

Ohio Valley Electric Corporation

CBM/TRM

TRM is the amount of transmission margin required to ensure that the transmission network is secure under a range of uncertainties in operating conditions. These uncertainties include generation unavailability, load forecast error, load diversity, unknown outages in neighboring systems, and variations in generation dispatch. The TRM is applied directly to facility ratings for calculations of firm ATC/TTC by adjusting the thermal rating of the critical facility(ies) down to 95% of the seasonal emergency capability. TRM is applied only to firm ATC calculations.

<u>INTERFACE with OVEC</u>	<u>TRM (MW) Summer</u>	<u>TRM (MW) Winter</u>
Duke/CN	226	226
EON/LGEE	79	82
PJM	448	457

Updated 13 July 2007

CBM is the amount of transfer capability reserved by Load Serving Entities to ensure access to generation from interconnected systems to meet generation reliability requirements. The total OVEC/IKEC CBM value is based upon generation reserve requirements. CBM is subtracted as a fixed MW amount from the firm OVEC/IKEC TTC import capability. The CBM is allocated among OVEC/IKEC's interfaces and the amount allocated to individual interfaces is based upon the lowest of: 1) the estimated long term generation reserve of the adjoining control area, 2) the transmission interconnection capability with each of the adjoining control areas, and 3) the FCTTC with each of the adjoining control areas. However, since the DOE Project load has been reduced to a very low level, the CBM for the OVEC System has been reduced to zero.