

Operating Agreement:

“User Group” shall mean a group formed pursuant to Operating Agreement, section 8.7.

8.7 User Groups.

(a) Any five or more Members sharing a common interest may form a User Group, and may invite such other Members to join the User Group as the User Group shall deem appropriate. Notification of the formation of a User Group shall be provided to all Members of the Members Committee.

(b) The Members Committee shall create a User Group composed of representatives of bona fide public interest and environmental organizations that are interested in the activities of the LLC and are willing and able to participate in such a User Group. The members of such public interest and environmental organizations User Group (“PIEOUG”) need not be PJM Members.

(c) Meetings of User Groups shall be open to all Members and the Office of the Interconnection. Notices and agendas of meetings of a User Group shall be provided to all Members that ask to receive them. In the case of the PIEOUG, PIEOUG members may attend meetings and receive meeting notices and agendas regardless of whether they are PJM Members.

(d) Any recommendation or proposal for action adopted by affirmative vote of three-fourths or more of the Members of a User Group shall be submitted to the Chair of the Members Committee. The Chairman shall refer the matter for consideration by the applicable Standing Committee as appropriate for consideration at that Committee’s next regular meeting, occurring not earlier than 30 days after the referral, for a recommendation to the Members Committee for consideration at its next regular meeting.

For the PIEOUG only, voting requirements shall be as set forth in the PIEOUG charter.

(e) If the Members Committee does not adopt a recommendation or proposal submitted by a User Group, upon vote of nine-tenths or more of the members of the User Group the recommendation or proposal may be submitted to the PJM Board for its consideration in accordance with Operating Agreement, section 7.7(v).

For the PIEOUG only, voting requirements shall be as set forth in the PIEOUG charter.

7.7 Duties and Responsibilities of the PJM Board.

In accordance with this Agreement, the PJM Board shall supervise and oversee all matters pertaining to the PJM Region and the LLC, and carry out such other duties as are herein specified, including but not limited to the following duties and responsibilities: ...

v) On its own initiative or at the request of a User Group as specified herein, submit to the Members Committee such proposed amendments to this Agreement or any Schedule hereto, or a proposed new Schedule, as it may deem appropriate;

The 1997 Operating Agreement June 2, 20997 Filing Letter (Docket No. EC97-38-000) states as follows:

- Creation of Users Groups, a means by which environmental and public interest groups, as well as self-selected groups of members of the LLC sharing a common interest, can bring matters before the Members Committee, and if necessary to the attention of the **PJM** Board.

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8.6.5 User Groups

A User Group is a stakeholder group formed by any five or more Voting Members (this does not include Affiliate, Associate or Special Members) sharing a common interest. Operating Agreement 8.7 delineates the requirements related to User Groups. Membership is limited to the forming Members, provided that they may invite such other Members to join the User Group as the User Group shall deem appropriate. Notification of the formation of a User Group shall be provided to all Members of the Members Committee. All stakeholders may attend and participate in meetings of User Groups. Notices and agendas of meetings of a User Group shall be provided to all Members that ask to receive them. Meeting notes should be posted on PJM.com for all meetings of a User Group. For all votes taken by a User Group regarding making a recommendation directly to the PJM Board of Managers, a record shall be posted on PJM.com including the names of all User Group Members and their individual votes (for, against or abstain).

As required by the operating Agreement section 8.7 (b), the Members Committee has created a User Group, called the Public Interest, Environmental Organization User Group, composed of representatives of bona fide public interest and environmental organizations that are interested in the activities of PJM and are willing and able to participate in the User Group.

Any recommendation or proposal for action adopted by affirmative vote of three-fourths or more of the Members of a User Group shall be submitted to the Chair of the Members Committee. The Members Committee Chair shall refer the matter to the applicable Standing Committee as appropriate for consideration at that Standing Committee's next regular meeting, occurring to the Members Committee a recommendation for consideration at the Members Committee's next regular meeting. If the Members Committee does not adopt a recommendation or proposal submitted by a User Group, upon vote of nine-tenths or more of the Members of the User Group the recommendation or proposal may be submitted to the PJM Board for its consideration in accordance with Section 7.7(v) of the Operating Agreement.