

**Consumer Advocates of PJM States, Inc. (CAPS)NSUMER ADVOCATES OF
BYLAWS**

Effective March 20, 2018

ARTICLE I – NAME

1. NAME - The Organization shall be known as the Consumer Advocates of the PJM States, Inc. (“CAPS” or “Organization”). The principal office of CAPS shall be at such location, either within or outside of the state of Maryland, as the Board of Directors shall from time to time establish.

ARTICLE II – MEMBERSHIP

2. MEMBERSHIP - Membership in CAPS shall be open to all state advocate offices designated by the laws of their respective jurisdictions to represent the interests of end use consumers within the service territory of PJM Interconnection L.L.C, (“PJM”), a regional transmission organization, in the PJM stakeholder process and before state and federal regulators and in the courts (herein referred to as “Member” or “Member Consumer Advocate Agency”).

3. PENDING MEMBERSHIP - State consumer advocate agencies that represent the interest of end use consumers that are not currently within the PJM service territory, but represent the interests of consumers served by a transmission owner that has filed the requisite application to join PJM with the Federal Energy Regulatory Commission (“FERC”) (herein referred to as “Pending Member”), may participate in CAPS on a non-voting basis, subject to approval by the Board of Directors.

ARTICLE III – PURPOSE

4. GENERAL PURPOSE - The general purpose of CAPS is to facilitate participation in PJM stakeholder processes for the consumer advocate offices through education, meeting attendance and stakeholder outreach and engagement. CAPS is intended to provide participation in the PJM process for member offices that cannot attend the PJM stakeholder processes and to create efficiencies for the individual Members by centralizing the tasks, including but not limited to, PJM stakeholder meeting attendance, data collection, issue briefing, and information dissemination. CAPS is organized to enable its Members to develop informed advocacy and policy-making concerning issues administered and determined by PJM.

5. OBLIGATIONS - In addition the primary obligations of the CAPS office will include, but not be limited to, the dissemination of information between the Members, PJM, and the PJM stakeholders, including answering questions raised by Members, preparing and providing meeting briefings, and framing issues for consideration by the Members. Issues of particular concern to the members are proposed PJM rule changes; changes to the operating agreement; transmission planning, markets and reliability issues; the operation of the markets including capacity auction results energy; ancillary services; and various financial matters that affect ultimate costs to retail customers. CAPS shall also establish a central repository of PJM materials that it deems relevant to the Members. Consistent with the proxy voting rules of

PJM, the CAPS Executive Director or other designated individual also shall have the authority to cast a proxy vote at a PJM meeting on behalf of any individual Member.

6. NON-LIMITING - The purpose and primary obligations of CAPS, described above, is not intended to be limiting or all-inclusive, and CAPS is authorized to take whatever actions are necessary, when duly authorized by its Members, to protect the interests of the end use customers they are charged by statute to represent.

ARTICLE IV - UNANIMOUS APPROVAL REQUIRED

7. UNANIMOUS APPROVAL - Any position regarding PJM policies, decisions or actions or the PJM stakeholder process that have been approved or not opposed by a unanimous vote of the Board of Directors may be designated as a CAPS' position but the Board of Directors may not adopt a position on PJM policies, decisions or actions or the PJM stakeholder process, absent such unanimous vote. The Board of Directors may authorize intervention in proceedings before federal, state and local bodies and in judicial proceedings to express and implement CAPS' positions. Notwithstanding the foregoing, CAPS may disclose the positions of the individual CAPS Members on any issue regarding PJM policies, decisions or actions or the PJM stakeholder process, within the PJM stakeholder process at the direction of the individual CAPS Member.

ARTICLE V- STATES NOT BOUND

8. STATES INDEPENDENT - No vote of, or resolution passed by, the Board of Directors has any binding effect upon any Member Consumer Advocate Agency, in the exercise of the authority's powers, neither shall any such vote of, or resolution passed by the Board of Directors be deemed an official action of, by or for any individual Member State Consumer Advocate Agency.

ARTICLE VI - ANNUAL MEETING

9. ANNUAL MEETING - The Annual Meeting of CAPS ("Annual Meeting") shall be held each calendar year at such time and place as may be determined by the Board of Directors. Notice of the time, place, and purpose of the meeting, shall be provided by mail or electronic means to each Member and Pending Member of CAPS not less than ten days prior to the Annual Meeting. The business of the Annual Meeting will be conducted by vote of the Board of Directors as provided for in these Bylaws and will include any known specific actions as provided for in these Bylaws. Members may attend and vote in person, telephonically or electronically.

ARTICLE VII - BOARD OF DIRECTORS

10. POWERS, RESPONSIBILITIES AND ACCOUNTABILITIES - The corporate business and affairs of CAPS shall be managed by the Board of Directors, except as may be otherwise expressly provided in these Bylaws and the Articles of Incorporation ("Articles"). The Board of Directors shall have the ultimate responsibility for deliberations and advocacy related to PJM

policies, decisions or actions or the PJM stakeholder process concerning wholesale market issues of general interest on behalf of CAPS, with the goal of enabling the individual Members of CAPS to develop informed advocacy and policy-making concerning issues administered and determined by PJM.

11. COMPOSITION - Each Member Consumer Advocate Agency Head of Office shall appoint one representative to serve on the Board of Directors as a Member Director. As used herein "Head of Office" shall mean the person identified by each Member Consumer Advocate Agency as the person who is responsible for overseeing the activities of the entire Member Consumer Advocate Agency organization. The Member Consumer Advocate Agency shall notify the Secretary of CAPS of any changes in its appointed representative. This appointed Member Director will be the authorized representative of that Member Consumer Advocate Agency until an official change is made with the Secretary or the Member Director is no longer employed by the Member Consumer Advocate Agency which they represented on the Board of Directors. When any such person ceases to be the Member Director, he or she shall be replaced timely by its Member Consumer Advocate Agency with another authorized representative of such agency on the Board of Directors. A Member Consumer Advocate Agency may replace its Member Director at any time by notifying the Secretary of CAPS. No Member Consumer Advocate Agency shall be entitled to more than one representative on the Board of Directors. Each Member Consumer Advocate Agency may also designate to the Secretary of CAPS additional staff to participate in Board meetings and represent the Member Director in any Board activities, Committees, or other functions. All prior Directors may telephonically or electronically attend meetings of the Board of Directors as *ex officio members* and the most recent past President may attend the meetings of the Board of Directors, in person, provided prior Directors or past President remain in the employ of the Member Consumer Advocate Agency which they represented on the Board of Directors.

12. RESPONSIBILITIES - The Board of Directors shall elect the Officers of CAPS, appoint the members of the Nominating Committee, and determine the general policies and direction of CAPS. The Board of Directors may amend the Articles and Bylaws, take all other action requiring membership vote, and conduct other business as delineated in these Bylaws and the Articles.

13. REGULAR MEETINGS - Regular meetings of the Board of Directors shall be held at such time and place as may be determined by the Board of Directors, except the Board of Directors shall meet no less than four times each calendar year, including the Annual Meeting. Such meetings may be conducted in person, via teleconference, or electronically. Notice of the time, place and purpose of each meeting shall be provided by mail or electronic means to each Member and Pending Member of CAPS not less than ten days prior to the meeting. Members may participate in regular meetings held by CAPS. Pending Members may attend the meetings.

14. SPECIAL MEETINGS - The President, Executive Committee, or at least one-third of the Members may call a special meeting of the Board of Directors. Notice of the time, place and purpose of the meeting(s) shall be provided by mail or electronic means to each Member and Pending Member of CAPS no less than three days prior to the meeting. All Members and may participate in special meetings. Pending Members may attend the Special meetings.

15. QUORUM - If a majority of Member Directors are present (either in person or by telephonic or electronic means), a quorum exists. Once a quorum of the Board of Directors is established,

the Board of Directors may transact business by simple majority vote. If fewer than such majority is present at a meeting, a majority of the members that are present may continue with an informational meeting or adjourn the meeting without further notice. Once a quorum is established, all Member Directors present at a properly called meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. A Member Director may allow a proxy from the same agency to participate as a substitute at a meeting of the Board of Directors by notifying the Secretary of CAPS prior to the meeting. The Secretary of CAPS will include the proxies authorized for a meeting in the minutes of the meeting.

16. VOTING PROCEDURES - Each Member Director of the Board of Directors shall be entitled to one vote. Elections shall be by ballot in contested elections and may be by voice or other means in uncontested elections. Changes in the Bylaws shall require a vote of at least two-thirds of Board of Directors, except that any changes to Article IV of these Bylaws shall require unanimous approval. All other matters shall be determined by a majority of the total membership, unless otherwise provided by Maryland law or these Bylaws. Voting can be conducted in person, telephonically or electronically.

17. EMERGENCY PROCEDURES – Notice requirements, quorum, terms of office and voting levels can be suspended upon a written determination by the Executive Committee of an emergency which requires Executive Committee action to continue to operate CAPS.

ARTICLE VIII - PARLIAMENTARY AUTHORITY

18. PARLIAMENTARY AUTHORITY - All Board meetings shall be conducted in a manner that will allow fullest possible participation by the Members. In the event of a dispute, Robert's Rule of Order, newly revised, shall be the parliamentary authority governing the meetings of the Board of Directors, the Executive Committee, and all committees, subject to the laws of state of Maryland, the Articles of Incorporation, these Bylaws, and any special rules of order adopted by CAPS.

ARTICLE IX – OFFICERS

19. NUMBER AND TITLE - The Officers of CAPS shall be the President, Vice President, Secretary, Treasurer, and other officers as may be necessary for the purpose of complying with the non-profit organizational laws of the state of incorporation. The President, Vice President and Secretary shall not hold the same office for more than two consecutive years. The Treasurer shall not hold that office for more than four consecutive years.

20. ELECTION, TERM, VACANCIES - The President, Vice President, Secretary, and Treasurer shall be elected by the Board for a one-year term commencing each January 1, and shall serve until their successors are elected or they are no longer employed by its Member Consumer Advocate Agency whichever is shorter. A special meeting to elect the Officers will take place within 60 days prior to the first day of January or at the Annual Meeting. In the case of a permanent vacancy in the office of the President, the Vice President will succeed until the next scheduled election. The Board of Directors may hold a special election to fill an Officer vacancy.

21. DUTIES. The duties of the Officers shall be as follows:

(a) The President shall be the principal Officer of CAPS and shall preside at the Annual Meeting and all meetings of the Board of Directors and the Executive Committee; shall be responsible for seeing that the lines of direction given by the Board of Directors and the Executive Committee are carried into effect; and shall have such other powers and perform such other duties as may be assigned by the Board of Directors.

(b) The Vice President shall preside at the meetings of the Board of Directors and Executive Committee in the temporary absence or disability of the President; and shall have such other powers and perform such other duties as may be assigned by the Board of Directors.

(c) The Secretary shall be responsible for keeping a roll of the Members and records of the Member Director; seeing that notices of all meetings of the Board of Directors and the Executive Committee are issued; and shall see that minutes and proxy records of such meetings are kept. The Secretary shall be responsible for the custody of corporate books, records and files; shall exercise the powers and perform such other duties usually incident to the Office of Secretary; and shall exercise such other powers and perform such other duties as may be assigned by the President or Board of Directors.

(d) The Treasurer shall be responsible for monitoring the receipt and custody of all monies of CAPS; and for monitoring the disbursement thereof as authorized; for assuring that accurate accounts of monies received and disbursed are kept, for executing contracts or other instruments authorized by the Board of Directors, and for overseeing the preparation and issuance of financial statements and reports. The Treasurer shall give a report of the Organization's finances at the Annual Meeting. The Treasurer shall be an *ex officio* member of the Finance Committee, if such a Committee shall be established by the Board of Directors; shall exercise the powers and perform such other duties usually incident to the office of Treasurer; and shall perform such other duties as may be assigned by the President or Board of Directors.

22. REMOVAL - An Officer of CAPS may be removed with or without cause by written vote of at least two-thirds of the total membership of the Board of Directors. An Officer of CAPS is automatically removed when the Officer is no longer employed by its Member Consumer Advocate Agency the Officer represented. In the case of an Officer no longer being employed by its Member Agency, the Secretary shall register the notice from the Member Consumer Advocate Agency of the former Member Director's employment change in the records of the Organization.

23. TRAINING - Officer training and orientation will be provided within 90 days of election to each officer, even if individuals serving have served prior in any capacity.

ARTICLE X - COMMITTEES

24. ESTABLISHED - The Executive Committee may establish committees and work-groups as it deems necessary and provide for the governance of CAPS.

25. COMPOSITIONS AND APPOINTMENT - The President shall appoint members of the committees, with Executive Committee approval or ratification. Unless otherwise directed by the Executive Committee, a committee may elect its chair. Members and Pending Members may participate in the work of committees and work-groups.

ARTICLE XI - EXECUTIVE COMMITTEE

26. EXECUTIVE COMMITTEE - The Executive Committee shall consist of no more than seven members of the Board of Directors, four of whom will be the Officers of CAPS and three other Directors. The Executive Committee shall be elected by the Board of Directors at each Election Meeting. It shall have, and may exercise, the powers of the Board of Directors in the interim between Board of Director's meetings, except as limited by these Bylaws or any policies and procedures approved in accordance with these Bylaws. The Executive Committee shall not have the power to take any action which is contrary to or substantially departs from the direction established by the Board of Directors, or which represents a major change in the affairs, business or policy of CAPS.

27. MEETINGS - The Executive Committee shall meet as needed in person or by telephone or electronic means. Such meetings shall be called by the President as Chair of the Executive Committee. Notice, quorum, and filling of vacancies shall be consistent with, and adhere to these Bylaws. In addition to those serving on the Executive Committee, Members and Pending Members, may participate in Executive Committee meetings.

The Executive Committee will comply with the following protocols:

(a) The Secretary or a designee will take minutes of the Executive Committee meetings.

(b) The minutes of these meetings will be distributed to the Executive Committee prior to any action following from the meeting, such as items to be approved at a Board meeting, and will be submitted for approval at the following Executive Committee meeting. Any confidential minutes regarding personnel matters and fraud investigation information of a meeting will be retained by the Secretary in a confidential manner.

(c) Approved Minutes of the Executive Committee will be available to all Officers, Board Members and Heads of Office but will not be routinely distributed.

(d) When the Executive Committee takes action that is subject to ratification by the Board, the Secretary will notify the Board of Directors and Heads of Office and ensure that such items are placed on the Board of Directors' Agenda. The item will be noted on the Agenda for the CAPS Monthly Call.

ARTICLE XII - NOMINATING COMMITTEE

28. COMPOSITION - The Nominating Committee shall consist of at least five Members as determined by the Board of Directors.

29. METHOD OF ELECTION, TERM, VACANCIES - Members of the Nominating Committee shall be elected by the Board of Directors for a term of one year, or until their successors are elected. Provided such Director Member shall be employed by its authorizing Member Consumer Advocate Agency for the entire period of the Director's term. Terms of office shall begin at the close of the Election Meeting and shall expire at the close of the following Election Meeting described in these Bylaws or immediately upon the Director ceasing employment with its

authorizing Member Consumer Advocate Agency. The Executive Committee shall have the power to fill vacancies in the Nominating Committee.

30. RESPONSIBILITIES - The Nominating Committee shall present to the Board of Directors a single slate of nominations for elected officers of CAPS and Director Members of the Executive Committee. The Nominating Committee should strive to propose a slate of candidates that reflects the geographical diversity of CAPS. Any Director may make additional nominations. In the event that the Nominating Committee cannot agree on a single slate of nominations, the Board of Directors will elect the officers of CAPS.

ARTICLE XIII- FISCAL RESPONSIBILITIES OF THE BOARD OF DIRECTORS

31. FISCAL YEAR - The fiscal year of CAPS shall be the calendar year.

32. FUNDING - Funds shall be accepted or collected only as authorized by the Board of Directors.

33. DEPOSITORIES - All funds of CAPS shall be deposited to the credit of CAPS in fully federally insured financial institution accounts.

34. APPROVED SIGNATURES - Approvals for signatures necessary on contracts, checks, and orders for the payment, receipt, or deposit of money, and access to securities of CAPS shall be provided by resolution of the Executive Committee or shall follow any Policies and Procedures established by the Board of Directors.

35. BONDING - All persons having access to or major responsibility for the handling of monies and securities of CAPS shall be bonded as provided by resolution of the Board of Directors. The persons shall include at a minimum the Executive Director, the President and the Treasurer. The costs associated with the bonding shall be the responsibility of CAPS.

36. INDEMNIFICATION AND INSURANCE - Indemnification and Directors and Officers insurance shall be provided and maintained by resolution of the Board of Directors in accordance with the Articles of Incorporation and Maryland law.

37. BUDGET - An annual budget of income and expenditures shall be approved by the Board of Directors.

38. CONTRACT AND DEBTS - Contracts may be entered into or debts incurred only as directed by resolution of the Executive Committee after general authorization from the Board of Directors.

39. PROPERTY - Title to all property shall be held in the name of CAPS, unless otherwise approved by the Board of Directors.

40. INVESTMENT - The Treasurer shall invest the funds of CAPS in accordance with the direction of the Board of Directors or any Committee of the Board appointed for such purpose.

41. AUDITS - A certified public accountant or other independent public accountant shall be retained by the Board of Directors to make an examination of the financial accounts of the organization. The engagement should specify the fiscal year examined and the report of the examination shall be submitted to the Board of Directors. The frequency of audits will be determined by the Board of Directors.

42. EMPLOYMENT - Subject to the approval of the Board of Directors:

(a) CAPS may employ persons and retain services necessary for it to carry out its responsibilities.

(b) Compensation for any staff or consultant of CAPS shall be based upon research into comparable compensation for comparably situated organizations for similar services.

(c) Executive Director: The Board of Directors shall hire an Executive Director who will serve at the pleasure of the Board of Directors. The Executive Director shall have immediate and overall supervision of the operations of the corporation, including the direction of the day-to-day business of the corporation; carrying out the Organization's goals and priorities; hiring, discharging, and determining the salaries and other compensation of all staff members; and additional duties as may be directed by the Executive Committee or Board of Directors. No Officer or Member of the Board of the Directors may individually instruct the executive director or any other employee unless specifically authorized by the Board of Directors. The Executive Director will attend all meetings of the Board of Directors and Executive Committee other than any meetings to review the Executive Director's performance or to discuss personnel matters relating to the Executive Director personally.

ARTICLE XIV - OTHER POLICIES AND PROCEDURES

43. The Board of Directors may approve such policies and procedures for the operation of the Organization as necessary with the goal of ensuring that the Organization's business is carried out in a manner consistent with the best practices of the management of similarly situated organizations. This includes policies and procedures necessary to comply with state or federal law as well as any policies and procedures developed by the Executive Committee as that Committee deems fit. Any policies and procedures governing the Organization's business and management of its affairs must be approved by a majority of the Board of Directors. A complete list and full copies of all governing policies and procedures shall be maintained by the Executive Director, and, as practicable, posted such that all Members and Pending Members may access them.

ARTICLE XV - AMENDMENTS

44. These Bylaws may be amended by a two-thirds vote of the Board of Directors at any duly noticed meeting, except that any changes to Article IV of these Bylaws shall require unanimous approval.

Signed: _____

Name: _____

Title: _____

Date: _____

