

Independent State Agencies Committee (ISAC) Charter ¹

This voluntary, stand-alone Committee shall be known as the Independent State Agencies Committee (ISAC or Committee). As described herein, the Committee shall consist of Members from regulatory and other state agencies representing all of the states² within the service area of PJM Interconnection, L.L.C. (PJM). The ISAC is an independent committee that shall not be controlled or be directed by PJM, the PJM Board of Managers, or PJM Members.

I. MEMBERSHIP ³

1. Membership shall be open to:
 - (a) All Member Regulatory Agencies (Commissions) of the Organization of PJM States, Inc. (OPSI) as defined in the OPSI Bylaws; and
 - (b) The primary state regulatory agencies responsible for siting electric transmission facilities in states where there are transmission-owning Members of PJM or independent transmission companies that own or operate transmission facilities associated with PJM in their state.
2. Membership shall not include PJM Members.
3. Membership from non-OPSI agencies may include all official state governmental agencies that are directly involved with, and have statutory authority for, energy planning, and/or environmental issues that relate to electric transmission facilities, including statutory consumer advocates, to the extent such advocates are not PJM Members.

II. PURPOSE AND RESPONSIBILITIES OF ISAC

1. The purpose of the ISAC is to provide PJM with inputs and scenarios for transmission planning studies.
2. The ISAC will strive to provide PJM with a consensus set of inputs and scenarios to be modeled.
3. The ISAC may identify transmission needs for which potential solutions will be evaluated by PJM.

¹ An OPSI Member's vote to create ISAC cannot be construed as joining/participating in ISAC; joining ISAC is a separate action for each OPSI Member Commission after ISAC is created. OPSI will provide the lead administrative assistance until ISAC functions on its own administratively.

² For purposes of ISAC, the term "state" includes the District of Columbia.

³ For informational purposes, the ISAC Members may be listed on a public Web site such as OPSI's or PJM's and updated as new Members join ISAC.

4. PJM will provide the ISAC with the impacts the inputs and scenarios might have on a transmission expansion plan.
5. PJM will provide the ISAC with the inputs, assumptions, and scenarios it proposes to use in its transmission planning. ISAC Members may provide PJM with feedback, either as individual states or as a group of states. Upon the request of any ISAC Member, PJM will provide its formatted modeling inputs in a manner that would enable an ISAC Member with appropriate capabilities to model additional sensitivity cases.
6. The ISAC may request that PJM conduct various transmission scenario planning studies as needed.
7. The ISAC will not be involved in any decisions involving transmission cost allocation.
8. The ISAC will not make any transmission planning policy decisions.
9. Participation in the ISAC shall not be construed as an assessment on the merits of any specific transmission expansion project.
10. No state or ISAC Member shall be bound by or responsible for the results of any transmission planning studies conducted by PJM pursuant to inputs or scenarios provided by ISAC.

III. ADMINISTRATION

1. The ISAC meetings will be open to all interested stakeholders.
2. The ISAC Members may request that time be set aside for Members-only deliberations, the outcome of which will be captured in minutes made available to the public.
3. The ISAC meetings may include a time-limited open comment period, during which non-ISAC Members may speak on the issues listed on that meeting's agenda.
4. The ISAC meetings will be held at such time and place as may be determined by its Membership. ISAC may accept administrative support from PJM.
5. The ISAC will have final approval of all Committee materials and work product.
6. ISAC shall hold at least one meeting per year.
7. ISAC meetings will be conducted in person, by telephone, or by any Web based technology (such as Webinars).
8. ISAC meetings will allow for in person, telephonic, and electronic voting.

9. Notice of the time, place, and purpose of each ISAC meeting will be provided by mail or electronic means to each ISAC Member not less than seven (7) calendar days prior to the meeting.
10. Except as provided in Section VII herein, the ISAC Charter may be amended by either a majority vote of the OPSI Board or at least two-thirds of the total ISAC Membership, provided that the proposed amendment must have been included in the notice of the previous meeting.
11. A simple majority of the states represented in the ISAC membership shall constitute a quorum for the transaction of business in any ISAC meeting.⁴

IV. STRUCTURE

1. The officers of ISAC shall include a Chair, Vice-Chair, and Secretary.
2. The ISAC shall be chaired by the OPSI Board President or any other OPSI Board Member as elected by the OPSI Board.
3. The Vice-Chair may be from an ISAC Member other than an OPSI Member.
4. Additional Officers may be added as needed by amendments to the ISAC charter.
5. No two Officers shall be from the same state.
6. The Officers shall be responsible for approving the agenda for all ISAC meetings as proposed by the ISAC Members and for advising PJM of agenda items.
7. All decisions of the ISAC shall be communicated in writing.
8. The ISAC Chair will be the point person for all ISAC communication.

V. VOTING PROCEDURES

1. Each OPSI Member shall serve as the lead agency for its state.
2. Votes on inputs and scenarios will be taken only to the extent PJM is unable to run the desired scenarios due to computing limitations.
3. Each state will have two votes; one vote for the OPSI Member and one vote for the other state agencies that are ISAC Members from that state. The vote not reserved for the OPSI Member shall be apportioned fractionally among the other ISAC Members for that state. If there is only one ISAC Member from a state, then that ISAC Member gets to cast both votes for that state.
4. Each ISAC Member may designate a proxy for voting prior to any meeting.

⁴ Amended via electronic poll from Jan. 13 to Jan. 20, 2012; 17 member agencies participated and voted “yes”.

VI. SUNSET DATE

This Committee shall sunset on January 1, 2014, unless there is an affirmative vote by three fourths of its existing Members at the time of the sunset date.

VII. STATES NOT BOUND

No action or decision of ISAC has any binding effect, nor will it impose any obligations or liabilities, upon any individual representing an ISAC Member, any ISAC Member, or any state represented by an ISAC Member, or upon any OPSI Member and its employees. Neither will any such vote of, nor any resolution passed by ISAC, be deemed an official action of, by, or for any individual ISAC Member. Any vote or other action by ISAC Members that would alter this section of the ISAC Charter shall require a two-thirds majority of all ISAC Members. However, any ISAC Member may voluntarily choose to declare any ISAC action or decision as an official action as applicable to that particular ISAC Member.

VIII. CORE COMPETENCIES

1. It is recommended that, collectively, the ISAC Member delegation from each state shall possess or acquire knowledge of:
 - (a) PJM's interconnection study and queuing process, and PJM's transmission planning process; PJM shall assist with training as necessary.
 - (b) Their state's relevant energy, regulatory, siting, and environmental policies.
2. At least one Member from each participating state agency must be able to represent the views of its respective agency.