PJM CURRENT LOAD FORECAST DESCRIPTIVE STATEMENT

NAESB WEQ-001-17.6.5 — ACTUAL and FORECASTED LOAD

NAESB WEQ-001-13.1.5 – ATC INFORMATION LINK

General

The PJM Interconnection L.L.C. (PJM) uses the following reference documents and underlying assumptions for the Load Forecast used in Available Flowgate Capability (AFC) calculations to determine Available Transfer Capability (ATC). This document is posted to comply with NAESB Business Practice Standards WEQ-001-17.6.5 and FERC Regulations as required by 18 CFR § 37.6(b)(3)(iv). If you have any questions, please submit them using the PJM ATC Methodology Contact referenced in link: ftp://ftp.pjm.com/oasis/ATC-Methodology-Contact.pdf .

References:

1. PJM Load Forecast Development Process includes the following: http://www.pjm.com/planning/resource-adequacy-planning/load-forecast-dev-process.aspx
    a. PJM Load Forecast Report (annual report)
    b. PJM Load Forecast Data (for annual report)
2. PJM Manual 19: Load Forecasting and Analysis http://www.pjm.com/planning/resource-adequacy-planning/~/media/documents/manuals/m19.ashx
3. PJM Load Forecast Whitepaper http://www.pjm.com/planning/resource-adequacy-planning/~/media/planning/res-adeq/load-forecast/2016-forecast-model-whitepaper.ashx
4. PJM ATC Methodology Contact: ftp://ftp.pjm.com/oasis/ATC-Methodology-Contact.pdf

Descriptive Statement:*

1. The PJM Manual 19: Load Forecasting and Analysis Section 3 and PJM Load Forecast Whitepaper referenced above contain the descriptive statements for the current underlying assumptions for the PJM Load Forecast. This descriptive statement includes the load forecaster methodology, all weather variables used, actual load assumptions and economic assumptions (drivers).
2. PJM develops the annual PJM Load Forecast based on the PJM Manual 19: Load Forecasting and Analysis and PJM Load Forecast Whitepaper referenced above. This load forecast is the starting point for the load forecast used to calculate Available Flowgate Capability (AFC) and Available Transfer Capability (ATC).
3. For purposes of the AFC calculation, PJM uses the PJM Load Zonal Forecast for the PJM Zones for the monthly (next 18 Months), weekly (next 5 weeks), and daily (days 2-30) load forecast values. The load forecast data for days 2-7 comes from the PJM neural network used for the PJM Real-time operations discussed below.
4. PJM determines the load forecast for the next 168 hours also used for the next seven (7) days based on results from a neural network system that includes historical weather data and propriety current weather forecast data received from a weather service (third party) commercial vendor.
5. PJM uses load forecast data for external entities from the NERC System Data Exchange (SDX). PJM also runs data checks to verify that the PJM data and this external load forecast data is in a reasonable range. If specific load forecast data is missing, zero, or out of range, as applicable, PJM uses other available data in the load forecast or the seasonal peak load in the base case, as appropriate.

*Please note that the above assumptions are static and do not change until such time as the PJM's Load Forecast process changes, at such time as the process changes the referenced posting will be updated accordingly.