

Language Changes:

Section C.1 of Schedule 8.1 of the RAA:

1. No less than ~~two~~ four months before the conduct of the Base Residual Auction for the first Delivery Year for which such election is to be effective, any Party seeking to elect the FRR Alternative shall notify the Office of the Interconnection in writing of such election. Such election shall be for a minimum term of five consecutive Delivery Years. No later than one month before such Base Residual Auction, such Party shall submit its FRR Capacity Plan demonstrating its commitment of Capacity Resources for the term of such election sufficient to meet such Party's Daily Unforced Capacity Obligation (and all other applicable obligations under this Schedule) for the load identified in such plan.

Section D.5 of Schedule 8.1 of the RAA

5. For each LDA for which the Office of the Interconnection is required to ~~has established~~ a separate Variable Resource Requirement Curve for any Delivery Year addressed by such FRR Capacity Plan, the plan must include a minimum percentage of Capacity Resources for such Delivery Year located within such LDA. Such minimum percentage ("Percentage Internal Resources Required") will be calculated as the LDA Reliability Requirement less the CETL for the Delivery Year, as determined by the RTEP process as set forth in the PJM Manuals. Such requirement shall be expressed as a percentage of the Unforced Capacity Obligation based on the Preliminary Zonal Peak Load Forecast multiplied by the Forecast Pool Requirement.

Notwithstanding the provisions of Sections C.1 and C.2 of this Schedule 8.1, an FRR Entity may terminate its election of the FRR Alternative prior to meeting its minimum five year commitment without penalty for any Delivery Year for which the Office of the Interconnection will be required to establish a separate Variable Resource Requirement Curve. The Office of the interconnection shall be deemed to be required to establish a separate Variable Resource Requirement Curve for an LDA if the LDA is the Eastern Mid-Atlantic Region ("EMAR"), Southwest Mid-Atlantic Region ("SWMAR"), or Mid-Atlantic Region ("MAR"), or for other LDAs if the separate modeling is required by Section 5.10(a)(ii)(A) or (B) of Attachment DD of the Tariff.