



Working to Perfect the Flow of Energy

PJM Members Handbook

Effective Date: January 22, 2009

PJM Members Handbook

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PJM Committee Resources

Section Overview

Purpose

To facilitate informed committee participation by summarizing committee resources available to PJM stakeholders.

Summary

There are several sources available that provide useful information for planning and organizing stakeholders' scarce resources relative to participation in PJM's committees. The location for this information for key participant topics is included in the table in this section.

Section Contents

- Resources Table
 - Members Committee Secretary
 - Committee Rosters
 - Meeting Schedule
 - Meeting Agendas
 - Meeting Minutes
 - Issue Specific Documents

PJM Committee Resources Resources Table

Topic	Information Location on PJM Web Site (www.pjm.com)
Members Committee Secretary	<ul style="list-style-type: none"> - Committees >>> Members Committee >>> PJM Members Committee Roster - The Members Committee Secretary is the last entry on the roster. - The current Members Committee Secretary's contact information is: David. A. Anders 610-666-4675 andersd@pjm.com
Committee Rosters	<ul style="list-style-type: none"> - Committees >>> Committee Name >>> Roster - Generally, Chairs will be listed first, followed by Vice Chairs and the remaining committee members in alphabetical order by Member company name. - Companies may list a primary and up to three alternate representatives to each committee. - Each committee's page also has an electronic process for enrolling or changing the status of participants on that committee.
Meeting Schedule	<ul style="list-style-type: none"> - Committees >>> Meeting Advisor - Meetings are listed in chronological order with links to additional meeting information.

Topic	Information Location on PJM Web Site (www.pjm.com)
Meeting Agendas	<ul style="list-style-type: none"> - Committees >>> Committee Name - Agendas and materials for the current year will be on the primary page for the group. - Agendas and materials from the previous year's meetings are available through the Archive link.
Meeting Minutes	<ul style="list-style-type: none"> - Committees >>> Committee Name - Draft minutes to be approved at next meeting as well as those approved at the current year's meetings will be on the primary page for each committee. - Minutes from the previous year's meetings are available through the Archive link.
Issue Specific Documents	<ul style="list-style-type: none"> - Committees >>> Committee Name - Materials for the current year's meetings will be on the primary page for each committee. - Materials from the prior year's meetings are available through the Archive link. - In addition to the organization by committee, documents are also referenced by topic under the Committees >>> Issues Tracking link. - Materials from meetings earlier than the prior year are available by contacting PJM's Member Relations Hotline at (610-666-8980).

PJM Committee Structure

Section Overview

Purpose

To facilitate informed committee participation by defining the structure and charters of the Senior and Standing Committees.

Summary

PJM's Committee structure includes two Senior Committees (Members Committee and Markets and Reliability Committee), three additional Standing Committees (Market Implementation, Operating and Planning Committees), subcommittees or working groups created by these five committees, and user groups established in accordance with PJM's Operating Agreement.

Reports and proposals will flow from the subcommittees and working groups to their "parent" Standing Committee and from there to the "parent" Senior Committee. User groups' report and proposal procedures are defined in PJM's Operating Agreement.

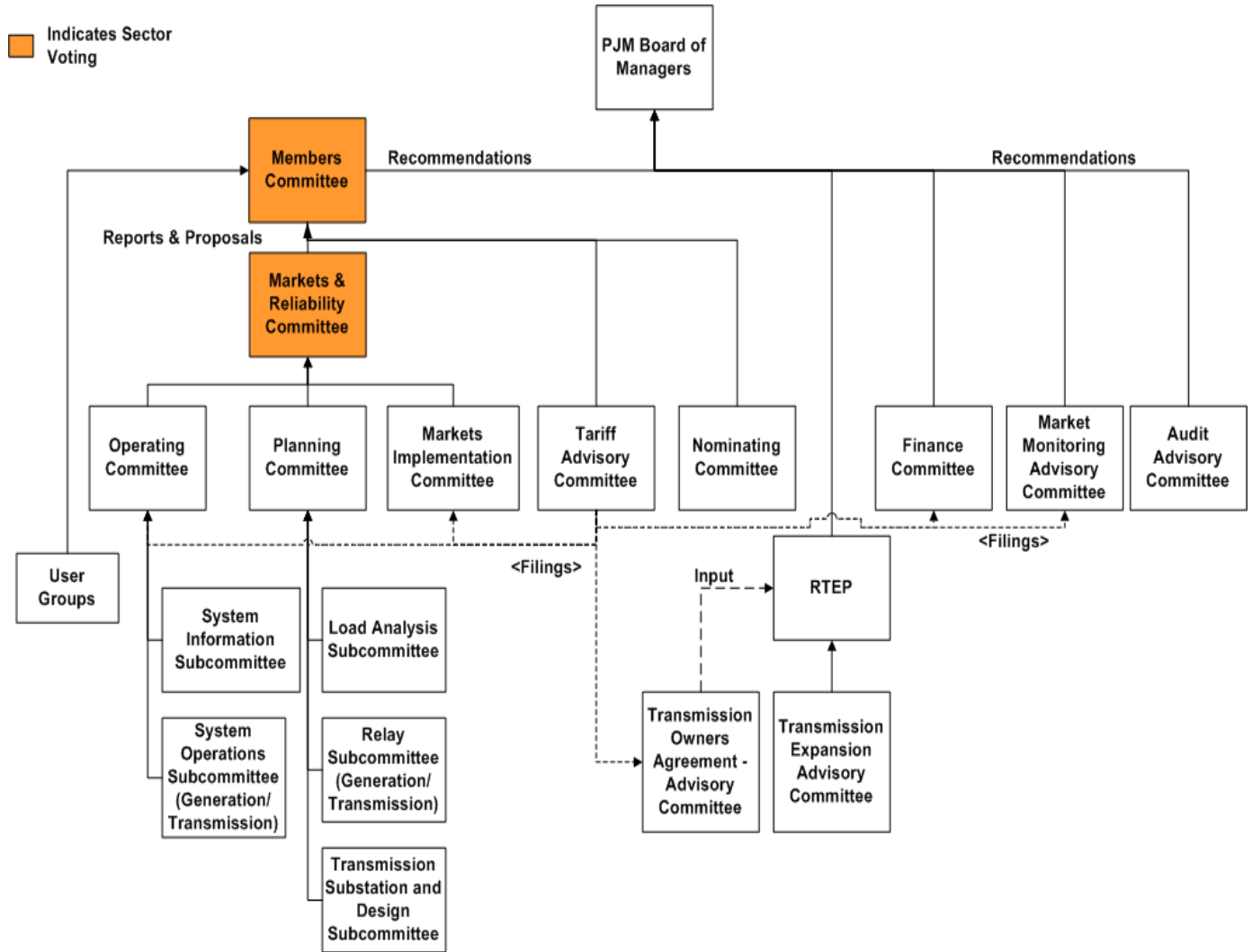
The Finance Committee and the Audit Advisory Committees may provide reports and present proposals directly to the Members Committee after Tariff Advisory Committee review, if applicable.

The Senior Committees and other Standing Committees will utilize the Tariff Advisory Committee to review proposed filings, language changes or other technical matters.

Section Contents

- Committee Structure Diagram
- Charters:
 - Members Committee
 - Markets and Reliability Committee
 - Market Implementation Committee
 - Operating Committee
 - Planning Committee
 - Finance Committee
 - Nominating Committee
 - Tariff Advisory Committee
 - Audit Advisory Committee

PJM Committee Structure Committee Structure Diagram



PJM Committee Structure

Members Committee Charter

Mission

The PJM Members Committee (MC) is established under the Operating Agreement of PJM Interconnection, L.L.C. (Operating Agreement). The MC shall provide advice and recommendations to PJM on all matters relating to (1) the safe and reliable operation of the PJM Control Area, (2) the creation and operation of a robust, competitive and non-discriminatory electric power market, and (3) ensuring no undue influence over PJM's operations by any Member or group of Members.

Responsibilities

1. Develop and approve the MC's Annual Plan including prioritization of planned activities, initiation of activities supporting the approved plan, and reviews of the ongoing efficacy of the stakeholder committee structure and bylaws.
2. Review all proposals by the Markets and Reliability Committee regarding the following issues and make all such necessary recommendations to the PJM Board for approval
 - a. operating principles, policies and guidelines
 - b. planning principles, policies and procedures as well as expansion plans
 - c. market practices, procedures, and rules
3. Elect two members from each sector, broadly representative of its interests, to sit on the Finance Committee.
4. Review proposals of established PJM user groups and make recommendations to the PJM Board.
5. Vote on all amendments or the termination of the Operating Agreement.
6. Make annual and timely recommendations concerning the generating capacity reserve requirement and related demand-side valuation factors to provide information to the PJM Board of Managers.
7. Elect the members of the PJM Board.
8. Elect the MC Vice Chair who will succeed as the Chair at the end of the current MC Chair's term.

PJM Committee Structure

Markets and Reliability Committee Charter

(Operating Agreement – Article 8.6)

Mission

The Markets and Reliability Committee (MRC) is established by and reports to the Members Committee of the PJM Interconnection, L.L.C. (PJM).

The MRC works with PJM, the Markets Implementation Committee, the Operating Committee and Planning Committee on matters related to the reliable and secure operation of the PJM system and planning strategies to assure the continued ability of the member companies to operate reliably and economically in a deregulated electric power business, consistent with PJM's Reliability Principles and Standards. The MRC also works with PJM in reviewing the operation of the PJM Energy and Ancillary Services markets (including but not limited to energy, capacity, congestion, regulation and spinning reserves) to assure the continued viability and fairness of the marketplace. The Committee is responsible for reviewing proposed changes to the rules and procedures of the Operating Agreement and PJM Manuals. The MRC shall provide advice and recommendations to the Members Committee.

Responsibilities

1. The MRC shall comply with all applicable Codes of Conduct or other functional requirements of FERC and shall:
2. Develop and approve the MRC's Annual Plan including prioritization of planned activities and initiation of activities supporting the approved plan.
3. Provide advice and recommendations concerning issues pertaining to the operation and administration of the PJM markets, including but not limited to amendments to PJM's Operating Agreement, the PJM Tariff, or market rules and procedures as necessary or appropriate to foster competition and assure the fair, reliable and efficient operation and administration of the PJM markets.
4. Provide advice and recommendations as are necessary or appropriate to assure a high level of economy of service in the operation of the PJM Interchange Energy Market and other markets, in accordance with established market operation principles, practices and procedures, recognizing individual participant requirements for services, contractual obligations and other pertinent factors.
5. Provide advice and recommendations concerning studies and analyses relating to the overall efficacy of the PJM Interchange Energy Market and in carrying out actions as may be initiated as a result thereof.
6. Provide advice and recommendations concerning revisions to the Operating Agreement, the Reliability Assurance Agreement, the Reliability Assurance Agreement-West, and the PJM Tariff that pertain to its areas of responsibility.

7. Make annual and timely recommendations concerning the generating capacity reserve requirement and related demand-side valuation factors for consideration by the Members Committee, in order to assist the Members Committee in making recommendations to the PJM Board of Managers.
8. Provide direction to the Market Implementation Committee, which committee shall report to the MRC. The Market Implementation Committee shall provide advice and recommendations to the MRC directed to the advancement and promotion of competitive wholesale electricity markets in the PJM Region, and perform such other functions as the MRC may direct from time to time.
9. Provide direction to the Operating Committee and Planning Committee, which committees shall report to the Markets and Reliability Committee. The Operating Committee shall advise the MRC and PJM on matters pertaining to the reliable and secure operation of the PJM Region and other matters as the MRC may request. The Planning Committee shall advise the MRC and PJM on matters pertaining to system reliability, security, economy of service, and planning strategies and policies and other matters as the MRC may request. The MRC shall review technical recommendations and changes initiated by the Operating Committee and Planning Committees and provide comments as needed.
10. Perform such other functions, directly or through delegation to a Standing Committee, subcommittee, working group or task force reporting to the MRC, as the Members Committee may direct.
11. Create subcommittees, working groups or task forces when needed to assist in carrying out the duties and responsibilities of the MRC.

PJM Committee Structure

Market Implementation Committee Charter

Mission

The Market Implementation Committee (MIC) is established by and reports to the Markets and Reliability Committee of the PJM Interconnection, L.L.C. (PJM).

The MIC initiates and develops proposals to advance and promote competitive wholesale electricity markets in the PJM region for consideration by the Markets and Reliability Committee.

Responsibilities

The MIC shall comply with all applicable Codes of Conduct or other functional requirements of FERC and shall:

1. Prepare proposals for Markets and Reliability Committee consideration on assigned topics that require revisions to PJM's Operating Agreement, Open Access Transmission Tariff, or Manuals.
2. Provide advice and recommendations to the Markets and Reliability Committee and PJM on Market(s) issues.
3. Perform such other functions, directly or through delegation to a subcommittee, working group or task force reporting to the MIC, as may be directed by the Markets and Reliability Committee.
4. Create subcommittees, working groups or task forces when needed to assist in carrying out the duties and responsibilities of the MIC.

PJM Committee Structure

Operating Committee Charter

(Operating Agreement – Article 8.6)

Mission

The PJM Operating Committee (OC) is established under the Operating Agreement of PJM Interconnection, L.L.C. (Operating Agreement) and reports to the PJM Markets and Reliability Committee.

The OC advises the Markets and Reliability Committee and PJM on the reliable and secure operation of the PJM system and on topics delegated to the OC.

The Operating Committee will support all efforts associated with real-time operations required under the Operating Agreement.

Responsibilities

1. Comply with all applicable codes of conduct, or other functional separation requirements of FERC.
2. Prepare proposals for Markets and Reliability Committee consideration on topics that require revisions to PJM's Operating Agreement, Open Access Transmission Tariff, or Manuals.
3. Recommend operating principles, practices, and procedures for the bulk power system consistent with the Operating Agreement.
4. Cooperate with PJM to achieve a high overall level of reliability, security, and economy of service in accordance with established operating principles, practices, and procedures, including adherence to emergency procedure requirements and recognizing individual system operating requirements for load and for reactive supply, contractual obligations, and other pertinent factors.
5. Recommend proper market incentives which foster and maintain reliability to the Markets and Reliability Committee.
6. Provide oversight of the operating practices and procedures of local control centers which operate to support the PJM mandate to maintain reliability of the bulk power system.
7. Review and recommend operating practices and procedures relating to the overall operating reliability of the bulk power supply facilities of the bulk power system for which PJM is the transmission provider including location, character, and amounts of spinning reserve and regulating capacity, adequacy of automatic control, sources and need for reactive capacity, voltage schedules, and other pertinent conditions, and make recommendations with respect to such matters.
8. Cooperate with PJM with regard to studies concerning overall reliability of the bulk power supply facilities for which PJM is the transmission provider and in carrying out such actions as may be initiated as a result of such studies and analyses.

9. Perform such other functions, directly or through delegation to a subcommittee, working group or task force reporting to the OC, as may be directed by the Markets and Reliability Committee or as specified in the Operating Agreement.
10. Create subcommittees, working groups or task forces when needed to assist it in carrying out the duties and responsibilities of the OC.
11. Support NERC operating activities as well as the activities of all NERC regions within which PJM operates.

PJM Committee Structure

Planning Committee Charter

(Operating Agreement – Article 8.6)

Mission

The PJM Planning Committee (PC) is established under the Operating Agreement of PJM Interconnection, L.L.C. (Operating Agreement) and reports to the PJM Markets and Reliability Committee.

The PC shall review and recommend system planning strategies and policies as well as planning and engineering designs for the PJM bulk power supply system to assure the continued ability of the member companies to operate reliably and economically in a competitive market environment. Additionally, the PC will recommend to the Markets and Reliability Committee the generating capacity reserve requirement and demand-side valuation factors. The PC will support all such efforts required under the Operating Agreement and the Transmission Owners Agreement (TOA) and topics delegated to the PC.

Responsibilities

1. Comply with all applicable codes of conduct, or other functional separation requirements of FERC.
2. In cooperation with PJM, review on a continuing basis the planning principles, procedures, and standards relating to matters affecting the overall design and reliability of the bulk power supply facilities for which PJM is the transmission provider and make recommendations to the Markets and Reliability Committee with respect to such matters.
3. In cooperation with PJM, develop an annual recommendation to the Markets and Reliability Committee on the forecast generation capacity reserve requirement, Active Load Management Factor, and other related factors needed to ensure that the generation adequacy of the PJM bulk power system is maintained.
4. Review, evaluate, and coordinate in conjunction with each Operating Agreement Member, the planning for generating capacity, reactive capability, voltage control, and transmission facilities of such Member, and other matters relevant to the reliability of such bulk power supply facilities of such Members, and maintain a continuing composite long-range plan to provide adequate and reliable service on the bulk power system for which PJM is the transmission provider.
5. Recommend proper market incentives which foster and maintain reliability to the Markets and Reliability Committee.
6. Perform such other functions, directly or through delegation to a subcommittee, working group or task force reporting to the PC, as may be directed by the Markets and Reliability Committee or as specified in the Operating Agreement and TOA.
7. Create subcommittees, working groups or task forces when needed to assist in carrying out the duties and responsibilities of the PC.

PJM Committee Structure
Finance Committee Charter
(Operating Agreement – Article 7.5.1)

Mission

The Finance Committee (FC) is established under the Operating Agreement of PJM Interconnection, L.L.C. (Operating Agreement) and advises the Board of Managers on matters pertaining to PJM's budgets.

The members of the FC shall serve in an advisory capacity and shall not be responsible for the financial decisions of PJM.

Responsibilities

1. Per sections 7.7 and 11.1 of the Operating Agreement, avoid (1) undue influence by any Member of group of Members on the operation of PJM and (2) Member management of the business of PJM.
2. Review annual PJM operating and capital budgets prepared and submitted by PJM.
3. Provide comments and recommendations to the Board on annual PJM operating and capital budgets.
4. Review and comment upon any additional or amended budgets prepared by PJM at the request of the Board or the Members Committee.

PJM Committee Structure

PJM Nominating Committee Charter

Mission

The purpose of the PJM Nominating Committee is to identify and nominate qualified candidates for election to the Board of Managers (the “Board”) by the Members Committee.

At each PJM Annual Meeting, the Nominating Committee shall make a report to the Members describing generally the process followed in making the nominations, the number of candidates considered and other matters of interest relating to nominations to the PJM Board of Managers as the Nominating Committee shall determine to be appropriate for the membership.

Responsibilities

1. The PJM Nominating Committee is comprised of eight persons, as follows:
 - (a) three members of the Board other than the President, none of whom has both a term set to expire within the coming election year and the intention to seek re-nomination ("Board Representatives"); and
 - (b) one representative elected annually from each one of the five sectors of the Members Committee ("Member Representatives").
2. Each member of the PJM Nominating Committee is entitled to vote except for one of the Board Representatives, who shall be designated by the Board as the Non-Voting Board Representative.
3. The Non-Voting Board Representative shall be the Chair of the PJM Nominating Committee.
4. The Committee shall meet as often as it deems necessary. Meetings may be called by either:
 - (a) the Committee Chair or
 - (b) any four voting Representatives.
5. Participation by any five voting Nominating Committee members, one of which shall be a voting Board Representative, will constitute a quorum. All actions shall be taken by vote of a majority of those Committee Members entitled to vote. Committee members are expected to participate in meetings in person. However, the Committee Chair may permit one or more members to participate by tele/videoconference.
6. The President of PJM may attend Committee meetings as an *ex officio* non-voting participant.
7. Attendance at Nominating Committee meetings is restricted to members of the Nominating Committee, the President of PJM, representatives of the independent consulting firm and such other persons as the Committee shall invite by unanimous decision.

8. The Chair of the Nominating Committee or a majority of the Nominating Committee may call executive sessions of the Committee. The executive session consists of a meeting only of the Nominating Committee members as defined in item 1.
9. All votes of the Nominating Committee shall be taken by blind ballot.
10. Committee members will abide with both the letter and the spirit of the Nominating Committee Code of Conduct.
11. To fulfill its responsibilities, the PJM Nominating Committee will:
 - (a) Develop and maintain appropriate criteria for selecting qualified Managers to the Board; periodically review with the Board the criteria and qualification requirements for Board membership; and ensure that such requirements comply with any applicable rules of FERC.
 - (b) Unless in the Nominating Committee's discretion it is not required with respect to a Board Member desiring to serve an additional term, retain the independent consulting firm to be used to identify Manager candidates and otherwise to provide such advice as the Committee shall deem necessary to the discharge of its responsibilities and duties.
 - (c) Annually review any financial affiliations and business relationships between the independent consulting firm and PJM Members to ensure the consulting firm's independence.
 - (d) Not later than 30 days prior to the Annual Meeting of the Members, distribute to the Members Committee information about the candidate the Committee nominates for each open position on the PJM Board, including the candidate's identity and a brief description of the candidate's background, experience and expertise (for example, in the form of a resume or curriculum vitae).
 - (e) Monitor compliance with this Charter and the PJM Nominating Committee Code of Conduct.
12. The Committee may undertake such other matters as necessary to the discharge of the responsibilities and duties set forth in this Charter or as otherwise determined by the Board.

PJM Committee Structure
Tariff Advisory Committee Charter
(Operating Agreement – Article 8.6)

Mission

The Tariff Advisory Committee (TAC) is established to identify and review proposed changes from the Standing Committees and the Finance Committee to PJM’s Open Access Transmission Tariff or PJM’s Operating Agreement (collectively FERC-approved Agreements). The TAC provides a forum for discussion and clarification of issues related to these FERC-approved Agreements. Additionally, the Senior Committees will utilize the TAC to review proposed filings, language changes or other legal matters.

Responsibilities

1. In response to requests from any PJM Standing Committee, the TAC shall assist PJM in the preparation of interpretations of the FERC-approved Agreements and shall review and provide recommendations on proposed amendments to the FERC-approved Agreements for disposition by the Members Committee.
2. The TAC shall serve as legal consultants to PJM’s Standing Committees on issues related to the FERC-approved Agreements and other associated documents and agreements and shall advise such Committees of any recommendations made by the TAC.

PJM Committee Structure
Audit Advisory Committee Charter
(Operating Agreement – Article 8.6)

Mission

The PJM Audit Advisory Committee (AAC) is established by the Members Committee of PJM Interconnection, L.L.C. (PJM) to advise the PJM Board Audit Committee on the scope of external audits of PJM and to communicate any specific or unique audit requests of PJM's Members in regard to market settlements.

Responsibilities

1. Review the planned scope for market settlements audits at PJM.
2. Recommend potential improvements or enhancements to audit scope to ensure member audit interests are adequately addressed.

PJM Committee Processes

Section Overview

Purpose

To facilitate informed committee participation by developing and updating, as necessary, processes and procedures for committee meetings and associated documentation.

Summary

The primary procedural guidelines for PJM's Committees are the attached Bylaws. The Bylaws are organized into five primary areas as noted in the Section Contents below.

These Bylaws also include Rules of Procedures for PJM Committees that address matters such as quorums, agendas, speakers, motions and voting.

Sample documentation for the tracking of issues, reporting to Parent committees, and scheduling of meetings are also contained in this section.

Section Contents

- Committee Bylaws:
 - Preamble
 - Annual Plan, Agenda and Minutes
 - Meetings
 - Committees
 - Elections
 - Definitions
 - Bylaw Amendment
 - Appendix I – Rules of Procedure for PJM Committees
 - Appendix II – Working Group Protocols

- Sample Issue Tracking Form
- Sample Committee Majority/Minority/Plurality Report
- Sample Working Group Issue Report

- Sample Working Group Meeting Report

- Sample One-Year Meeting Timeline

PJM Committee Processes

PJM Committee Bylaws

1. Preamble:

The Members Committee and its subordinate Committees serve as the forum for PJM’s stakeholders, its Members. These Bylaws are procedures for the efficient administration of the stakeholder Committee process; but procedures cannot be separated from, or interpreted apart from, the goals they serve, or the spirit of collegiality and the common sense with which they must be applied. It is the Members who have established in the Operating Agreement, for PJM and for themselves, these three goals:

“the safe and reliable operation of the Interconnection;

“the creation and operation of a robust, competitive, and non-discriminatory electric power market in the PJM region, and

“the principle that a Member or group of Members shall not have undue influence over the operation of the Interconnection.”

These Bylaws exist for the Members, and are intended to remain responsive to the Members’ needs.

2. Annual Plan, Agenda and Minutes:

- a. The Members Committee shall adopt an annual plan consisting of goals and milestones for the coming annual period (the coming calendar year, unless PJM adopts a different planning year), with input from the Markets and Reliability Committee, and PJM. The Vice Chair of the Members Committee will be responsible for this task.
- b. The Chair and Vice Chair of the Members Committee and the Chair of the Markets and Reliability Committee, assisted by the Secretary, shall meet periodically to coordinate the agendas and meeting schedules of all Committees in order to fulfill the regulatory and operating requirements of PJM and the annual plan of the Members Committee.
- c. Each agenda item brought to a Senior Committee shall concern one discrete topic and the discussion of that item shall exclude matters which are not germane to that topic; *provided*, the Chair may schedule unrelated matters for Consent Agenda approval. The Chair shall determine the Consent Agenda based on the expectation that the Members will consent to vote on those matters expeditiously, together and without discussion. No later than the beginning of each meeting, at the time the Order of the Day is adopted, if any Member objects to expedited consideration of a matter on the Consent Agenda, the Chair will remove that matter from the Consent Agenda and add it to the meeting agenda as a separate discussion item. When the Consent Agenda comes to the floor, there shall be no discussion of the merits; *provided*, a Member may request that its vote on a particular matter be noted in the minutes.
- d. The secretary of each Committee shall maintain and make available the minutes or

meeting notes and other public records of its Committee in a manner consistent with PJM's meeting tracking system. The secretary of each Committee shall Publish its Committee's meeting agenda (including any matter tabled at the Committee's previous meeting) prior to its meeting, along with any amendments to main motions received from the Members for discussion, and shall Publish its Committee's draft minutes prior to the next regular meeting.

3. Meetings:

- a. PJM shall cause all meeting announcements, agendas and minutes to be Published, and shall maintain an electronic distribution list for each Committee.
- b. In order to facilitate attendance, PJM will arrange for telephone conferencing capability (or equivalent) for Members desiring to attend a Committee meeting from a remote location. The instructions for Member use of such conferencing capability shall be Published, and shall accompany the agenda for the meeting if feasible.
- c. In general, Committee deliberations shall be open to all Members. When the matter under discussion concerns confidential or commercially-sensitive information, the Chair temporarily may exclude certain participants or limit the information disclosed, in accordance with all applicable standards of conduct, confidentiality and antitrust requirements.
- d. Conduct of meetings:
 - i. In any Senior Committee, the sector voting and proxy requirements of sections 8.4(b) and 8.2.5, respectively, of the Operating Agreement shall apply. The affirmative sector vote required to pass the pending main motion shall comply with section 8.4(c) of the Operating Agreement. Secondary motions shall be decided in accordance with the Rules of Procedure for PJM Committees which are a part of these bylaws.
 - ii. In any Committee other than a Senior Committee, each Member Company present shall have an individual vote, and the other Rules of Procedure for PJM Committees shall be applied as circumstances require in a relaxed manner.
 - iii. In the Members Committee, a quorum shall be required as stated in the Operating Agreement. In any Committee other than the Members Committee, there shall be no quorum requirement (but the Committee's Chair in his discretion may declare adjourned any meeting which fewer than ten Members attend).
 - iv. In accordance with section 15.1.3 of the Operating Agreement, a Member declared in default in writing by PJM shall not be entitled to participate or vote in Committee meetings and shall be excluded from the Committee's quorum requirements. The Secretary shall Publish an up-to-date list of those Members whose voting rights have been suspended due to default, which list, whether or not later found to be inaccurate, will determine a Member's right to vote in any Committee meeting.
 - v. The Chair of each Committee shall remind participants of antitrust guidelines on a

regular basis.

- e. The Chair of a Committee shall submit its recommendation, and any proposed motion for approval by the Members Committee, in writing to its Parent Committee in a timely manner after completing action upon it, in the form specified by the Chair of the Parent Committee. The recommendation shall include a brief description of the submitting Committee's action on the matter (including subordinate Committee involvement), the vote of the Committee on its recommendation, the Committee's views (majority and minority or plurality rationales if applicable), and draft tariff and Operating Agreement language in clean and redlined versions if appropriate.
- f. The Chair and Vice Chair of the Members Committee shall be elected as provided in the Operating Agreement. The Vice Chair will be elected from each sector on a rotating basis starting in 2006 with the End Use Customer sector and continuing with the Generation Owner, Transmission Owner, Electric Distributor, and Other Supplier. The President of PJM shall appoint the Chair of other Committees; and, after consultation with the Chair of the relevant Parent Committee, the President of PJM shall appoint the Chair of any other Committee from among available PJM employees or the Committee's participants.
- g. Each Member of PJM's Board of Managers shall endeavor to attend the Annual Meeting as well as one other Committee meeting annually.
- h. The Secretary shall Publish such forms as he, in consultation with the Chairs of the Senior Committees, deems necessary and convenient to implement this section. The Members Committee, by a majority vote, may direct that a change be made in any such form.
- i. The Secretary shall be responsible for conforming changes to PJM's Tariff and Operating Agreement to reflect these bylaws and any amendments thereto.
- j. The facilitator will be responsible for setting agreeable meeting dates to minimize conflicts with other PJM meetings. To the extent possible, major meetings of other RTOs and/or FERC will also be considered. Meeting dates will be set at a minimum of two meetings ahead. Annually, PJM should designate two consecutive full business days of every month as "blackout dates" (preferably Monday and Tuesday) and will attempt to provide these dates on a regular basis. Under no circumstances should PJM schedule meetings on these dates without prior unanimous consent of that committee. This will provide participants certainty that they can schedule travel or meetings with sufficient advance notice. Every effort shall be made not to change meeting dates once set. If a meeting date must be changed, the committee or working group chair shall provide the Members with justification for the change.

4. Committees:

- a. The Members Committee and any Standing Committee may create subordinate Committees from time to time in accordance with these bylaws.

- i. The Markets and Reliability Committee, and the Market Implementation Committee, the Planning Committee and the Operating Committee (all under the Markets and Reliability Committee), shall be permanent Standing Committees of the Members Committee.
- ii. A Standing Committee, by majority vote of its Members, may create Committees to accomplish a specific inquiry or task of limited duration, which shall be named a “working group” or a “task force.” The creating Standing Committee shall designate:
 - (1) The name of the working group or task force,
 - (2) The scope of its work, with criteria for determining that the work is completed, and
 - (3) The deliverables and time-line for its work.
- iii. Protocols for operations of Working Groups are provided in Appendix II.
- iv. Following its initial meeting, the newly established working group or task force shall present a charter to the creating Standing Committee for approval by simple majority vote.
- v. The Members Committee, upon recommendation of the Markets and Reliability Committee or its own initiative, may create other Standing Committees to perform an on-going function, which shall be named a “committee” if reporting directly to a Senior Committee, or a “subcommittee” if in the next tier or below. The Chair of the Parent Committee shall submit to the Secretary, in such manner as the Secretary shall provide, and shall update as appropriate, and the Secretary shall Publish:
 - (1) The name of the committee or subcommittee,
 - (2) The scope of its on-going work, and
 - (3) Any assigned deliverables and associated time-line for its work.
- b. A working group or task force shall terminate automatically when its task is completed. A Standing Committee which is not a permanent Standing Committee, and any working group or task force which has not yet completed its task, shall undergo periodic re-authorization review by its Parent Committee no less frequently than every two years. The Secretary shall notify the distribution list for the body under review of the meeting at which the Parent Committee’s review will take place, and the Chair of the body under review shall participate in the review. If re-authorization is denied, its Chair shall wind down its affairs in an orderly manner and shall recommend to its Parent Committee an appropriate reassignment or disposition of all pending matters.
- c. The Chair of a Senior Committee may appoint a select team of named individuals to develop, assess or revise any PJM or Committee process concerning his Committee, which team may meet in closed sessions; *provided*, the Chair shall inform his Committee of the purpose, progress and products of any such team.
- d. A Committee may not delegate its assigned work to a User Group, but, in its

deliberations, may consider the recommendations of a User Group.

5. Elections:

- a. In each election of Board Members and the Members Committee Vice Chair, votes shall be taken by written ballot and counted by sectors. After ballots have been collected, the Chair may proceed to the next order of business, announcing the result when known, and resume the election later in the meeting if additional votes are required.
- b. Whenever the Members Committee must fill multiple vacancies on the PJM Board, the order of election shall be:
 - i. the position for a regular term;
 - ii. the position for the longest vacancy to be filled;
 - iii. the position for the next longest vacancy to be filled.

6. Definitions:

- a. “Alternative Motion” means an amended or substitute motion offered as an option to the main motion.
- b. “Chair” means the person who chairs the meeting, regardless of gender. The pronouns “he” and “his” are used in these bylaws solely for convenience.
- c. “Committee” means the Members Committee or any PJM committee, subcommittee, working group or task force established by majority vote of the Parent Committee.
- d. “Complete and Timely Notice” means:
 - i. In the case of a Senior Committee: Notice of an agenda item is complete when the materials posted on PJM’s website contain a summary description of the proposed main motion and a description of the action requested of the Members, with links to the full text of any material to be voted on and all necessary supporting materials; and for each Alternative Motion submitted with respect to an action item, the full amended text of the paragraphs to be amended or substituted with all necessary supporting materials. Notice of an agenda item is timely when complete notice is Published at least seven calendar days before the meeting; *provided*, the Chair of the Committee may authorize a shorter notice period in accordance with section 8.3.1 of the Operating Agreement; *provided further*, notice of an Alternative Motion for consideration by a Senior Committee is timely if Published three calendar days before the meeting.
 - ii. In the case of any other Committee: Notice of an agenda item is complete when it contains a summary description of the action requested at the meeting. Notice of an agenda item is timely when complete notice is Published at least three calendar days before the meeting.
 - iii. Each such notice shall indicate the time when the notice is placed on PJM’s website. If PJM received all necessary materials sufficiently in advance of the appropriate deadline to have permitted Complete and Timely Notice in normal

circumstances, the Secretary may declare Published an agenda item whose publication was delayed beyond the deadline due to unusual circumstances.

- e. “Consent Agenda” means an agenda item in the Members Committee or the Markets and Reliability Committee pursuant to which the Members, in order to expedite the meeting, consent to allow a set of unrelated matters to be voted upon collectively and without debate.
- f. “Fails” means the affirmative vote on a motion is not sufficient to pass it.
- g. “Main Motion” means a motion to approve or decide a matter which has been placed on the agenda for approval, decision or other action.
- h. “Member” means a Member as defined in section 1.24 of the Operating Agreement, represented at the meeting in person (including by telephone) or by permissible proxy and counted individually.
- i. “Operating Agreement” means the PJM Operating Agreement dated June 2, 1997 as amended and restated from time to time, or any successor agreement accepted for filing by the Federal Energy Regulatory Commission.
- j. “Order of the Day” means the schedule of events for the day, which is the Published agenda for the meeting as supplemented or limited by the Members from time to time, including, by limitations on debate or the fixing of specific times for the consideration or resumption of any matter. A call for the Order of the Day is a call for adherence to the schedule.
- k. “Parent Committee” means, as to any Committee, the Committee to which it reports directly.
- l. “Passes” means the affirmative sectoral or non-sectoral vote exceeds the required amount (one-half or two-thirds, as applicable) pursuant to the applicable voting requirements of the Operating Agreement and these Bylaws.
- m. “PJM” means PJM Interconnection, L.L.C. as defined in the Operating Agreement.
- n. “Published” means the Secretary has placed notice of a Committee information or action item (e.g., meeting time and place, registration instructions, proposed agenda, agenda materials, alternative motions, draft minutes, final minutes) on the PJM web site, and, as soon as practicable thereafter, has sent the text of the notice, or an electronic reference to it, electronically to the Committee’s distribution list as maintained by the Secretary. With respect to a proposed action item at a forthcoming Committee meeting, Published means the materials placed on the PJM web site constitute Complete and Timely Notice.
- o. “Rules of Procedure” means Appendix I to these bylaws.
- p. “Secondary Motion” means a motion which can be made and acted upon while the main motion is on the floor and before a vote on the main motion has taken place. Examples of a Secondary Motion include a motion to refer the topic of the main motion to another committee, a motion to postpone voting on the main motion, and a

motion to recess.

- q. “Secretary” means the Secretary of the Members Committee, appointed by the President of PJM, who shall administer these Bylaws.
- r. “Senior Committee” means the Members Committee or the Markets and Reliability Committee.
- s. “Standing Committee” means a Committee which has been tasked to perform an on-going function. Each Senior Committee also is a Standing Committee.
- t. “Subcommittee” means a stakeholder body voted by a majority vote of its parent committee to address periodic issues or other duties as assigned within the scope of a defined charter.
- u. “Task Force” means a stakeholder body voted by a majority vote of its parent committee to address periodic issues or other duties as assigned within the scope of a defined charter.
- v. “User Group” means a User Group as defined in section 8.7(a) and (b) of the Operating Agreement.
- w. “Working Group” means a stakeholder body voted by a majority vote of its parent committee to address a specific scope in a timeframe defined within the group’s charter.

7. Sector Protocols

- a. PJM will facilitate face to face sector meetings and electronic communication among the sector members upon request by the sector.
- b. Sectors will be asked to elect individual sector representatives for certain Committees. Any sector member may represent the sector. These representatives must:
 - i. Be able to dedicate the required time to represent the sector.
 - ii. Represent and communicate the preferences of the sector while serving as a sector representative
 - iii. Recuse themselves in situations where action is required that poses a conflict of interest for the sector representative that cannot be resolved.
- c. If a sector’s seats on representative committees become vacant, the sector has an obligation to fill such vacant seats with representatives of that sector as soon as practicable. PJM shall facilitate this process by electronic ballot via the sector distribution lists if requested by the sector.
- d. If a sector elected representative’s position or company affiliation changes, the representative shall notify PJM which shall notify the sector and allow the sector to replace the representative if deemed appropriate by the sector members.
- e. At times, need may arise for additional Committees or Working Groups that would be populated by sector-elected representatives. The establishment of any Committee or Working Group that requires sector-elected representation must be approved by the Members Committee and would be subject to the preceding protocols.

- f. Annually, contemporaneous with the election of the MC Vice Chair, each sector shall select consistent with its protocols a Sector Lead to facilitate sector communications. Responsibilities of the Sector Lead shall include:
 - i. Insuring timely identifications of nominees to fill sector-elected representative roles.
 - ii. Through polling of sector members, gather sector input to the agenda for each Liaison Committee meeting with the Board of Managers, and to gather sector input to the discussion of items on the agenda.
 - iii. Other duties as defined by the sector.

8. Handbook, Bylaw Adoption, Amendment or Repeal:

These Bylaws and this Members Handbook shall be adopted by a two-thirds vote of the Members Committee pursuant to sections 8.3, 8.4 and 8.6 of the Operating Agreement, and may be amended by a two-thirds vote of the Members Committee upon a change which has been duly Published. These Bylaws, this Members Handbook or any amendment thereto shall become effective when adopted by the Members Committee, *provided*, the Secretary may Publish a delay (up to ninety days) in the effective date of any requirement of these Bylaws or this Members Handbook requiring implementation by the Secretary. Nothing in these Bylaws or this Members Handbook which is inconsistent with any provision of the Operating Agreement shall become effective prior to the FERC's acceptance of an appropriate filing to amend the Operating Agreement to remove such inconsistency.

Rules of Procedure for PJM Committees

1. *Quorum* – The Chair shall declare a quorum present, if such is the case and a quorum is required, or he may direct that the Members be polled to determine a quorum.
2. *Agendas* – The proposed agenda Published for the meeting shall determine the Order of the Day; *provided*, the first order of business (whether or not so shown on the agenda) shall be changes, if any, to the Published agenda. At this time, any Member may object to consideration of a matter on the proposed agenda for lack of Complete and Timely Notice; the Chair, assisted by the Secretary, shall rule on the objection. Also at this time any Member may ask that a matter Published for the Consent Agenda be set instead for discussion; the Chair shall determine where the matter shall be inserted into the agenda. An agenda item may be added to the Published agenda for consideration (in addition to such an item removed from the Published Consent Agenda) with a two-thirds vote of the Members.
3. *Speakers* – The Chair shall indicate the person who has the floor. When two or more Members seek recognition at once, the Chair shall decide who is entitled to the floor.
4. *Main Motions* – A main motion Published by a PJM Committee shall be deemed moved by the Committee’s representative as Published; no second is required. The representative shall be given an opportunity to make a supporting statement or presentation before general discussion ensues. At this time, the representative may propose to accept one or more friendly amendments, and technical corrections whether or not Published. The Chair will ask if there is an objection by any Member to such friendly amendments or technical corrections and if there is none, they shall be incorporated prior to general discussion. If an amendment or correction is objected to, it shall be considered an alternative motion, if seconded, and voted on in accordance with rule 7, unless withdrawn. For main motions moved and seconded from the floor, friendly amendments or technical corrections are accepted by the member and the second. Any member who objects to the revised motion may discuss this objection and offer an alternative motion if the friendly amendment or technical correction is accepted.
5. *Motion Amendments* – During discussion of the original main motion, any Member may move an amendment germane to it in the form of an alternative (amended or substitute) main motion. If such amendment was Published, the mover shall make the motion as Published but also may offer technical corrections and accept friendly amendments. The merits of each such amended version of the main motion shall be discussed (when seconded) along with the original main motion, in such order as the Chair shall prescribe; *provided*, the Chair may determine at any time before or during its discussion that an amendment is not germane to the original motion and therefore out of order. The Chair shall appoint, and yield the chair to, a temporary presiding officer before participating in the substantive discussion of any main motion.

6. *Motion Discussion* – During any one such discussion of a main motion and its alternatives pursuant to the previous paragraph, a Member may speak no more than twice, nor longer than five minutes at one time, except to address a new alternative. This limitation shall not apply to the representative of the Committee sponsoring the original main motion, and may be waived by a majority of the Members.
7. *Motion Voting Order* – The original main motion and each amended version, after each amended version has been moved and seconded, shall come up for a vote in the following order: (a) the original main motion, (b) amendments in the order in which Published, and (c) amendments not Published, in the order moved at the meeting, until one is adopted. The mover of the main motion or an amendment may move to withdraw it at any time. If the main motion and any alternative motions Fail and no amendment is adopted, the main motion can be voted on again provided it is moved and seconded by any Member. Reconsideration of an alternative motion which Failed when considered previously must be moved by a Member who voted for its defeat, and reconsideration of a motion previously Passed must be moved by a Member who voted for its passage.
8. *Voting on Motions* – The vote on a main motion shall be recorded by sectors at the call of the Chair or if any Member requests it (calls for a division), and shall Pass if it receives the two-thirds vote required in section 8.4(c) of the Operating Agreement. The vote on a secondary motion (e.g., to lay on the table, to refer to Committee) shall be taken by sectors if five or more Members request it, and shall Pass if it receives the majority or two-thirds vote required in these Bylaws, calculated in accordance with section 8.4(c) of the Operating Agreement. A roll call vote may be requested by any Member prior to the taking of the vote. A record of the roll call votes of individual Members shall be maintained by PJM, but a Member's vote shall be reflected in the minutes only if so requested by the voting Member. Members may request a copy of roll call votes recorded by PJM a specific issue. The Chair may vote to break a tie on any secondary motion decided by non-sectoral vote. The Chair shall avoid participating on behalf of a Member in any sectoral vote if there is any other representative of that Member present and qualified to vote.
9. *Governing Procedures* – In all matters of procedure not specifically covered by the Operating Agreement or these Bylaws, the most recent edition of *Robert's Rules of Order, Newly Revised* shall govern where applicable. Special rules for the conduct of business in the current meeting, not inconsistent with the Operating Agreement or these Bylaws, may be adopted at any time by vote of a majority of the Members.
10. *Chair's Prerogative* – The Chair is encouraged to expedite matters when able to do so without objection. The Chair may rule a Member out of order if the Member's behavior seems intended merely to delay the meeting or to harass a previous speaker. Members may object to such a ruling by an appeal from the decision of the Chair.
11. *Definitions* – Words not otherwise defined in these Rules of Procedure shall be given the meaning set forth in the Operating Agreement and in the PJM Committee Bylaws, of which these Rules of Procedure for PJM Committees are a part.

Working Group Protocols

Charter:

Provides clear direction to working group

The founding committee will develop the initial charge for the working group. The founding committee should provide clear and achievable deliverables and direct the working group to provide a consensus recommendation (if possible) on issues as applicable. Where consensus is not achieved, the Working Group will provide for minority recommendation to be published and forwarded to the founding committee. The initial charge would include the purpose of group, deliverables and deadline. The founding committee would specify if the working group was formed to address specific technical issues or to address policy and/or qualitative issues (fact finding versus problem solving). The founding committee is ultimately responsible for assuring the working group retains its focus. Within one week of making the charge, the founding committee Chair will provide the Working Group with a written charge. This charge will be memorialized in the minutes of the founding committee, and be posted on the PJM website at the time provided to the Working Group. This will be accomplished by the founding committee providing a clear charge, scope of work and deadline. The founding committee will also assure the working group's charter is clear and concise, will approve the charter and will receive regular reports from the working group to assure good progress and prevent scope creep.

The first order of business for the working group will be to review its charge and develop its charter. The charter shall memorialize the current PJM Committee Bylaws voting protocols as a tool to assure all participants are familiar with that protocol. The charter shall be prepared and brought back to the founding committee which shall approve the charter by a simple majority.

As working groups progress on the task at hand, it may become necessary to modify and/or add to the original charter (this may be especially true of policy or qualitative type working groups). Any such modification will be deemed appropriate by a simple majority of the working group and subsequently by a simple majority of the founding committee.

Process:

After establishing a charter, the working group will as appropriate, brainstorm a list of alternatives that may lead to the solution of the problem at hand. These alternatives should form the basis for future working group discussions of potential solutions by testing their validity for both solving the problem and gaining consensus during the subsequent working group meetings. These tested alternatives will be reported back to the sponsoring committee at the conclusion of the working group process. The report will include conclusions on technical feasibility and consensus potential for each alternative. The selection of preferably one proposal shall form the basis of the working group recommendation.

A working group feedback form will be available on the PJM website to help PJM assure consistent and effective operation of working groups.

Reporting:

Provides feedback to founding committee and PJM senior staff. Provides basis to develop information for the Board.

The working group facilitator is responsible for providing a summary report of each meeting. These shall be provided to the members prior to the next meeting and shall be approved at the beginning of that meeting. These summary reports will report on the issues discussed, positions taken, data requested (and delivered) and resolutions made. The level of detail will be sufficient to enable a non-working group participant to be fully aware of the considerations of the work group.

Each working group shall have a spot on the PJM website to post, at a minimum, agendas, meeting materials, notes and roster. The working group chair shall endeavor to post meeting materials as far in advance of the next scheduled meeting as possible. However, meeting materials supporting a voting item must be submitted no later than three full working days prior to the meeting. Such material submitted less than three full working days will not be acted on unless at least two thirds of the members present agree to review these materials in their entirety during the meeting.

The work group facilitator will report work group progress at each of the founding committee's regularly scheduled meetings. At a minimum this will include, alternatives evaluated, issues resolved, positions taken, action items, parking lot issues and next steps. Reports to the founding committee will follow a uniform template (see Sample Working Group Issue Report on page 37).

The progress of the work group will also be reported on a regular basis to PJM senior management during regularly scheduled meetings. The PJM staff facilitator will report to the same level of detail as that provided to the founding committee and will provide any input/reaction back to the working group.

As the working group deadline approaches and issues are resolved/delineated, the working group shall prepare an initial and final report for its founding committee. Both reports will detail issues resolved and provide minority/majority positions, if appropriate. Working group participation by sectors, as well as Member representation, will be included. The initial report will be reviewed with the founding committee. Any modifications deemed necessary will be made to the report prior to submitting the final version to the founding committee.

Facilitation

Provides leadership and direction to working group; assesses progress and prevents group hijacking or stalemate

The work group facilitator will be a PJM staff member skilled in the issue at hand, as well as trained in group facilitation skills. In situations where PJM's active interest in a particular outcome compromises the ability of a single PJM employee to perform as both a facilitator and advocate, PJM will provide a subject matter expert separate from the facilitator to represent PJM's interest.

The facilitator's role will be to

1. keep the group on task,
2. push the group toward resolution,
3. facilitate debate,
4. identify, describe and summarize issues,
5. ensure that issues are thoroughly discussed and developed,
6. determine if positions taken are supported by others or are unilateral,
7. ensure that minority positions receive adequate consideration,
8. seek to resolve differences
9. communicate any PJM positions, and
10. review and summarize the major points accomplished during the meeting as well as list parking lot issues, action items and next steps via webex.

At the initial meeting of the working group the facilitator will conduct a brainstorming session to identify tasks that need to be addressed to resolve the charter.

The facilitator will also ensure that the group fully explore what, if any, changes could be made to a proposal to bring others in support. The facilitator will be responsible for keeping summary reports and reporting to the founding committee and PJM senior staff. The facilitator will also be responsible to memorialize and seek approval from the founding committee for any modifications or enhancements of the working group charter. The facilitator will fully and clearly explain at each meeting, regarding each issue scheduled for discussion, PJM's position and whether PJM supports, opposes or defers to the stakeholders.

General Meeting Format

To provide consistency and assure effective communication

The following activities shall occur at working group meetings:

- Review summary report of previous meetings
- Receive any feedback from founding committee or PJM senior staff
- Address scheduled issues/tasks at hand
- Continued testing of alternatives
- Assess meeting's progress and identify next steps
- Schedule the next two meetings

**PJM Committee Processes
Sample Issue Tracking Form**

Responsible Committee	Issue Name	Issue Number
Objective –		
Milestone	Target Completion	Status
1. Propose issue to Members Committee.		
2. Members Committee assigns issue to responsible committee.		
3. Responsible committee assigns issue to standing committee, sub-committee, working group or task force.		
4. Subcommittee develops work plan to address issue.		
5. Subcommittee holds stakeholder meetings and develops proposal for responsible committee.		
6. Responsible committee votes on subcommittee proposal and recommends Operating Agreement and Tariff changes to Members Committee along with majority / minority / plurality report.		
7. Members Committee votes on responsible committee’s proposal and recommends Operating Agreement and Tariff changes to Board of Managers along with majority / minority / plurality report.		
8. File Operating Agreement and Tariff changes with FERC for approval.		

PJM Committee Processes
Sample Majority/Minority/Plurality Report

Proposing Committee	Issue Name	Issue Number	
Motion – Approve the attached redlined revisions to the PJM Operating Agreement and endorse the attached redlined revisions to the PJM Open Access Transmission Tariff to incorporate the market rules for New Market XYZ.			
Mover –		Secunder –	
Target FERC Filing Date – February 28, 200X		Target Effective Date – May 1, 200X	
Voting Summary from Proposing Committee			
Nominal Vote	For	Against	Abstain
Total Participants			
Sectoral	For	Against	Abstain
Electric Distribution Companies	0.94	0.06	0
End Use Customers	1.00	0.00	1
Generation Owners	0.70	0.30	2
Other Suppliers	0.81	0.19	0
Transmission Owners	0.67	0.33	0
Totals	4.12	0.88	3 Companies
Majority Position or Plurality Position –			
Minority Position or Plurality Position –			
Plurality Position –			

Sample Working Group Issue Report

Group Name	Problem Statement	Start/End Date
Summary		
Selected Alternative		
Minority Position(s)		
Other Alternatives Considered		
Recommendations		
Open Issues – Next Steps		

Sample Working Group Meeting Report

Meeting Participants:

Name	Company
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Topic 1

Brief Summary

Actions Taken:

Topic 2

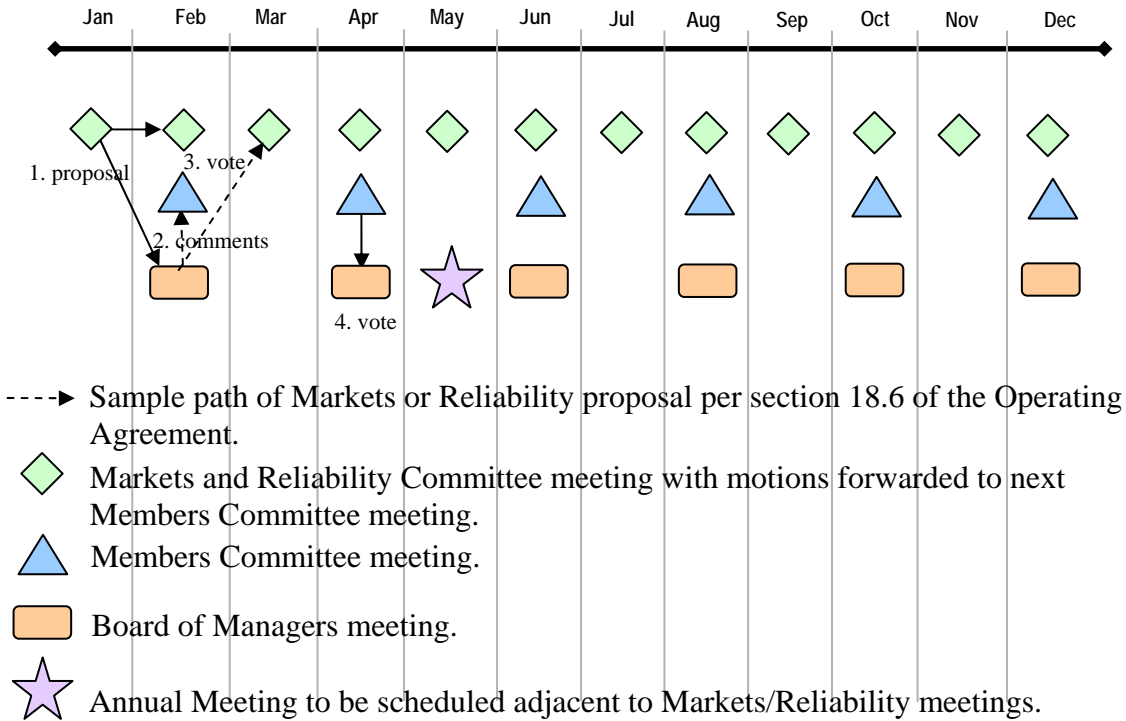
Brief Summary

Actions Taken:

Future Agenda Items:

Future Meetings:

Sample One-Year Meeting Timeline



PJM Committee Annual Plans

Section Overview

Purpose

To facilitate informed committee participation by developing and updating, as necessary, an Annual Plan of committee activity.

Summary

The Members Committee Chair and Vice Chair will work with the Chair of the Markets and Reliability Committee to establish an Annual Plan for the Members Committee prior to the beginning of each calendar year. This plan will focus on coordination of market and reliability initiatives that are expected to result in proposals presented to the Members Committee for endorsement or approval. The Markets and Reliability Committee will also develop an Annual Plan. The same group will communicate frequently to incorporate appropriate changes to the Annual Plans after initially developed. The Senior Committee Chairs will ensure that the participants of each committee have ample opportunity for input into each year's Annual Plan.

The Members Committee Vice Chair will be an ex officio member of the Finance Committee to facilitate the flow of information between the Annual Plan developers and the group tasked with recommending PJM's Annual Budget for which resource allocations are key underlying assumptions.

This Annual Plan process will be implemented and executed in the context of the provisions of sections 7.7 and 11.1 of PJM's Operating Agreement that preclude both (1) undue influence by any Member or group of Members on the operation of PJM and (2) Member management of the business of PJM.

Key elements of each committee's Annual Plan are:

1. Target meeting dates,
2. Anticipated reports to be received at each meeting, and
3. Dates and topics of proposals for which votes will be requested.

Section Contents

- Development Steps and Timeline
- Prioritization Considerations
- Sample Members Committee Annual Plan
- Sample Markets and Reliability Committee Annual Plan

PJM Committee Annual Plans Development Steps and Timeline

Timing	PJM Annual Plan Activities	Committee Annual Plan Activities
July	PJM Staff prepares initial draft of PJM Annual Plan for Subsequent year.	
August	PJM staff verifies whether appropriate resources have been allocated in the draft budget for the subsequent year to address topics in draft Markets and Reliability Committee Annual Plans.	Members Committee approves subsequent year's Annual Plan. Chair of the Markets and Reliability Committee provides draft Committee Annual Plans to Members Committee. Finance Committee prepares recommendations for subsequent year's Annual Plan.
September		Markets and Reliability Committee approves Committee Annual Plans for subsequent year.
October	PJM Annual Plan and Budget for subsequent year approved by Board of Managers.	Members Committee approves subsequent year's Annual Plan.

Annual Plan Status Reports:

The Members Committee Vice Chair will provide quarterly and Annual Meeting updates on the Members Committee Annual Plan to the Finance Committee and Members Committee. These updates will confirm which activities have been completed as originally scheduled as well as those activities that have been rescheduled, added or deleted from the original Annual Plan.

Amendments to Annual Plan:

The Annual Plan may be amended after initial approval. The Markets and Reliability Committee Chair and the Vice Chair and Chair of the Members Committee, supported by the Members Committee Secretary, will communicate frequently to incorporate appropriate changes to the Annual Plans after initially developed. The Annual Plans will be amended by this group to add new initiatives that are expected to result in proposals presented to the Members Committee for endorsement or approval.

PJM Committee Annual Plans Prioritization Considerations

The Senior Committee Annual Plans will focus on initiatives that require stakeholder development and input and would likely result in a proposal to be voted on by the Members Committee. The following list of questions represents examples of factors that may be considered in prioritizing initiatives for each committee's Annual Plan. This list is not intended to be all-inclusive, nor may each question be applicable to evaluating every potential topic to be considered for a committee's Annual Plan.

Is the Initiative a FERC requirement?

Is the Initiative a NERC requirement or a NAESB commitment?

Is the Initiative a request from or commitment made to the Organization of PJM States?

Is the Initiative required to implement PJM's legal or contractual commitments directly affecting the Members (e.g. Implementation Agreements, Joint and Common Market development, etc.)?

Has the Board of Managers referred this Initiative to the Members?

Has the Members Committee classified the Initiative a high priority strategic industry matter (e.g. FERC Notices of Proposed Rulemakings or new policies, governance, etc.)?

Has the Markets and Reliability Committee classified the Initiative a high priority to enable PJM to maintain the safety, adequacy, reliability, and security of the power system?

Has the Markets and Reliability Committee classified the Initiative a high priority to enable PJM to create and operate robust, competitive, and non-discriminatory electric power markets?

What Initiatives remain to be completed from the prior calendar?

PJM Committee Annual Plans Sample Members Committee Annual Plan

Meeting	General	Markets and Reliability Committee	Finance Committee	Audit Advisory Committee
February		Vote on Issue #17 Proposal.		
April		Report on New Markets to be utilized during summer months.		
Annual Meeting	<ul style="list-style-type: none"> – Elect Board Members. – Elect Members Committee representatives to Finance Committee. 			
June		Vote on Issues #5 and #19 Proposals.		
August	Confirm subsequent year's Members Committee Annual Plan.		Report on Finance Committee recommendations on budget for subsequent year.	
October	Receive reports on subsequent year's Annual Plans for Markets and Reliability Committee.	Vote on Issue #14 Proposal.		Report on scope of SAS 70 Type 2 audit.
December	Elect Members Committee Vice Chair.	Vote on Issue #20 Proposal.		

Please see Sample Issue Tracking Form in Process Section for example of documentation to be retained and available for stakeholder review prior to voting on issue proposals.