

## **SCHEDULE 9-CAPS**

### **CAPS Funding**

a) The Consumer Advocates of PJM States, Inc. (“CAPS”), comprised of representatives of the State Consumer Advocates, shall be funded pursuant to this Schedule 9 - CAPS. This Schedule 9 - CAPS recovers PJM’s payments to CAPS as set forth below. The CAPS charge, under this Schedule 9 – CAPS, shall be assessed on all MWhs of energy (including losses) to load in the PJM Region.

b) PJM will charge each customer using Network Integration and Point-to-Point Transmission Service under this Tariff each month a charge equal to the CAPS Funding Rate (“CFR”) times the total quantity in MWhs of energy delivered to the load (including losses) that such customer serves in the PJM Region during such month.

c) PJM shall submit to the Commission for review and approval the CAPS budget for calendar year 2016, an amount totaling \$450,000. Each year thereafter, CAPS shall submit to the PJM finance committee an annual budget for the next calendar year no later than June 1st. The CAPS Board will receive comments from the PJM finance committee for consideration until September 1st. CAPS shall submit its final annual budget for the next calendar year to PJM no later than September 30th. PJM shall submit such annual budget to the Commission for information (except where such annual budget includes an increase of greater than seven and one-half percent above the budget on file for the current calendar year, in which case PJM shall submit the budget to the Commission for review and approval), and post the next calendar year’s CAPS budget and resulting CFR on the PJM internet site, no later than October 31st.

d) The CFR shall be calculated each year in accordance with the formula:

$$\text{CFR} = \frac{\text{CYCC}}{\text{PJMCTHL}}$$

where:

CFR is the CAPS Funding Rate on a MWH basis.

Current Year CAPS Charges (“CYCC”) are the costs for CAPS funding determined in accordance with the annual budget submitted by CAPS for the year for which CFR is being calculated, with said annual budget to take into account any credit or deficiencies from the prior year based on CAPS’s actual expenses for the prior year as compared to CAPS’s revenues received under this Schedule 9-CAPS for the prior year. The CAPS budget shall include only expenses that are appropriate to and directly related to the purposes for which CAPS was formed.

PJM CAPS Total Hourly Load (“PJMCTHL”) is the estimated total quantity in MWhs of energy delivered to load (including losses) in the PJM Region under Network Integration and Point-to-Point Transmission Service by all customers during the year for which CFR is being calculated.

e) PJM shall transmit to CAPS, within two (2) Business Days of receipt thereof, the revenue collected under this Schedule 9-CAPS. If PJM receives advance instruction from CAPS to defer the transmittal of revenue collected under this Schedule 9 - CAPS, it will hold such revenue in its ordinary accounts until release instructions are provided to PJM by CAPS.