



The PJM Board of Managers is responsible for maintaining PJM's independence and ensuring that PJM fulfills its business, legal and regulatory requirements. It also ensures that PJM operates the grid safely and reliably and administers fair energy markets. Board members may have no personal affiliation or ongoing professional relationship with, nor any financial stake in, any PJM member.

## Operating Agreement Specifies Member Criteria

The Board consists of nine voting members, each serving a three-year term. Additionally, the PJM CEO – who is selected by the Board – sits as a non-voting member. The PJM Operating Agreement dictates that:

- Four members must have expertise and experience in corporate leadership at the senior management or Board level, or in the professional disciplines of finance or accounting, engineering, or utility law and regulation.
- One member must have expertise and experience in the operation or concerns of transmission-dependent utilities.
- One member must have expertise and experience in the operation or planning of transmission systems.
- One member must have expertise and experience in the area of commercial markets and trading and risk management.

### At a Glance

- The PJM Board of Managers consists of nine voting members and the PJM CEO.
- Members may have no relationship with, nor financial stake in, a PJM market participant.
- The Board ensures that PJM fulfills its business, legal and regulatory obligations, as well as runs a safe and reliable grid and operates fair energy markets.
- A Nominating Committee identifies candidates presented to members annually.

## Additional Limits Set by the Board of Managers

As a result of the Board's normal self-assessment process, it decided to limit the terms for Board members and incorporate age limits beginning with the 2016 Board election. Service is limited to five terms, and only candidates younger than age 75 are eligible. The Board also chooses its chair, as well as assignments to the Competitive Markets, Finance, Board Reliability, Governance, Regulatory, Risk and Audit, and Human Resources committees.

## The Process Begins With the Nominating Committee

Three Board members are elected each year. The Nominating Committee identifies qualified Board candidates and proposes them to the PJM Members Committee for election at the PJM Annual Meeting. Nominees are approved with a simple majority in a sector-weighted vote.

The Nominating Committee is made up of eight members: one representative elected from each of the five sectors – generation owners, transmission owners, electric distributors, other suppliers and end-use customers – and three Board members, one of whom serves as the non-voting chair. Each member serves a one-year term. The committee typically employs a consulting firm to assist in identifying qualified candidates.

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