FULL RESPONSIBILITY DECLARATION OF AUTHORITY

This DECLARATION OF AUTHORITY ("Declaration") is a declaration and certification by and between [insert company name], a [insert state] [insert type of corporate entity] with its principal place of business located at [insert address] ("PARTY A") and [insert company name], a [insert state] [insert type of corporate entity] with its principal place of business located at [insert address] ("PARTY B" – a PJM Member), for the benefit of PJM Interconnection, L.L.C. ("PJM LLC") and PJM Settlement, Inc. ("PJM Settlement"). References to "PJM" in this Declaration are to PJM LLC and PJM Settlement, collectively, with regard to their respective functions.

RECITALS:

WHEREAS, PJM LLC is a Regional Transmission Organization and Independent System Operator subject to the jurisdiction of the Federal Energy Regulatory Commission;

WHEREAS, 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;

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

WHEREAS, in capacities more fully described below, PARTY A 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; and

WHEREAS, PARTY A and PARTY B hereby agree that this Declaration shall supersede and replace all prior declarations of authority entered into between PARTY A and PARTY B regarding the authorities and resources described herein.

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. <u>Acting as PJM's Counterparty.</u>

(a) To the extent such PARTY A has load that is directly served by PJM including station power, PARTY B hereby certifies that, in all activities with PJM regarding PARTY B's provision of energy, capacity, ancillary services, scheduling, and procurement of transmission service, congestion management, and all other required products, services, and costs/fees/charges necessary or appropriate to serve PARTY A's load, PARTY B is acting as PJM's counterparty and shall be billed and be primarily liable to PJM for all costs/fees/charges associated in its procurement of such products and services.

(b) PARTY B hereby certifies that, in all activities with PJM regarding PARTY B's bidding, sale, scheduling, dispatch, and delivery of energy, capacity, and ancillary services from generation owned or controlled by PARTY A as such are identified in Paragraph 4, PARTY B is PJM's counterparty and is entitled to receive from PJM, in its name, all revenues associated with its sales of such products and services; PARTY B shall be billed and be primarily liable to PJM for all costs/fees/charges associated with such resources whether such costs/fees/charges arise pursuant to the provisions of the Open Access Transmission Tariff ("Tariff"), Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. ("Operating Agreement"), Reliability Assurance Agreement Among Load-serving Entities in the PJM Region ("RAA"), and other agreements, manuals, and practices of PJM (the Tariff, the Operating Agreement, the RAA, and such other agreements, manuals, and practices of PJM, the "PJM Agreements").

(c) PARTY A hereby certifies that it is fully authorized to transfer, and has in fact transferred, pursuant to a binding, legally enforceable agreement, to PARTY B the rights to PARTY A's generation. In this regard, PARTY A acknowledges that PARTY B, in acting as PJM's counterparty, is exclusively authorized to communicate and transact with PJM, as though PARTY B was the owner and operator of the identified generation. Furthermore, PARTY A acknowledges that PJM can communicate and transact directly with PARTY B in acting as PJM's counterparty, including directing PARTY A's generation in the event of system emergencies, as though PARTY B was the owner and operator of this generation. PARTY A accepts that it will follow any such direction, issued by PJM through PARTY B, affecting operation of its generation in the event of system emergencies.

2. <u>Reliance by PJM on Certifications and Termination.</u>

(a) Each party, 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 the PJM Agreements.

(b) Each party, 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 resources herein must be provided by PARTY B (a PJM Member) to PJM at least thirty (30) days in advance of their effectiveness. If PARTY A is also a PJM Member, then both parties must provide thirty (30) days prior written notification in order for such changes to be effective. Such notification is required for changes to certifications and identification of resources.

(c) PARTY A and PARTY B each recognizes and accepts that PJM or its members may suffer losses and damages if any certification is or becomes untrue, inaccurate, or incomplete. PARTY A and PARTY B agree to indemnify PJM for any losses

and damages that it may suffer as a direct result of this Declaration. Nothing herein shall relieve PARTY A of its obligations pursuant to any of the PJM Agreements.

(d) Nothing in this Declaration shall be construed to create or give rise to any liability on the part of PJM, and PARTY A and PARTY B expressly waive any claims that may arise against PJM under this Declaration. PARTY A and PARTY B, jointly and severally, agree to hold PJM harmless from any claims or disputes related to this Declaration, both prior to and after termination. This Declaration shall not be construed to modify any of the PJM Agreements and in the event of conflict between this Declaration and the PJM Agreements, the applicable PJM Agreement shall control.

(e) PJM LLC and PJM Settlement are third-party beneficiaries to this Declaration and are entitled to the benefit of all representations, commitments, obligations, and rights hereunder and may enforce the provisions hereof as if they were parties hereto.

(f) PARTY A and PARTY B acknowledge that this Declaration shall not become effective until after PJM's Law Department indicates its approval of this Declaration by initialing below.

3. Advance Notice to PJM of Proposed Deactivation of Resource.

Should PARTY A intend to deactivate any resource in the PJM region, it will provide advance notice to PJM, either directly or through PARTY B, in accordance with Tariff, Part V and otherwise adhere to the process applicable to the deactivation of generating resources in the PJM region, as set forth in Tariff, Part V.

4. Identification of Resource(s).

Pursuant to this section, PARTY B has been authorized to act on behalf of PARTY A for the following resources. The responsibility allocations requested in this section shall go into effect on the Effective Date (as defined below) of this Declaration.

Generator Name (GIA/ISA/ WMPA)	**Resource Name** (Capacity Exchange)	**Resource ID** (Capacity Exchange)	**Unit Name** (Markets Gateway)	**Unit ID** (Markets Gateway)	**Queue / Project ID**

5. Continuing Responsibilities and Obligations of PARTY A and PARTY B.

(a) Notwithstanding the authorizations granted to PARTY B to act on behalf of PARTY A specified herein, nothing in this Declaration changes, diminishes or eliminates that the responsibilities and obligations under the PJM Agreements (the "Responsibilities and Obligations") are joint and several. In such case, PARTY A shall be ultimately responsible for all of obligations and responsibilities set forth in the PJM Agreements. Any failure of PARTY B to act on PARTY A's behalf is a matter solely between PARTY A and PARTY B and PARTY A's sole redress in such case is against PARTY B.

(b) With respect to the Responsibilities and Obligations, and notwithstanding any other provision of this Declaration, PARTY A and PARTY B shall be held jointly and severally liable to PJM for all amounts due or which become due to PJM under the PJM Agreements, and PARTY B's authorization to make payment of any such amounts hereunder shall not release PARTY A from liability for any financial obligations to PJM not satisfied by PARTY B.

(c) PARTY B understands and agrees that its payment obligations with respect to the Responsibilities and Obligations shall be without right of setoff or netting with respect to any other obligation of PARTY A to PJM.

6. Termination

(a) PARTY B (a PJM Member) may, for its sole convenience, terminate this Declaration by providing at least sixty (60) days prior written notification to PJM in a form acceptable to PJM. If PARTY A is also a PJM Member, both parties will be required to provide at least sixty (60) days' prior written notification, in a form acceptable to PJM, in order for termination to become effective. Upon such termination, (1) all future rights and responsibilities associated with the subject matter of this Declaration shall revert to PARTY A, and PARTY A hereby agrees to accept any such reversion and to satisfy all obligations and requirements associated therewith (including, but not limited to, becoming a PJM Member, if PARTY A is not already a PJM Member, and including creditworthiness requirements); and (2) all obligations associated with the subject matter of this Declaration undertaken or committed by PARTY B on behalf of PARTY A pursuant to this Declaration and during the term in which this Declaration was effective shall remain the joint and several obligation of PARTY A and PARTY B for as long as those obligations last. Prior to the termination becoming effective, unless the resources identified herein are permanently deactivating on the proposed termination date, the following conditions precedent set forth in clauses (i)-(iv)

below must be satisfied:

(i) Identifying the Subsequent Counterparty: PARTY B shall identify a PJM Member (such PJM Member may be PARTY A) ("Subsequent Counterparty") to satisfy any obligation relating to the subject resources, including but not limited to any must-offer requirements.

(ii) New Declaration of Authority: Unless PARTY A is a PJM Member, PARTY A must provide a declaration of authority with a Subsequent Counterparty that shall have an effective date that is the day after the termination date of this Declaration.

(iii) Credit: The Subsequent Counterparty, or PARTY A if it is a PJM Member and is taking over its obligations for itself, shall establish credit with PJM in accordance with PJM's Governing Documents.

(iv) PJM Confirmation of Termination Effective Date: Upon the satisfaction of the other conditions precedent set forth in clauses (i)-(iii) above, the parties must obtain written confirmation from PJM of the effective date of the termination of this Declaration. Unless and until such termination is effective, PJM shall be entitled to rely on this Declaration, as governing its relationship with PARTY A and PARTY B, as to the subject matter of this Declaration.

(b) This Declaration shall automatically terminate upon the deactivation, or transfer to a third party, of all resources identified herein.

7. Reliance and Indemnity, Duty to Inform, Liability Waiver, Termination, and Rules of Construction.

(a) PARTY A and PARTY B each recognizes, accepts, and intends that PJM will rely upon on the truth, accuracy, and completeness of the declarations herein in matters including, but not limited to, creditworthiness and in assuring compliance with the PJM Agreements. PARTY A and PARTY B each recognizes and accepts that PJM or its Members may suffer losses and damages if any declaration is or becomes untrue, inaccurate, or incomplete. PARTY A and PARTY B agree to indemnify PJM for any losses and damages that it may suffer as a direct result of this Declaration. Nothing herein shall relieve PARTY A of any obligations pursuant to the PJM Agreements as applicable to the delegations set forth herein.

(b) PARTY A and PARTY B each has a continuing duty to notify PJM if and when any declaration herein ceases to be truthful, accurate, or complete. Until such time as PJM receives written notification of any change to any declaration, in accordance with the terms contained herein, 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. Written notice of changes to the declarations

contained herein must be provided by PARTY B (a PJM Member) to PJM at least thirty (30) days in advance of their effectiveness. If PARTY A is also a PJM Member, then both parties will be required to provide thirty (30) days' prior written notification in order for such changes to be effective. Such notification is required for changes to certifications and identification of resources.

(c) In the event of default by PARTY A or PARTY B under this Declaration or any of the PJM Agreements, PJM may terminate this Declaration immediately upon notice to PARTY A and PARTY B.

(d) Nothing in this Declaration shall be construed to create or give rise to any liability on the part of PJM, and PARTY A and PARTY B expressly waive any claims that may arise against PJM under this Declaration. PARTY A and PARTY B, jointly and severally, agree to hold PJM harmless from any claims or disputes related to this Declaration, both prior to and after termination. This Declaration shall not be construed to modify any of the PJM Agreements and in the event of conflict between this Declaration and a PJM Agreement, the applicable PJM Agreement shall control.

(e) Capitalized terms used herein that are not defined herein have the meanings given in the PJM Agreements, as applicable.

8. Effective Date.

PARTY A authorizes PARTY B to act on behalf of PARTY A as of _____, 20__ ("Effective Date").

OR

The Effective Date shall be the date upon which this Declaration has been fully executed by each of PARTY A, PARTY B and PJM LLC.

9. Further Delegation:

PARTY B shall not assign any of the referenced rights, obligations or responsibilities to another third party agent pursuant to a separate and valid Declaration of Authority between PARTY B and that third party or otherwise.

OR

PARTY A hereby authorizes PARTY B to assign responsibilities to another third party agent or assign pursuant to a separate and valid DOA between PARTY B ("Principal" in the separate and valid DOA) and that third party ("Agent" in the separate and valid DOA).

10. Notices.

Any notice or request made to or by PARTY A, PARTY B, or PJM, shall be made to the representative indicated below.

If to PJM:
PJM Interconnection, L.L.C.
Attn: General Counsel
2750 Monroe Blvd.
Audubon, PA 19403

and

PJM Interconnection, L.L.C.
Attn: Member Relations
2750 Monroe Blvd.
Audubon, PA 19403

If to PARTY A:
[insert company name]
Attn: [insert contact name]
[insert street address]
[insert city, state, and zip code]

If to PARTY B:
[insert company name]
Attn: [insert contact name]
[insert street address]
[insert city, state, and zip code]

IN WITNESS WHEREOF, PARTY A and PARTY B execute this Declaration to be effective on the Effective Date indicated in Section 8 above.

PARTY A

Signature:

Name:

Title:

Company Name:

Date Signed (MM/DD/YY):

PARTY B

Signature:

Name:

Title:

Company Name:

Date Signed (MM/DD/YY):

PJM INTERCONNECTION, L.L.C.

Signature:

Name: Jennifer Tribulski

Title: Executive Director, Member Services

PJM Interconnection, L.L.C.

Date Signed (MM/DD/YY):