



Associated Units Proposed Tariff Clarifications

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- Goal of definition of Associated Units
 - Ensure that Frequently Mitigated Units (FMU) are not “cycled” and actually receive FMU adder
 - Ensure that only actual AUs are designated

- Elements of AU definition
 - Units are electrically identical
 - Units are in same design class and units use same primary fuel; or unit is regularly dispatched by PJM as a substitute for an FMU as a result of the FMU adder
 - Units have cost-based offers in relevant range
 - Then unit will be designated an AU

- Draft tariff language approved by MRC on November 15, 2006
- PJM provided modified draft tariff language to TAC at meeting on January 17, 2007
- No substantive change to language; a technical correction