

## **Manual 14E: Merchant Transmission Specific Requirements**

### **2.8 Procedure to Maintain Firm Transmission Injection Rights (TIRs) and Transmission Withdrawal Rights (TWRs)**

#### **1. General Procedure**

The holder of Firm TIRs and TWRs must test annually to demonstrate the merchant transmission facilities' ability to inject and withdraw energy to and from the PJM Transmission System at the defined Point of Interconnection between the Merchant D.C. or Fully Controllable A.C. Transmission Facilities and the PJM Transmission System. This annual testing requirement is necessary to ensure that PJM Transmission System capability is not reserved for use by a facility which is not capable of injecting or withdrawing the quantity of energy specified in their applicable interconnection agreement(s).

In October of each year, PJM will examine the operational performance of the Merchant D.C. or Fully Controllable A.C. Transmission Facilities for the preceding twelve months ending September 30. PJM will determine the maximum amount of energy flow at the defined Point of Interconnection between the Merchant D.C. or Fully Controllable A.C. Transmission Facilities and the PJM Transmission System over any consecutive two-hour period. If the maximum amount of energy which has been injected or withdrawn is equal to or exceeds the level of Firm TIRs or TWRs associated with the Merchant D.C. or Fully Controllable A.C. Transmission Facilities, the holder of such Firm TIRs or TWRs shall retain the full value of the Firm TIRs or TWRs. If, in a given year, no operational data demonstrates the injection or withdrawal of energy at the defined Point of Interconnection up to the full level of Firm TIRs or TWRs, the holder of said Firm TIRs or TWRs may supply to PJM alternate supporting data to demonstrate full injection or withdrawal capability. PJM shall determine if such data is sufficient to substitute for the operational data in the evaluation of such Firm TIRs and TWRs.

It is the responsibility of the Firm TIR or TWR holder to either; (1) schedule and perform testing, (2) schedule and transfer energy adequate to demonstrate the Firm TIR capability, or (3) provide supporting data to demonstrate full injection capabilities.

#### **2. Loss of Firm TIRs**

In the event that any Merchant D.C. Transmission Facilities and/or Controllable A.C. Merchant Transmission Facilities fail to demonstrate full energy injection or withdrawal capabilities (as described in 2.8.1) for any consecutive three-year period, the holder(s) of the associated Firm TIRs and/or TWRs shall have their Firm TIRs and/or TWRs reduced to a level equal to the maximum amount of demonstrated energy transfer at the Point of Interconnection over the consecutive three-year period or to the maximum energy transfer level which can be demonstrated by the customer through supporting data whichever is larger. The reduced level of Firm TIRs and/or TWRs shall become effective on February 1 in the year following completion of the three-year period. If an event that would constitute a force majeure event occurs, the holder of the Firm TIRs and/or TWRs must provide documentation to PJM describing the event and the estimated duration of the force majeure event. Force majeure events will be excluded from the three year test per Tariff section 232.