(e) The Market Monitoring Unit shall calculate and provide generation resources unit-specific default values in accordance with section II.B of Attachment M - Appendix. Generation resources having the ability to operate on multiple fuels may submit a parameter limited schedule associated with each fuel type. In addition, a generation resource may obtain an exception from the unit-specific values for the period defined in section II.B of Attachment M - Appendix due to physical operational limitations that prevent the resource from meeting the minimum parameters by submitting a request to the Office of the Interconnection, which shall promptly provide a copy of said request to the Market Monitoring Unit. Pursuant to section II.B of Attachment M - Appendix, annual exception requests for the exception period, which begins on June 1, must be received by the Market Monitoring Unit by no later than April 30. To ensure that an exception request is received by the Market Monitoring Unit by the referenced deadline, the generation resource should submit the request to the Office of the Interconnection at least two business days prior thereto. Each generation resource must supply the required historical unit operating data in support of the exception request, and if the exception requested is based on new physical operational limits for the resource for which historical operating data is unavailable, the generation resource may also submit technical information about the physical operational limits for period exceptions of the resource to support the requested parameters. The Market Monitor shall evaluate such request in accordance with the process set forth in Section II.B of Attachment M - Appendix. Previously approved annual exception requests can be extended by the Market Monitor by request of the generation resource owner. A generation resource (i) must submit a parameter limited schedule value consistent with its agreement under such process, or, (ii) if it has not agreed with the Market Monitoring Unit on an appropriate parameter limited schedule value, may submit its own determination of an appropriate value to the Office of the Interconnection. Each exception request must indicate the expected duration of the requested exception including the termination date thereof. The proposed parameter limited schedule value submitted by the generation resource owner is subject to approval of the Office of the Interconnection pursuant to the requirements of the Tariff and the PJM Manuals. The Office of the Interconnection may engage the services of a consultant with technical expertise to evaluate the exception request. If the generation resource owner does not submit a complete exception request to the Office of the Interconnection and the resource does not clear in the Day-ahead Energy Market, the resource schedule shall be returned to its previous parameter limits. The Office of the Interconnection and Market Monitoring Unit will review the operations of the generation resource after each of the first three full years of operation to verify the requested

parameters. PJM will not accept the exception thereafter if it is not supported by the operating data.

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(f) On a daily basis each generation resource may submit notification to the Office of the Interconnection of changed physical operational limitations at such generation resources that require a temporary exception to the otherwise applicable parameter limited schedule value. Each generation resource must supply the required operating data necessary to support the exception consistent with the requirements set forth in the PJM Manuals. Such exceptions may not continue past the next period (as described in section II.B of Attachment M - Appendix). Temporary exception requests shall be subject to acceptance by the Office of the Interconnection upon submission by a generation resource, and shall be subject to further subsequent review of the continuation of the exception by the Office of the Interconnection and the Market Monitoring Unit. Exception requests may be entered up to seven days, and if these exceptions are needed on a long-term basis, should be submitted to the Market Monitoring Unit for review. The Market Mointor will be provided 30 days to review the exception, and respond to the generation resource owner, based on the information submitted by the generation owner. Based on the further review and determination by the Office of the Interconnection and the Market Monitoring Unit, the generation resource may (i) continue to submit a parameter limited schedule value consistent with the Market Monitoring Unit's determination or, (ii) if dissatisfied with the Market Monitoring Unit's determination, continue to submit a parameter limited schedule value to the Office of Interconnection inconsistent with the Market Monitoring Unit's determination subject to acceptance by the Office of the Interconnection, with or without prior approval of the Commission. If the Office of the Interconnection denies an exception request, in whole or in part, the generation resource may contest the denial through the PJM Dispute Resolution Process set forth in this Agreement, in which case the generation resource shall continue to submit a parameter limited schedule value as determined during the exception process until the issue has been resolved. If physical conditions at the generation resource change, such that the exception is no longer required, the generation resource is required to so inform the Office of the Interconnection and the exception shall be terminated.

If during the period that an exception agreed to by the Market Monitoring Unit applies (or is approved by the Commission), there is a material change to the facts relied upon by the Market Monitoring Unit to support such exception (or the Commission in support of its approval), the generation resource shall bring the change to the attention of the Market Monitoring Unit (or the Commission) for a determination as to whether the exception continues to be appropriate.

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