

PJM Manual 2:

Transmission Service Request

Revision: 17

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Prepared by
Transmission Service Department

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Approval

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Transmission Service Department

Current History

Revision 17 (07/26/2023):

- References: Administrative change to correct outdated manual names and add Manual 14H.
- Using this Manual: Added 'note' explaining queue reform Transition Date.
- Section 1.3.2: Updated terminology, OATT references and process steps.
- Section 1.5: Updated terminology and made changes for clarity.
- Section 3 (introduction): Updated terminology and details of the deliverability study process for Long Term Firm requests. Updated Exhibit 4.
- Section 3.1: Administrative change to correct grammar. Updated terminology.
- Section 3.3: Administrative updates to manual references. Clarifying changes to transmission service product applicability.
- Section 3.4: Administrative change to correct grammar.
- Section 3.5: Updated terminology and manual references.
- Section 3.6: Updated terminology, process steps and OATT reference.

Introduction

In this Introduction, you will find the following information:

- What you can expect from PJM Manuals in general (see “About PJM Manuals”).
- What you can expect from this PJM Manual (see “About This Manual”).
- How to use this manual (see “Using This Manual”).

About PJM Manuals

The PJM Manuals are the instructions, rules, procedures, and guidelines established by PJM for the operation, planning, and accounting requirements of PJM and PJM Energy Market. The manuals are grouped under the following categories:

- Transmission
- Energy Market
- Regional Transmission Planning Process
- Reserve
- Accounting and Billing
- Administration
- Miscellaneous

For a complete list of all PJM manuals, go to the Library section on PJM.com.

About This Manual

The ***PJM Manual for Transmission Service Request*** is one of the manuals within the series of Transmission manuals. This manual focuses on the process of the Transmission Customer’s requests for transmission service. It includes a description of the calculations, assessment, and studies by PJM required to process the requests for transmission service and determine the adequacy of the PJM RTO transmission service facilities to accommodate the request.

The ***PJM Manual for Transmission Service Request*** consists of three sections. The sections are listed in the table of contents beginning on page 2.

The intended audiences for The PJM Manual for Transmission Service Request are:

- *Transmission Customers* – Both PJM Members and Load Serving Entities (LSE) who purchase transmission service.
- *PJM Member Relations* - This department may be involved in the transmission service application process.
- *PJM Transmission Service Department staff* - This department is responsible for processing the transmission service requests, ATC calculations, and the associated system studies. This department is also responsible for PJM OASIS.

References

The references to other documents that provide background or additional detail directly related to The **PJM Manual for Transmission Service Request** are:

- Open Access Transmission Tariff (OATT) <http://www.pjm.com/directory/merged-tariffs/oatt.pdf>
- Open Access Transmission Tariff Accounting – Manual 27 <http://www.pjm.com/~media/documents/manuals/m27.ashx>
- PJM OASIS User Guide <https://pjm.com/~media/etools/oasis/oasis-user-guide.ashx>
- PJM OASIS <http://oasis.pjm.com>
- PJM Regional Practices <http://www.pjm.com/~media/etools/oasis/regional-practices-clean-pdf.ashx>
- Midcontinent ISO -PJM Joint Operating Agreement (JOA)
- PJM, and TVA Joint Reliability Coordination Agreement (JRCA)
- NYISO-PJM Joint Operating Agreement (JOA)
- DEP-PJM Joint Operating Agreement (JOA)
- PJM Manual 6, Financial Transmission Rights <http://www.pjm.com/~media/documents/manuals/m06.ashx>
- Available Transmission Capability Implementation Document (ATCID) <https://www.pjm.com/pub/oasis/ATCID.pdf>
- Capacity Benefit Margin Implementation Document (CBMID) <https://www.pjm.com/pub/oasis/CBMID.pdf>
- Transmission Reliability Margin Implementation Document (TRMID) <https://www.pjm.com/pub/oasis/TRMID.pdf>
- PJM Manual 14A, New Services Request Process <http://www.pjm.com/~media/documents/manuals/m14a.ashx>
- PJM Manual 14B, PJM Region Transmission Planning Process <http://www.pjm.com/~media/documents/manuals/m14b.ashx>
- PJM Manual 14E, Upgrade and Transmission Interconnection Requests <http://www.pjm.com/~media/documents/manuals/m14e.ashx>
- PJM Manual 14H, New Service Requests Cycle Process

Using This Manual

We believe that explaining concepts is just as important as presenting the procedures. This philosophy is reflected in the way we organize the material in this manual. We start each section with an overview. Then, we present details, procedures or references to procedures found in other PJM manuals.

What You Will Find In This Manual

- A table of contents that lists two levels of subheadings within each of the sections

- An approval page that lists the required approvals and a brief outline of the current revision
- Sections containing the specific guidelines, requirements, or procedures including PJM actions and PJM Member actions
- A section at the end detailing all previous revisions of this PJM Manual

Note:

The Tariff defines the Transition Date as the later of: (i) the effective date of PJM's Docket No. ER22-2110 transition cycle filing seeking FERC acceptance of Tariff, Part VII (which is January 3, 2023) or (ii) the date by which all AD2 and prior queue window Interconnection Service Agreements or wholesale market participation agreements have been executed or filed unexecuted. Because this second condition happened last, this date establishes the Transition Date. Certain requests for Long-Term Firm Point-To-Point Transmission Service and Network Integration Transmission Service may be subject to aspects of Tariff, Part VII or Tariff, Part VIII, as applicable.

Section 1: Transmission Service Request Process

In this section you will find the following information:

- A description of the services offered (see “*Transmission Services Offered*”).
- A description of the process to become eligible for services (see “*Applying for Authorization*”).
- How to request transmission service across the PJM border (see “*Point-to-Point Transmission Service Requests*” and “*Network Service Requests*”).
- How transmission service requests are evaluated (see “*Evaluation of Transmission Service Requests*”).

1.1 Transmission Services Offered

(Reference NERC standard MOD-001-1a)

The transmission services available to eligible customers are listed in PJM Open Access Transmission Tariff (OATT). Customers make requests to PJM on the PJM OASIS for the desired cross-border transmission service products. PJM evaluates each Transmission Service Request to determine the impact to the system, and accepts or refuses the request for the transmission service. Questions or requests for information regarding transmission service must be made to PJM Member Relations at 610-666-8980 or custsvc@pjm.com.

The exhibit below lists the transmission service products available for PJM RTO.

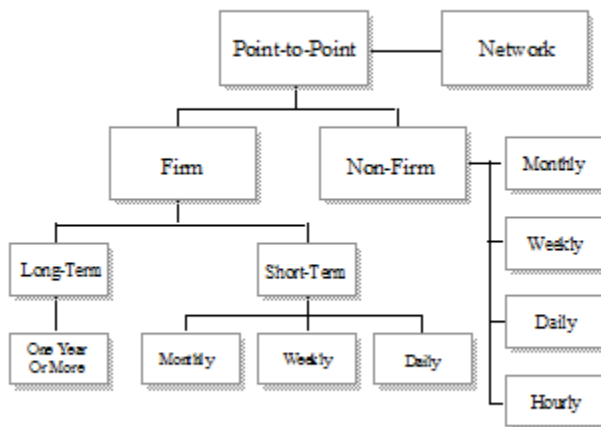


Exhibit 1: PJM Transmission Services

1.1.1 Point-To-Point Transmission Service

Point-to-Point Transmission Service is the use of transmission facilities for the transmission of capacity and energy between a Point of Receipt (POR) and a Point of Delivery (POD). In the PJM Open Access Transmission Tariff, Firm and Non-Firm Point-to-Point transmission service

are offered for terms of various durations. Point-to-Point transmission service can be used for the transmission of capacity and/or energy into, out of or through the PJM RTO.

Firm Point-To-Point Transmission Service

Firm transmission service is reserved and/or scheduled between specified Points of Receipt and Delivery. The minimum term of Firm Point-To-Point Transmission Service is one day. The maximum term of Firm Point-to-Point transmission service is determined based on available transfer capability for future periods and is specified in the Service Agreement. Firm Point-To-Point Transmission Service has reservation priority over Non-Firm Point-To-Point Transmission Service. Financial Transmission Rights (FTR) may be requested when reserving Firm Point-to-Point Transmission Service. See PJM Manual 06, *Financial Transmission Rights* for details.

There are two categories of Firm Point-to-Point Transmission Service:

- Long-Term Firm Point-To-Point Transmission Service

Long-Term Firm Point-To-Point Transmission Service has a term of one year or more. Long-Term Firm Point-To-Point Transmission Service is available on a first-come, first-served basis (i.e., in the order in which each transmission customer reserves service). Long-Term Firm Point-To-Point Transmission Service has equal reservation priority with Native Load Customers and Network Customers.

- Short-Term Firm Point-To-Point Transmission Service

Short-Term Firm Point-To-Point Transmission Service has a term of less than one year, is available on a first-come-first-served-basis, and is subservient to Long-Term Firm Service. A transmission customer taking FIRM transmission service may elect to change its Points of Receipt and Delivery to obtain service on a Non-Firm or Firm basis consistent with the terms of section 22.1 or 22.2 of the PJM Tariff respectively. A customer requesting a modification of the Points of Receipt or Delivery of Firm service on a non-firm basis must submit a request for Secondary Non-Firm service. For product details, refer to section 1.6 of the PJM Regional Practices document.

Non-Firm Point-To-Point Transmission Service

Non-Firm Point-To-Point Transmission Service is available from transmission capability in excess of that needed for reliable service to Native Load Customers, Network Customers, and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service.

Non-Firm Transmission Service is reserved and/or scheduled between specified Points of Receipt and Delivery. Non-Firm Point-To-Point Transmission Service is available for the following periods:

- hourly
- daily
- weekly
- monthly

1.1.2 Network Transmission Service

PJM Network Integration Transmission Service (Network Transmission Service) allows network customers to utilize their network resources to serve their network load. The customer purchasing Network Transmission Service must also obtain or provide Ancillary Services.

Network Transmission Service is used for the transmission of capacity and energy from network resources within or deliverable to PJM RTO and energy from the PJM energy market to network loads. Each network customer can integrate its current and planned network resources to serve its network load in a manner comparable to that in which Load Serving Entities who are also transmission owners utilize PJM RTO Transmission Service Facilities to serve their native load customers. Network Transmission Service also may be used by a network customer to deliver economy energy purchases to its network load from non-designated resources.

PJM plans and coordinates with the transmission owners for the enhancement, expansion, operation and maintenance of PJM RTO transmission service facilities in order to provide all network customers with Network Transmission Service.

1.2 Applying for Authorization

PJM's process for authorizing Transmission Customer access to Transmission Service products consists of the steps outlined in this section. Questions concerning the application/authorization process should be directed to PJM Member Relations at 610-666-8980 or custsvc@pjm.com.

1. Applicants initiate the process by contacting PJM Member Relations at custsvc@pjm.com to request the desired Transmission Service products.
2. PJM verifies the applicant is in good standing with respect to PJM's Credit Policy, as outlined in Attachment Q of the PJM Tariff.
3. Prior to preparing a Transmission Service Agreement (TSA), PJM may direct the applicant to submit, via the PJM OASIS, a completed application for Transmission Service as described in sections 17.2 and 18.2 of the PJM Tariff. PJM will notify the applicant if the application is found to be deficient.
4. PJM prepares and provides a TSA to the applicant.
5. The applicant reviews and signs the TSA before returning it to PJM for execution.
6. Upon execution of a TSA, PJM enables customer access to the desired Transmission Service products via the PJM OASIS. PJM files executed TSAs with the FERC, as necessary.
7. Customers may then submit further applications for service via the PJM OASIS.

1.3 Point-to-Point Transmission Service Requests

All Point-to-Point Transmission Service requests must be made on the PJM OASIS. Information including path-name, Point of Delivery, Point of Receipt, source, sink, time interval, capacity and/or energy profile and type, start date/time and stop date/time must be identified with each request. More details on procedures for making a transmission service request via the PJM OASIS are contained in the PJM OASIS Users Guide at (<https://pjm.com/-/media/etools/oasis/>

[oasis-user-guide.ashx](#)). In addition, a written application must be submitted to PJM for long-term firm requests.

1.3.1 OASIS Requests for Transmission Service

Eligible transmission customers use the PJM OASIS to request cross-border transmission service. Eligible customers must complete the appropriate Transmission Service Agreement (see “Applying for Authorization”) before transmission service can be obtained. The transmission customer must also register on OASIS in order to make requests for cross-border transmission service. The OASIS registration process and user instructions for the OASIS are included on the PJM OASIS Internet web page (<http://oasis.pjm.com>). The process flow for the OASIS transmission service request is depicted on Exhibit 2. This is a simplified process flow which does not include all possible request statuses. Based on analysis, PJM may counter offer an amount less than the requested transmission service pursuant to Section 19.7 of the OATT.

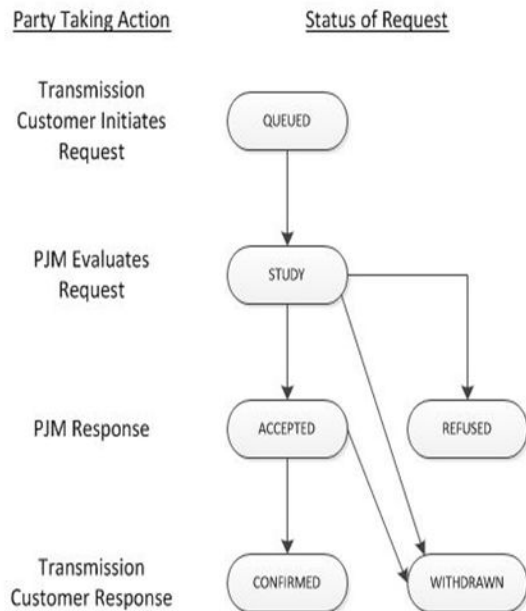


Exhibit 2: Purchasing Transmission Service Using OASIS

1.3.2 Requests for Long-Term Firm Service

In addition to the online OASIS submission, requests for service 1 year or longer must contain an application. As per the PJM OATT, requests can be made so long as the Eligible Customer has met the applicable requirements by the commencement of service. Shown below is a summary of the steps to obtain long-term firm transmission service. Additional details and requirements for LTF requests evaluated under PJM’s New Service Request Cycle Process can be found in PJM Manual 14H.

- Step One - Customer makes a request for Long Term Firm (LTF) transmission service through the OASIS.

- Step Two – After submitting the request, the customer is provided with an online LTF Application through the OASIS. The customer populates and submits the LTF Application.
- Step Three – PJM reviews the LTF Application. If the customer has provided the necessary information, PJM marks the Application as ‘completed’.
- Step Four* - PJM tenders an Application and Studies Agreement.
- Step Five - Upon execution of the Application and Studies Agreement, and customer submission of the necessary deposits as described in PJM Manual 14H, section 6, PJM performs the Phase I System Impact Study. For requests that do not align with the System Impact Study process, a special impact study will be completed as required by OATT Part VIII, Subpart C, section 404(A)(4)(c).
- Step Six - Should the results of the Phase I System Impact Study show sufficient capability exists to grant the request, PJM will draft a Transmission Service Agreement (TSA) or a Network Integration Transmission Service Agreement (NITSA) for the customer to execute. If the results of the Phase I System Impact Study show sufficient capability does not exist to grant the request, PJM will provide the study results, and the customer will have 30 days to communicate their decision to proceed to the Phase II System Impact Study and submit the required readiness deposit as described in PJM Manual 14H, section 6. Should the customer choose not to proceed or fail to respond within 30 days, the request will be deemed withdrawn.
- Additional Steps (if necessary) – The System Impact Study will proceed in accordance with the processes described in Manual 14H until the request for LTF transmission service is granted, or until the request is withdrawn.

* If the start and stop date of the request are contained entirely within the ATC horizon, a System Impact Study is not required, and the request is evaluated based on ATC.

1.3.3 Short-Term Firm Transmission Service Requests

All short-term firm transmission service requests are made on PJM OASIS. Refer to PJM Regional Practices, section 1.3 - Short-Term Firm Point-to-Point Transmission Service Requests at <http://oasis.pjm.com> for information.

1.3.4 Short-Term Non-Firm Transmission Service Requests

All Short-Term Non-Firm Transmission Service Requests are made on the PJM OASIS. Refer to PJM Regional Practices, section 1.4 - Short-Term Non-Firm Point-to-Point Transmission Service Requests at <http://oasis.pjm.com> for information.

1.4 Network Service Requests

Refer to PJM Regional Practices, section 1.5 - Network Transmission Service Requests at <http://oasis.pjm.com> for information.

Refer to PJM Regional Practices, section 1.6 - Table Summary: Transmission Service Submittals at <http://oasis.pjm.com> for information on how PJM acknowledges the request for Network Transmission Service.

1.4.1 Non-Designated Resource Delivery to Designated Loads

Non-Designated Resource Delivery to Designated Loads is defined as network transmission use by PJM Load Serving Entities to serve customer load from Non-Designated Resources located outside the PJM RTO. Each use of network transmission delivering Non-Designated Resources to serve PJM Designated Load must be requested on the PJM OASIS. Refer to PJM Regional Practices, section 1.5 - Network Transmission Service Requests at <http://oasis.pjm.com> for information.

1.5 Evaluation of Transmission Service Requests

Once a cross-border Transmission Service Request is received (as indicated by “STUDY” status on OASIS) the evaluation process begins. Each request for transmission service is evaluated by PJM to determine if there is sufficient capability to accept the request and ensure reliable service to all transmission customers.

Available Transfer Capability (ATC) is the capability remaining in the network above that which is already committed. The ATC process is administered by the Transmission Service Department. The ATC calculations are described in Section 2 of this manual.

All cross-border Transmission Service Requests are evaluated by PJM based on posted ATC and/or other reliability analyses as described in the Tariff. If there is sufficient capability and there are no known reliability problems, the transmission service request is accepted. Once PJM has accepted the request, the ATC posting is adjusted to reflect the new transmission service reservation. All requests for cross-border Network or Point to Point Transmission Service which extend beyond the ATC calculation horizon are subject to the System Impact Study process covered in Section 3 of this manual.

1.5.1 PJM Methodology Contact and ATC Complaint Forum

PJM transmission customers, providers, and those wishing to offer comments, submit questions or complaints regarding the methodology or resulting ATC values posted, can do so by contacting PJM Member Relations at 610-666-8980 or custsvc@pjm.com. All communications received will be addressed and a formal response sent. If the response is deemed unsatisfactory, commenters can use the Dispute Resolution Process in Schedule 5 of the PJM Operating Agreement.

There is also a PJM ATC Methodology Contact document at: <https://www.pjm.com/pub/oasis/ATC-Methodology-Contact.pdf>

Section 2: Available Transfer Capability Calculations

In this section, you will find the following information:

- An overview section that highlights ATC principles and philosophies, summarizes the ATC calculation, application of margins and posting processes (see “*PJM ATC Overview*”).
- A summary of the rules and principles that are the basis for PJM ATC calculations and the PJM philosophy used to develop the ATC base cases (see “Section 2.2”).
- A list of the ATC information that PJM posts on OASIS and how ATC decrementing occurs. (see “*PJM OASIS*”).
- A discussion of how PJM performs the basic ATC calculations (see “*ATC Processing*”).
- A discussion of margins applied to determine ATC (see “*Transmission Margins*”).

2.1 PJM ATC Overview

(Reference NERC standard MOD-001-1a)

The following is a general overview of the key points of the ATC evaluation process. For additional details please refer to the sections that follow and the ATCID.

- PJM procedures for determining ATC comply with the principles outlined by NERC and conform to existing FERC requirements.
- PJM recognizes the importance of regional coordination and its impact on transfer capability. Tools are in place to maintain reliability of the bulk interconnected transmission system and to ensure the proper exchange of operating data.
- Total Transfer Capability (TTC) and ATC serve as indicators of the adequacy of the transmission system to reliably transfer energy over transmission facilities.
- PJM determines and posts TTC, Firm, and Non-Firm ATC for all valid posted paths:
 - Hourly (hours ‘1’ to ‘168’)
 - Daily (days ‘1’ to ‘35’)
 - Weekly (week ‘1’ to ‘5’)
 - Monthly (months ‘1’ to ‘18’)
- Two processes are used to calculate ATC:
 - AFC Calculator /Model Builder (calculates Available Flowgate Capability)
 - AFC-ATC Converter (translates AFC values to ATC values)
- Frequency of Calculation: (Reference NERC standard MOD-001-1a R8)
 - The ATC values for all time frames are automatically recalculated hourly.
- Calculated Paths:
 - Refer to the OASIS Regional Practice section 1.1 for details on calculated paths. A current list of paths is available on the PJM OASIS.

- ATC is highly dependent on system conditions (generation/topology). The uncertainty of future forecasted system conditions results in a greater degree of uncertainty in future forecasted transfer capability, with an expected lower ATC value for longer-term postings.
- Margins are applied to protect against the over allocation of the transmission system.
- Margins are transmission service type dependent.
- OASIS postings are decremented upon transmission service acceptance.
- OASIS decrementing recognizes the simultaneous effects of transmission reservations on parallel paths.

2.2 PJM AFC/ATC Principles and Philosophy

(Reference NERC standard MOD-001-1a and MOD-030-2)

PJM procedures for determining Available Transfer Capabilities (ATC) follow the North American Electric Reliability Corporation (NERC) MOD standards. They conform to the Federal Energy Regulatory Commission's (FERC) final rules pertaining to promotion of wholesale electric competition through open access non-discriminatory transmission service and development of an open access same-time information system (FERC Orders 888 and 889, respectively). Refer to the ATCID for more information.

PJM limits energy transfers between PJM RTO and other control areas so that they do not exceed the first contingency total transfer capability between the two areas.

2.2.1 Financial Transmission Rights (FTRs)/Auction Revenue Rights (ARRs)

For information on Financial Transmission Rights (FTRs)/Auction Revenue Rights (ARRs) refer to PJM Regional Practices, section 1.17 Financial Transmission Rights (FTRs)/Auction Revenue Rights (ARRs) at <http://oasis.pjm.com>.

(Also see PJM Manual 06, entitled *Financial Transmission Rights*)

2.3 ATC Processing

- PJM Transmission Service Department is responsible for the calculation of ATC/AFC. The calculation of transfer capabilities are based on computer simulations of the operation and response of the interconnected transmission network for a specific set of forecasted operating conditions under four specific time frames:
 - Hourly – Hour 1 to Hour 168
 - Daily – 1 to 35 days in the future
 - Weekly – 1 to 5 weeks in the future
 - Monthly – 1 to 18 months in the future

2.3.1 PJM AFC Process Overview

The process for the PJM AFC/ATC calculation is illustrated in Exhibit 3. The following text describes the inputs, outputs and processes performed within each of the sub-processes contained in Exhibit 3.

The PJM ATC Determination process is a multi-step integrated process consisting of several major components. For more information see the ATCID. An overview of the major facets of this process is described below:

- Seasonal base cases, NERC SDX files, generation dispatch files, generic load profiles, and forecasted load levels are inputs into the model builder portion of the AFC/ATC Calculation. The model builder portion of the AFC calculator develops monthly, weekly, daily, and/or hourly base cases, as specified.
- The AFC calculator applies the impacts of transmission reservations (or schedules as appropriate) and calculates the Available Flowgate Capability by determining the capacity remaining on individual flowgates for further transmission service activity. The formula used to determine AFC is contained in the AFC algorithm at : <https://www.pjm.com/pub/oasis/afc-atc-algorithms.pdf>
- The PJM AFC calculation utilizes the AFC values for selected coordinating entity flowgates that are calculated by the Transmission Provider. AFC values for these flowgates calculated overwrite values that the PJM process determines for these flowgates. In the absence of coordinating entity calculated values, the PJM AFC calculation uses the PJM generated values to determine AFC values.
- PJM supplies the coordinating entities similar values for PJM Flowgates for inclusion in their AFC calculation process.
- Using transfer response or distribution factors for specific POR/POD pairs, the AFC – ATC Converter translates the flowgate AFC values into ATC values for posting to the OASIS.
- Values provided to the OASIS from the PJM AFC-ATC Converter are continuously updated on the OASIS to reflect the reservations that were accepted between the calculation cycles.

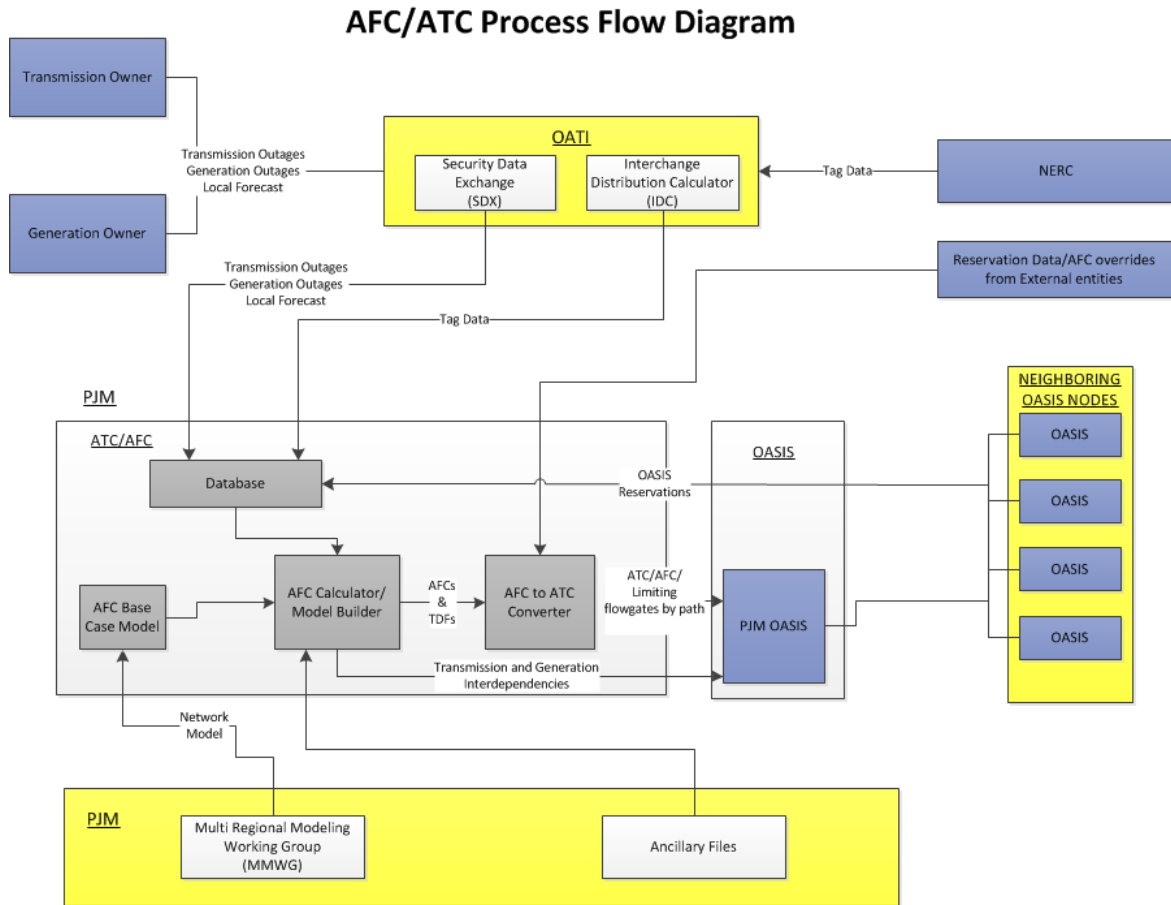


Exhibit 3: AFC/ATC Process Flow

2.3.2 Base Case Preparation

PJM AFC/ATC calculations are based on a MMWG seasonal model which has been updated for known system upgrades. The model builder portion of the AFC calculator modifies the AFC base case model to reflect anticipated conditions such as load levels, outages, and base transfers for the AFC/ATC time horizon. Base case model is used to develop the following: for monthly (18 monthly models); weekly (5 weekly models); daily (35 days); and hourly (next 168 hours) time frames. Systems outside PJM are retained with seasonal case level of detail at a minimum.

2.3.3 Analysis

For information see the Available Transfer Capability Implementation Document (ATCID). The ATCID is included on the PJM OASIS page (<http://oasis.pjm.com>) under ATC Information.

2.4 PJM OASIS

The current transmission paths can be viewed on the PJM OASIS.

2.4.1 Posted Paths

PJM posts ATC and TTC information on the PJM OASIS. Refer to the PJM Regional Practices, section 1.1 for further information.

2.4.2 OASIS Service Types – OASIS Decrementing

The following types of service are offered on the PJM OASIS: Firm, Non-Firm, Non-Firm On-Peak, Non-Firm Off-Peak, Network, Network On-Peak, and Network Off-Peak.

Decrementing occurs between related capacity types and transmission paths. The following serve as a summary of decrementing when transmission service requests are accepted:

- Firm service decrements itself, Network, and all Non-Firm service types.
- Non-Firm decrements itself.
- Network service decrements all Network, Firm, and all appropriate Point-to-Point Non-Firm service types.
- Network (non-designated, which includes Spot Imports) On-Peak decrements itself, Non-Firm, and Non-Firm On-Peak.
- Network (non-designated, which includes Spot Imports) Off-Peak decrements itself and Non-Firm Off-Peak.

2.4.3 Calculation Frequency for all Paths on OASIS

AFC and ATC values are recalculated hourly by the AFC-ATC Converter for:

- The next 168 hours
- The next 35 days
- The next 5 weeks
- The next 18 months

For information see the Available Transfer Capability Implementation Document (ATCID). The ATCID is included on the PJM OASIS page (<http://oasis.pjm.com>) under ATC Information. The most recent TTC/ATC values determined by the AFC-ATC Converter for each path are posted on the PJM OASIS.

2.5 Transmission Margins

(Reference NERC standard MOD-004-1 and MOD-008-1)

For more information on the Transmission Margins see the Implementation Documents included on the PJM OASIS page (<http://oasis.pjm.com>) under ATC Information.

2.5.1 Capacity Benefit Margin

For information on CBM see the Capacity Benefit Margin Implementation Document (CBMID) and Available Transfer Capability Implementation Document (ATCID). The CBMID and ATCID are included on the PJM OASIS page (<http://oasis.pjm.com>) under ATC Information.

2.5.2 Use of CBM

For information on CBM see the Capacity Benefit Margin (CBMID) and Available Transfer Capability Implementation Document (ATCID). The CBMID and ATCID are included on the PJM OASIS page (<http://oasis.pjm.com>) under ATC Information.

2.5.3 Documentation of Use of CBM

The uses of CBM shall be reported (to the Regional Reliability Organization, NERC and the transmission users) by PJM on its system by posted notice on the PJM OASIS, except for CBM sales as Non-Firm Transmission Service. (This use of CBM shall be consistent with the PJM's procedure for use of CBM described in the CBMID.)

Should PJM (Transmission Service Provider) request to import energy over firm Transfer Capability set aside as CBM, PJM shall provide evidence compliant with NERC MOD-004-1 such as operating logs, tag data, supporting data that

- At the time of the request to import energy using firm transfer capability that was set aside as CBM, the PJM system was in a NERC Energy Emergency Alert (EEA) 2 or higher.
- Real-time timing and ramping requirements were waived when approving an arranged interchange using CBM.
- It approved an arranged interchange meeting the reliability criteria.

2.5.4 Transmission Reliability Margin

The inherent uncertainties in the projected system conditions used to calculate Total Transfer Capability and Available Transfer Capability can result in unreliable transmission system operations. In order to ensure the secure operation of the interconnected transmission network under a broad range of potential system conditions, a portion of Transmission Transfer Capability will be set aside. This capability, known as the Transmission Reliability Margin (TRM), will provide the needed operating flexibility to ensure reliable system operations and minimize the need to curtail transmission service for system reliability control. Additional information on TRM is available in the Transmission Reliability Margin (TRMID) and Available Transfer Capability Implementation Document (ATCID). The TRMID and ATCID are included on the PJM OASIS page (<http://oasis.pjm.com>) under ATC Information.

2.5.5 Incorporating Margins

Calculating the Total Transfer Capability (TTC) for a given path is described below.

CBM, TRM and TTC are determined as follows:

$$CBM_{AB} = FG_{CBM} / DF_{AB} \text{ or Cap Path } CBM_{AB} \text{ value}$$

$$TRM_{AB} = FG_{TRM} / DF_{AB}$$

$$TTC_{AB} = ATC_{AB} + Resv_{Only A to B} \text{ (not net of reservations, includes all reservations used to calculate the path ATC)} + CBM_{AB} + TRM_{AB} \text{ or Cap Path } TTC_{AB}$$

TTC will be based on the Non-Firm calculation and then be used for the Firm and Non-Firm TTC posting.

2.5.6 Regional Coordination

(Reference NERC standard MOD-004-1)

PJM recognizes the importance of Regional Coordination and its impact on transfer capability. Tools described in PJM Manual 37 *Reliability Coordination*, are in place to assure the reliability of the bulk interconnected power transmission system and the proper exchange of operating data. All actual and planned transmission and generation outages are described through the SDX, and PJM OASIS at <http://oasis.pjm.com/doc/linesout.txt>. PJM OASIS also provides all transmission service request information and PJM path postings. The Interregional Transmission System Reliability Assessment studies provide a longer-range forum for system capability, limiting facilities and contingencies.

The detailed regional coordination and exchange of operations data allows each neighboring system to accurately calculate their ATC, reflecting the impact of external conditions on their ATC analysis.

Since PJM cannot perform ATC analyses on systems external to PJM, the transmission customers must review each transmission providers OASIS to determine what can feasibly be transferred from generation to load across the transmission system. The transmission customer must contract with all applicable control areas along the desired contract path to determine the availability of ATC and to request transmission service that involves control areas in addition to PJM.

Section 3: System Impact Study For Long Term Firm Transmission Service Request Evaluation Process

PJM studies Long Term Firm Transmission Service Requests for unlimited rollover rights beyond the requested end date if the Transmission Service Request is 5 years or longer.

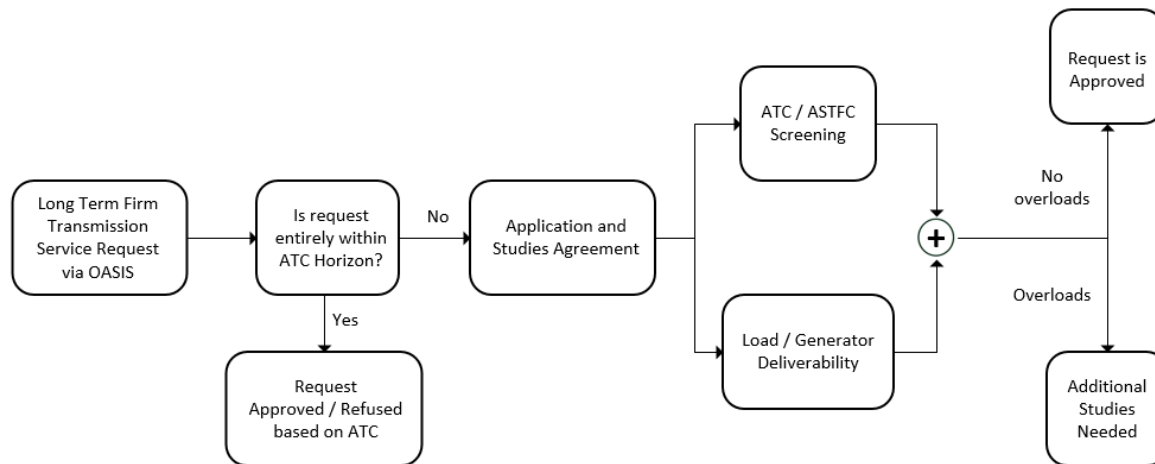


Exhibit 4: Long Term Firm Transmission Service Request Process

The Phase I System Impact Study process is composed of four major parts:

- ATC Screening
- Available Share of Total Flowgate Capability Screening
- Load Deliverability
- Generator Deliverability

These parts determine a centralized calculation for the entire PJM footprint. These studies encompass the multitude of assumptions and projections of expected internal and external conditions, such as system topology, generation dispatch, projected customer demands, as well as existing and future transactions. Transfer capability can vary significantly with changing system conditions. Modeled conditions are much more susceptible to change as the operating and planning horizons increase. For this reason, and to guard against unreliable system operations resulting from over-allocating the transmission system, additional studies are identified and performed pursuant to Part VIII of the OATT. Overloads identified within any portion of the Phase I System Impact Study require further analysis.

3.1 ATC Screening

The ATC screening (if within ATC calculation horizon) indicates whether sufficient transmission capability exists for the requested service. The following are used in the ATC screening:

- Power flow models
- A fixed set of flowgates

- Existing reservations and transmission service requests from previous queues or Cycles in STUDY status
- NERC SDX data
- CBM and TRM on a flowgate basis

The ATC screening begins by building a power flow model for each month of the term of service, modeling all system conditions as per the SDX data, reservations and other inputs.

The AFC calculator uses the power flow model as a starting point, calculates the distribution factors for each flowgate with respect to the transmission paths then decrements the flowgate capacity according to base case flow in the model. The AFC calculator then determines the new AFC values by taking into account CBM, TRM and reservation impact on each flowgate. The calculated AFC values are then converted to ATC values and compared against the requested amount.

3.2 Available Share of Total Flowgate Capability (ASTFC) Screening

The ASTFC screening, if within the calculation horizon, will identify potential flowgate allocation violations to comply with the Congestion Management Process (ATTACHMENT 2) of the MISO/PJM Joint Operating Agreement and the Joint Reliability Coordination Agreement between PJM-Tennessee Valley Authority.

3.3 Load Deliverability

The Load Deliverability analysis process is described in PJM Manual 14B: *PJM Region Transmission Planning Process, Attachment C: PJM Deliverability Testing Methods* available on the PJM website included with the PJM Manuals <http://www.pjm.com/library/manuals.aspx>.

PJM determines the Control Area Capacity requirement to achieve reliability objectives assuming sufficient network transfer capability will exist. The energy from generating facilities or the energy delivered using Long Term Firm Point-to-Point Transmission Service that is ultimately committed to meet resource requirements must be deliverable to wherever it is needed in an emergency. Therefore, there must be sufficient transmission network transfer capability within the control area. PJM will determine the sufficiency of network transfer capability through a series of deliverability tests.

Long-Term Firm Transmission Service with a point of delivery of PJM must be deliverable to serve load in all sub-regions of PJM, including during system emergencies and capacity deficiencies as if it were a generator within the PJM system.

3.4 Generator Deliverability

The Generator Deliverability screening determines the impact of the requested transfer on the transmission system facilities using tests corresponding with the testing employed for evaluating generation interconnection requests. The screening will identify whether the requested transfer prohibits any generator(s) from being deliverable in the PJM system.

The Generator Deliverability analysis process is described in the PJM Manual 14B: *PJM Region Transmission Planning Process, Attachment C: PJM Deliverability Testing Methods* available on the PJM website included with the PJM Manuals <http://www.pjm.com/library/manuals.aspx>.

3.5 Phase I System Impact Study Screening Summary

Analysis indicating that service cannot be granted associated with any of the Phase I System Impact Study screenings will result in a need to complete a Phase II System Impact Study before service can be accommodated. Due to the proximity to real-time, posted monthly firm ATC values at the time the request is submitted will dictate the ability to accommodate transmission service for the next 18 months. Deliverability studies under the Phase II and Phase III System Impact Study will be used, as applicable, to determine the ability to accommodate service beyond the ATC screening associated with the Phase I System Impact Study.

3.6 Next Steps

As noted in section 1.3.2, based on the results of the Phase I System Impact Study, PJM will either draft a Transmission Service Agreement (TSA) or a Network Integration Transmission Service Agreement (NITSA) for the customer to execute, or, if service cannot be granted, notify the customer of the need for a Phase II System Impact Study. Additional System Impact Study steps and processes are described in the PJM Tariff, Part VIII as well as PJM Manual 14H and PJM Manual 14B.

Revision History

Revision 16 (01/25/2023):

- Cover to cover Periodic Review
- Introduction: Updated hyperlinks to posted documents.
- Section 1 (introduction): Added 'cross-border' language to clarify applicability.
- Section 1: Added 'cross-border' term and other changes throughout the section to clarify applicability to cross-border transmission service.
- Section 1.1.2: Administrative change to correct terminology.
- Section 1.2: Rewrote section to align with current processes for becoming cross-border transmission service customer.
- Section 1.3: Administrative updates.
- Section 1.3.2: Administrative update to clarify LTF application is no longer submitted in hardcopy format.
- Section 1.4, 1.5: Administrative changes to correct capitalization of un-defined terms.
- Section 2.3.1: Updated hyperlink to posted document.

Revision 15 (03/29/2021):

- Cover to Cover Periodic Review
- 'About PJM Manuals' section: Administrative change to update category names
- 'About This Manual' section: Administrative changes to fix broken hyperlinks and update reference document titles
- Section 1.1:
 - Added reference to Firm Redirect for completeness
 - Deleted outdated language related to secondary non-firm service
- Section 1.3: Administrative change to fix broken hyperlink
- Section 1.3.2: Updated LTF request process steps to align with current OATT language and refreshed OASIS application
- Sections 1.3.5 and 1.3.6: merged these two sub-sections and moved them to more appropriate location within document (new sub-section 1.4.1)
- Section 1.5: Added clarification to align with current OATT language
- Section 2.1: Minor language update to align with refreshed OASIS application
- Section 2.4: Minor language change to reflect current location of OASIS information

Administrative Change (06/05/2019):

- Updated 'About this Manual' section to reflect PJM Member Relations as the point of contact involved in the transmission service process

- Updated PJM Member Relations contact information within Section 1.1
- Updated PJM Member Relations contact information within Section 1.2
- Updated PJM Member Relations contact information within Section 1.5.1

Revision 14 (04/01/2018):

- Cover to Cover Periodic Review
- Various administrative changes to fix hyperlinks, clarify wording and update point of contact references
- Updates to Section 1.3.2 and throughout Section 3 to reflect replacement of Initial Study with Firm Transmission Feasibility Study within the Long Term Firm Transmission Service evaluation process

Revision 13 (03/01/2015):

- All sections: Updated hyperlinks for accuracy.
- Section 2 Updated Available Transfer Capability Calculations section to reflect current AFC/ATC calculation process.
- Section 3: Updated Long Term Firm Evaluation Process.

Revision 12 (12/03/2012):

- Section 1.3.1: Updated to include counter offer for transmission service
- Section 1.3.2: Updated to reflect current long-term transmission service process
- Section 2.5.3 Updated to reflect current NERC MOD standards (Since, NERC MOD-006 and NERC MOD-007 have been retired)
- Section 3: Updated Long Term Firm Evaluation Process.

Revision 11 (approved November 18, 2010, effective April 1, 2011):

- Section 1: Updated for changes required by NERC MOD standard changes. Remove duplication of OASIS information already contained in the Regional Practices. Added PJM ATC Methodology Contact.
- Section 2: Updated for changes required by NERC MOD standard changes.
- Section 3: Updated for changes in Long term Firm Evaluation Process and Deliverability process is described in detail in Manual 14B.
- Updated various hyperlinks to PJM and OASIS website due to changes in domain.

Revision 10 (May 15, 2007):

- Section 1: Updated timing requirements as per OATT 3/1/2007.
- Updated various hyperlinks to OASIS website due to change in domain
- Updated timing requirements as per new Tariff.

- Updated links to new OASIS website.
- Introduction trimmed to eliminate redundant information.
- List of PJM Manuals exhibit removed, with directions given to PJM Web site where all the manuals can be found.
- Revision History permanently moved to the end of the manual.
- Listed references to NERC MOD requirements. RFC and SERC regulatory standards reflect the NERC requirements of MOD-000 through MOD-008, therefore references to requirements in this manual will show the NERC standard

Revision 09 (05/12/06):

- Section 1: Transmission Service Request Process
 - Updated “PJM Network Import Transmission Service Requests” to include Spot Import service.
- Section 2: Available Transfer Capability Calculations
 - Updated “OASIS Service Types- OASIS Decrementing” to include Spot Import service.
- Updated Exhibit 1: List of PJM Manuals.
- Revisions were made to the following pages: 5, 16 and 24.

Revision 08 (04/14/05):

- Updated Exhibit 1 to include new PJM Manuals.
- Section 1: Transmission Service Request Process
 - Revised the Application Information
 - Changed references of System Planning to Transmission Department
- Section 2: Available Transfer Capability Calculations
 - Combined the AFC/ATC Principles and AFC/ATC Philosophy Sections
 - Replaced Model Preparation Section with ATC Calculation Section
- Section 3: Long Term Firm Transmission Service Request Evaluation Process
 - Renamed Section 3 (from System Impact Study)
 - All of Section 3 was extensively rewritten

Revision 07 (12/01/03):

- Section 1: Transmission Service Request Process
 - Changed "Member Services Department" to "Member Relations Department"
 - Revised the Applying for Authorization steps
 - Revised the Written Requests for Long-Term Firm Point-to-Point Service steps

- o Revised the Short-Term Firm Transmission Service Requests description
- Section 2: Available Transfer Capability Calculations
 - o Revised ATC Processing to reflect new calculation algorithms.
 - o Revised Transmission Margin to reflect changes to Capacity Benefit Margin and Transmission Reserve Margin
- Section 3: System Impact Study
 - o Added detail for Monthly and Yearly requests

Revision 06 (03/03/01):

- Section 02: Available Transfer Capability Calculations
 - o Additional detail and clarification to Regional Coordination section of PJM ATC Philosophy.
 - o Clarification that PJM does not net transactions of opposite direction on a path in the ATC Processing section.
 - o Addition of detail in the Mid-Term ATC and Long-Term ATC sections. Interruptible loads are considered in service for ATC calculations, and that only Long-term Capacity Backed transactions are modeled explicitly in the base cases.
 - o Expanded detail for CBM development in the Capacity Benefit Margin section.
- Identified that TRM values are reviewed annually in the Transmission Reliability Margin section.
 - o Added a section identified as PJM Methodology and ATC Complaint Forum.
- Removed Attachment A: Definitions & Abbreviations. Attachment A is being developed into PJM Manual for ***Definitions & Abbreviations (M-35)***.

Revision 05 (06/02/99):

- Section 01: Transmission Service Request Process
 - o Added section to discuss Transmission Loading Relief (TLR) and day-Secondary products.
 - o Revised "Earliest Request," "Latest Request," "Provider Response" and "Customer Confirmation" times for Short-Term Firm and Non-Firm Transmission Service Requests. Updated short-term service section to reflect recent policy changes.

Revision 04 (10/09/98):

- Section 02: Available Transfer Capability Calculations
 - o Revised Calculated Paths in "PJM ATC Overview" to reflect wide area "PJM to West" calculation.
 - o Revised list of Into PJM paths for which ATC and TTC information is posted on OASIS in "Posted Paths" under "OASIS."

- o Revised Network Import names under "Posted Paths" under "OASIS."
- o Added additional text to "Regional Coordination" under "PJM ATC Philosophy."
- o Revised discussion of "PJM Western Interface" calculations under "PJM ATC Philosophy" to further define PJM Western Interface calculations.

Revision 03 (06/17/98):

- Section 01: Transmission Service Request Process
 - o Revised "Earliest Request," "Latest Request," "Provider Response" and "Customer Conformation" times for Short-Term Firm and Non-Firm Transmission Service Requests.

Revision 02 (02/05/98):

- Section 2: Available Transfer Capability Calculations
 - o Section 2 was extensively rewritten. Changes were too extensive to enumerate in this Revision History. The previous Section 2 is available upon request from PJM Customer Relations & Training Department.

Revision 01 (06/30/97):

- Section 1: Transmission Service Request Process
 - o Removed "willingness to pay congestion rent" under "Short-Term non-Firm Transmission Service Requests."
 - o Revised Exhibit 1.2 changing reference to "Approved" to "Accepted" and "Denied" to "Refused."
- Section 2: Available Transfer Capability Calculations
 - o Added "... each posted path have been determined. As a final check of system reliability, an operations reliability review is conducted to assess the impact of the calculated Long Term Firm ATC values on PJM RTO security. Exhibit 2.1 illustrates ..." under "ATC Processing."
 - o Revised Exhibit 2.1 to include process block "Assess Impact of Long Term ATC values on PJM Control Area Security."
 - o Added section (h) "Long Term Firm ATC values are reviewed and subjected to an operations reliability review. This review assesses the impact of the calculated Long Term Firm ATC values on PJM Control Area security." under "Long-Term ATC."

Revision 00 (04/30/97):

- Changed references to PJM Interconnection Association to PJM Interconnection, L.L.C.
- Changed references to PJM to PJM OI where appropriate.
- Changed references to PJM to PJM Control Area where appropriate.
- Changed references to PJM IA to PJM OI.

- Changed references to IA to PJM OI.
- Changed references to Mid-Atlantic Market to PJM Interchange Energy Market.
- Changed references to Mid-Atlantic Market Operations Agreement to Operating Agreement of PJM Interconnection, L.L.C.
- Changed references to pool to control area.
- Changed references to parties to PJM Members.

Revision 00 (03/24/97):

- This revision is a draft of PJM Manual for ***Transmission Service Request***.