**Consent to COLLATERAL assignment**

**By and Among**

**PJM Interconnection, L.L.C.**

**And**

[Interconnection Customer]

**And**

[Interconnected Transmission Owner]

**And**

[Collateral Agent][[1]](#footnote-2)

**(PJM Queue Position #\_\_\_)**

This CONSENT TO COLLATERAL ASSIGNMENT (this “Consent Agreement”) is entered into by and among PJM Interconnection, L.L.C. (“PJM” or “Transmission Provider”), \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Interconnection Customer” or “Borrower”), \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Interconnected Transmission Owner”), and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as agent for the Lenders (“Collateral Agent”) (each a “Party,” and collectively, the “Parties”).

WHEREAS, PJM, Interconnection Customer, and Interconnected Transmission Owner are parties to the following service agreement(s) (the “Assigned Agreement(s)); [filed with and accepted by the Federal Energy Regulatory Commission in Docket No.      ] or [reported in PJM’s Electric Quarterly Reports], designated as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of Service Agreement(s)** | **Service Agreement Number** | **Parties to the Agreement** | **Effective Date** |
|  |  |  |  |

WHEREAS, Borrower, Collateral Agent, and the financial institutions that are or from time to time may become a party thereto (the “Lenders”) have entered into that certain loan agreement and related documents [insert description of financing documents] (the “Loan Documents”), pursuant to which the Lenders have agreed to extend credit to Borrower for the purpose of obtaining or facilitating project financing (the “Loans”);

WHEREAS, as security for the Loans and other obligations under the Loan Documents, Borrower desires to assign certain rights and interests in, and grant a security interest in, the Assigned Agreement(s) to Collateral Agent pursuant to one or more security documents, and Collateral Agent desires to accept such assignment (the “Assignment”); and

WHEREAS, Borrower and Collateral Agent desire that PJM and Interconnected Transmission Owner provide written consent to the Assignment prior to the effective date of the Assignment (the “Assignment Date”), and PJM and Interconnected Transmission Owner desire to provide such written consent.

NOW, THEREFORE, in consideration of the mutual covenants and provisions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby covenant and agree as follows:

1.0 Consistent with the terms and conditions of the Assigned Agreement(s) and this Consent Agreement, PJM and Interconnected Transmission Owner hereby consent to Interconnection Customer’s Assignment of the Assigned Agreement(s) to Collateral Agent for security purposes.

2.0 The granting of consent by PJM and Interconnected Transmission Owner to the Assignment does not alter or diminish the rights of PJM or Interconnected Transmission Owner under the Assigned Agreement(s), except as expressly provided in the Assignment to Lenders provision of the relevant appendix of the Assigned Agreement(s), where applicable, and this Consent Agreement.

3.0 Interconnection Customer represents and warrants that, as of the date it executes this Consent Agreement, no default exists in the performance of its obligations under the Assigned Agreement(s).

4.0 Upon and after the Assignment Date, Interconnection Customer shall not be relieved or discharged from any of its duties or obligations arising under the Assigned Agreement(s).

5.0 After the Assignment Date, and while the Loan Documents are in effect, PJM and Interconnected Transmission Owner shall provide Collateral Agent with notice and reasonable opportunity to cure any breach by Interconnection Customer under the Assigned Agreement(s) in accordance with the terms and conditions of the Assigned Agreement(s), including appendices, where applicable. Collateral Agent will notify PJM and Interconnected Transmission Owner when (i) Collateral Agent’s contact information for notice purposes changes and (ii) the Loan Documents are no longer in effect.

6.0 Collateral Agent may request that PJM or Interconnected Transmission Owner provide such customary and reasonable documents, including consents to assignment, as may be reasonably requested with respect to the Assignment and status of the Assigned Agreement(s); provided that Interconnection Customer shall pay PJM’s and/or Interconnected Transmission Owner’s reasonable documented cost of providing such documents and certificates.

7.0 This Consent Agreement is neither a modification of nor an amendment to the Assigned Agreement(s). No terms or conditions set forth in this Consent Agreement are intended to be interpreted as contrary to, or inconsistent with the terms and conditions of the Assigned Agreement(s), including appendices, where applicable. In the event of conflicts between this Consent Agreement and the Assigned Agreement(s), including any appendices, the Assigned Agreement(s), including appendices, shall prevail.

8.0 This Consent Agreement may not be amended, modified, assigned, or waived other than by a writing signed by all Parties.

9.0 This Consent Agreement and all of its provisions are binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

10.0 Any notice or request made to or by any of the Parties regarding this Consent Agreement shall be made to the respective representatives of the other Parties as indicated below:

**Transmission Provider**

PJM Interconnection, L.L.C.

2750 Monroe Blvd.

Audubon, PA 19403

**Interconnection Customer**

[NAME OF PARTY]

[Contact Name]

[Title]

[CONTACT ADDRESS]

[Phone number]

[Email address]

**Interconnected Transmission Owner**

[NAME OF PARTY]

[Contact Name]

[Title]

[CONTACT ADDRESS]

[Phone number]

[Email address]

**Collateral Agent**

[NAME OF PARTY]

[Contact Name]

[Title]

[CONTACT ADDRESS]

[Phone number]

[Email address]

11.0 This Consent Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be an original but all of which shall together constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Consent Agreement, which shall become effective on the date that it is fully executed by all Parties, to be executed by their respective authorized officials. By each individual signing below each represents to the others that they are duly authorized to sign on behalf of that company and have actual and/or apparent authority to bind the respective company to this Consent Agreement.

(PJM Queue Position #     )

**Transmission Provider: PJM Interconnection, L.L.C.**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Name Title Date

Printed name of signer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Interconnection Customer: [Name of Party]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Name Title Date

Printed name of signer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Interconnected Transmission Owner: [Name of Party]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Name Title Date

Printed name of signer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Collateral Agent: [Name of Party]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Name Title Date

Printed name of signer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. {If no Collateral Agent, insert the name of the Lender and modify the template accordingly, for review by PJM Legal.} [↑](#footnote-ref-2)