



Requirement Reference Documents

Title: Procedure for Verifying Capacity Benefit Margin Values

Number: MOD-005-0

R1. Each Regional Reliability Organization, in conjunction with its members, shall develop and implement a procedure to review (at least annually) the CBM calculations and the resulting values of member Transmission Service Providers to ensure that they comply with the Regional Reliability Organization's CBM methodology. The procedure shall include the following four requirements:

- R1.1.** Indicate the frequency under which the verification review shall be implemented
- R1.2.** Require review of the process by which CBM values are updated, and their frequency of update, to ensure that the most current CBM values are available to transmission users.
- R1.3.** Require review of the consistency of the Transmission Service Provider's CBM components with its published planning criteria. A CBM value is considered consistent with published planning criteria if the components that comprise CBM are addressed in the planning criteria. The methodology used to determine and apply CBM does not have to involve the same mechanics as the planning process, but the same uncertainties must be considered and any simplifying assumptions explained.
- R1.4.** Require CBM values to be periodically updated (at least annually) and available to the Regional Reliability Organizations, NERC, and transmission users.

The Transmission Provider does not utilize CBM.

R2. Each Regional Reliability Organization shall document its CBM procedure and shall make its CBM review procedure available to NERC on request (within 30 calendar days).

The Transmission Provider does not utilize CBM.

R3. The Regional Reliability Organization shall provide documentation of the results of the most

current implementation of its CBM review procedure to NERC on request (within 30 calendar days).

The Transmission Provider does not utilize CBM.

Effective Date: June 24, 2008