

PJM Tariff Schedule F-1 Nodal Price Load Settlement Business Rules.

- 1) The definition of eligibility for nodal settlement shall be:
 - a. "Any LSE taking network transmission service from PJM via Schedule F-1 of the PJM Tariff and serving retail load that is connected to a single identifiable bus or set of buses with hourly metering such that the customer's load can be clearly separated from other load on the bus or buses."
 - b. Other than those eligible under part a, PJM will address eligibility on a case by case basis based on whether a bus or buses can be identified, whether the load can be separated from other LSE load on the bus or busses, and that hourly metering is in place.
- 2) Effective Date of moves to nodal price load settlement for ALL eligible loads..
 - a. The available date for moves to nodal price load settlement for all loads requesting such will be June 1 of each year to coincide with the PJM planning year. Requests for nodal price load settlement must be provided by the LSE of record for the given load to PJM and the zonal EDC including the proposed applicable bus distribution no later than January 15th or at least 30 days prior to the start of PJM's annual ARR/FTR allocation process, whichever is later. (See Attachment A for the request form,) By January 25th, or 10 days after the initial notice from LSE whichever is later, the zonal EDC must specify the appropriate node definition in PJM eSchedules for this load. The LSE must confirm the eSchedule(s) by February 1st, or 15 days after the initial notice whichever is later.
- 5) All ARRs or FTRs granted in the annual direct allocation process must be configured to a nodal sink point for load that takes or has requested nodal settlement. This does not apply to any purchased FTRs.
- 6) Any network load receiving nodal settlement will be permanently settled at that node or nodes unless the physical interconnection infrastructure changes to require mapping the load to a different bus or group of busses. (Rule 6 shall be in force unless and until FERC approves any submitted tariff language changes by which a move from nodal to zonal settlement can occur).
- 7) Demand response offered into all of PJM's load response programs will be settled at the applicable load settlement aggregate point for the load that is reduced (zone, residual zone or node bus or buses).