

SCHEDULE 9-FERC

FERC Annual Charge Recovery

- a) PJM as a public utility and the Transmission Provider under this Tariff is subject to annual charges assessed by FERC in accordance with Part 382 of FERC's regulations. This Schedule 9-FERC recovers PJM's payments to FERC for the FERC annual charge. FERC assesses its annual charge to PJM and other public utilities based on their total megawatt-hours of transmission of electric energy in interstate commerce. Accordingly, the charge under this Schedule 9-FERC shall be assessed on all megawatt-hours of transmission provided by PJM. PJM provides this service to customers using Point-to-Point and Network Integration Transmission Service under this Tariff.
- b) PJM will charge each user of this service each month a charge equal to the FERC Charge Recovery Rate defined below times the total quantity in MWhs of energy delivered 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 FERC Charge Recovery Rate ("FCRR") shall be calculated each year in accordance with the formula:

$$\text{FCRR} = \frac{\text{CYFC} + (\text{FCPY} - \text{FCRPY})}{\text{PJMTHTU}}$$

where:

FCRR is the FERC Charge Recovery Rate

CYFC, Current Year FERC Charges, are the costs PJM estimates for FERC Annual Charges related to the year for which FCRR is being calculated, which may include prorated portions of multiple FERC fiscal years.

FCPY, FERC charge prior year, is the amount invoiced by FERC and paid by PJM for FERC annual charges in the year immediately preceding the year for which FCRR is being calculated.

FCRPY, FERC charge actual recovery prior year, is the amount billed under this Schedule 9-FERC for the year immediately preceding the year for which FCRR is being calculated.

PJMTHTU, PJM total hourly transmission usage, is the estimated total quantity in MWhs of energy to be delivered (including losses) under Point-to-Point or Network Integration Transmission Service by all customers during the year for which FCRR is being calculated.

- d) FERC Annual Charges for ComEd Zone: In addition to the FCRR charged pursuant to sections (a) through (c) of this Schedule 9-FERC, a separate charge shall be assessed on

customers that were served under ComEd's former open access transmission tariff for recovery of FERC Annual Charges billed by FERC for any FERC fiscal year (or portion thereof) prior to May 1, 2004, the date on which this Tariff became effective as to the ComEd Zone. The charge under this section (d) shall be determined for, and assessed on, each former ComEd transmission customer in the same manner as permitted for recovery of FERC Annual Charges under ComEd's prior tariff, as follows:

- 1) Charges or credits to each customer shall be determined by the customer's activity during the period that is included in the FERC fiscal year for which the FERC Annual Charges are assessed;
- 2) Each customer's share of the total charge or credit for such period shall equal the ratio of such customer's total megawatt-hours of network integration and point-to-point transmission under ComEd's former tariff to the sum of such transmission for all such former ComEd transmission customers; and
- 3) The charge or credit so calculated shall be assessed on, and paid by, each such customer on a lump-sum basis.