

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:	“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.

f) 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.

i) All amounts held in reserve pursuant to this Schedule 9 and all subsidiary Schedules as of December 31, 2021, shall be refunded over the applicable billing determinant volumes in the 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 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-PJMSettlement as of December 31, 2021. The reserve shall be reduced to zero dollars.

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.

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 defined below, times the FTR Holder’s total FTRs in megawatt-hours during such month; plus (ii) the FTR Service Rate, Component 2, as 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 MWh, 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.

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, 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 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 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) MS Service Rate shall be calculated monthly, in accordance with the following formulae:

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.

SCHEDULE 9-4
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 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 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:

CROM Service Rate =

$$\frac{\text{Monthly CROM Cost}}{\text{CROM Determinants}}$$

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 9-5
Management Service Cost

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 Rate set forth in this Schedule 9-PJMSettlement.
- c) **PJMSettlement 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:

$$\frac{\text{PMSC}}{[\text{Invoices}]}$$

where

PMSC (PJMSettlement Costs) is the Actual 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

“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.