

Registration

1. Participants must complete the PJM Emergency Load Response Program Registration Form (“Emergency Registration Form”) that is posted on the PJM website (www.pjm.com) for each end-use customer, or aggregation of end-use customers, pursuant to the requirements set forth in the PJM Manuals. Because of the required electric distribution company ~~and Load Serving Entity~~ ten business day review period, as described herein, participants should submit completed PJM Emergency Load Response Program Registration Forms to the Office of the Interconnection no later than one day before the tenth business day preceding the relevant Delivery Year. All registrations that have not been approved on or before May 31st preceding the relevant Delivery Year shall be rejected by the Office of the Interconnection. To the extent that a completed PJM Emergency Load Response Program Registration Form is submitted to the Office of the Interconnection prior to one day before the tenth business day preceding the relevant Delivery Year and such registration is rejected by the electric distribution company ~~or Load Serving Entity~~ or the Office of the Interconnection because of incorrect data on the PJM Emergency Load Response Program Registration Form, such registration may be resubmitted by the participant before May 31st preceding the relevant Delivery Year, but such registration will be rejected by the Office of the Interconnection unless the electric distribution company ~~or Load Serving Entity~~ has verified the registration on or before May 31st preceding the relevant Delivery Year. Incomplete PJM Emergency Load Response Program Registration Forms will be rejected by the Office of the Interconnection; participants may not resubmit registrations that were rejected for being incomplete unless participants are able to do so no later than one day before the tenth business day preceding the relevant Delivery Year. The following general steps will be followed:

2. For end-use customers of an electric distribution company that distributed more than 4 million MWh in the previous fiscal year:

a. The participant completes the Emergency Registration Form located on the PJM website. PJM reviews the application and ensures that the qualifications are met, including verifying that the appropriate metering exists. After confirming that an entity has met all of the qualifications to be an Emergency Load Response Participant, PJM shall notify the appropriate ~~Load Serving Entity and~~ electric distribution company of an Emergency Load Response Participant's registration and request verification as to whether the load that may be reduced is ~~under other contractual obligations or~~ subject to laws or regulations of the Relevant Electric Retail Regulatory Authority that prohibit or condition the end-use customer's participation in PJM's Emergency Load Response Program pursuant to the process described below. The electric distribution company ~~and Load Serving Entity have~~has ten business days to respond. ~~Other such contractual obligations may not preclude participation in the program, but may require special consideration by PJM such that appropriate settlements are made within the confines of such existing contracts.~~ An electric distribution company ~~or Load Serving Entity~~ which seeks to assert that the laws or regulations of the Relevant Electric Retail Regulatory Authority prohibit or condition (which condition the electric distribution company ~~or Load Serving Entity~~ asserts has not been satisfied) an end-use customer's participation in PJM's Emergency Load Response program shall provide to PJM, within the referenced ten business day review period, either: (a) an order, resolution or ordinance of the Relevant Electric Retail

Regulatory Authority prohibiting or conditioning the end-use customer's participation, (b) an opinion of the Relevant Electric Retail Regulatory Authority's legal counsel attesting to the existence of a regulation or law prohibiting or conditioning the end-use customer's participation, or (c) an opinion of the state Attorney General, on behalf of the Relevant Electric Retail Regulatory Authority, attesting to the existence of a regulation or law prohibiting and conditioning the end-use customer participation.

i. If evidence provided by an electric distribution company ~~or Load-Serving Entity~~ to the Office of the Interconnection indicates that a Relevant Electric Retail Regulatory Authority law or regulation prohibits or conditions (which condition the electric distribution company ~~or Load-Serving Entity~~ asserts has not been satisfied) the end-use customer's participation and is received by the Office of the Interconnection on or after May 31st preceding the applicable Delivery Year, then the existing end-use customer's registration for Demand Resource (as defined in the Reliability Assurance Agreement) will remain in effect for the applicable Delivery Year. If evidence provided by an electric distribution company ~~or Load-Serving Entity~~ to the Office of the Interconnection indicates that a Relevant Electric Retail Regulatory Authority law or regulation prohibits or conditions (which condition the electric distribution company ~~or Load-Serving Entity~~ asserts has not been satisfied) the end-use customer's participation and is received by the Office of the Interconnection before May 31st preceding the applicable Delivery Year and the Curtailment Service Provider does not provide supporting documentation to the Office of the Interconnection on or before May 31st preceding the applicable Delivery Year demonstrating that the Curtailment Service Provider had an executed contract with the end-use customer for Demand Resource participation before the date the Demand Resource cleared the applicable Reliability Pricing Model Auction, and that the date that the Demand Resource cleared the applicable Reliability Pricing Model Auction was prior to the effective date of the Relevant Electric Retail Regulatory Authority law or regulation prohibiting or conditioning the end-use customer's participation, then, unless the below exception applies, the existing end-use customer's registration for Demand Resource participation shall be deemed to be terminated for the applicable Delivery Year, and the Curtailment Service Provider will be subject to the Reliability Pricing Model provisions, as specified in Attachment DD of the PJM Tariff.

(1) Except that, pursuant to all other PJM Tariff and PJM Manual provisions, PJM will allow participation of all end-use customers registered by Curtailment Service Providers to fulfill Curtailment Service Providers' Demand Resource obligations that were cleared in the Reliability Pricing Model Auctions prior to August 28, 2009.

b. In the absence of a response from the electric distribution company ~~or Load-Serving Entity~~ within the referenced ten business day review period, the Office of the Interconnection shall assume that the load to be reduced is not subject ~~to other contractual obligations or~~ to laws or regulations of the Relevant Electric Retail Regulatory Authority that

prohibit or condition the end-use customer's participation in PJM's Emergency Load Response Program, and the Office of the Interconnection shall accept the registration, provided it meets all other Emergency Load Response Program requirements.

c. For those registrations terminated pursuant to this section, all Emergency Load Response Participant activity incurred prior to the termination date of the registration shall be settled by PJM in accordance with the terms and conditions contained in the PJM Tariff, PJM Operating Agreement and PJM Manuals.

3. For end-use customers of an electric distribution company that distributed 4 million MWh or less in the previous fiscal year:

a. The Participant completes the Emergency Registration Form located on the PJM website. PJM reviews the application and ensures that the qualifications are met, including verifying that the appropriate metering exists. After confirming that an entity has met all of the qualifications to be an Emergency Load Response Participant, PJM shall notify the appropriate ~~Load Serving Entity and~~ electric distribution company of an Emergency Load Response Participant's registration and request verification as to whether the load that may be reduced is ~~under other contractual obligations and is~~ permitted to participate by the Relevant Electric Retail Regulatory Authority pursuant to the process described below. The electric distribution company ~~and Load Serving Entity have~~ has ten business days to respond. ~~Other such contractual obligations may not preclude participation in the program, but may require special consideration by PJM such that appropriate settlements are made within the confines of such existing contracts.~~ If the electric distribution company ~~or Load Serving Entity~~ verifies that the load that may be reduced is permitted or conditionally permitted (which condition the electric distribution company ~~or Load Serving Entity~~ asserts has been satisfied) to participate in the Emergency Load Response Program, then the electric distribution company ~~or Load Serving Entity~~ must provide to the Office of the Interconnection within the referenced ten business day review period either: (a) an order, resolution or ordinance of the Relevant Electric Retail Regulatory Authority permitting or conditionally permitting the end-use customer's participation, (b) an opinion of the Relevant Electric Retail Regulatory Authority's legal counsel attesting to the existence of a regulation or law permitting or conditionally permitting the end-use customer's participation, or (c) an opinion of the state Attorney General, on behalf of the Relevant Electric Retail Regulatory Authority, attesting to the existence of a regulation or law permitting or conditionally permitting the end-use customer's participation.

i. If the electric distribution company ~~or Load Serving Entity~~ denies the end-use customer's Demand Resource (as defined in the Reliability Assurance Agreement) registration on or before May 31st preceding the applicable Delivery Year and the Curtailment Service Provider does not provide the above referenced Relevant Electric Retail Regulatory Authority evidence to the Office of the Interconnection on or before May 31st preceding the applicable Delivery Year demonstrating that the Curtailment Service Provider had Relevant Electric Retail Regulatory Authority permission or conditional permission (which condition the electric distribution company ~~or Load Serving Entity~~ asserts has been satisfied) for the end-use customer's participation and an executed contract with the end-use

customer Demand Resource before the date the Demand Resource cleared the applicable Reliability Pricing Model Auction then, unless the below exception applies, the existing end-use customer's registration ~~for Demand Resource registration~~ for Demand Resource participation shall be deemed to be terminated for the applicable Delivery Year and the Curtailment Service Provider will be subject to the Reliability Pricing Model provisions, as specified in Attachment DD of the PJM Tariff.

- (1) Except that, pursuant to all other PJM Tariff and PJM Manual provisions, PJM will allow participation of all end-use customers registered by Curtailment Service Providers to fulfill Curtailment Service Providers' Demand Resource obligations that were cleared in the Reliability Pricing Model Auctions prior to August 28, 2009.

- b. In the absence of a response from the electric distribution company ~~or Load Serving Entity~~ within the referenced ten business day review period, the Office of the Interconnection shall reject the registration. If it is able to do so in compliance with all of the Emergency Load Response Program requirements, including the registration section, the Emergency Load Response Participant may submit a new registration to the Office of the Interconnection for consideration if a prior registration has been rejected pursuant to the terms of the Emergency Load Response Program provisions.

- c. For those registrations terminated pursuant to this section, all Emergency Load Response participant activity incurred prior to the termination date of the registration shall be settled by PJM Settlement in accordance with the terms and conditions contained in the PJM Tariff, PJM Operating Agreement and PJM Manuals.

4. PJM informs the requesting participant of acceptance into the program and notifies the appropriate ~~Load Serving Entity and~~ electric distribution company of the requesting participant's acceptance into the program or notifies the requesting participant and appropriate ~~Load Serving Entity and~~ electric distribution company of PJM's rejection of the requesting participant's registration.

5. Any end-use customer intending to run distributed generating units in support of local load for the purpose of participating in this program must represent in writing to PJM that it holds all applicable environmental and use permits for running those generators. Continuing participation in this program will be deemed as a continuing representation by the owner that each time its distributed generating unit is run in accordance with this program, it is being run in compliance with all applicable permits, including any emissions, run-time limit or other constraint on plant operations that may be imposed by such permits.