

Item 3 - AMP Friendly Amendment

- In evaluating any cost, ROE and/or capital structure proposal, PJM is not making a determination that the cost, ROE or capital structure results in just and reasonable rates, which shall be addressed in the required rate filing with the FERC. The Designated Entity Agreement, whether conforming or non-conforming, shall be filed at FERC by PJM. Stakeholders seeking to dispute a particular ROE analysis utilized in the selection process may shall address such disputes with the Designated Entity in the applicable rate proceeding where the Designated Entity seeks approval of such rates from the Commission. Neither PJM, the Designated Entity nor any stakeholders are waiving any of their respective FPA section 205 or 206 rights through this process. Challenges to the Designated Entity Agreements are subject to the just and reasonable standard.