

ATTACHMENT D

COPY OF EMAIL PROVING PJM MEMBERSHIP FOR MC SQUARED

**COPY OF GUARANTY OF \$5.0 MILLION POSTED TO PJM
INTERCONNECTION, LLC**

COPY OF GUARANTY ACCEPTANCE LETTER FROM PJM

Chuck Sutton

From: Chuck Sutton
Sent: Thursday, March 10, 2011 11:14 AM
To: Chuck Sutton
Subject: FW: PJM Membership Approved - MC Squared Energy Services LLC

Official Notification from PJM of Membership Acceptance of MC Squared Energy Services, LLC into PJM dated March 13, 2009.

Charles C. Sutton, President
MC Squared Energy Services, LLC
10 South Riverside Plaza, Suite 1800
Chicago, IL 60606
Office (312) 474-6441
Fax (877) 281-1279
Cell (312) 446-3347
chucksutton@mc2energyservices.com



where energy comes from

The contents of this e-mail message and any attachments are intended solely for the addressee(s) and may contain confidential and/or legally privileged information. If you are not the intended recipient of this message or if this message has been addressed to you in error, please immediately alert the sender by reply e-mail and then delete this message and any attachments. If you are not the intended recipient, you are notified that any use, dissemination, distribution, copying, or storage of this message or any attachment is strictly prohibited.

From: snydev@pjm.com [mailto:snydev@pjm.com]
Sent: Friday, March 13, 2009 11:31 AM
To: John Fringer Gmail; John Clark
Cc: demandsolutions@pjm.com; snydev@pjm.com
Subject: PJM Membership Approved - MC Squared Energy Services LLC

Welcome.

Effective March 13, 2009, MC Squared Energy Services LLC has been approved for PJM membership in the Other Supplier Sector.

To ensure your needs are met, PJM has assigned client manager group Demand Solutions as your primary point of contact. You can reach Marie Furey by calling 610-666-8250, Kelly Ostertag at 610-666-2254, or Esrick McCartha by calling 610-666-4289. In addition, you can contact your client manager group via email at demandolutions@pjm.com. You can also contact our Customer Service Center at 610-666-8980 or at 866-400-8980, should you have any questions.

Thank you.

Virginia J. (Ginny) Snyder
Paralegal / Contract Administrator
PJM Interconnection
955 Jefferson Avenue
Valley Forge Corporate Center

Norristown PA 19403-2497

Phone: 610-635-3430

Fax: 610-666-8211

E-mail: snydev@plm.com

GUARANTY

THIS GUARANTY is given as of February 25, 2011, by DPL Inc., an Ohio corporation, whose principal business office is located at 1065 Woodman Drive, Dayton, OH 45432 ("Guarantor"), to PJM Settlement, Inc ("PJM Settlement"), a Pennsylvania Non-Profit Corporation, on behalf of itself and as agent for PJM Interconnection, L.L.C. ("PJM"), a Delaware limited liability company, whose principal business office is located at 955 Jefferson Avenue, Valley Forge Corporate Center, Norristown, Pennsylvania, 19403-2497.

RECITALS

WHEREAS, MC Squared Energy Services, LLC ("MC2"), whose principal business office is located at 10 South Riverside Plaza, Suite 1800, Chicago, IL 60606, has conducted business, and will continue to conduct business from the date of this Guaranty, with PJM pursuant to which MC2 may from time to time enter into power and/or related purchase and sale transactions in the PJM Control Area; and

WHEREAS, pursuant to the PJM Open Access Transmission Tariff, PJM Operating Agreement and/or the PJM Reliability Assurance Agreement among Load Serving Entities in the PJM Control Area, (the "Agreements"), PJM Settlement and PJM is authorized to require Transmission Customers and PJM Members to provide and maintain in effect appropriate creditworthiness arrangements; and

WHEREAS, PJM will continue to accept MC2 as a member or transmission customer only if payments, penalties, and other amounts owed by MC2 to PJM Settlement in connection with the Agreements will be guaranteed by Guarantor;

WHEREAS, Guarantor will directly or indirectly benefit from MC2 continuing as a member or transmission customer of PJM and deems it to be in Guarantor's best interest to provide this guarantee to PJM Settlement; and

WHEREAS, Guarantor is willing to guarantee payments, penalties, and other amounts owed by MC2 to PJM Settlement under the terms set forth below.

NOW THEREFORE, in consideration of the above premises and the mutual promises and covenants contained below (which the Guarantor acknowledges constitute adequate consideration for its obligations hereunder) the Guarantor, intending to be legally bound, agrees as follows:

- (1) **Obligations of Guarantor.** Guarantor unconditionally guarantees to PJM Settlement the prompt and complete payment of any amounts owed to PJM Settlement by MC2 in regard to Agreements (or any successor agreements), up to a maximum amount of \$5,000,000 in the aggregate. If all or any part of such amounts is not paid by MC2 when due, Guarantor shall, upon the demand of PJM Settlement, immediately pay such amount. This is a primary, absolute obligation of Guarantor enforceable by PJM Settlement, its successors and assigns, or any of its members on its behalf, regardless of MC2's ability or willingness to pay.

- (2) Duration. This Guaranty shall continue in force until the entire indebtedness covered by this Guaranty is repaid in full to PJM Settlement and the Agreement is terminated. PJM Settlement shall not be bound or obligated to exhaust its recourse against MC2 or other persons or take any other action before being entitled to demand performance by Guarantor hereunder. This Guaranty shall continue to be effective even in the event of the insolvency, bankruptcy or reorganization of MC2. This Guaranty will also survive and be binding upon Guarantor following any merger, reorganization, consolidation or other change in MC2's or Guarantor's structure, personnel, business or affairs.
- (3) Remedies of PJM Settlement. The rights and remedies of PJM Settlement under this Guaranty are cumulative and concurrent and shall not be exclusive of any other rights or remedies that PJM Settlement may have against MC2 or Guarantor. No set-off, counterclaim, reduction or diminution of an obligation or any defense of any kind or nature that Guarantor has or may have against MC2 or PJM Settlement shall affect, modify or impair the obligations of Guarantor under this Guaranty.
- (4) Waivers. Guarantor acknowledges that PJM Settlement will rely upon this Guaranty in continuing to accept MC2 as a member or transmission customer under the Agreements. Guarantor accordingly waives any claim or defense based upon lack of consideration. Guarantor also irrevocably waives presentment, demand, protest or other notice of any kind, including, without limitation, notice of acceptance of this Guaranty and notice of any claim or demand upon MC2 or Guarantor. Without notice to Guarantor, PJM Settlement may extend the time for performance under any agreement with MC2 or modify, supplement or amend any agreement, and otherwise agree in any manner with MC2 without affecting Guarantor's unconditional obligation under this Guaranty.
- (5) Effect of Bankruptcy. In the event that, pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law or any judgment, order or decision thereunder, PJM Settlement must rescind or restore any payment, or any part thereof, received by PJM Settlement, any prior release or discharge from the terms of this Agreement shall be without effect, and this Agreement will remain in effect.
- (6) Miscellaneous. This Guaranty is for the benefit of PJM Settlement, its successors and assigns, and its members; and is binding upon Guarantor, its successors and assigns, except that Guarantor may not assign or transfer any of its obligations under this Guaranty, whether by operation of law or otherwise, without the prior written consent of PJM Settlement. Guarantor will reimburse PJM Settlement for any expenses reasonably incurred by PJM Settlement in enforcing this Guaranty, including reasonable legal fees. If any provision of this Guaranty is found by a court of competent jurisdiction to be prohibited or unenforceable, this Guaranty shall be ineffective only to the extent of such prohibition or unenforceability and such shall not invalidate the balance of the Guaranty. Guarantor represents and warrants to PJM that the execution, delivery and performance of this Guaranty by Guarantor have been duly authorized by all requisite corporate action of Guarantor. Any Correspondence to the beneficiary should be sent to the following address:

PJM Interconnection, LLC
955 Jefferson Ave
Valley Forge Corporate Center
Norristown, Pa 19403-2497
Attn: Treasurer

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed on its behalf by its duly authorized Officer as of the date shown above.

CS, BT, 8/0
RJG
2-2-11

Fred Boyle

(Signature)

Fredrick J. Boyle

(Printed name)

Senior Vice President and CFO

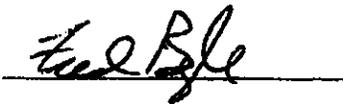
(Title)

[Guaranty must be stamped with Corporate seal or must be accompanied by a signed secretary's certificate attesting to the validity of the signature and the authorization of the person signing the guaranty]

CJA
2/21/11

**DPL INC.
CERTIFICATE OF INCUMBENCY**

I, Timothy G. Rice, do hereby certify that I am the duly elected, qualified and acting Vice President, Assistant General Counsel and Corporate Secretary of DPL Inc., (the "Company"), an Ohio corporation, and DO HEREBY CERTIFY that (a) Frederick J. Boyle has been elected to, and now holds, the office of Senior Vice President and Chief Financial Officer within the Company; and (b) Mr. Boyle has the requisite corporate authority to enter into any and all financial transactions involving the Company, including but not limited to, the authority to execute guaranties to support the creditworthiness of MC Squared Energy Services, LLC. I FURTHER CERTIFY that the following is a true specimen of the Mr. Boyle's signature and that the PJM Settlement, Inc., or any affiliated company or entity, is permitted to rely on this certificate until notified to the contrary by the Company.

<u>Office</u>	<u>Name of Officer</u>	<u>Signature</u>
Senior Vice President and Chief Financial Officer	Frederick J. Boyle	

IN WITNESS WHEREOF, I have hereunto set my hand this 23rd of February, 2011.



Timothy G. Rice
Vice President, Assistant General Counsel
and Corporate Secretary



955 Jefferson Ave.
Valley Forge Corporate Center
Norristown, PA 19403-2497

March 8, 2011

MC Squared Energy Services, LLC
10 South Riverside Plaza, Suite 1800
Chicago, IL 60606
Attn: Charles C. Sutton, President

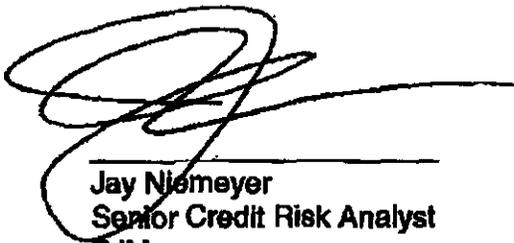
Re: MC Squared Energy Services, LLC Credit Support with PJM

Dear Charles,

As requested, this letter confirms that MC Squared Energy Services, LLC, recently acquired by DPL, Inc., currently has credit established through a parental guaranty provided by its new parent, DPL, Inc. The guaranty was in place when the acquisition of MC Squared Energy Services, LLC was made by DPL, Inc.

If you have any further questions or requests, please feel free to give me a call at 610-666-4407.

Regards,



Jay Niemeyer
Senior Credit Risk Analyst
PJM