

**BY-LAWS
OF
PJM INTERCONNECTION, L.L.C.**

**ARTICLE I
OFFICES**

Section 1.1 The registered office of PJM Interconnection, L.L.C. (the “Company”) in the State of Delaware shall be as stated in the Company's Certificate of Formation or at such other location in the State of Delaware to which the registered office shall be changed by action of the Board of Managers (the “PJM Board”).

Section 1.2 The Company may also have offices at such other places both within and without the State of Delaware as the PJM Board may from time to time determine or the business of the Company may require.

**ARTICLE II
PJM BOARD**

Section 2.1 The PJM Board shall be the governing body of the Company, selected by the Nominating Committee and elected by the Members Committee as described in, qualified under, and constituted in accordance with the Operating Agreement, the provisions of which are incorporated by reference herein. The PJM Board shall manage the business and affairs of the Company and may exercise all such powers and do all such acts and things as may be directed or required by law.

Section 2.2 The number of members who shall constitute the PJM Board and the terms of office thereof shall be as provided in the Operating Agreement. Each such member of the PJM Board shall hold office until (i) the expiration of the term for which he or she was elected and until his or her successor is elected and takes office or (ii) his or her earlier death, resignation or removal.

Section 2.3 Except as otherwise provided in the Operating Agreement, any vacancy of a membership on the PJM Board occurring between Annual Meetings of the Company’s Members may be filled by a majority of the members of the PJM Board then in office and eligible to vote, though less than a quorum, or by a sole remaining member of the PJM Board, and the person so chosen shall hold office until the next Annual Meeting at which time a successor shall be elected to serve for the balance of the term of the vacant membership on the PJM Board.

Section 2.4 If the PJM Board determines following an investigation of the relevant facts that a member thereof has failed to maintain the qualifications for

election to his or her office specified in the Operating Agreement, of which failure the PJM Board shall be the sole judge, the member in question shall upon such determination and approval by the Members Committee cease to be a member of the PJM Board, his or her office shall become vacant and the vacancy shall be filled at the next scheduled meeting of the PJM Board as provided in the Operating Agreement or, if no such provision is made, in these By-Laws.

ARTICLE III MEETINGS OF THE PJM BOARD

Section 3.1 All meetings of the PJM Board shall be held at such place either within or without the State of Delaware as shall be designated from time to time by the PJM Board and stated in the notice of the meeting.

Section 3.2 An annual meeting of the PJM Board shall be held each year to review operations during the immediately preceding year, elect the Chairperson and Vice Chairperson of the PJM Board as required by Section 3.4 of these By-Laws, elect the officers of the Company as required or permitted by Article VII of these By-Laws, and transact such other business as may properly be brought before the meeting. Each annual meeting of the PJM Board shall be held at such time and place as shall from time to time be fixed by resolution or other action of the PJM Board.

Section 3.3 Regular meetings of the PJM Board shall be held not less frequently than each quarter at such time and place as shall from time to time be fixed by resolution or other action of the PJM Board. Such meetings shall be conducted in accordance with procedures established by the PJM Board.

Section 3.4 At each annual meeting of the PJM Board, it shall elect from among its members a Chairperson and a Vice Chairperson, who shall serve until the next annual meeting of the PJM Board and until his or her successor has been elected and takes office. In the event of any absence, inability to act or vacancy in the office of the Chairperson of the PJM Board, the Vice Chairperson shall assume all the functions and discharge all the duties of the Chairperson until such time as a majority of the members of the PJM Board designate elect from among its members a new Chairperson.

Section 3.5 All regular meetings of the PJM Board may be called by the Chairperson, the Vice Chairperson, the President or by two (2) or more members on not less than five (5) days notice at such time and place as shall be stated in the notice of the meeting, which notice shall conform to any standing resolution or other action of the PJM Board establishing the time and place of such meeting.

Section 3.6 Special meetings of the PJM Board may be held from time to time at the call of the Chairperson, the Vice Chairperson, the President or by two (2) or more members of the PJM Board on not less than seventy-two (72) hours notice at such time and place as shall be stated in the notice of the meeting. The notice of a special meeting shall state the purpose thereof and no action shall be taken at such meeting on any matters not so stated in the notice.

Section 3.7 The presence in person of a majority of the members of the PJM Board (including the President as an *ex officio* member) shall constitute a quorum at all meetings thereof for the transaction of business except as otherwise provided by statute or the Operating Agreement referred to in the Certificate of Formation as such Operating Agreement may be amended from time to time (the "Operating Agreement"). If a quorum shall not be present, the members of the PJM Board then present shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 3.8 When a quorum is present at any meeting, the vote of a majority of the members of the PJM Board who are eligible to vote and who are present in person shall decide any question brought before such meeting, unless the question is one upon which a different vote is required by any provision of law, the Operating Agreement or these By-Laws, in which case such express provision shall govern and control the resolution of such question. The President shall not be eligible to vote.

Section 3.9 Unless otherwise provided in the Operating Agreement or in Section 8.1 of these By-Laws, any action required or permitted to be taken at any meeting of the PJM Board or of any committee thereof may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by all members of the PJM Board or of such committee and such consent is filed with the minutes of the proceedings of the PJM Board or such committee.

Section 3.10 Unless otherwise restricted by the Operating Agreement or these By-Laws, members of the PJM Board, or any committee of the PJM Board, may participate telephonically in a meeting of the PJM Board, or of any committee, if all persons participating in the meeting are able to hear and to be heard by each other, and such participation in a meeting shall constitute presence in person at the meeting.

Section 3.11 The Secretary shall keep regular minutes of all meetings of the PJM Board. To the extent the PJM Board meets in executive session, or if at any other time the Secretary is not present in any meeting, minutes shall be taken by the Chairperson or their designee, who shall provide such minutes to the Secretary for inclusion in the PJM Board records.

ARTICLE IV COMMITTEES

Section 4.1 The Company shall have, as standing committees, an Audit Committee, a Reliability Committee, a Competitive Markets Committee, a Governance Committee, a Human Resources Committee and a Regulatory Committee. Each of the standing committees shall consist of not less than three (3) members, none of whom shall have any business relationship or other affiliation with any Member of the Company or its Affiliates or Related Parties, as those terms are defined in the Operating Agreement. Members of all standing committees shall serve at the pleasure of the PJM Board, which may discharge a committee or any member thereof at any time. The duties and responsibilities of each of the foregoing committees shall be set forth in written charters, as approved from time to time by the PJM Board. Members of the PJM Board may also serve on such other committees as may from time to time be prescribed by the Operating Agreement.

Section 4.2 The PJM Board may, by resolution or other action adopted by a majority of all the members thereof eligible to vote, designate one or more special committees, each special committee to consist of one or more of the members of the PJM Board and to have such duties and responsibilities and exercise such authority as may be prescribed by resolution of the PJM Board.

Section 4.3 Except as otherwise provided by resolution or other action of the PJM Board, each standing or special committee may determine the manner in which its proceedings shall be conducted. Each standing or special committee shall appoint a committee secretary, who shall keep regular minutes of its meetings and periodically report to the PJM Board. To the extent the committee secretary is not present for any portion of any standing or special committee meeting, the committee chairperson or their designee shall take the meeting minutes, and shall provide them to the committee secretary for inclusion in the committee records.

ARTICLE V COMPENSATION OF MEMBERS OF THE PJM BOARD

Section 5.1 Unless otherwise restricted by the Operating Agreement or these By-Laws, the PJM Board shall have the authority to fix the compensation and benefits of its members, each of whom other than the President shall be paid a fixed fee together with reimbursement of expenses, if any, in connection with his or her attendance at each meeting of the PJM Board. Members of standing or special committees shall receive similar compensation and reimbursement for attending committee meetings.

ARTICLE VI NOTICES

Section 6.1 Whenever, pursuant to applicable law, the Operating Agreement or these By-Laws, notice is required to be given to any member of the PJM Board, it shall not be construed to mean personal notice, but such notice may be given by telephone or in a writing addressed to such member, at his or her telephone or facsimile number(s) or address(es) as they appear on the records of the Company, and such notice shall be deemed to be given (i) if by telephone, when telephoned, provided that in order to be effective, telephone notices must be confirmed in writing no later than the next day; (ii) if by facsimile, when received; (iii) if by hand delivery, when delivered; and (iv) if by a reputable overnight delivery service, charges prepaid, one (1) day after given to such delivery service.

Section 6.2 Whenever any notice is required to be given as set forth in Section 6.1 hereof, a waiver of such notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objection at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened.

Section 6.3 Upon the request of the Chairperson, the Vice Chairperson, the President or two (2) or more members of the PJM Board, the Secretary shall give or cause to be given notice of a regular or special meeting of the PJM Board in accordance with these By-Laws.

ARTICLE VII OFFICERS

Section 7.1 The officers of the Company shall be a President, a Secretary and a Treasurer or persons who shall act as such, regardless of the name or title by which they may be designated, elected or appointed, and shall have the duties and responsibilities set forth in the Operating Agreement, the provisions of which are incorporated by reference herein.

Section 7.2 The PJM Board may appoint such other officers, assistant officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the PJM Board. Any number of offices may be held by the

same person, except that the offices of President and Treasurer may not be held by the same person.

Section 7.3 The officers and assistant officers shall be elected by the PJM Board and shall hold office until the next annual meeting of the PJM Board and until their successors are elected and take office or until their earlier death, resignation or removal.

Section 7.4 Any officer elected or appointed by the PJM Board may be removed at any time by the affirmative vote of a majority of the PJM Board eligible to vote, subject, however, to applicable contract rights, if any. Any vacancy occurring in any office of the Company shall be filled by the PJM Board.

Section 7.5 In the absence of the President or in the event of his or her inability or refusal to act, and if one or more Vice Presidents or other officers have been elected by the PJM Board, the Vice President or Vice Presidents or other officers, in the order designated by the PJM Board, shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President.

Section 7.6 The compensation of all officers of the Company shall be approved by the PJM Board.

Section 7.7 No officer shall have any business relationship or other affiliation with any Member of the Company or its Affiliates or Related Parties, as those terms are defined in the Operating Agreement.

Section 7.8 All checks or demands for money and notes of the Company shall be signed by an officer of the Company or by such other person as may be designated by the PJM Board.

**ARTICLE VIII
FUNDAMENTAL ACTIONS**

Section 8.1 Notwithstanding anything to the contrary contained in these By-Laws, no action by the PJM Board, of a kind described below, shall become effective unless (i) not less than five (5) days notice of the proposed action shall have been given to each member of the PJM Board prior to the meeting thereof at which such proposed action is to be voted on; (ii) such action shall have been approved by resolution passed by at least seventy per cent (70%) of the members of the PJM Board then in office and eligible to vote; and (iii) such action is not otherwise prohibited by the Operating Agreement: (a) removal of any member of the PJM Board; (b) adoption of any plan of merger or consolidation; (c) adoption of any plan of sale, lease or exchange of assets relating to all, or substantially all, of the property and assets of the Company; (d) adoption of any plan of division relating to the division of the Company into two or more corporations or other legal entities; (e) adoption of any plan relating to the conversion of the Company into a stock corporation; (f) adoption of any proposal of voluntary dissolution; or (g) any action which has the purpose or effect of the adoption of any plan or proposal described in items (b), (c), (d), (e) or (f) above.

**ARTICLE IX
AMENDMENTS**

Section 9.1 Subject to the provisions of the Operating Agreement, these By-Laws may be altered, amended or repealed or new By-Laws may be adopted at any regular meeting of the PJM Board, or at any special meeting thereof if notice of such alteration, amendment, repeal or adoption is contained in the notice of such special meeting, by a vote of at least seventy per cent (70%) of the members of the PJM Board then in office and eligible to vote.