Capacity Benefit Margin

Purpose: To comply with NAESB and NERC Standards requirements. As discussed below, El Paso Electric Company (EPE) does not maintain a Contribution Benefit Margin (CBM).

Definition

CBM is defined by NERC as "the amount of firm transmission transfer capability preserved by the transmission provider for Load-Serving Entities (LSEs), whose loads are located on that Transmission Service Provider's system, to enable access by the LSEs to generation from interconnected systems to meet generation reliability requirements. Preservation of CBM for an LSE allows that entity to reduce its installed generating capacity below that which may otherwise have been necessary without interconnections to meet its generation reliability requirements. The transmission transfer capability preserved as CBM is intended to be used by the LSE only in times of emergency generation deficiencies."

Requirements

> **NAESB 001-13.1.5 ATC Information Link**
> *If the Transmission Provider does not use CBM … in their assessment of ATC, that information shall be found in the* ***"CBM Implementation Document – CBMID". . .***
>
> **NERC Standard MOD-004-1** –Capacity Benefit Margin states:
>
> *R1. The Transmission Service Provider that maintains CBM shall prepare and keep current a "Capacity Benefit Margin Implementation Document" (CBMID) . . .*

EPE's CBM Statement: EPE does not maintain a CBM on any transmission path in its system and has, therefore not developed a Capacity Benefit Margin Implementation Document (CBMID). The value for CBM in calculating EPE's transmission path's firm and non-firm ATC is set to zero. Information on EPE's ATC methodology implementation can be found in EPE's Available Transfer Capability Implementation Document posted on OASIS in the ATC Information folder.