

DECLARATION OF AUTHORITY

This Declaration of Authority (“Declaration”) is a statement and certification made this ____ day of _____, 20____ by _____ (“Party A”) and _____ (“Party B”) for the benefit of PJM Interconnection, LLC .

RECITALS:

WHEREAS, PJM is a Regional Transmission Organization (“RTO”) subject to the jurisdiction of the Federal Energy Regulatory Commission, (“FERC”);

WHEREAS, PJM Settlement, Inc (“PJM Settlement”) is a Pennsylvania Non-Profit Corporation, incorporated for the purpose of providing billing and settlement functions and credit and risk management functions for PJM. References to “PJM” in this Declaration are intended to apply to PJM and/or PJM Settlement, as appropriate, with regard to their respective functions.

WHEREAS, PJM and PJM Settlement administer centralized markets that clear various electric energy and energy-related products among multiple buyers and sellers;

WHEREAS, PJM additionally exercises operational control over its members’ transmission facilities whereby PJM provides control area functions, including economic dispatch, the scheduling of transmission service and emergency response to ensure reliability across an integrated transmission system; and

WHEREAS, in capacities more fully described below, PARTY A (a PJM Member) and PARTY B seek to participate either directly or indirectly in the markets administered by PJM or engage in operations that use or affect the integrated transmission system operated by PJM.

DECLARATION

NOW, THEREFORE, acknowledging that PJM will rely on the truth, accuracy and completeness of the statements made below, PARTY A and PARTY B, as indicated below, provide the following certifications:

1. Acting as PJM’s Counterparty
 - (a) PARTY A hereby certifies that in all activities with PJM regarding PARTY A’s provision of energy, capacity, ancillary services, scheduling and procurement of transmission service, congestion management and all other required products and services necessary to serve PARTY B’s load, whether such load is retail or wholesale, PARTY A is acting as PJM’s

counterparty and shall be billed and be primarily liable to PJM for all costs associated in its procurement of such products and services.

- (b) PARTY A hereby certifies that in all activities with PJM regarding PARTY A's bidding, sale, scheduling, dispatch, and delivery of energy, capacity and ancillary services from generation owned by PARTY B, PARTY A is acting as PJM's counterparty and is entitled to receive from PJM in its name all revenues associated with its sales of such products and services.
- (c) PARTY B hereby certifies that it is fully authorized to assign, and has in fact assigned pursuant to a binding, legally enforceable agreement, to PARTY A the rights to PARTY B's generation described in paragraph 1(b) above. In this regard, PARTY B acknowledges that PARTY A in acting as PJM's counterparty is authorized to communicate and transact with PJM exclusively as though PARTY A was the owner and operator of this generation. Furthermore, PARTY B acknowledges that PJM can communicate and transact directly with PARTY A in acting as PJM's counterparty, including directing PARTY B's generation in the event of system emergencies, as though PARTY A was the owner and operator of this generation. PARTY B accepts that it will follow any such direction issued by PJM through PARTY A affecting operation of its generation in the event of system emergencies.

2. Reliance By PJM On Certifications.

- (a) Each of PARTY A and PARTY B recognizes and accepts that PJM is relying on the truth, accuracy and completeness of the certifications herein made in making its assessments as to creditworthiness and in assuring PJM's own compliance with its tariff, operating agreement, reliability agreement and business practices.
- (b) Each of PARTY A and PARTY B recognizes and accepts that each has a continuing duty to notify PJM if and when the certifications herein made cease to be accurate or complete. Written notice of changes to the certifications and/or identification of units herein must be provided by PARTY A (PJM Member) to PJM at least thirty days in advance of their effectiveness. If PARTY B is also a PJM Member, then both parties must provide thirty days prior written notification in order for such changes to be effective. Such notification is required for changes to certifications, identification of units and/or termination of this Declaration. Furthermore, PARTY B must establish at least 30 days prior to termination, sufficient credit with PJM to assume responsibility for all transactions for which it will be responsible for after the termination. Should less than thirty days notice be provided, PJM shall use its best efforts to accommodate and process the declarations herein, but all attempts should be made to provide such notice. Upon such termination, all rights, responsibilities and accounts will revert back to the status quo prevailing before the

Declaration became effective. Unless such written notice is received and credit is established, PJM shall be entitled to rely perpetually on this Declaration as governing its relationship with PARTY A and PARTY B as to the subject matter of this Declaration.

3. Advance Notice to PJM of Proposed Deactivation of Unit

Should PARTY B intend to deactivate any unit in the PJM region, it will provide advance notice to PJM, either directly or through PARTY A, in accordance with Part V of the PJM Open Access Transmission Tariff (“OATT”) and otherwise adhere to the process applicable to the deactivation of generating units in the PJM region as set forth in Part V of the PJM OATT.

4. Identification of Unit(s)

Pursuant to this Section, PARTY A has been authorized as Principal for the following specific units:

Resource Name:

Resource ID:

IN WITNESS WHEREOF, PARTY A and PARTY B execute this Declaration to be effective as of the date written above.

PARTY A

PARTY B

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Company Name: _____

Company Name: _____