements, including generator output for each unit in MW and MVARs, as available;
 - (iv) Load point measurements, including bus loads and specific loads at each substation in MW and MVARs, as available;
 - (v) BAA net interchange;
 - (vi) BAA instantaneous demand;
 - (vii) BAA operating reserves; and
 - (viii) Identification of other real-time data available through ICCP/ISN.

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4.1.3 Models.

Purpose: EMS models contain detailed representations of the transmission and generation configurations within each RTO and neighboring systems. The Parties depend upon EMS models for reliability coordination and market operations. The regular exchange of models is to ensure that each Party is using current and up-to-date representations of the other Party

Requirements: The Parties will exchange their detailed EMS models once a year in CIM format or another mutually agreed upon electronic format, but shall provide each other with updates of the model information in an agreed upon electronic format as new data becomes available. This yearly exchange will include the ICCP/ISN mapping files, identification of individual bus loads, seasonal equipment ratings and one-line drawing that will be used to expedite the model conversion process. The Parties will also exchange updates that represent the incremental changes that have occurred to the EMS model since the most recent update.

Pseudo-Tie Requirements: The ~~entity pseudo-tying the unit from the Native Balancing Authority Area to the Attaining Balancing Authority Area~~ shall coordinate unit modeling with respect to follow the rules of the Native BA and Attaining BA for modeling the pseudo-tie. If the Native BA and Attaining BA do not have this information, modeling data will be requested from the entity seeking to pseudo-tie the generating unit. This includes coordination of specific technical details for each pseudo-tie. Article 11.3 provides more detail on pseudo-tie requirements.

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ARTICLE V AFC CALCULATIONS

5.1 AFC Protocols.

Purpose: The calculation of AFC is a forecast of transmission capability that may be available for use by transmission customers. Use of transmission capability in one system can impact the loadings, voltages and stability of neighboring systems. Because of this interrelationship, neighboring entities must exchange pertinent data for each entity to determine the AFC values for its own transmission system. The exchange of data related to calculation of AFC is necessary to assure reliable coordination, and also to permit either Party to determine if, due to lack of transmission capability, it must refuse a transmission reservation in order to avoid potential overloading of facilities.

As of the date of this Agreement, the Parties use the SDX System to exchange the planned status of generators rated greater than 50 MW, outages of all interconnections and other transmission facilities operated at greater than 100 kV, and peak load forecasts. This system has the capability to house hourly data for the next seven (7) days, daily data for the next thirty one (31) days, weekly data for the next month, and monthly data for the next three years. Continued use of this tool, and associated commitments under this Agreement, will assure the Parties' ability to make reliable calculations efficiently.

5.1.1 Generation Outage Schedules.

Requirements: Each Party shall provide the other with projected status of generation availability over the next twelve (12) months or more if available. The Parties will update this data no less than once daily for the full posting horizon and more often as required by system conditions. The data will include complete generation maintenance schedules and the most current available generator availability data, such that each Party is aware of each "return date" of a generator from a scheduled or forced outage. At all times, this exchange will include the status of generators rated greater than 50 MW. If the status of a particular generator of equal to or less than 50 MW is used within a Party's AFC calculation, the status of this unit shall also be supplied.

5.1.2 Generation Dispatch Order.

Purpose: Dispatch information combined with unit availability information permits each Party to develop a reasonably accurate dispatch for any modeled condition. This methodology is more advantageous than scaling all available generation to meet generation commitments within an area and then increasing all generation uniformly to model an export, or uniformly decreasing all generation to model an import. While excluding nuclear generation or hydro units from this scaling would provide some level of refinement, this approach is inadequate to identify transmission constraints and determine rational AFC values.

The exchange of typical generation dispatch order or generation participation factors of all units on a BAA basis and other data under this Agreement will permit each Party to appropriately model future transmission system conditions.

Requirements: As necessary to permit a Party to develop a reasonably accurate dispatch for any modeled condition, each Party will provide the other Party with a typical generation dispatch order or the generation participation factors of all units on an affected BAA basis. The generation dispatch order will be updated as required by changes in the status of the unit; however, a new generation dispatch order need not be provided more often than prior to each peak load season.

5.1.3 Transmission Outage Schedules.

Requirements: Each Party will provide the other Party with the projected status of transmission outage schedules above 100 kV over the next twelve (12) months or more if available. This data shall be updated no less than once daily for the full posting horizon and more often as required by system conditions. The data will include current, accurate and complete transmission facility maintenance schedules, including the “outage date” and “return date” of a transmission facility from a scheduled or forced outage.

5.1.4 Transmission Interchange Schedules/Net Scheduled Interchange.

Purpose: Because interchange schedules impact the short-term use of the transmission system, exchange of schedule data is necessary to determine the remaining capacity of the transmission system as well as to determine the net impact of loop flow.

Requirements: Each Party will make available to the other its reservation and interchange schedules/NSI, as required to permit accurate calculation of AFC values. Due to the high volume of this data, the Parties shall either post this data to a mutually agreed upon site for downloading or utilize tag dump information by the other Party as required by its own process and timing requirements.

[In order to capture the impacts of the pseudo-tied unit on Flowgates, neither MISO, PJM nor the entity seeking to pseudo-tie that unit shall tag or request to tag the scheduled energy flows from a Generation Resource because information about the pseudo-tie is included in the M2M congestion management procedure.](#)

5.1.5 Reservations.

Purpose: Beyond the operating horizon, the impacts of existing transmission reservations are also necessary for the calculation of AFC for future time periods. Inasmuch as a transmission reservation is a right to use and not an obligation to use the transmission system, there is no certainty that any particular reservation will result in a corresponding interchange schedule. This is especially true considering that the *pro forma* OATT approved by the FERC allows firm service on a given path to be redirected as non-firm service on any other path. In addition, the ultimate transmission customer may not have, at a given time, purchased all transmission reservations on a particular source-to-sink path. A further complication is that the duration or firmness of the one portion of the reservation may not be the same as the remaining portion. Since prior to scheduling, it is difficult to associate reservations involving multiple Transmission Providers that may be used to complete a single transaction, double counting in the AFC determination process is a possibility. It is acknowledged that reservations respecting one Party are not required to be incorporated into transmission models developed by the other Party.

Requirements:

- (a) Each Party will make available to the other Party, upon a mutually agreed upon site, actual transmission service requests information for integration into each Party's AFC determination process.
- (b) Each Party will develop practices for modeling transmission service requests, including external requests, and netting practices for any allowance of counterflows created by reservations in electrically opposite directions. Each Party will provide the other Party with the procedures developed and implemented to model intra-party requests, requests on external parties, and reservation netting.
- (c) Each Party shall also create, maintain, and exchange a list of reservations from its OASIS that should not be considered in AFC calculations. Reasons for these exceptions include, for example, grandfathered agreements that grant access to more transmission than is necessary for the related generation capacity and unmatched intra-Party partial path reservations. If a Party does not include a reservation in its own evaluation, the reservation should be excluded in the other Party's analysis.
- (d) Each Party shall maintain a list of long-term firm reservations that are not subject to rollover rights and accordingly treat them in their process.

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**ARTICLE XI
ADDITIONAL COORDINATION PROVISIONS**

11.1 Application of Congestion Management Process.

The Parties have agreed to certain operating protocols under this Agreement to ensure system reliability and efficient market operations as systems exist and are contemplated as of the Effective Date. These protocols include the Congestion Management Process and applicable NERC reliability plans. As addressed in Section 3.1, the Parties expect that these systems and the operating protocols applicable to these systems will change and revisions to this Agreement will be required from time to time.

11.2 Additional Provisions Concerning Market-to-Market.

11.2.1 LMP Calculation Consistency.

The Parties agree to ensure that LMP signals meet certain common criteria in order to achieve maximum benefits to competition from the Joint and Common Market. In particular, the Parties agree that dispatch in both markets will be performed under a nodal pricing regime and that settlement will be based, in part, on the resulting LMPs. Given the importance of the individual LMPs, the pricing methodologies employed will result in prices that meet certain common criteria at all relevant physical interfaces between the two markets. The Parties' goal will be that the respective prices calculated by both Parties for these interfaces will be identical. Therefore, to the extent that such prices are not identical, the Parties agree to work in good faith to resolve the reasons for the differences in order to send the most consistent economic signals reasonably possible to all market participants.

The Parties further agree that the LMP formulation will be such that the optimal solution will be very close to the current system operating condition. Inputs into the Locational Marginal Pricing program will be the flexible generating units from the LMP Preprocessor, actual generation, load and system topology from the State Estimator, and binding constraints from the LMP Contingency Processor. The Parties agree to work in good faith to reach resolution on the frequency of the calculation of the prices. Additionally, the Parties agree that any changes to the pricing methodology will be coordinated across the two markets to maintain consistency.

11.2.2 Coordination Processes.

As the MISO market and the PJM market have evolved over time, it has become critical to coordinate the LMP-based congestion management procedures between the two markets. The market-to-market transmission congestion processes and the LMP at the market border points must be coordinated in order to efficiently manage interregional power flows. This coordination process will ensure

appropriate LMP values at the market borders and will eliminate potential inefficiencies and gaming opportunities that otherwise could be caused by uncoordinated congestion management between the adjacent markets.

11.2.3 Market-to-Market Coordination Process.

The fundamental philosophy of the market-to-market transmission congestion coordination process is to allow any transmission constraints that are significantly impacted by generation dispatch changes in both markets to be jointly managed in the security-constrained economic dispatch models of both Parties. This joint management of transmission constraints near the market borders will provide a more efficient and lower cost transmission congestion management solution and will also provide coordinated pricing at the market boundaries.

This market-to-market coordination process builds upon the Parties' market-to-non-market coordination process, as described in the "Congestion Management Process" document. The set of transmission Flowgates in each market that can be significantly impacted by the economic dispatch of generation serving load in the adjacent market is identified as the set of RCFs. These RCFs are then monitored to measure the impact of Market Flows and loop flows from adjacent regions. The "Congestion Management Process" document provides a framework for calculating the resulting powerflow impacts resulting from the market-based economic dispatch in one region on the transmission facilities in an adjacent region and vice versa (Market Flow impacts). In addition, the "Congestion Management Process" document describes how the Market Flow impacts will be managed on an interregional basis within the existing IDC to enhance the effectiveness of the NERC interregional congestion management process. Lastly, the "Congestion Management Process" document also describes a process for calculating flow entitlement for network and firm transmission utilization in one region on the RCFs in an adjacent region.

The market-to-market coordination process builds on the processes, as described above, by adapting the coordination, as appropriate, to the conditions that will prevail after the Parties' markets are implemented in the Midwest. In addition, there is a continuing need to define the flow entitlement for network and firm transmission utilization in one region on the RCFs in an adjacent region.

The Parties shall utilize the Interregional Coordination Process on all market-to-market Flowgates that experience congestion. The Party that is responsible for a Flowgate will initiate and terminate the market-to-market process with the other Party. Anytime the Party that is responsible for a Flowgate is binding on that Flowgate to manage congestion, the responsible Party will implement the market-to-market process to utilize the more cost effective generation between the two markets to manage the congestion. The only exception when the market-to-market process is not used will occur when a market-to-market Flowgate is being used as a substitute Flowgate for another limit that is not a market-to-market Flowgate.

The market-to-market process described in the Interregional Coordination Process will normally be performed as needed in the real-time market, however if the need for congestion relief assistance is predictable on a day-ahead basis, the foregoing process will be implemented in the day-ahead market.

The market-to-market settlement process that is applied to both real-time and day-ahead usage is described in the Interregional Coordination Process.

11.2.4 Settlement of Interregional Transactions (via Proxy Buses).

In order for the market-to-market coordination to function properly, the proxy bus models for the Parties must be coordinated to the same level of granularity. The proxy bus modeling approaches must be the same at the market borders.

Further details regarding the Interregional Coordination Process are described in Attachment 3 of this Agreement.

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11.3 Pseudo-Tie Coordination.

11.3.1 Authorities for Pseudo-Tied Units into PJM.

MISO will be the Native RC, responsible for transmission related congestion (SOLs and IROLs) on the transmission system where the pseudo-tied units are physically connected. PJM will be the Attaining RC, responsible for the commitment and dispatch of the pseudo-tied units physically located within the MISO RC footprint.

Transmission Operators within the MISO RC footprint will be the Native TOP for the pseudo-tied units that are physically located within their respective TOP zones.

PJM will be the Attaining BA, Attaining TOP, and Attaining RC for all of the MW of such generation units that are pseudo-tied out of the MISO BAA and into the PJM BAA.

11.3.2 Authorities for Pseudo-Tied Units into MISO.

PJM will be the Native RC, responsible for transmission related congestion (SOLs and IROLs) on the transmission system where the pseudo-tied units are physically connected. MISO will be the Attaining RC responsible for commitment and dispatch of the pseudo-tied units physically located within the PJM RC footprint.

PJM will be the Native TOP of pseudo-tied units that are physically located within its TOP zones.

MISO will be the Attaining BA and Attaining RC for all of the MWs of such generating units that are pseudo-tied out of the PJM BAA and into the MISO BAA.

11.3.3 Partial Pseudo-Tie.

If only a portion of the installed capacity of a generating unit is pseudo-tied out of the Native Balancing Authority and into the Attaining Balancing Authority such that a unique share resides in each Balancing Authority, the portion of the generation residing in the Attaining Balancing Authority will follow the rules and dispatch instructions of the Attaining Balancing Authority. The portion of the resource in the Native Balancing Authority will follow the rules and dispatch instructions of the Native Balancing Authority.

11.3.4 Station Service.

The entity pseudo-tying the unit from the Native Balancing Authority Area to the Attaining Balancing Authority Area shall obtain station service for the pseudo-tied unit in accordance with the rules of the Native Balancing Authority.

11.3.5 Non-recallability.

PJM and MISO agree that the pseudo-tied unit is non-recallable to the extent it is committed as a PJM Generation Capacity Resource or MISO Capacity Resource for a Delivery Year to ensure that the unit will not be directed to serve load in the Native Balancing Authority Area at a time when the Attaining Balancing Authority Area requires the output of the unit. However, a pseudo-tied unit may be committed, de-committed or re-dispatched, for local SOL or IROLs by the Native RC per the PJM – MISO Pseudo-Tied Units Operating Procedure or Safe Operating Mode. If time permits, any instructions to a pseudo-tied unit will go through the Attaining Balancing Authority. Any energy produced by the pseudo-tied unit during the transmission emergency will be delivered to the Attaining BA.

11.3.6 Losses.

PJM and MISO agree that the entity seeking to Pseudo-Tie will be responsible for loss compensation to deliver its energy to or receive its energy from the Native balancing Authority to the Attaining Balancing Authority. Pseudo-tie value(s) will be calculated net of losses at the high voltage side of the generator step up transformer.

11.3.7 Suspension.

PJM and MISO reserve the right to suspend a pseudo-tie if the entity that pseudo-tied the unit no longer satisfies the PJM or MISO requirements for pseudo-ties, criteria for participation in the Attaining Balancing Authority's markets as an external resource, or other applicable requirements (as detailed in respective PJM and MISO tariffs and manuals), if the entity that pseudo-tied the unit commits a material default under its pseudo-tie agreement or has failed to cure any breach of such agreement, or if PJM or MISO reasonably determines that the pseudo-tie

poses a risk to system reliability or risk of violation of established reliability criteria, by giving immediate notice of suspension. Suspension shall be coordinated between PJM and MISO and may include but not be limited to decommitting the unit or requiring the unit to follow manual dispatch instructions. During any suspension period, the pseudo-tied generating unit shall remain under the operational control of the Attaining Balancing Authority and shall not be under the operational control of Native Balancing Authority.

11.3.8 Termination.

PJM and MISO shall each have the right to terminate a pseudo-tie between their respective Balancing Authorities in accordance with their respective tariffs and the notice provisions below. Coordination of the change to the pseudo-tie status is required.

11.3.9 Notice of Termination.

Notification between MISO and PJM regarding termination of a pseudo-tie between the MISO Balancing Authority Area and the PJM Balancing Authority Area shall be provided as follows:

- (a) The Balancing Authority seeking to terminate the pseudo-tie of a PJM Generation Capacity Resource, for any reason other than the reasons described in subsection (b) below, shall give the other Balancing Authority and the entity that pseudo-tied the unit forty-two (42) months' written notice prior to the commencement of a PJM Delivery Year, for any reason, subject to receiving all necessary regulatory approvals for such termination.
- (b) The Balancing Authority seeking to terminate the pseudo-tie of any Generation Resource for the reasons described in this subsection (b) shall give the other Balancing Authority and the entity that pseudo-tied the unit at least sixty (60) days' written notice of such termination request. if
 - (i) The entity that pseudo-tied the unit into the Attaining BA no longer satisfies the Attaining BA's or Native BA's requirements for pseudo-ties, or
 - (ii) The entity that pseudo-tied the unit into the PJM BA no longer satisfies PJM's criteria for participation in its markets for an external resource, or
 - (iii) The entity that pseudo-tied the unit into the Attaining BA commits a material default of the terms of the pseudo-tie agreement with Attaining BA or Native BA, or
 - (iv) The entity that pseudo-tied the unit into the Attaining BA has failed to cure any breach of such agreement, or

(v) The Attaining BA or Native BA experiences an emergency or other unforeseen, adverse conditions that may impair or degrade the reliability of the transmission system such as, but not limited to, a transmission constraint that impairs the reliability of the Attaining BA's or Native BA's; transmission system or a condition that causes the pseudo-tied unit to become undeliverable, for example, a major long-term transmission outage.

~~(c) The Balancing Authority seeking to terminate the pseudo-tie for these reasons shall give the other Balancing Authority and the entity that pseudo-tied the unit at least sixty (60) days' written notice of such termination request. A notice of cancellation will be filed with the Commission, if required. Termination shall be effective as of the date specified in the notification of cancellation, or following acceptance by the Commission, if required.~~