

SCHEDULE 9
PJM Interconnection, L.L.C. Administrative Services

a) PJM Interconnection, L.L.C. is the Transmission Provider under this Tariff. It also operates the PJM Interchange Energy Market as described in Tariff, Attachment K-Appendix and provides various other services to market participants. The cost of operating the PJM Interconnection, L.L.C., including principal and/or depreciation expense, interest expense and financing costs, excluding any costs specifically recovered pursuant to other provisions of this Tariff as identified in this Schedule 9, shall be recovered from users of the various PJM services pursuant to the rates set forth in this Schedule 9 and its subsidiary Schedules which correspond to categories of services (“Service Categories”) provided by PJM. The charge in any month to any user of PJM's services under this Schedule 9 is the sum of the charges under the following subsidiary Schedules of this Schedule 9 to the extent determined to be applicable by the Transmission Provider to such user in such month:

Tariff, Schedule 9-1:	“Control Area Administration Service”
Tariff, Schedule 9-2:	“Financial Transmission Rights Administration Service”
Tariff, Schedule 9-3:	“Market Support Service”
Tariff, Schedule 9-4:	“Regulation and Frequency Response Administration Service”
Tariff, Schedule 9-5:	“Capacity Resource and Obligation Management Service”

b) The rates, terms, conditions, and applicability of these subsidiary services of this Schedule 9 are set forth on the subsidiary Schedules of this Schedule 9. These rates and charges do not include the charges for PJMSettlement services to Transmission Customers and Market Participants. The charges for PJMSettlement services to Transmission Customers and Market Participants are set forth in Tariff, Schedule 9-PJMSettlement.

c) This Schedule 9 also includes a subsidiary Schedule 9-5, “Management Services Cost,” which shall govern the determination and allocation of certain overhead and administrative costs among subsidiary Schedules 9-1 through 9-4.

d) Each of the subsidiary Schedules 9-1 through 9-4 of this Schedule 9 contains a formula for determination of the rate or charge thereunder. The rates and charges for Schedules 9-1 through 9-4 shall be determined monthly based on the costs incurred in such month, pursuant to the formulas set forth in such schedule.

e) (1) PJM shall allocate to each subsidiary Schedule PJM’s Actual Costs and expenses accounted for in all of PJM’s Divisions based on the allocation percentage stated in the rate formula in Schedules 9-1 through 9-4 and Schedule 9-PJMSettlement.

(2) In addition to such costs, each month, PJM shall assign to each such Schedule its appropriate share of certain costs and expenses that are not assigned to any Division (“Non-Divisional Costs”), including, but not limited to, Actual Costs associated with (i) financial costs; (ii) operating projects or portions of operating projects; and (iii) capital projects. The assignment of financial costs shall be based on PJM’s assignment of its assets among such Schedules. PJM shall assign to each

Schedule each month a proportion of the total amounts for such financial costs equal to the proportion of (iii) the projected gross value of the assets assigned to such Schedule to (iv) the projected gross value of all assets of PJM that are assigned to any subsidiary schedule of this Schedule 9, as of the final day of the month for which the rates are applicable. The assignment of operating projects and expenses related to capital projects shall be on the basis of the service for which such projects are instituted.

(3) PJM shall not recover through this Schedule 9 or its subsidiary Schedules any costs for services provided by PJM in response to specific requests, pursuant to this Tariff, of specific identified entities, including, but not limited to, System Impact Studies and Facilities Studies, to the extent such costs are specifically recovered pursuant to other provisions of this Tariff.

fe) In addition to subsidiary Tariff, Schedules 9-1 through 9-5, this Schedule 9 also includes the following separate subsidiary schedules: (i) Tariff, Schedule 9-FERC, which is designed to recover Transmission Provider's costs for the annual charges assessed on Transmission Provider by FERC; (ii) Tariff, Schedule 9-OPSI, which is designed to recover Transmission Provider's payments to the Organization of PJM States, Inc.; (iii) Tariff, Schedule 9-CAPS, which is designed to recover Consumer Advocates of PJM States, Inc. costs; (iv) Tariff, Schedule 9-MMU which is designed to recover the cost of providing market monitoring functions to the PJM Region; (v) Tariff, Schedule 9-FINCON, which is designed to recover Transmission Provider's costs of outside consultants engaged by the Finance Committee, and (vi) Tariff, Schedule 9-PJMSettlement, which is designed to recover PJM Settlement, Inc.'s costs.

g) Each month PJM shall post on its website the rates charged under this Schedule 9, including Schedules 9-1 through 9-4, and the separate subsidiary schedules listed above in subsection (f). PJM shall also post each month on its website the rates charged under Schedule 10-NERC and Schedule 10-RFC.

h) As used in this Schedule 9 and in the subsidiary Schedules of this Schedule 9, the following terms shall have the following meanings:

(1) "Actual Costs" shall mean costs, expenses, disbursements and other amounts incurred (whether paid or accrued); and

(2) "Divisions" shall mean the various corporate cost centers within PJM.

~~id) All amounts held in reserve pursuant to this Schedule 9 and all subsidiary Schedules as of December 31, 2021, Revenues received under subsidiary Tariff, Schedules 9-1 through 9-5 shall be used in part to fund and maintain a reasonable reserve, and amounts received in excess of that necessary to recover costs and fund such reserve, shall be refunded to customers on a one-quarter lag basis, in accordance with the following:~~

~~(1) — PJM shall record on its income statement deferred regulatory expense, and PJM's balance sheet will reflect as a cumulative deferred regulatory liability, any revenues collected under subsidiary Tariff, Schedules 9-1 through 9-5 that are in excess of all expenses (exclusive of expenses recovered under Tariff, Schedule 9-FERC, Tariff, Schedule 9-OPSI, Tariff, Schedule 9-~~

~~CAPS, Tariff, Schedule 9 FINCON, Tariff, Schedule 9 MMU, Tariff, Schedule 9 PJM Settlement and other similar schedules that may be added to the Tariff, and exclusive of expenses of PJM affiliates), and taking account of and including any accrued tax expense effects of this regulatory liability. The deferred regulatory liability will be reduced whenever after-tax PJM revenues collected under subsidiary Tariff, Schedules 9-1 through 9-5 during any calendar quarter are less than PJM's actual expenses, excluding the costs recovered under Tariff, Schedule 9 FERC, Tariff, Schedule 9 OPSI, Tariff, Schedule 9 CAPS, Tariff, Schedule 9 FINCON, Tariff, Schedule 9 MMU, Tariff, Schedule 9 PJM Settlement and other similar schedules that may be added to the Tariff.~~

~~(2) — At the end of each calendar quarter, to the extent that the deferred regulatory liability exceeds six percent of PJM's revenues projected to be collected under Tariff, Schedules 9-1 through 9-5 during the current calendar year (exclusive of any credits to Tariff, Schedules 9-1 through 9-5 charges associated with a refund applied during the preceding calendar quarter(s)), such excess amounts in the deferred regulatory liability shall be refunded evenly over the applicable billing determinant volumes in the following first calendar quarter of 2022 through credits to charges to then-current customers under such schedules of Tariff, Schedules 9-1 through 9-5 (as in effect prior to January 1, 2022) for which cumulative revenues for such schedule over the prior 12-month period ending December 31, 2021 at the end of such quarter exceeded (by any amount) the cumulative expenses for such schedule (consistent with those reported or to be reported to the Finance Committee) over such 12-month period, and apportioned among such Schedules with refunds based on the ratio of each such Schedule's excess revenues to the sum of the excess revenues of all Schedules that had excess revenues for such 12-month period; provided, however, the amount to be refunded associated with Schedule 9-3 (as in effect prior to January 1, 2022) shall be adjusted by any regulatory asset or regulatory liability balance recorded pursuant to Schedule 9-PJM Settlement as of December 31, 2021. The deferred regulatory liability reserve shall be reduced to zero dollars by such refunds.~~

~~(3) — Notwithstanding subsection (d)(2) above, PJM shall refund evenly over a three-month period commencing January 1, 2020 and every third year thereafter, the full cumulative regulatory liability as of December 31 of the previous calendar year, provided that refunds shall be limited to amounts that will not reduce any regulatory liability balance below an amount equal to two percent of the revenues projected to be collected under Tariff, Schedules 9-1 through 9-5 during the same calendar year. Such amounts that are not refunded shall continue to be recorded as a regulatory liability. All such refunds under this paragraph shall be made through credits to the charges to then-current Tariff, Schedules 9-1 through 9-5 customers in the proportions set forth in subsection (d)(2) above.~~

~~(4) — If at any time the cumulative deferred regulatory liability on PJM's year-end balance sheet is projected to be less than two percent of the revenues projected to be collected under Tariff, Schedules 9-1 through 9-5 in the same calendar year, PJM will consult with the Finance Committee, in a manner consistent with the Finance Committee Protocol, to develop plans to restore the reserve.~~

SCHEDULE 9-1
Control Area Administration Service

- a) Control Area Administration Service comprises all of the activities of PJM associated with preserving the reliability of the PJM Region and administering Point-to-Point Transmission Service and Network Integration Transmission Service. PJM provides Control Area Administration Service to customers using Point-to-Point or Network Integration Transmission Service under this Tariff.
- b) PJM will charge each user of Control Area Administration Service each month a charge equal to the Monthly Control Area Administration Service Rate defined below times the total quantity in MWhs of energy delivered (including losses, but excluding Direct Charging Energy) during such month by such user as a transmission customer under this Tariff for Point-to-Point Transmission Service or Network Integration Transmission Service.
- c) The Monthly Control Area Administration Service Rate (“MCAASR”) shall be calculated each month in accordance with the formula:

$$\text{MCAASR} = \frac{[\text{CAASME}]}{\text{PJMTHTU}}$$

where:

MCAASR is the Monthly Control Area Administration Service Rate

CAASME, Control Area Administration Service monthly expenses, is the Actual Costs assigned to the Control Area Administration Service, calculated as the sum of A.1 plus A.2 plus A.3 for the month for which MCAASR is being calculated, where:

“A.1” equals the product of 33.5% times the Actual Costs for all Divisions in the month for which MCAASR is being calculated.

“A.2” equals an allocation to the Control Area Administration Service of PJM’s Actual Costs for Management Service Cost during the month for which MCAASR is being calculated, based on the formula in Schedule 9-5.

“A.3” equals PJM’s Actual Costs for Non-Divisional Costs that are assigned to Control Area Administration Service for the month for which MCAASR is being calculated.

PJMTHTU, PJM total hourly transmission usage, is the actual total quantity in MWhs of energy delivered under Point-to-Point and Network Integration Transmission Service by all customers during the month for which MCAASR is being calculated.~~shall be as follows:~~

~~Commencing January 1, 2017: \$0.2100 per MWh~~

Commencing January 1, 2019:	\$0.2153 per MWh
Commencing January 1, 2020:	\$0.2207 per MWh
Commencing January 1, 2021:	\$0.2262 per MWh
Commencing January 1, 2022:	\$0.2319 per MWh
Commencing January 1, 2023:	\$0.2377 per MWh
Commencing January 1, 2024:	\$0.2393 per MWh

SCHEDULE 9-2
Financial Transmission Rights Administration Service

a) Financial Transmission Rights Administration Service comprises all of the activities of PJM associated with administering the Financial Transmission Rights (“FTRs”) provided for under Tariff, Attachment K including, but not limited to, coordination of FTR bilateral trading, administration of FTR auctions, support of PJM’s on-line, internet-based FTR reporting tool, and analyses to determine what total combination of FTRs can be outstanding and accommodated by the PJM system at a given time. PJM provides this service to entities that hold FTRs or that submit offers to sell or bids to buy FTRs.

b) PJM will charge each user of Financial Transmission Rights Administration Service each month a charge equal to: (i) the FTR Service Rate, Component 1, as ~~stated~~ defined below, times the FTR Holder’s total FTRs in megawatt-hours during such month; plus (ii) the FTR Service Rate, Component 2, as ~~stated~~ defined below, times the sum of (1) the number of hours in all bids to buy Financial Transmission Rights Obligations submitted by such user during such month, plus (2) five times the number of hours in all ~~–~~ bids to buy Financial Transmission Rights Options submitted by such user during such month. Component 1 of this charge applies to all bids submitted into any round of the Long-term, Annual, or monthly FTR Auctions; Component 2 of this charge applies to all bids submitted into any round of the Annual FTR Auction and to all bids submitted into the applicable monthly FTR Auction.

c) The Financial Transmission Rights Administration Service Rate shall be calculated monthly, in accordance with the following formulae:

FTR Service Rate, Component 1 =

$$\frac{\text{Monthly FTR MWh Cost}}{\text{Monthly FTR MWh Determinants}}$$

FTR Service Rate, Component 2 =

$$\frac{\text{Monthly FTR Bid/Offer Hours Cost}}{\text{Monthly FTR Bid/Offer Hours Determinants}}$$

where:

“Monthly FTR MWh Cost” equals 0.6 times the sum of: FTR Cost Component A.1 plus FTR Cost Component A.2 plus FTR Cost Component A.3, as defined below.

“Monthly FTR Bid/Offer Hour Cost” equals 0.4 times the sum of: FTR Cost Component A.1 plus FTR Cost Component A.2 plus FTR Cost Component A.3, as defined below.

“FTR Cost Component A.1” equals the product of: 2.4% times the Actual Costs for all Divisions in the month for which the Financial Transmission Rights Administration Service Rate is being calculated.

“FTR Cost Component A.2” equals the Overhead Allocation to Financial Transmission Rights Administration Service determined pursuant to Schedule 9-5 of PJM’s Actual Costs for Management Service Cost during the month for which the Financial Transmission Rights Administration Service Rate is being calculated.

“FTR Cost Component A.3” equals PJM’s Actual Costs for the Non-Divisional Costs that are assigned to Financial Transmission Rights Administration Service for the month for which the Financial Transmission Rights Administration Service Rate is being calculated.

and where

“Monthly FTR MWh Determinants” equals the total amount of Financial Transmission Rights, in MWhs, in effect each hour for all holders of Financial Transmission Rights during the month for which the Financial Transmission Rights Administration Service Rate is being calculated, summed for each hour of such month.

“Monthly FTR Bid/Offer Hour Determinants” equals the sum of (1) the total number of hours of all Financial Transmission Rights Obligation bids, plus (2) five times the total number of hours of all Financial Transmission Rights Option bids, for all bidders for all FTR auctions conducted during the month for which the Financial Transmission Rights Administration Service Rate is being calculated.

~~The FTR Service Rate, Component 1 shall be as follows~~

Commencing January 1, 2017:	\$0.0028 per MWh
Commencing January 1, 2019:	\$0.0029 per MWh
Commencing January 1, 2020:	\$0.0029 per MWh
Commencing January 1, 2021:	\$0.0030 per MWh
Commencing January 1, 2022:	\$0.0031 per MWh
Commencing January 1, 2023:	\$0.0032 per MWh
Commencing January 1, 2024:	\$0.0032 per MWh

~~d) The FTR Service Rate, Component 2 shall be as follows:~~

Commencing January 1, 2017:	\$0.0019 per hour
Commencing January 1, 2019:	\$0.0019 per hour
Commencing January 1, 2020:	\$0.0020 per hour
Commencing January 1, 2021:	\$0.0020 per hour

_____ Commencing January 1, 2022: _____ \$0.0021 per hour

_____ Commencing January 1, 2023: _____ \$0.0021 per hour

_____ Commencing January 1, 2024: _____ \$0.0022 per hour

SCHEDULE 9-3 Market Support Service

- a) Market Support Service comprises all of the activities of PJM associated with supporting the operation of the PJM Interchange Energy Market and related functions, as described in Operating Agreement, Schedule 1 and Tariff, Attachment K-Appendix, including, but not limited to, market modeling and scheduling functions, locational marginal pricing support, and support of PJM's Internet-based customer transaction tools, and the administration of Regulation and Frequency Response Service under Schedule 3 of this Tariff. PJM provides this service to customers using Point-to-Point or Network Integration Transmission Service under this Tariff, to Generation Providers, as defined below, ~~and~~ to entities that submit offers to sell or bids to buy energy in the PJM Interchange Energy Market, and to entities that supply, and entities that rely upon, Regulation and Frequency Response Service.
- b) PJM will charge each user of Market Support Service each month a charge equal to the sum of: (i) the MS Service Rate, Component 1, as ~~stated~~ defined below, times (1) the total quantity in MWhs of energy delivered to load (including losses and net of operating Behind The Meter Generation, but not to be less than zero) in the PJM Region or for export from such region during such month by such user as a customer under Point-to-Point Transmission Service (other than Wheeling-Through Service, as defined below) or Network Integration Transmission Service, plus (2) the total quantity in MWhs of energy input into the Transmission System during such month by such user as a Generation Provider, as defined below, plus (3) the total quantity in MWhs of all accepted Increment Offers and accepted Decrement Bids, and all accepted "Up-to" Congestion Transactions submitted pursuant to Tariff, Attachment K-Appendix, section 1.10.1A(c), submitted by such user during such month; plus (ii) the MS Service Rate Component 2, as ~~stated~~ defined below, times the number of Bid/Offer Segments, as defined below, submitted by such user during such month. For purposes of this Schedule 9-3, Wheeling-Through Service is Point-to-Point Transmission Service for which both the Point of Receipt and the Point of Delivery are at interconnections of the PJM Region with other Control Areas.
- c) For purposes of this Schedule 9-3, a Generation Provider shall be: (i) a Generation Owner, as such term is defined in the Operating Agreement; provided, however, that if a Generation Owner is not the entity credited on PJM's records for the energy input into the Transmission System from the generation facilities owned or leased (with rights equivalent to ownership) by such Generation Owner, as, for example, in the case of a qualifying facility selling energy to a public utility pursuant to section 210 of the Public Utility Regulatory Policies Act of 1978, then, with respect to such energy, the Generation Provider shall be the entity credited on PJM's records for the energy input into the Transmission System from such generation facilities; (ii) a Network Customer or Point-to-Point Transmission Service customer, with respect to energy arranged by such customer to be delivered for import into the PJM Region; or (iii) a Market Seller with respect to energy arranged by such Market Seller to be delivered for import to the boundaries of the PJM Region and for which there is no separately identifiable Transmission Customer. As the term is used in this Schedule 9-3, energy "credited on PJM's records" does not necessarily mean that a monetary credit resulted on any billing statement provided by PJM.

d) For purposes of this Schedule 9-3, a Bid/Offer Segment shall be each price/quantity pair submitted into the Day-ahead Energy Market, including those submitted in the generation rebidding period pursuant to Tariff, Attachment K-Appendix, section 1.10.9(a). Segments shall be hourly for each bid to purchase energy, each Increment Offer, each Decrement Bid, each “Up-to” Congestion Transaction, and each Day-ahead Pseudo-Tie Transaction. Segments shall be daily for each offer to sell other than an Increment Offer. Each “Up-to” Congestion Transaction also shall be considered a Bid/Offer Segment.

e) ~~The MS Service Rate, Component 1~~ shall be calculated monthly, in accordance with the following formulae as follows:

MS Service Rate, Component 1 =

$$\frac{\text{Monthly MS MWh Cost}}{\text{Monthly MS MWh Determinants}}$$

MS Service Rate, Component 2 =

$$\frac{\text{Monthly MS Bid/Offer Segment Cost}}{\text{Monthly MS Bid/Offer Segment Determinants}}$$

where:

“Annual MS MWh Cost” equals 0.987 times the sum of the MS Cost Component A.1 plus MS Cost Component A.2 plus MS Cost Component A.3, as defined below.

“Annual MS Bid/Offer Segment Cost” equals 0.013 times the sum of MS Cost Component A.1 plus MS Cost Component A.2 plus MS Cost Component A.3, as defined below.

“MS Cost Component A.1” equals the product of: 11.8% times the Actual Costs for all Divisions in the month for which the Market Support Service Rate is being calculated.

“MS Cost Component A.2” equals the Overhead Allocation to Market Support Service as determined pursuant to Schedule 9-5 of PJM’s Actual Costs for Management Service Cost during the month for which the Market Support Service Rate is being calculated.

“MS Cost Component A.3” equals PJM’s Actual Costs for the Non-Divisional Costs that are assigned to Market Support Service for the month for which the Market Support Service Rate is being calculated.

and where

“Monthly MS MWh Determinants” equals the actual total quantity in MWhs of the energy delivered by all customers under Point-to-Point or Network Integration Transmission Service (less the MWhs of energy delivered as Wheeling-Through Service), plus the total quantity in MWhs of energy input into the Transmission System by all Generation

Providers, plus the actual total quantity in MWhs of all accepted Increment Bids, accepted Decrement Bids, and accepted “up-to” congestion bids, for the month for which the Market Support Service Rate is being calculated.

“Monthly MS Bid/Offer Segment Determinants” equals the actual total amount of all Bid/Offer Segments of all parties submitting Bid/Offer Segments for the month for which the Market Support Service Rate is being calculated.

Commencing January 1, 2017:	\$0.0463 per MWh
Commencing January 1, 2019:	\$0.0475 per MWh
Commencing January 1, 2020:	\$0.0487 per MWh
Commencing January 1, 2021:	\$0.0499 per MWh
Commencing January 1, 2022:	\$0.0511 per MWh
Commencing January 1, 2023:	\$0.0524 per MWh
Commencing January 1, 2024:	\$0.0527 per MWh

Users charged the MS Service Rate, Component 1, shall receive a credit in the amount the user is charged the PJM Settlement Market Service Rate set forth in Tariff, Schedule 9 PJM Settlement during the same billing period.

f) The MS Service Rate, Component 2 shall be as follows:

Commencing January 1, 2017:	\$0.0693 per Bid/Offer Segment
Commencing January 1, 2019:	\$0.0710 per Bid/Offer Segment
Commencing January 1, 2020:	\$0.0728 per Bid/Offer Segment
Commencing January 1, 2021:	\$0.0746 per Bid/Offer Segment
Commencing January 1, 2022:	\$0.0765 per Bid/Offer Segment
Commencing January 1, 2023:	\$0.0784 per Bid/Offer Segment
Commencing January 1, 2024:	\$0.0789 per Bid/Offer Segment

SCHEDULE 9-54
Capacity Resource and Obligation Management Service

a) Capacity Resource and Obligation Management Service comprises the activities of PJM associated with (i) assuring that customers have arranged for sufficient generating capacity to meet their unforced capacity obligations under the Reliability Assurance Agreement (“RAA”); (ii) processing Network Integration Transmission Service; (iii) administering the Reliability Pricing Model auctions for the PJM Region; and (iv) administering or providing technical support for the RAA (as delegated to PJM under the RAA), including, but not limited to, long-term load forecasting, studies to establish reserve requirements, and the determination of each Load-Serving Entity’s capacity obligations. PJM’s Internet-based capacity transaction tool enables many of these functions. PJM provides this service to Load-Serving Entities and to owners of Capacity Resources; as such terms are defined in the RAA.

b) PJM will charge each Load-Serving Entity in the PJM Region each month a charge equal to the Capacity Resource and Obligation Management Service Rate ~~stated~~ defined below times the summation for each day of such month of the Daily Unforced Capacity Obligation of such user, as determined for each such day pursuant to RAA, Schedule 8 or RAA, Schedule 8.1.

c) In addition to any charge under section (b), PJM will charge each month, to each entity that included in an FRR Capacity Plan, self-scheduled, or sold and cleared, in a Reliability Pricing Model Auction, a- Capacity Resource committed to serve load for such month, a charge equal to the Capacity Resource and Obligation Management Service Rate ~~stated~~ defined below times such entity’s total share, in MWs, of the Unforced Capacity of all Capacity Resources cleared or self-scheduled (including through an FRR Capacity Plan) by such entity, for commitment to serve load during such month.

d) The Capacity Resource and Obligation Management Rate (“CROM”) Service shall be calculated monthly, in accordance with the formula ~~as follows~~:

_____ Commencing January 1, 2017: _____	_____ \$0.1073 per MW-day _____
_____ Commencing January 1, 2019: _____	_____ \$0.1100 per MW-day _____
_____ Commencing January 1, 2020: _____	_____ \$0.1128 per MW-day _____
_____ Commencing January 1, 2021: _____	_____ \$0.1156 per MW-day _____
_____ Commencing January 1, 2022: _____	_____ \$0.1185 per MW-day _____
_____ Commencing January 1, 2023: _____	_____ \$0.1215 per MW-day _____
_____ Commencing January 1, 2024: _____	_____ \$0.1223 per MW-day _____

CROM Service Rate =

Monthly CROM Cost

CROM Determinants

where:

“Monthly CROM Cost” equals the sum of the CROM Cost Component A.1 plus CROM Cost Component A.2 plus CROM Cost Component A.3, defined as follows:

“CROM Cost Component A.1” equals the product of: 4.2% times the Actual Costs for all Divisions in the month for which the CROM Service Rate is being calculated.

“CROM Cost Component A.2” equals the Overhead Allocation to Capacity Resource and Obligation Management Service in the month for which the CROM Service Rate is being calculated, as determined pursuant to Schedule 9-5.

“CROM Cost Component A.3 equals the assignment of Non-Divisional Costs to CROM Service based on the Actual Costs in the month for which the CROM Service Rate is being calculated.

and where

“CROM Determinants” equals the actual summation of the Daily Unforced Capacity Obligation (calculated without any deductions for Price Responsive Demand related load credits) of all Load-Serving Entities for all days in the calendar year for which the CROM Service Rate is being determined plus the total quantity in MWs of the Unforced Capacity of all Capacity Resources used to serve load in the PJM Region for all days in the month for which the CROM Service Rate is being calculated.

SCHEDULE 9-65
Management Service Cost~~Reserved for future use~~

a) Management Service Cost is not a separate service by PJM. Rather, Management Service Cost comprises the cost of overhead and administrative activities performed by PJM which support PJM's provision of the services described in subsidiary Schedules 9-1 through 9-4 and Schedule 9-PJM Settlement of this Schedule 9. Management Service Cost is to be allocated each month among such services in accordance with the following formula:

Overhead Allocation =

Total Overhead Cost * Subsidiary Schedule Division Cost Allocation Percentage

where:

"Total Overhead Cost" equals the sum A.1 + A.2, defined as follows:

"A.1" equals the product of: 44.1% times the Actual Costs for all Divisions in the month for which the Overhead Allocation is being calculated.

"A.2" equals the assignment of Non-Divisional Costs to Management Service based on the Actual Costs for the month for which the Overhead Allocation is being calculated.

and where the applicable "Subsidiary Schedule Division Cost Allocation Percentage" for each subsidiary Schedule is as follows:

Schedule 9-1 – 63.3%

Schedule 9-2 – 4.5%

Schedule 9-3 – 22.3%

Schedule 9-4 – 7.8%

Schedule 9-PJM Settlement – 2.1%

**SCHEDULE 9-PJMSettlement
PJM Settlement, Inc. Administrative Services**

a) PJM Settlement, Inc. (“PJMSettlement”) is the entity that is (i) contracting with customers and conducting financial settlements regarding the use of the transmission capacity of the Transmission System; (ii) the Counterparty with respect to the agreements and “pool” transactions in the centralized markets that PJM Interconnection, L.L.C., as the Transmission Provider, administers under the Tariff and Operating Agreement; and (iii) the Counterparty to Financial Transmission Rights (“FTRs”) and Auction Revenue Rights instruments held by a Market Participant. PJMSettlement Services comprise all of the activities of PJMSettlement associated with PJMSettlement performing the services of being the Counterparty and conducting financial settlements.

b) The cost of operating PJMSettlement, including principal and/or depreciation expense, interest expense and financing costs, if any, shall be recovered from users of the PJMSettlement Services pursuant to the PJMSettlement ~~Market Support Service~~ Rate set forth in this Schedule 9-PJMSettlement.

c) **PJMSettlement ~~Market Support Service~~ Rate:** Each customer receiving an invoice from PJMSettlement shall be assessed, on a per-invoice basis, a charge equal to the PJMSettlement Rate, in accordance with the following formula: ~~PJMSettlement will charge customers using Point-to-Point or Network Integration Transmission Service under the Tariff, Generation Providers, as defined below, and entities that submit offers to sell or bids to buy energy in the PJM Interchange Energy Market each month a charge equal to: the PJMSettlement Market Support Service Rate, as stated below, times the sum of (1) the total quantity in MWhs of energy delivered to load (including losses and net of operating Behind The Meter Generation, but not to be less than zero) in the PJM Region or for export from such region during such month by such user as a customer under Point to Point Transmission Service (other than Wheeling Through Service, as defined below) or Network Integration Transmission Service, plus (2) the total quantity in MWhs of energy input into the Transmission System during such month by such user as a Generation Provider, as defined below, plus (3) the total quantity in MWhs of all accepted Increment Offers and accepted Decrement Bids, and all accepted Up to Congestion Transactions submitted pursuant to Tariff, Attachment K-Appendix, section 1.10.1A(c) submitted by such user during such month~~

~~(A) For purposes of this Schedule 9 PJMSettlement, Wheeling Through Service and Generation Provider shall have the same meanings as set forth in Tariff, Schedule 9-3.~~

~~(B) The PJMSettlement Market Support Service Rate is:~~

$$\frac{[CYPMSC / VOL] - PQDRLB / VOLQA}{[Invoices]} + [PQDRAB / VOLQA]$$

where

~~CYPMSC (Current Year PJMSettlement Market Support Service Costs) is the Actual Costs budgeted annual costs of PJMSettlement associated with PJMSettlement services, calculated~~

as the sum of PSI A.1 plus PSI A.2 plus PSI A.3 for the month for which the PJMSettlement Rate is being calculated, where~~recovered pursuant to PJMSettlement's Market Support Service Rate for the current calendar year.~~

"PSI A.1" equals the product of 4.0% times the Actual Costs for all Divisions in the month for which PJMSettlement Rate is being calculated.

"PSI A.2" equals an allocation to the Control Area Administration Service of PJM's Actual Costs for Management Service Cost during the month for which PJMSettlement Rate is being calculated, based on the formula in Schedule 9-5.

"PSI A.3" equals PJM's Actual Costs for Non-Divisional Costs that are assigned to Control Area Administration Service for the month for which PJMSettlement Rate is being calculated.

And,

"Invoices" are the number of invoices PJMSettlement issues to Transmission Customers and Market Participants in the month for which PJMSettlement Rate is being calculated.

~~———— VOL (Volume) is PJMSettlement's estimate of the sum of (1) the total quantity in MWhs of energy to be delivered to load (including losses and net of operating Behind The Meter Generation, but not to be less than zero) in the PJM Region or to be exported from such region under Point to Point Transmission Service (other than Wheeling Through Service) or Network Integration Transmission Service during the year for which the PJMSettlement Market Support Service Rate is being calculated, plus (2) the total quantity in MWhs of energy to be input into the Transmission System by Generation Providers during the year for which the PJMSettlement Market Support Service Rate is being calculated plus (3) the total quantity in MWhs of all accepted Increment Offers and accepted Decrement Bids, and all accepted Up to Congestion Transactions submitted pursuant to Tariff, Attachment K Appendix, section 1.10.1A(c), to be submitted during the year for which the PJMSettlement Market Support Service Rate is being calculated.~~

~~———— PQDRLB (Prior Quarter Deferred Regulatory Liability Balance) is the cumulative deferred regulatory liability balance as of the end of the prior quarter.~~

~~———— PQDRAB (Prior Quarter Deferred Regulatory Asset Balance) is the cumulative deferred regulatory asset balance as of the end of the prior quarter.~~

~~———— VOLQA (Volume Quarter Adjustment) is PJMSettlement's estimate of the sum of (1) the total quantity in MWhs of energy to be delivered to load (including losses and net of operating Behind The Meter Generation, but not to be less than zero) in the PJM Region or to be exported from such region under Point to Point Transmission Service (other than Wheeling Through Service) or Network Integration Transmission Service during the quarter for which the PJMSettlement Market Support Service Rate is being calculated, plus (2) the total quantity in MWhs of energy to be input into the Transmission System by Generation Providers during the quarter for which the PJMSettlement Market Support Service Rate is being calculated plus (3) the total quantity in MWhs of all accepted~~

~~Increment Offers and accepted Decrement Bids, and all accepted Up to Congestion Transactions submitted pursuant to Tariff, Attachment K Appendix, section 1.10.1A(e) to be submitted during the quarter for which the PJM Settlement Market Support Service Rate is being calculated.~~