Peak Market Activity Calculations and Billing Line Item Transfers

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Tech Change Forum

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Summary

- PJM calculates a Peak Market Activity credit requirement for each Participant. Each Participant must maintain sufficient credit to satisfy its Peak Market Activity.
- PMA is calculated using initial PMA or invoiced transaction amounts for three weeks on a rolling basis
- Federal, Local, or State law may transfer the responsibility to pay certain transaction charges from one party to another that would then shift the corresponding credit exposure to that other party.
- To effectuate the reflection of such a transfer, the following has occurred:
  - Updated Tariff language in Attachment Q
  - Updated the Billing Line Item Transfer tool to allow transfers to be designated as transferred as a result of a Local, State, or Federal law

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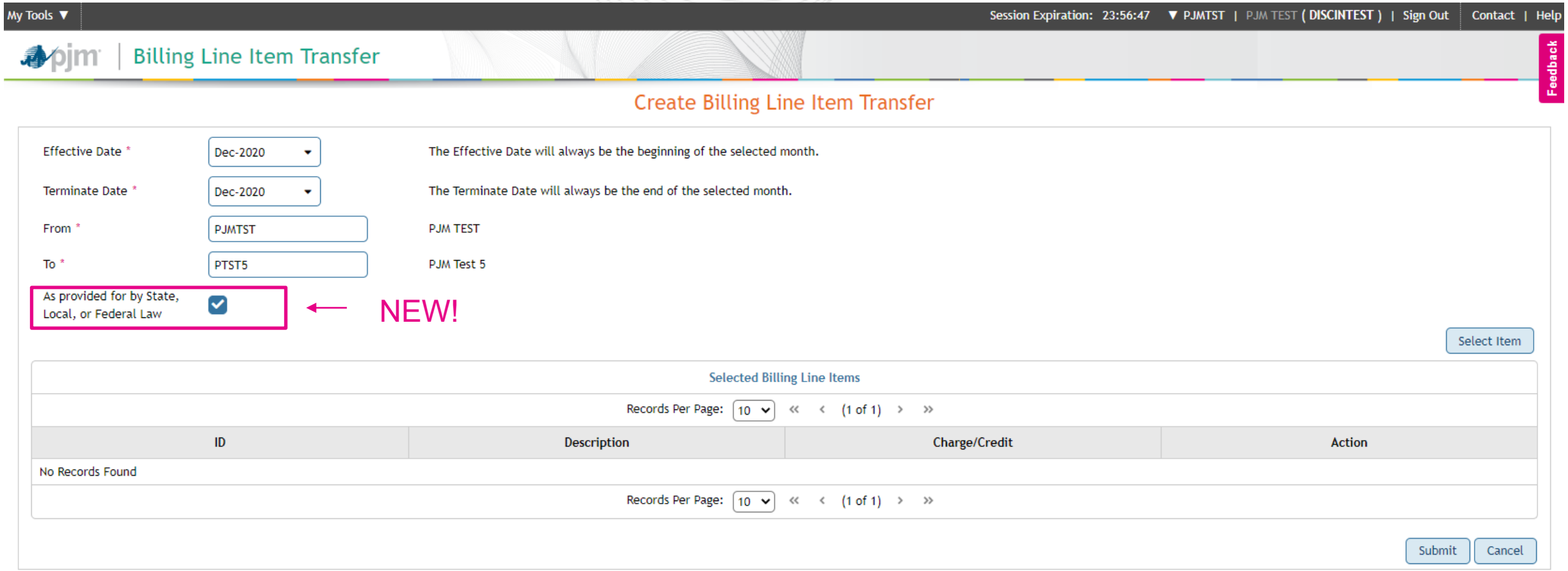
BLIT Submission Screen



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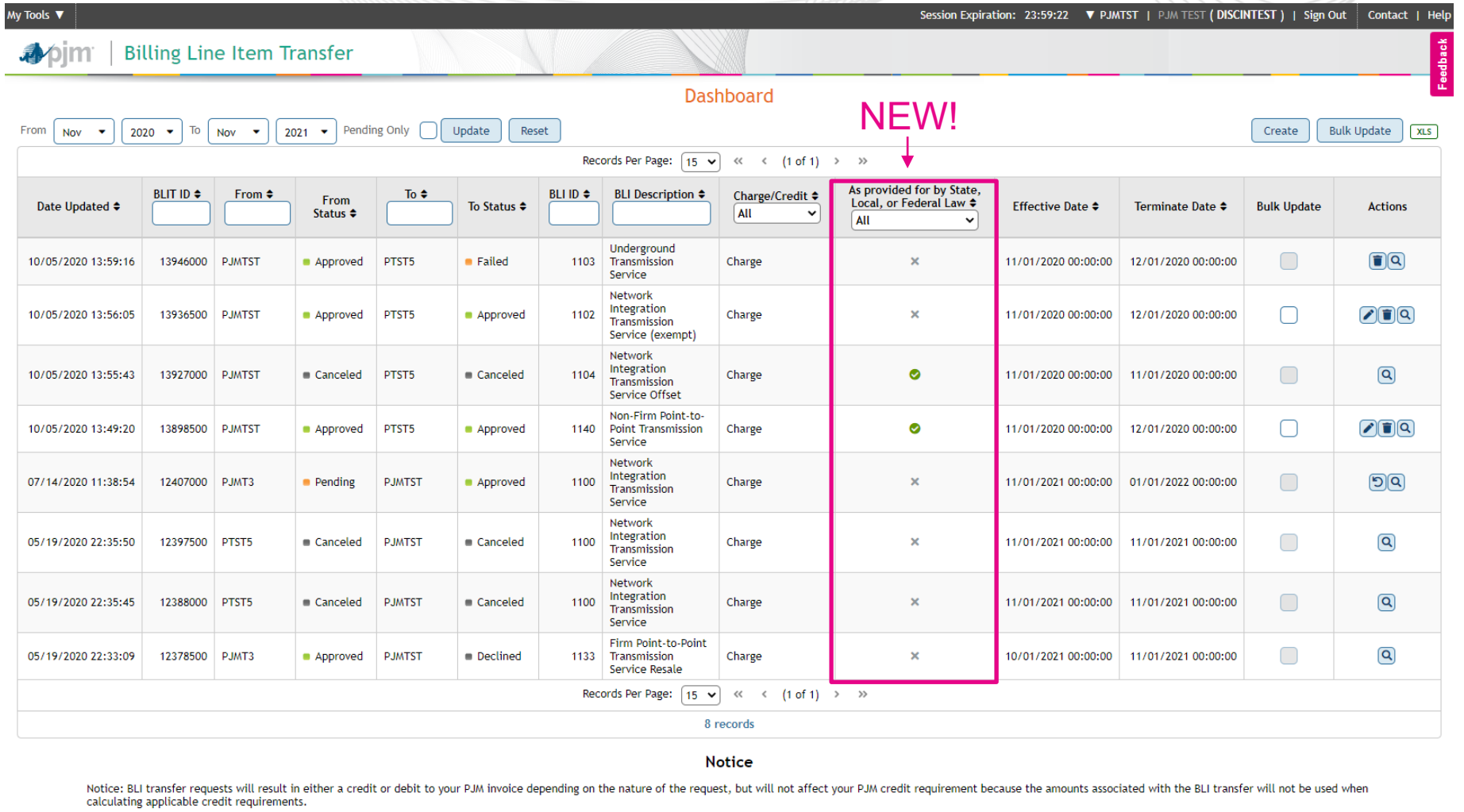
BLIT Dashboard Screen



Business Rules

- Go-live will occur on **December 1, 2020**
- Any billing line item transfer which should be designated as transferred as a result of a Local, State, or Federal law MUST be terminated and re-entered into the system with the new checkbox checked
- The checkbox is not editable, if the status of this checkbox changes, the BLIT MUST be terminated and re-entered into the system to reflect the change

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Business Rules – Daisy Chains

- Daisy Chains BLITs occur when a BLI is transferred multiple times
  - For example, Party A transfers to Party B and Party B transfers to Party C and Party C transfers to Party D
- The transfer of a BLIT with the per Law checkbox checked will conduct a verification to ensure the party has the right to transfer via per Law. The system will be checking all upstream and downstream BLITs to ensure the per Law checkbox is applicable. The below is an example of what would prevent a BLIT from being accepted

BLI	From	To	As provided for by State, Local, or Federal Law
1100	Party A	Party B	
1100	Party B	Party C	
1100	Party C	Party D	

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Business Rules – Daisy Chain – Example Explained

- Party A transferred BLI 1100 to Party B, and indicated it was a result of Local, State, or Federal law. The PMA would reflect the amount of BLI 1100 in Party B's Account.
- Next, Party B transferred it to Party C, but it was not a result of a Local, State, or Federal law. The PMA would reflect the amount of BLI 1100 in Party B's Account, because it was not a result of federal, state or local law.
- Then, Party C transfers to Party D and attempts to check the Local, State, or Federal law checkbox. However, from a PMA perspective, the amount of BLI 1100 is still in Party B's Account, and therefore Party C does not have those funds to transfer to Party D.
- The Participant would be notified of this occurrence and would be prompted to correct upstream or downstream daisy chain submissions.

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