

Available Transfer Capability (“ATC”) Calculation Algorithm

$$\begin{aligned} \text{ATC (Path, Service Type and Time Period specific)} &= \\ &\text{TTC (Total Transfer Capability)} \\ &- [\text{TRM (Transmission Reliability Margin)}]^1 \\ &- [\text{CBM (Capacity Benefit Margin)}]^2 \\ &- [\Sigma (\text{Confirmed service reservations at equal or higher service code using the} \\ &\text{path})]^3 \\ &+ [\Sigma (\text{Unscheduled transmission service commitments})]^4 \\ &+ [\Sigma (\text{Redirected capacity at equal or higher service code linked back to the} \\ &\text{path})]^5 \end{aligned}$$

¹ TRM is only subtracted for firm services.

² CBM is only subtracted for firm services.

³ The Transmission Provider offers seventeen transmission service types that are assigned service codes for purposes of the ATC algorithm, and such service codes are set forth in Table A. Confirmed reservations utilizing the same path and of equal or higher service code are considered in each calculation. For example, an ATC value is calculated for Monthly Firm Point-to-Point (“PTP”) transmission service for the path from a particular POR to SOCO by including confirmed reservations of service code 6 and above that utilize that path. Reservations utilizing a different path or of lower service code (e.g., service code 7) would not be included in the calculation.

⁴ Unscheduled transmission service commitments are considered in calculating ATC for hourly service.

⁵ Confirmation of a request to redirect service results in the reduction of ATC on the redirected (new) path and increase of ATC on the original path, at a service type with an equal or lower service code than the new redirected service. For example, if the original service was Monthly Firm PTP (service code 6) and the new redirected service is Daily Firm PTP (service code 10), then ATC will be added back to the original path in the calculation of Daily Firm PTP (service code 10 and below), but not in the calculation of Monthly Firm PTP. At a minimum, redirected capacity is added back to all Hourly services on the original path.