

# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "ORGANIZATION OF PJM STATES, INC.", FILED IN THIS OFFICE ON THE THIRTEENTH DAY OF MAY, A.D. 2005, AT 11:28 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

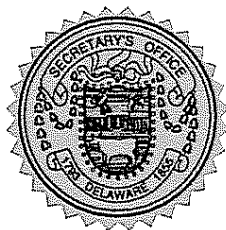
RECEIVED

2005 JUL 11 PM 12:17

PA P.U.C.  
LAW BUREAU

3969531 8100

050392038



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3892099

DATE: 05-19-05

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 12:00 PM 05/13/2005  
FILED 11:28 AM 05/13/2005  
SRV 050392038 - 3969531 FILE

STATE of DELAWARE  
CERTIFICATE OF INCORPORATION  
A NON-STOCK CORPORATION

First: The name of the Corporation is Organization of PJM States, Inc.

Second: The agent and registered office of the corporation in the State of Delaware is Corporation Service Company and is located at 2711 Centerville Road, Suite 400, County of New Castle, Wilmington, Delaware 19808.

Third: The corporation is a non-profit corporation organized exclusively for the promotion of social welfare within the meaning of section 501(c)(4) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law.

No part of the net earnings or property of the corporation shall inure to the benefit of, or be distributable to, the corporation's members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the corporation. Notwithstanding any other provision of this certificate of incorporation, the corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code, as amended from time to time, or (ii) by a corporation contributions to which are deductible under Section 170 of the Internal Revenue Code.

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code, or corresponding section of any future tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

The purposes for which the corporation is formed are to promote the public interest and social welfare by:

1. Maintaining an organization of those states and the District of Columbia (collectively, the "PJM States") within which PJM Interconnection, LLC ("PJM") provides or oversees electric transmission, market maintenance and monitoring, reliability, security and other transmission system operating services as a regional transmission organization ("RTO") approved by the Federal Energy Regulatory Commission ("FERC").

2. Providing a means for the PJM States to act in concert, when deemed to be in the common interest of their affected publics, on activities, such as data collection and dissemination, market monitoring, issue analysis, policy formation, advice and consultation, decision-making and advocacy, related to: (i) PJM operations; (ii) the electricity generation and transmission system serving the PJM States; (iii) related FERC

RECEIVED

2005 JUL 11 PM 12:17

PA P.U.C.  
LAW BUREAU

matters; and (iv) the jurisdiction and role of the PJM States to regulate and promote the electric utilities and systems within their respective boundaries.

3. To take or refrain from taking such other actions as are deemed to be in the public interest of the PJM States.

**Fourth:** The corporation shall not have any capital stock. The conditions of membership shall be stated in the bylaws.

**Fifth:** The business and affairs of the corporation shall be managed by or under the direction of the board of directors. The number and manner of election of directors shall be as provided in the bylaws. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the board of directors is authorized to make, amend and repeal the bylaws.

**Sixth:** No director of the corporation shall be liable to the corporation or any member for monetary damages for breach of fiduciary duty, except for liability (i) for any breach of the director's duty of loyalty to the corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of Delaware (Act), or (iv) for any transaction from which the director derived an improper personal benefit. This article shall not eliminate or limit the liability of a director for any act or omission occurring before the time this article became effective.

**Seventh:** The name and address of the incorporator is:

Wendell F. Holland  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Eighth:** The names and addresses of the initial directors of the corporation are:

Wendell F. Holland, Chairman  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
P.O. Box 3265  
Harrisburg, PA 17105-3265

David W. Hadley, Commissioner  
Indiana Utility Regulatory Commission  
302 West Washington Street, Suite E-306  
Indianapolis, IN 46204

Laura Chappelle, Commissioner  
Michigan Public Service Commission  
6364 Mercantile Way  
Lansing, MI 48911

Frederick F. Butler, Commissioner  
New Jersey Board of Public Utilities  
Two Gateway Center, 8<sup>th</sup> Floor  
Newark, NJ 07102

Allen M. Freifeld, Commissioner  
Maryland Public Service Commission  
16<sup>th</sup> Floor, 6 St. Paul Street  
Baltimore, MD 21202-6806

Arnetta McRae, Chair  
Delaware Public Service Commission  
861 Silver Lake Boulevard  
Cannon Building, Suite 100  
Dover, DE 19904

Lula M. Ford, Commissioner  
Illinois Commerce Commission  
Michael A. Bilandic Building  
169 North LaSalle Street, Suite C-800  
Chicago, IL 60601

Agnes A. Yates, Chair  
District of Columbia Public Service  
Commission  
1333 H Street, N.W., 2<sup>nd</sup> Floor, West  
Tower  
Washington, D.C. 20005

Mark David Goss, Chairman  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

Alan R. Schriber, Chairman  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH

Pat Miller, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

I. Clinton Miller, Chairman  
Virginia State Corporation Commission  
1300 East Main Street  
Richmond, VA 23219

Edward H. Staats, Chairman  
West Virginia Public Service Commission  
201 Brooks Street  
Charleston, WV 25301

Ninth: (i) To the maximum extent permitted by applicable law, no member, delegate, director, officer, employee or agent of the corporation shall be liable for any act, error, omission, debt or obligation of the corporation except as such person may be liable by reason of his own acts.

(ii) To the maximum extent permitted by law, as the same exists or may hereafter be amended, the corporation shall indemnify any officer or director of the corporation and may indemnify any member, delegate, agent, employee or other person who may be indemnified from and against any expenses (including attorneys' fees), liabilities, losses costs, damages or other matters reasonably incurred in any threatened, pending or completed action, suit or other proceeding arising out of such person's status, acts, errors or omissions on behalf of the corporation. The indemnification provided by this Article shall not limit or exclude any rights, indemnities or limitations of liability to which any person may be entitled, whether as a matter of law, under the bylaws of the corporation, by agreement, vote or otherwise, and such indemnification shall continue as to a person who has ceased to be a director or officer of the corporation and shall inure to the benefit of his or her heirs, executors and personal and legal representatives.

(iii) To the maximum extent permitted by law, the acts or omissions on behalf of the corporation of any member, delegate, director, officer, or agent of the corporation who is a state, state agency or an officer, employee or member of a state or state agency shall be deemed to be in connection with the performance of any official duty involving the exercise of discretion and subject to applicable laws affording immunity from suit or other action, indemnification or a limitation of liability.

The undersigned, for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this 18<sup>th</sup> day of MAY, 2005.

BY: Wendell E. Holland  
(Incorporator)

NAME: Wendell E. Holland  
(type or print)