

External Resource Must-Offer Agreement

RECITALS

1. This External Resource Must-Offer (“ERMO”) Agreement, dated as of _____, is entered into by and between _____ (“Capacity Market Seller”) and PJM Interconnection, L.L.C. (“Transmission Provider”). Capitalized terms used in this ERMO Agreement, unless otherwise indicated, shall have the meanings ascribed to them in the PJM Open Access Transmission Tariff (“Tariff”), Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. (“Operating Agreement”), and Reliability Assurance Agreement Among Load Serving Entities In The PJM Region (“RAA”).
2. Consistent with the PJM Tariff, Capacity Market Seller requests to submit a Sell Offer for _____ megawatts of installed capacity available from the _____ [Name of Capacity Resource] owned or controlled by Market Capacity Market Seller located at _____ [Address] (“Resource”) and, in connection with such request, is required to make a written commitment to offer all Unforced Capacity from such Resource into the RPM Auctions under the same terms as Generation Capacity Resources located in the PJM Region.

MUST-OFFER COMMITMENT

3. As a condition of, and in consideration for, submitting Sell Offers, the Capacity Market Seller hereby agrees and commits that it shall offer all Unforced Capacity from the Resource into RPM Auctions under the same terms, and subject to the same conditions and exceptions, as set forth for Generation Capacity Resources located in the PJM Region by Tariff, Attachment DD, sections 6.6 and 6.6A and as may be further described in the PJM Manuals; provided, however, that Capacity Market Seller shall not be required to offer a quantity greater, in Unforced Capacity terms, than either (i) the quantity of Network External Designated transmission service from PJM reserved or requested (if not yet confirmed) by Capacity Market Capacity Market Seller or (ii) the megawatt quantity for which the Resource qualifies as a Generation Capacity Resource. Such offer commitment shall remain in effect for every RPM Auction until the termination of this External Resource Must-Offer Agreement. Capacity Market Seller further agrees that it shall implement procedures to ensure compliance with such commitment so long as such commitment remains in effect.

MISCELLANEOUS

4. Any notice or request made to or by either party regarding this ERMO Agreement shall be made to the representative of the other party as indicated below.

Transmission Provider

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

Capacity Market Seller

Attn: _____
Phone _____
Email _____

5. No waiver by either party of one or more defaults by the other in performance of any of the provisions of this ERMO Agreement shall operate or be construed as a waiver of any other or further defaults, whether of a like or different character.
6. This ERMO Agreement or any part thereof, may not be amended, modified, or waived other than in writing and signed by all parties hereto.
7. This ERMO Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns.
8. This ERMO Agreement may be used to support a request to submit Seller Offers in any RPM Auction for which it remains in effect.
9. This ERMO Agreement shall terminate upon the first date that Capacity Market Seller fails to meet the requirements for External Generation Capacity Resources as detailed in the PJM Tariff, Attachment DD, section 5.5A, including, without limitation, termination of any pseudo-tie arrangement or termination of any firm transmission arrangement required to support the Resource. Termination of this ERMO Agreement shall not relieve Capacity Market Seller of any other obligation incurred as a consequence of participation in any RPM Auction or arising under any other agreement.

IN WITNESS WHEREOF, the Transmission Provider and Capacity Market Seller have caused this ERMO Agreement to be executed by their respective authorized corporate officers.

Transmission Provider:

By: _____
Signature

Printed Name: _____

Title: _____

Date: _____

Capacity Market Seller:

By: _____
Signature

Printed Name: _____

Title: _____

Date: _____