

AUDIT ADVISORY COMMITTEE

MISSION

The PJM Audit Advisory Committee (“AAC”) is established by the Members Committee to advise the PJM Board Audit Committee on the scope of the annual audit, market settlement bills submitted by the PJM, and to communicate any specific or unique audit requirements of members in regards to market settlements.

RESPONSIBILITIES

1. Review audit plans and programs of the market settlement process of the PJM Interconnection, L.L.C. in order to meet the audit requirements of the PJM LLC Agreement Members.
2. Recommend potential improvements or enhancements to audit processes to ensure member audit interests are adequately addressed.

ADMINISTRATIVE

The PJM AAC will coordinate between the PJM LLC Agreement Members and the PJM Board Audit Committee. The AAC shall be open to representation from each PJM LLC Agreement Member.

The AAC will be chaired by a representative from the PJM staff who is a non-voting member. The Vice Chair will be a Committee member rotating on an annual basis with the responsibilities of acting for the Chair in his/her absence, providing support and counsel to the Chair as required, and attending Members Committee meetings as required. The secretary to the Committee will be appointed from the PJM staff.

Ad hoc groups may be formed as required to assist the AAC in carrying out its mission.

CORE COMPETENCIES

The Committee should possess competencies necessary to successfully fulfill its responsibilities. Each Committee member should have leadership and audit experience, and be knowledgeable in the objectives, structure and obligations of the PJM LLC Agreement. In addition, each member should have authority to make decisions, within the committee’s scope of responsibilities, on behalf of their company and to commit company personnel to support all appropriate subcommittees, working groups and task forces necessary to accomplish the committee’s mission.