

## Definition Section of OATT

### **Co-Located Generation:**

“Co-Located Generation” refers to a generation facility associated with the Interconnection Facilities to which Co-Located Load is directly connected. The Co-Located Generation must physically reside in PJM

“Co-Located Load” shall mean any load, excluding Station Power that is served energy by its Co-Located Generation in such a manner that the Co-Located Load never results in a net inflow of energy at the Interconnection Facilities’ Point of Interconnection. Such co-located load connects directly to the Interconnection Facilities at a point on the generator side of the Interconnection Facilities’ Point of Interconnection and may include, but is not limited to, large data centers, crypto mining facilities, or hydrogen hubs. The Co-Located Load must physically reside in PJM.

### **Load Serving Entity or LSE:**

“Load Serving Entity” or “LSE” shall mean any entity (or the duly designated agent of such an entity), including a load aggregator or power marketer, (i) serving end-users within the PJM Region, and (ii) that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electric energy to end-users located within the PJM Region. Load Serving Entity shall include any end-use customer that qualifies under state rules or a utility retail tariff to manage directly its own supply of electric power and energy and use of transmission and ancillary services. Load Serving Entity shall also include Co-Located Generation that serves Co-Located Load either directly or through a third party marketer.

## **OATT SCHEDULE 2**

Payment to Generation or Other Source Owners Each month, the Transmission Provider shall pay each Generation Owner or other source owner an amount equal to the Generation Owner’s or other source owner’s monthly revenue requirement as accepted or approved by the Commission. In the event a Generation Owner or other source owner sells a generator or other source which is included in its current effective monthly revenue requirement accepted or approved by the Commission, payments in that Generation Owner’s or other source owner’s Zone may be allocated as agreed to by the owners of the generator or other source in that Zone. Such Generation Owner or other source owners shall inform the Transmission Provider of any such agreement and submit either a filing to revise its cost-based rate or an informational filing in accordance with the requirements below in this Schedule 2. In the absence of agreement among such Generation Owners or other source owners, the Commission, upon application, shall establish the allocation. Generation Owners shall not be eligible for payment, pursuant to this Schedule 2, of monthly revenue requirement associated with those portions of generating units designated as Behind The Meter Generation or portion of generating unit serving Co-Located Load. The Transmission Provider shall post on its website a list for each Zone of the annual revenue requirements for each Generation Owner receiving payment within such Zone and specify the total annual revenue requirement for all of the Transmission provider.

Settlements section

Tariff, section 34.6 Co-Located Generation

(a) Any Generator Owner that seeks to add new Co-Located Load shall notify the Office of the Interconnection and the relevant Transmission Owner of such modification prior to such addition. A generator that adds Co-Located Load shall retain its Capacity Interconnection Rights subject to the metering requirements specified below. Notwithstanding, the terms and conditions specified in any fully executed Interconnection Service Agreement or Generation Interconnection as of January 1, 2024 that reflects Co-Located Load shall govern and not be subject to the rules set forth in this section.

(b) Settlements. Any Co-Located Generation that serves Co-Located Load shall not have capability that operates as Behind The Meter Generation, and the output of such a Generation Facility shall not net against the Co-Located Load for the purpose of determining PJM charges and credits. Co-Located Generation that serves Co-Located Load shall have separate settlement-quality metering as specified by the relevant Transmission Owner and/or the Office of Interconnection. Such metering shall be accessible to PJM and the Transmission Owner. The meter data shall report the Co-Located Load MW separately from the MW output of the Co-Located Generator (equal to the MW amount measured at the Point of Interconnection plus the separately metered MW value of the Co-Located Load). The Co-Located Generation shall be billed as a Load Serving Entity for settlement purposes based on the gross Co-Located Load

In each settlement interval, the full Co-Located Generation output (equal to the MW amount measured at the Point of Interconnection plus the separately metered MW value of the Co-Located Load) is reported as generation output in PowerMeter and the full Co-Located Load amount is reflected in the interval-metered load of PJM and the relevant Transmission Zone. The full Co-Located Load MW must be allocated to the Load Serving Entity having responsibility for serving such Co-Located load, where the Load Serving Entity in the case of Co-Located Load shall be the owner of such Co-Located Generation to which the Co-Located Load is directly connected.