

PENNSYLVANIA POWER COMPANY

Electric Generation Supplier Coordination Tariff (FOR INFORMATIONAL PURPOSES ONLY)

Company Office Location

233 Frenz Drive
New Castle, Pennsylvania 16101

**This Tariff replaces Supplement No. 6 to Tariff Electric Pa.
P.U.C. No. S-1 and cancels Tariff Electric Pa. P.U.C. No. S-1**

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Postponed to April 25, 2007

**Anthony J. Alexander
President**

NOTICE

LIST OF MODIFICATIONS

DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS

Added the definition for Alternative Energy Portfolio Standards Act (“AEPS Act”). (See Third Revised Page No. 5)

Added the definition for Balancing Authority Area to replace the definition for Control Area which has been deleted. (See Third Revised Page No. 5)

Added the definition of Competitive Retail Electric Service. (See Third Revised Page No. 5)

Modified the definition of Coordination Services based upon the applicable Midwest ISO rules, agreements, and procedures. (See Third Revised Page No. 6)

Added the definition of Electronic Data Interchange (“EDI”). (See Third Revised Page No. 7)

Added the definition of MISO. (See Second Revised Page No. 8)

Added the definition for Gas Industry Standards Board (GISB). (See Second Revised Page No. 8)

Added the definition of Market Participant. (See Second Revised Page No. 8)

Added the definition of Meter Data and Management Agent. (See Second Revised Page No. 8)

Deleted the definition of Month. (See Second Revised Page No. 9)

Modified the definition of Network Integration Transmission Service. (See Second Revised Page No. 9)

Added the definition of Open Access Same-Time Information System (“OASIS”). (See Second Revised Page No. 9)

Modified the definition of Transmission Provider Open Access Transmission Tariff. (See Third Revised Page No. 10)

Modifications (Continued)

RULES AND REGULATIONS

Modified Section 3.1(h) to establish the timing to implement EGS rates. (See Third Revised Page No. 13)

Modified Section 4.6 to define the applicable Midwest ISO rules, agreements, and procedures for Transmission Losses. (See Second Revised Page No. 16)

Modified Section 4.10 referencing the preferred method of electronic communications requirements. (See Third Revised Page No. 17)

Modified Section 4.13 and implemented Section 5- Direct Access Procedures (See Second Revised Page No. 18)

Modified Section 4.16.2 consistent to applicable Midwest ISO rules, agreements, and procedures. (See Second Revised Page No. 19)

Deleted Section 5.1.1 and 5.1.2(a) to remove references to Pilot Program rules.

Modified Section 5.2, eliminated reference to Initial EGS Selection for the year 1998, and added the fee for interval meter data. (See Second Revised Page No. 21)

Modified Section 5.3.4 (a), replaced the reference to the Company's tariffed "Energy and Capacity Charges" with "PLR Service Charges". (See Second Revised Page No. 23)

Modified Section 5.3.5 (a) to reference EDI transactions for customer enrollments. (See Second Revised Page No. 23)

Modifications (Continued)

Replaced existing Section 6.1, Load Forecasting with new Section 6.1 entitled Customer Load and Weather and Forecasting to conform to the applicable Midwest ISO rules, agreements, and procedures. (See Third Revised Page No. 25)

Modified Section 6.2.1 referencing the Company's Load Profiles. (See Third Revised Page No. 25.

Replaced existing Section 6.3, Real-Time Load Following with new Section 6.3 Real Power Losses. (See Third Revised Page No. 26)

Modified Section 6.3, Distribution Real Power Losses for Energy. (See Third Revised Page No. 26)

Modified Section 6.4, Transmission Losses. (See Third Revised Page No. 26)

Deleted Section 6.5, Adequacy of Load Profiles.

Modified Section 7, Energy Schedules and Use of Scheduling Coordinators. (See Second Revised Page No. 27)

Replaced existing Section 8, Energy Imbalance Service with new Section 8 entitled Settlements to conform to the applicable Midwest ISO rules, agreements, and procedures (See Third Revised Page No. 29)

Added Section 9, Alternative Energy Portfolio Standards. (See Third Revised Page No. 31)

Modified Section 10.4 consistent with applicable Midwest ISO rules, agreements, and procedures. (See Third Revised Page No. 32)

Modifications (Continued)

Modified Section 11, Confidentiality of Information. (See Second Revised Page No. 35)

Modified Section 12.1 (e), Company Reimbursement to EGS for Customer Payments. (See Second Revised Page No. 37)

Deleted Section 12.3, Network Integration Transmission Service and Retail Tariff Ancillary Services Billing to conform this tariff with the MISO business practices and for consistency with the retail tariff changes resulting from the Penn Power POLR Proceedings. (See Second Revised Page No. 38)

Modified Section 16.4, Rights Upon Default. (See Third Revised Page No. 45)

Added Section 16.5, Rights, Remedies, or Powers. (See Second Revised Page No. 46)

Added Section 19.6, EGS Informational Meetings. (See Second Revised Page No. 52)

Modified the Technical Support and Assistance Charge Section. (See Third Revised Page No. 53)

Modified Section 7.0, address and contact information, of the Coordination Agreement. (See Third Revised Page No. 57)

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HOW TO USE LOOSE-LEAF TARIFF

1. This Tariff is issued on the loose-leaf plan. Each page will be issued as "original page," consecutively numbered, commencing with the title page, which in all cases will be considered as Page No. 1. For example: "Original Page No. 2", "Original Page No. 3," etc.

2. All changes in, additions to, or eliminations from, original pages, will be made by the issue of consecutively numbered supplements to this Tariff and by reprinting the page or pages affected by such change, addition, or elimination. Such supplements will indicate the changes which they effect and will carry a statement of the make-up of the Tariff, as revised. The Table of Contents will be reissued with each supplement.

3. When a page is reprinted the first time, it will be designated under the P.U.C. number as "First Revised Page No....," the second time as "Second Revised Page No....," etc. First revised pages will supersede original pages; second revised pages will supersede first revised pages, etc.

4. When changes or additions to be made require more space than is available, one or more pages will be added to the Tariff, to which the same number will be given with letter affix. For example, if changes were to be made in Original Page No. 2 and, to show the changed matter, more than one page should be required, the new page would be issued as "First Revised Page No. 2, superseding Original Page No. 2"; and the added page would be issued as "Original Page No. 2A." If a second added page should be required, it would be issued as "Original Page No. 2B." Subsequent reprints will be consecutively designated as "First Revised....," "Second Revised....," etc.

5. On receipt of a revised page it will be placed in the Tariff immediately following the page which it supersedes, and the page which is to be superseded thereby plainly marked "See following page for pending revision." On the date when such revised page becomes effective, the page superseded should be removed from the Tariff.

DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS

Alternative Energy Portfolio Standards Act (“AEPS Act”) – standards requiring that a certain amount of electric energy sold from alternative energy sources be included as part of the sources of electric generation by electric utilities within the Commonwealth of Pennsylvania in accordance with the Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1648.1-1648.8, as may be amended from time to time.

American Transmission Systems, Incorporated Open Access Transmission Tariff (“ATSI OATT”) - the ATSI Open Access Transmission Tariff on file with the FERC and which is referenced by the Transmission Provider OATT.

Balancing Authority Area - has the meaning given in the Transmission Provider Tariff.

Bad Credit –an EGS has bad credit if it is insolvent (as evidenced by a credit report prepared by a reputable credit bureau or credit reporting agency or public financial data, liabilities exceeding assets or generally failing to pay debts as they become due) or has failed to pay Company invoices when they become due on two (2) or more occasions within the last twelve (12) billing cycles.

Charge - any fee or charge that is billable by the Company to an EGS under this Tariff, including any Coordination Services Charge.

Company – the Pennsylvania Power Company (or “Penn Power”).

Competition Act - the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §2801, et seq.

Competitive Energy Supply - unbundled energy provided by an Electric Generation Supplier.

Competitive Retail Electric Service – retail electric generation, aggregation, power marketing, and/or power brokerage services supplied to Customers of the Company by an EGS.

Coordinated Supplier – an Electric Generation Supplier who has appointed a Scheduling Coordinator as its designated agent for certain Coordination Services.

Definitions (Continued)

Coordination Activities - all activities related to the provision of Coordination Services.

Coordination Agreement – an agreement between the Company and an EGS that arranges for the provision of Coordination Services.

Coordination Obligations - all obligations identified in this Tariff, relating to the provision of Coordination Services.

Coordination Services - those services that permit the type of interface and coordination between EGSs and the Company in connection with the delivery of Competitive Energy Supply to serve Customers located within the Company's service territory including, but not limited to, distribution losses. Coordination Services do not include Network Integration Transmission Service and Ancillary Services which are offered under the Transmission Provider Tariff.

Coordination Services Charges - all charges stated in the Charges section of this Tariff that are billed by the Company (on behalf of itself or any FirstEnergy affiliate or subsidiary) for Coordination Services performed hereunder.

Creditworthiness – a creditworthy EGS pays the Company's charges as and when due and otherwise complies with the Rules and Regulations of this Tariff or the PaPUC. To determine whether an EGS is creditworthy, the Company will evaluate the EGS's record of paying Company charges, and may also take into consideration the EGS's credit history.

Customer - any person, partnership, association, or corporation receiving Competitive Energy Supply from an Electric Generation Supplier in accordance with the Competition Act.

Deliver - to "Deliver" a document or other item under this Tariff shall mean to tender by certified mail, hand delivery, or overnight express package delivery service.

Definitions (Continued)

Direct Access - shall have the meaning set forth in the Competition Act.

Electric Distribution Company (or “EDC”) - shall have the meaning set forth in the Competition Act.

EDC Tariff - The Company's current Pa PUC approved Electric Service Tariff, Pa PUC No. 35.

Electric Generation Supplier (“EGS”) - shall have the meaning set forth in the Competition Act.

Electronic Data Exchange Working Group (“EDEWG”) – group developing standardized formats and methodology for exchanging information electronically within the Pennsylvania deregulated electric market.

Electronic Data Interchange (“EDI”) – guidelines that represent the standard electronic communication method for exchanging data between the Electric Distribution Company or Electric Generation Suppliers.

FERC - the Federal Energy Regulatory Commission.

FirstEnergy (“FE”) – the parent company of Ohio Edison Company (and its wholly owned subsidiary, Pennsylvania Power Company), The Cleveland Electric Illuminating Company, and The Toledo Edison Company.

FirstEnergy (“FE”) Balancing Authority Area - the Balancing Authority Area represented by the combined service territories of The Cleveland Electric Illuminating Company, Ohio Edison Company, Pennsylvania Power Company, and The Toledo Edison Company.

Definitions (Continued)

Gas Industry Standards Board (“GISB”) – an electronic method of communication for data transfer that allows information to be sent and received electronically using the internet. This method must meet the following minimum criteria:

- Security and/or encryption of transactions and customer information.
- Proof of transmission and receipt.
- Positive identity of sender and recipient (non-repudiation).
- Reliability.
- Data and file integrity.
- Network performance and availability.
- Recoverability and archiving of data.

Hourly or Sub-Hourly Metering Equipment – electric metering equipment that supplies hourly or sub-hourly data of customer consumption.

Interest Index - an annual interest rate determined by the average of 1-Year Treasury Bills for September, October and November of the previous year.

Market Participant – has the same meaning as set forth in the Transmission Provider Tariff.

Meter Data and Management Agent – has the meaning given in the Transmission Provider Tariff.

Meter Read Date - the date on which the Company schedules a meter to be read for purposes of producing a customer bill in accordance with the regularly scheduled billing cycles of the Company as the same may be modified from time to time.

MISO – Midwest Independent Transmission System Operator.

Definitions (Continued)

Network Integration Transmission Service - has the same meaning as set forth in the Transmission Provider Tariff.

Ohio Edison System (“OES”) – the Ohio Edison Company, an Ohio corporation, and its wholly owned subsidiary Pennsylvania Power Company, a Pennsylvania corporation.

Open Access Same-Time Information System (“OASIS”) –has the same meaning as set forth in the Transmission Provider Tariff.

Pa PUC (or “the Commission”) - The Pennsylvania Public Utility Commission.

Provider of Last Resort (“PLR”) Service – the provision of energy and capacity by the Company as PLR to Customers that (1) are not eligible to obtain Competitive Energy Supply, (2) choose not to obtain Competitive Energy Supply, (3) return to PLR service after having obtained Competitive Energy Supply, or (4) contract for Competitive Energy Supply from an EGS that fails to deliver such energy or capacity.

Schedule – a schedule for the delivery of energy for the benefit of retail Customers, prepared by the EGS or its designated Scheduling Coordinator and submitted to and in the format prescribed by the Transmission Provider.

Scheduling Coordinator – an entity that performs one or more of an EGS’s Coordination Obligations.

Definitions (Continued)

Tariff - this informational Electric Generation Supplier Coordination Tariff which was filed in compliance with Ordering Paragraph 2 of the Pa PUC Order entered December 3, 1998 in Docket No. R-00974149, and subsequent revisions.

Transmission Provider – MISO or its successor organization.

Transmission Provider Open Access Transmission Tariff and Energy Market Tariff (“Transmission Provider Tariff”) – the MISO Open Access Transmission Tariff and Energy Market Tariff (or its successor which may be through a successor organization) on file with the FERC.

Value Added Network or (VAN) – a method of data transfer that allows information to be sent and received electronically using an electronic mailbox. This method must meet the following minimum criteria:

- Security and/or encryption of transactions and customer information.
- Proof of transmission and receipt.
- Positive identity of sender and recipient (non-repudiation).
- Reliability.
- Data and file integrity.
- Network performance and availability.
- Recoverability and archiving of data.

RULES AND REGULATIONS

1. THE TARIFF

- 1.1 Filing and Posting.** A copy of this Tariff, which comprises the Charges, Rules and Regulations and Coordination Agreement under which the Company will provide Coordination Services to EGSs, is on file with the Commission and is posted and open to inspection at the offices of the Company during regular business hours.
- 1.2 Revisions.** Subject to Section 2.2, this Tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Pennsylvania Public Utility Code, and such changes, when effective, shall have the same force as the present Tariff.
- 1.3 Application.** The Tariff provisions apply to all EGSs providing Competitive Energy Supply to Customers located in the Company's service territory, including an affiliate or division of the Company that provides Competitive Energy Supply, and with whom the Company has executed a Coordination Agreement as required herein. The Charges herein shall apply to anyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services in addition to any other remedies available to the Company.
- 1.4 Rules and Regulations.** The Rules and Regulations, filed as part of this Tariff, are a part of every Coordination Agreement entered into by the Company pursuant to this Tariff and govern all Coordination Activities. The obligations imposed on EGSs in the Rules and Regulations apply as well to anyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services in addition to any other remedies available to the Company.
- 1.5 Statement by Agents.** No Company representative has authority to modify a Tariff rule or provision, or to bind the Company by any promise or representation contrary thereto inconsistent therewith.

2. SCOPE AND PURPOSE OF TARIFF

- 2.1 Scope and Purpose of Tariff.** This Tariff sets forth the basic requirements for interactions and coordination between the Company as the Electric Distribution Company and EGSs necessary for ensuring the delivery of Competitive Energy Supply from EGSs to their Customers.
- 2.2** The inclusion of FERC-jurisdictional matters within the scope of the Tariff is intended solely for informational purposes and is not intended to accord any jurisdictional authority over such matters to the Pa PUC. Furthermore, to the extent that anything stated herein is found by FERC to conflict with or to be inconsistent with any provision of the Federal Power Act (“FPA”), or any rule, regulation, order or determination of FERC under FPA, then such FERC rule, regulation, order or determination of the FERC shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of FERC under the FPA, the Company shall endeavor to secure, from time to time, all necessary orders, approvals, and determinations from FERC necessary to implement this Tariff.

3. COMMENCEMENT OF EDC/EGS COORDINATION

- 3.1 Registration for Coordination Services.** An EGS seeking to obtain Coordination Services hereunder must deliver to the Company a completed registration, consisting of the following:
- (a) a Coordination Agreement fully executed in triplicate by a duly authorized representative of the EGS;
 - (b) a service agreement for Network Integration Transmission Service under the Transmission Provider Tariff, fully executed in triplicate by a duly authorized representative of the EGS;
 - (c) a completed Market Participant Agreement as defined under the Transmission Provider's Tariff, fully executed by a duly authorized representative of the EGS.
 - (d) the EGS's Pennsylvania sales tax identification number;
 - (e) a copy of the EGS's license issued by the Pa PUC to provide electric service to the Company's retail customers;
 - (f) a copy of the EGS's license application submitted to the Pa PUC to apply for its license;
 - (g) a credit history form, fully completed in duplicate; and
 - (h) for Customers that have elected the one-bill option, a copy of the EGS's rate schedule must be provided to the Company. When an EGS requests the implementation of 15 rate schedules or less, the Company will seek to implement EGS rate schedule(s) within two (2) weeks, but in no event longer than thirty (30) days. If an EGS requests the implementation of 16 rate schedules or more, the Company will seek to implement EGS rate schedules(s) within thirty (30) days, but in no event later than ninety (90) days. The Company reserves the right to limit the total number of rate ready rates available per EGS, but in no event shall the Company limit a EGS to less than 200 rate ready rates. Additionally, any rate design other than the one specified in Rule 12.1 may delay power flow to a Customer that has elected the one-bill option.

- 3.2 Incomplete Registrations.** In the event the EGS submits an incomplete registration, the Company shall provide written notice to the EGS of the registration's deficiencies within ten (10) business days after the date of service of the registration as determined under 52 Pa. Code § 1.56. The Company will not process an incomplete application until the EGS corrects the deficiencies and Delivers a completed registration to the Company.
- 3.3 Credit Check.** A registration for Coordination Services shall constitute authorization to the Company to conduct a Creditworthiness review.
- 3.4 Processing of Registrations.** The Company shall complete the processing of each completed registration for Coordination Services within ten (10) business days after the date of service of the registration, as determined under 52 Pa. Code § 1.56. The Company shall approve all completed registrations unless grounds for rejecting the registration exist, as defined below.
- 3.5 Grounds for Rejecting Registration.** The Company may reject a registration for Coordination Services on any of the following grounds:
- (a) the EGS has undisputed outstanding debts to the Company or FirstEnergy arising from its previous receipt of Coordination Services from the Company under this Tariff;
 - (b) the EGS has failed to comply with payment and billing requirements specified in Rule 12 of the Tariff;
 - (c) the Company has provided written notice to the EGS that a registration is deficient and the EGS has failed to submit a completed registration within thirty (30) calendar days of deficiency notification.

The Company may also petition the PaPUC to reject the registration of an EGS with Bad Credit as to PUC jurisdictional transactions. The Company need not provide Coordination Services to the EGS pending the PaPUC's review of said Petition unless the EGS has provided security to the Company as provided for in Rule 12.5. The EGS must comply with all applicable requirements of the Transmission Provider Tariff in order for its registration to be accepted as complete.

- 3.6 Offer of Conditional Acceptance of Registration.** Where grounds for rejection of a registration exist due to an EGS's outstanding and undisputed debts to the Company arising from its previous receipt of Coordination Services from the Company or FirstEnergy under the Tariff, the Company may offer the affected EGS a conditional acceptance if the EGS pays such debts before it receives Coordination Services. If the EGS rejects the Company's offer of conditional acceptance under this Rule or if the EGS does not act upon the Company's offer of conditional acceptance within thirty (30) calendar days as determined in 3.5(c), then the EGS's registration for Coordination Services will be deemed rejected.
- 3.7 Rejection of Registration.** Upon rejection of any registration, the Company shall provide the affected EGS with written notice of rejection within the time periods set forth in Section 3.4, and shall state the basis for its rejection.
- 3.8 Approval of Registration.** Upon its approval of a registration for Coordination Services, the Company shall execute the Coordination Agreement tendered by the registrant and shall provide one copy to the EGS and maintain a copy for its own records. The Company shall send written notification of approval of registration to the EGS within the period set forth in Section 3.4.
- 3.9 Identification Numbers.** Upon its approval of a registration for Coordination Services, the Company will use the assigned EGS identification number in subsequent electronic information exchange between the EGS and the Company.
- 3.10 Commencement of Coordination Services.** Coordination Services shall commence within ten (10) business days after the Company's approval of an EGS's registration for Coordination Services provided that all of the information necessary for the Company to provide Coordination Services has been provided to the Company and any conditions required under Rule 3.6 have been satisfied by the EGS.

4. COORDINATION OBLIGATIONS

- 4.1 Provision of Coordination Services.** The Company shall provide all Coordination Services, as provided herein, necessary for the delivery of an EGS's Competitive Energy Supply to serve retail access load located within the Company's service territory.
- 4.2 Timeliness and Due Diligence.** EGSs shall exercise due diligence in meeting their obligations and deadlines under this Tariff so as to facilitate Direct Access.
- 4.3 Duty of Cooperation.** The Company and EGS will cooperate in order to ensure delivery of Competitive Energy Supply to Customers as provided for by this Tariff, the EDC Tariff, the Transmission Provider Tariff and the Competition Act.
- 4.4 State Licensing.** An EGS must have and maintain in good standing a license from the Pa PUC as an authorized EGS. The EGS shall notify the Company within three (3) business days of any amendment, revocation, termination or any other change in its License applicable to the Company's service territory.
- 4.5 Energy Procurement.** An EGS is responsible for all necessary arrangements for supply and delivery of capacity and energy in a quantity sufficient to serve its own Customers under the Transmission Provider Tariff.
- 4.6 Transmission Services and Obligations.** An EGS is responsible for arranging, procuring, taking and paying for those services provided by the Transmission Provider that are necessary for the delivery of Competitive Energy Supply to its Customers pursuant to the Transmission Provider Tariff and this Tariff. Failure to do so will result in a suspension of the EGS's registration until resumption of such services by the EGS occurs.

- 4.7 Energy Scheduling.** An EGS must make all necessary arrangements for scheduling the delivery of energy with the Transmission Provider.
- 4.8 Reliability Requirements.** An EGS shall satisfy those applicable reliability requirements issued by the Pa PUC, Transmission Provider, or any other governing reliability council or its successor with authority over the EGS.
- 4.9 Supply of Data.** An EGS and the Company shall supply to the other all data, materials or other information specified in this Tariff, or otherwise reasonably required by the EGS or Company in connection with the provision of Coordination Services, in a thorough and timely manner.
- 4.10 Communication Requirements.** An EGS shall implement GISB which is the preferred method of communication or a VAN and secure Internet file transfer protocol (EDI), as determined by the EDEWG and Pa PUC Docket No. M-00960890F.0015. GISB and VAN must meet the minimum criteria of, and be endorsed by, the EDEWG.
- 4.10.1 Internet Access.** An EGS shall have appropriate software for access to the Company's internet site for file viewing, uploads and downloads.
- 4.11 Payment Obligation.** The Company's provision of Coordination Services to an EGS is contingent upon the EGS's payment of all charges provided for in this Tariff.
- 4.12 Record Retention.** An EGS and the Company shall comply with all applicable laws and the Pa PUC rules and regulations for record retention, including but not limited to those Rules of Chapter 56 of the Pa PUC regulations.

4.13 Credit Requirements

The Company will apply, on a non-discriminatory and consistent basis, reasonable financial standards to assess and examine an EGS’s creditworthiness. These standards will take into consideration the scope of operations of each EGS and the level of risk to the Company. This determination will be aided by appropriate data concerning the EGS, including load data or reasonable estimates thereof, where applicable.

An EGS shall satisfy its creditworthiness requirement and receive an unsecured credit limit by demonstrating that it has, and maintains, investment grade long-term bond ratings from any two of the following four rating agencies:

AGENCY	SENIOR SECURITIES RATING (BONDS)
Standard & Poors	BBB- or higher
Moody’s Investors’ Services	Baa3 or higher
Fitch IBCA	BBB- or higher
Duff & Phelps Credit Rating Company	BBB- or higher

The EGS will provide the Company with its or its parent’s most recent independently-audited financial statements, (if applicable) and, its or its parent’s most recent Form 10-K and Form 10-Q (if applicable).

The Company shall make reasonable alternative credit arrangements with an EGS that is unable to meet the aforementioned criteria and with those EGSs whose credit requirements exceed their allowed unsecured credit limit. The EGS may choose from any of the following credit arrangements in a format acceptable to the Company: an irrevocable Letter of Credit; a Prepayment Account established with the Company; a Surety Bond, including the Company as a beneficiary; or other mutually agreeable security or arrangement. The alternate credit arrangements may be provided by a party other than the Certified Supplier, including one or more ultimate customers.
The fact

that a irrevocable Letter of Credit, Prepayment Account, or Surety Bond is provided by a party other than the Certified Supplier shall not be a factor in the determination of the reasonableness of any alternative credit arrangement, as long as such party and the related credit arrangements meet the Company's standard credit requirements. The amount of the security required must be and remain commensurate with the financial risks placed on the Company by that EGS, including recognition of that EGS's performance.

4.14 Code of Conduct - The Code of Conduct contained in the Company's EDC Tariff is incorporated herein by reference.

4.15 Standards of Conduct and Disclosure for Licensed EGSs. The Standards of Conduct and Disclosure for Licensees are incorporated herein by reference.

4.16 Load Shedding and Curtailments.

4.16.1 Transmission service shall be provided pursuant to the Transmission Provider Tariff. The EGS shall accept the Transmission Provider's determination that an emergency exists and will comply with Transmission Provider directives and actions issued pursuant to the Transmission Provider Tariff.

4.16.2 Emergency shutoff. The Transmission Provider has the right to take whatever actions are necessary pursuant to the Transmission Provider's Tariff in order to maintain system integrity, or to otherwise prevent the occurrence of a system emergency or to rectify the occurrence of a system emergency.

5. DIRECT ACCESS PROCEDURES

5.1 Pre-Enrollment Customer Information List

Upon request, but no more frequently than on a monthly basis, the Company will electronically provide to any EGS the most recent Customer information list. The Company will provide Customers the option to have all of the Customers' information listed in the section below removed from the Customer information list. At the same time the Company will also provide Customers the option to have all Customers' information listed below reinstated on the Customer information list.

The following information will be provided on the Customer information list for each Customer who has not requested that all information be removed from this list:

- i) CUSTOMER NUMBER
- ii) METER NUMBER
- iii) CUSTOMER NAME
- iv) CARE OF NAME
- v) SERVICE ADDRESS
- vi) SERVICE CITY
- vii) ST
- viii) ZIP CODE
- ix) MAILING ADDRESS - PART 1
- x) MAILING ADDRESS - PART 2
- xi) MAILING CITY
- xii) ST
- xiii) MAIL ZIP
- xiv) BUDGET INDICATOR
- xv) METER READ CYCLE
- xvi) METER TYPE
- xvii) LD PROFILE
- xviii) RATE CODE
- xvix) MOST RECENT TWELVE (12) MONTHS OF HISTORICAL CONSUMPTION DATA (ACTUAL ENERGY USAGE PLUS DEMAND, IF AVAILABLE)

The Company will provide the Customer information list by either a compact disc or via email. The information will be prepared and distributed in a uniform and useable format that allows for data sorting.

5.2 Interval Meter Data

An EGS may request historical Interval Meter data after receiving the appropriate Customer authorization. The Interval Meter data will be transferred in a standardized format and sent to the EGS. The Company will bill the EGS Forty (\$40.00) per Customer meter for the costs incurred to prepare and send up to twelve months of data and the EGS will be responsible to pay this amount to the Company.

5.3 Switching Among EGSs (or between an EGS and the Company as the Provider-of-Last Resort), and Initial Selection of an EGS. EGS selection and switching by Customers shall occur in accordance with the Direct Access Procedures contained in this Tariff and the EDC Tariff.

- 5.3.1** (a) If a Customer contacts a new EGS to request a change of EGS and the new EGS agrees to serve the Customer, the Customer's new EGS shall obtain appropriate authorization from the Customer, or person authorized to act on the Customer's behalf, indicating the Customer's choice of EGS. It is the EGS's responsibility to maintain records of the Customer's authorization in the event of a dispute, in order to provide documented evidence of authorization to the Company or the Commission.
- (b) The Customer's new EGS shall also submit the Customer's enrollment information using the PA EDI 814 transaction. Upon receipt of the 814 enrollment transaction from the EGS, the Company will automatically confirm receipt of the file. Within three (3) business days of receipt of the 814 enrollment transaction, the Company will validate the records contained in the file, and will provide an 814 enrollment response.
- (c) The Company will send the Customer a confirmation letter notifying the Customer of the right to rescind. If the Customer does not contact the Company within ten (10) days of the date on the confirmation letter, then the Company will process the selection. The selection will be effective as of the next scheduled Meter Read Date and the EGS will become the EGS of record for delivery provided that: (1) the Company has received at least fifteen (15) days prior notice from the EGS and all Customer information provided to the Company is accurate and complete; (2) the 10-day waiting period has expired; and (3) the Customer has not contacted the Company to dispute the EGS selection.

In such circumstances, the Company will send the new EGS an electronic file containing information for the new Customers of record for that particular EGS.

If, during the 10-day waiting period, the Customer elects to rescind its new EGS selection, the Company will notify the rejected EGS of the rescission electronically. In the event the Customer rescinds their EGS selection after the 10-day waiting period, the Customer will be required to remain with the selected EGS for a minimum of one billing cycle.

- (d) Once the preceding process is complete, the Company will notify the Customer's prior EGS of the discontinuance of service to the Customer from that prior EGS.

- 5.3.2** If a Customer contacts the Company to request a change of its EGS, the Company shall notify the Customer that the selected EGS must be contacted directly by the Customer in order to initiate the change.
- 5.3.3** If an EGS wishes to obtain from the Company confidential Customer-specific information about a Customer with whom it is discussing the possibility of providing Competitive Energy Supply, the Company will only provide such information if the EGS provides to the Company a copy of written documentation indicating that the Customer has authorized the release of Customer information to the EGS.
- 5.3.4** (a) If a Customer contacts the Company to request a change of EGS to the Company's PLR Service, the Company will process the request as follows. The Company will send the Customer a confirmation letter notifying the Customer of the right to rescind. If the Customer does not contact the Company within ten (10) days of the date on the confirmation letter, then the Company will process the request. The request will be effective as of the next scheduled Meter Read Date and the Company as the Provider-of-Last Resort will become the supplier of record for delivery provided that: (1) the Company has received at least fifteen (15) days prior notice from the Customer; and (2) the 10-day waiting period has expired; and (3) the Customer has not contacted the Company to rescind or dispute the switch to PLR Service. Once the preceding process is complete, the Company will notify the Customer's prior EGS of the discontinuance of service to the Customer from that prior EGS.
- (b) In no event shall § 5.3.4 (a) above affect the continued supply of electricity to a customer once a customer's service is discontinued by an EGS.
- 5.3.5** (a) If a Customer contacts the Company to discontinue electric service at the Customer's then current location, and initiates a request for service at a new location in the Company's service territory, the Company will notify the current EGS of the Customer's discontinuance of service for the account at the Customer's old location.

(b) If a Customer contacts the Company to discontinue electric service the Company will notify the current EGS via an EDI drop transaction of the Customer's discontinuance of service for that location.

5.3.6 If the Company elects to change the account number for a Customer receiving generation service from an EGS, the Company will notify the EGS of the change in account number at the same Customer location.

5.4 Provisions relating to an EGS's Customers.

5.4.1 Arrangements with EGS Customers. EGSs shall be solely responsible for having appropriate contractual or other arrangements with their Customers necessary to implement Direct Access consistent with all applicable laws, Pa PUC requirements, the Transmission Provider Tariff and this Tariff. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

5.4.2 Transfer of Cost Obligations Between EGSs and Customers. Nothing in this Tariff is intended to prevent an EGS and a Customer from agreeing to reallocate between them any charges that this Tariff imposes on the EGS, provided that any such agreement shall not change in any way the EGS's obligation to pay such charges to the Company.

6. LOAD PROFILING AND FORECASTING

6.1 Customer Load and Weather Forecasting. The EGS is responsible for developing an aggregated load forecast for its Customer's load to satisfy obligations required by the Tariff, the Transmission Provider Tariff and the applicable MISO rules, agreements, and procedures.

6.2 Forecasting Methodology. The load forecast developed by the EGS shall conform to sections 6.2.1 through 6.2.2 as well as all other relevant sections of this Tariff and the Transmission Provider Tariff.

6.2.1 Monthly Metered Customer Forecasts. The Company shall make available to the EGS hourly load profiles, losses, and rate class of the Company's retail customers which do not have interval metering. The Company, at its discretion, may update, add or modify the load profiles for any or all customer rate classes during the term of the Tariff on a prospective basis.

6.2.2 Hourly Metered Customer Forecasts. The EGS shall forecast its customers' load for hourly metered customers, adjusted for the inclusion of losses.

6.3 Distribution Real Power Losses for Energy. Losses will be calculated by multiplying the Retail Customer(s) load times the applicable Real Power Loss Factor specified below:

Service Voltage Level	Cumulative Loss Factor
23 kV to < 69 kV	0.1%
4.1 kV to < 23 kV	3.0%
4.1 kV	6.2%

6.4 Transmission Losses. Transmission losses for the purpose of reserving transmission service under the Transmission Provider Tariff are referenced in the ATSI OATT.

6.5 Adequacy of Load Profiles. An EGS's remedies for any claimed deficiency in the Company's load profiles for monthly metered Customers shall be limited to either:

- (a) arranging, at its own expense, for the installation pursuant to Pa PUC rules and procedures of Hourly or Sub-Hourly Metering Equipment at the Customer's premises in order to permit the Customer to be forecasted, billed and reconciled as an hourly metered Customer; or
- (b) entering, at its own expense, into a joint load study with the Company to develop new load profiles.

Nothing in this Tariff precludes an EGS from using its own load profiles at anytime although the Company will use its own load profiles to determine the energy imbalances at the end of each billing month

7. ENERGY SCHEDULES and USE OF SCHEDULING COORDINATORS

- 7.1 Energy Schedules.** The EGS, or its designated Scheduling Coordinator(s), shall be responsible for scheduling energy and purchasing all Transmission and Ancillary Services as defined by the Transmission Provider Tariff necessary to get energy to the customer's point of delivery pursuant to the service agreement for Network Integration Transmission Service under the Transmission Provider Tariff.

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8. SETTLEMENTS

- 8.1** The EGS agrees that settlements will be provided under the rates, terms, and conditions of the Transmission Provider Tariff and the applicable business practice manuals of the MISO.
- 8.2 Billing.** Billing for settlements shall be rendered by the MISO in accordance with the Transmission Provider's Tariff and the applicable business practices manual.
- 8.3 Metered Data Collection.** Meter data collected by the Company shall be utilized to calculate the quantity of energy actually used by an EGS's Customers for settlements.
- 8.3.1 Monthly Metered Customers.** Data from monthly metered Customers is collected corresponding to Customers' billing cycles. The Company shall convert such meter data for Customers to equivalent hourly usage. Load profiles will be adjusted for the inclusion of losses to derive an hour-by-hour usage, based on the applicable MISO rules, agreements, and procedures.

8.3.2 Hourly Metered Customers. Data from hourly metered Customers will be collected by the Company on a monthly basis. The Company will utilize the actual time interval data. The actual hourly metered energy consumption will be adjusted for the inclusion of losses based on the applicable MISO rules, agreements, and procedures.

8.4 MISO Settlements. Monthly metered Customers' actual usage and hourly metered Customers' actual usage shall be aggregated by the Company to arrive at the total hourly aggregated load for each EGS and submitted to the MISO in accordance with applicable business practices manual and the Transmission Provider Tariff.

8.4.1 Unaccounted For Energy Unaccounted for Energy will be determined by comparing the aggregate load of the EGSs and the Company, at the generation level with the inclusion of losses to the FirstEnergy Balancing Authority Area load less non retail load for each respective hour. This difference will then be allocated to individual EGSs based on a ratio of each individual EGS's load to the total load of the EGSs and the Company, on an hourly basis.

8.4.2 Rates for Settlement. The rates for settlement shall be those specified in the Transmission Provider Tariff and the applicable business practices manual.

8.5 Meter Data and Management Agent (MDMA). The Company shall act as the MDMA as defined in the Transmission Provider Tariff for all load and generation within the FirstEnergy Balancing Authority Area.

9. ALTERNATIVE ENERGY PORTFOLIO STANDARDS

- 9.1 Requirements.** EGSs supplying retail load in the Company's service territory shall cooperate with the Company to ensure compliance with applicable requirements under the AEPS Act and/or related regulations. An EGS shall allow the Company to input all of the EGSs retail load into EGSs GATS accounts, and shall grant the Company permission to do so.

10. METERING

10.1 Meter Installations. The Company will utilize its installed metering installation for each customer participating in the Pennsylvania Electric Choice Program. Upon written request the Company will acquire, install, maintain and read qualified advanced metering and meter-related devices as approved by the Commission from time to time. The Company will provide a list of available advanced metering upon request. The list may also be obtained from the Commission's web page at <http://puc.paonline.com>. Any changes in the customer's meter necessary to accommodate an EGS's systems, price schedules, telemetry or other requirements must be compatible with and meet the Company's specifications for metering and any applicable regulations.

10.2 Meter Cost Responsibility. The EGS shall pay the Company (unless the customer has made arrangements to pay) the net incremental cost approved by the Commission from time to time for qualified advanced metering and meter-related devices and as described in Paragraph 10.1, above. Installation and maintenance of such metering will be the responsibility of the Company which will own all such metering. Either the customer or the EGS shall provide, at its sole cost and expense, the installation, operation and maintenance of the required compatible communication/telephone link(s) in order to transmit metered information from meters equipped for telemetry of metered data.

10.3 Billing Meters. Any meter used for billing, capacity and energy obligations and reconciliation determinations shall be installed, owned and maintained by the Company. All meters used for billing shall be maintained and tested in accordance with applicable PUC regulations.

10.4 Meter Testing. The Company will test designated Company-owned meters upon the written request of the EGS. If the accuracy of a Company-owned meter is found to be outside PUC requirements, the costs of such test shall be borne by the Company. If a Company-owned meter is tested and found to be within PUC accuracy requirements, the costs of such test shall be borne by the EGS. Any Company-owned meter found to be outside PUC accuracy requirements or otherwise defective shall be adjusted, repaired or replaced at the sole cost or expense of the Company, unless such deviation is determined to be the fault of the customer or the EGS. If the customer requests these meter tests then the rate charged is determined by the regulations.

10.5 Meter Reading. The Company shall read customer meters on a monthly basis or as otherwise provided in its EDC tariffs or in PUC regulations. It is understood that it may not be possible in some circumstances to read a customer's meter in a particular month. In such case, the Company shall estimate the meter reading in accordance with its standard procedures.

10.6 Billing Cycles. Meters will be read and billed on a daily basis on a predetermined meter reading schedule. The Company uses twenty-one (21) billing cycles per revenue month. Each business day¹ one of the cycles will be read until all twenty-one (21) cycles have been read and the month is considered complete for reporting and revenue purposes. Meter reading intervals will be performed on the Company's existing schedules and will cover approximately thirty (30) days, but may vary between twenty-seven (27) to thirty-five (35) days. The Company may change its meter reading schedules at its discretion. If an EGS requires or requests more consumption data than is normally provided by the monthly meter reading, the additional information will be obtained provided that appropriate metering is installed by the Company and that any incremental costs are paid by the EGS.

10.7 Meter Data Provided by the Company to an EGS. Regardless of whether the Company or an EGS performs Customer billing for an EGS's energy charges, the Company will make available to an EGS daily files containing meter readings, total kwh usage, registered maximum demand (where applicable), and reading type information (i.e., actual or estimated), and any other relevant information mutually agreed upon by the Company and EGS, for each of an EGS's Customers as it becomes available by billing route.

10.7.1 Summary Interval Meter Data. Interval meters are read on a monthly schedule, and raw hourly data is processed through the Company's metering subsystem which in turn provides summary information to the Company's customer billing system. This summary information consists of total kwh usage over the billing cycle, and maximum on-peak and off-peak demands over the billing cycle. This summary information will be provided to an EGS on a monthly basis for that EGS's

¹ "Business days" for purposes of billing cycles shall include all days in a calendar year except: Saturdays and Sundays; New Year's Day; Good Friday; Memorial Day; Independence Day; Labor Day; Thanksgiving; Christmas Eve; Christmas Day; and New Year's Eve.

Customers equipped with interval metering equipment. Should an interval metered Customer, or that Customer's EGS, request hardcopy or electronic file formats of non-summary information (detailed hourly or sub-hourly metering information), the Company will provide such information, to the extent that it is available, by account with the EGS being responsible for the Company's incremental cost of providing such information.

11. CONFIDENTIALITY OF INFORMATION

11.1 Generally. All confidential or proprietary information made available by one party to the other in connection with the registration by an EGS with the Company and/or the subsequent provision and receipt of Coordination Services under this Tariff, including but not limited to load curve data, and information regarding the business processes of a party and the computer and communication systems owned or leased by a party, shall be used only for purposes of registration with the Company, receiving Coordination Services and/or providing Competitive Energy Supply to Customers in the Company's service territory. Other than disclosures to representatives of the Company or EGS for the purposes of enabling that party to fulfill its obligations under this Tariff or for an EGS to provide Competitive Energy Supply to Customers in the Company's service territory, a party may not disclose confidential or proprietary information without the prior authorization and/or consent of the other party.

11.2 Customer Information. The EGS shall keep all Customer-specific information supplied by the Company confidential unless the EGS has the Customer's written authorization to do otherwise.

12. PAYMENT AND BILLING

12.1 Customer Billing by the Company. All EGS charges to Customers, if billed by the Company, shall be billed in accordance with the EDC Tariff and the following provisions:

- (a) **Company Billing for EGS.** Nothing in this Rule shall require the Company to manually bill more Customers within a rate class than it bills manually for its distribution service Customers. Within this context, if the Company's billing system has the capability to bill the price plans offered by the EGS, the EGS may request the Company to do all or some of the billing for the EGSs Customers based on the Customers' preferences. Pricing must be compatible with existing metering.

In those situations where the Company's billing system is unable to calculate the EGS charges under the pricing format being used by the EGS the Company will provide the EGS with sufficient meter data on a timely basis. The EGS can then calculate the customers' EGS charges and other billing information and present this information to the Company for its inclusion in the Customers' bills. The EGS will be responsible to the Company for any incremental costs associated with including such EGS charges and other billing information in the Customers' bills.

- (b) **Billing Files.** Where the EGS has requested the Company to act as the EGS's billing agent the Company shall electronically transmit files of billing detail daily to the EGS. Such files shall include the Customer account number, rate codes, usage information, demand and energy charges, sales tax, and other EGS charges.
- (c) **Budget Billing.** The Company will offer a budget billing option to all residential customers when the Company provides consolidated billing. However, the Company's billing system is incapable of aging receivables for more than one supplier per customer.
- (d) **Sales Tax Exemption.** With respect to Customers receiving one bill from the Company, the EGS for whom the Company is billing must provide the applicable sales tax exemption percentage to the Company. If the percentage provided by the EGS for billing the EGS's charges is different from the percentage billed by the Company, the supplier must notify their customer to select the two-bill option. The EGS is responsible for holding appropriate exemption certificates and is liable for the collection and remittance of sales tax on the EGS's charges.

- (e) **Company Reimbursement to EGS for Customer Payments.** Where the Company acts as the billing agent for the EGS, the Company shall reimburse the EGS for all energy charges, late fees, sales taxes, and other charges collected from customers on behalf of the EGS on a daily basis.

The EGS assumes all risks of non-payment by a Customer and the Company is obligated to remit to the EGS only the difference between (a) amounts received from Customers taking service from the EGS and (b) any amounts owed to the Company by or with respect to such Customer. Any amount remitted by a Customer in excess of the total due and owing the Company and EGS will be held in the Customer's account with the Company for distribution in the following billing cycle(s) or, at the Customer's request, will be refunded to the Customer. In the event that any Customer checks are returned dishonored by a bank, the corresponding debits will be applied in inverse order to the order set forth above for the application of remittances. The Company will correct any misapplied payments or transactions. The Company will also provide the EGS an electronic file consisting of Customer payments and any returned checks and/or Customer adjustments.

- (f) **EGS Billing Data.** The EGS shall provide all necessary data in its possession for the timely generation of bills. A failure of the EGS to provide necessary data to the Company in a timely fashion may delay generation of a bill for the month to which the data pertains. In such instances, the EGS is responsible for all fines and violations, if any, arising as a consequence of the Company's inability to render a timely bill.

12.2 EGS Payment of Obligations to the Company. An EGS shall pay all Coordination Services Charges or any other Charge it incurs hereunder in accordance with the following provisions:

- 12.2.1 Billing Procedure.** Each month, the Company shall submit an invoice to the EGS for all Coordination Service Charges provided under this Tariff. The invoice may be transmitted to the EGS by any reasonable method requested by the EGS. An EGS shall make payment for Charges incurred on or before the due date shown on the bill. The due date shall be determined by the Company and shall not be less than fourteen (14) banking days from the date of transmittal of the bill.

12.2.2 Manner of Payment. The EGS shall make payments of funds payable to the Company by wire transfer to a bank designated in Rule 12.2.3. The Company may require that an EGS that is not Creditworthy tender payment by means of a certified, cashier's, tellers, or bank check, or by wire transfer, or other immediately available funds. If disputes arise regarding an EGS bill, the EGS must pay the undisputed portion of disputed bills under investigation.

12.2.3 Wire Transfer. Payment to the Company by the EGS must be made by electronic wire transfer or such other means as will cause payment to be available for the use by the Company on the due date. All payments shall be wire transferred to:

Bank:	JP Morgan Chase
ABA No.:	021000021
Account Name:	FirstEnergy Service Company
Account No.:	323396364

- 12.2.4 Late Fee for Unpaid Balances.** If payment is made to the Company after the due date shown on the bill, a late fee will be added to the unpaid balance until the entire bill is paid. This late fee will be one and one-half percent (1 1/2%) per month on the unpaid balance.
- 12.2.5 EGS Default.** In the event the EGS fails, for any reason other than a billing dispute as described below, to make payment to the Company on or before the due date as described above, and such failure of payment is not corrected within thirty (30) calendar days after the Company notifies the EGS to cure such failure, a Default by the EGS shall be deemed to exist. In the event of a billing dispute between the Company and the EGS, the Company will continue to provide service pursuant to the Coordination Agreement and the Tariff as long as the EGS continues to make all payments not in dispute. A billing dispute shall be dealt with promptly in accordance with the dispute resolution procedures set forth below in Rule 18.
- 12.2.5.1 EGS Offset.** In the event an EGS is deemed to be delinquent under 12.2.5, the Company, may at its sole discretion, reduce the reimbursement to the EGS for amounts collected by the Company by the amount owed to the Company.

- 12.3 Reserved.**
- 12.4 Billing for Supplier Obligations to Other Parties.** The Company will assume no responsibility for billing between an EGS and any party other than the Company.
- 12.5 Guarantee of Payments.** Before the Company will render service or continue to render service, the Company will require an applicant for Coordination Service or an EGS currently receiving such service that has Bad Credit to provide a cash deposit, letter of credit, surety bond, or other guarantee, satisfactory to the Company. The Company will hold the deposit as security for the payment of final bills and compliance with the Company's Rules and Regulations. In addition, the Company may require an EGS to post a deposit at any time if the Company determines that the EGS is no longer Creditworthy. An EGS shall have the right to submit to the Commission for resolution any reasonable credit dispute regarding such deposit, letter of credit, surety bond, or other guarantee sought by the Company if the EGS believes such a requirement is inappropriately based or assessed.
- 12.6 Amount of Deposits.** The deposit shall be equal to the value of Coordination Services Charges the Company projects the EGS will incur during the next two (2) billing periods based on that EGS's forecasted load obligation.
- 12.7 Return of Deposits.** Upon discontinuance or termination of service, deposits will be returned with accrued interest upon payment of all service charges and guarantees or with deduction of unpaid accounts.
- 12.8 Interest on Deposits.** The Company will allow simple interest on cash deposits calculated at the lower of the Interest Index or six (6) percent. Deposits shall cease to bear interest upon discontinuance of service (or, if earlier, when the Company closes the account).
- 12.9 Credit Information.** In addition to information required otherwise hereunder, an EGS shall be required to provide to the Company such credit information as the Company requires.

13. WITHDRAWAL BY EGS FROM RETAIL SERVICE

13.1 Notice of Withdrawal to the Company. An EGS shall provide electronic notice to the Company in a form specified by the Company of withdrawal by the EGS from retail service in a manner consistent with the Pa PUC's rulings in Docket No. M-00960890F.0013, and any subsequent applicable Pa PUC rulings.

13.2 Notice to Customers. An EGS shall provide notice to its Customers of withdrawal by the EGS from retail service in accordance with the Pa PUC's rulings in Docket No. M-00960890F.0013 and any subsequent applicable Pa PUC rulings.

13.3 Costs for Noncompliance. An EGS that withdraws from retail service and fails to provide at least ninety (90) days written notice of said withdrawal shall reimburse the Company for any of the following costs associated with the withdrawal:

- (a) mailings by the Company to the EGS's Customers to inform them of the withdrawal and their options;
- (b) non-standard/manual bill calculation and production performed by the Company;
- (c) EGS data transfer responsibilities that must be performed by the Company; and
- (d) charges or penalties imposed on the Company by other parties resulting from EGS non-performance.
- (e) any and all other out-of-pocket expenses incurred by the Company as a result of the withdrawal.

**14. EGS'S DISCONTINUANCE OF SERVICE
TO PARTICULAR CUSTOMERS**

14.1 Notice of Discontinuance to the Company. An EGS shall provide electronic notice to the Company in a form specified by the Company of all intended discontinuance of service to Customers in a manner consistent with applicable Pa PUC rules, regulation or orders.

14.2 Notice to Customers. An EGS shall provide advanced notice to its Customers of withdrawal by the EGS from Competitive Retail Electric Service in accordance with the Commission's rules, regulations or orders.

14.3 Effective Date of Discontinuance. Any discontinuance will be effective only on a Meter Read Date and in accordance with the EGS switching rules in this Tariff and the Standard Rules and Regulations.

15. LIABILITY

15.1 General Limitation on Liability. The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by an EGS to an interconnection point with the Control Area. After its receipt of Competitive Retail Electric Service at the point of delivery, the Company shall have the same duty and liability for transmission and distribution service to those customers receiving Competitive Energy Supply as to those receiving electric energy and capacity from the Company.

15.2 Limitation on Liability for Service Interruptions and Variations. The Company does not guarantee continuous, regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control.

15.3 Additional Limitations on Liability in Connection with Direct Access. Except as provided in this Tariff, the Company shall have no duty or liability to an EGS providing Competitive Retail Electric Services arising out of or related to a contract or other relationship between an EGS and a Customer of the EGS.

The Company shall implement Customer selection of an EGS consistent with applicable rules of the Commission and shall have no liability to an EGS providing Competitive Retail Electric Services arising out of or related to switching EGSs, unless and to the extent that the Company is negligent in switching or failing to switch a customer.

16. BREACH OF COORDINATION OBLIGATIONS

16.1 Breach of Obligations. The Company or an EGS shall be deemed to be in breach of its Coordination Obligations under the Coordination Agreement and this Tariff upon its failure to observe any material term or condition of this Tariff, including any Rule and Regulation or Charge.

16.2 Events of Breach. A material breach of Coordination Obligations hereunder, as described in Rule 16.1, shall include, but is not limited to, the following:

- (a) a breach of any Rule or Regulation of the Tariff;
- (b) an EGS's failure to maintain its license or certification as an Electric Generation Supplier or electricity supplier from the Pa PUC or registration with the Company;
- (c) an EGS's failure to make payment of any undisputed Coordination Services Charges in the time prescribed;
- (d) the involuntary bankruptcy/insolvency of the EGS, including but not limited to, the appointment of a receiver, liquidator or trustee of the EGS, or a decree by such a court adjudging the EGS bankrupt or insolvent or sequestering any substantial part of its property or a petition to declare bankruptcy as to reorganize the EGS; or
- (e) an EGS's filing of a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law, or its consent to the filing of any bankruptcy or reorganization petition against it under any similar law; or without limiting the generality of the foregoing, an EGS admits in writing its inability to pay its debts generally as they become due or consents to the appointment of a receiver, trustee or liquidator of it or of all or any part of its property.

16.3 Cure and Default. If either the Company or an EGS materially breaches any of its Coordination Obligations (hereinafter the "Breaching Party"), the other party (hereinafter the "Non-Breaching Party") shall provide the Breaching Party a written notice describing such breach in reasonable detail and demanding its cure. The Breaching Party shall be deemed to be in default ("Default") of its obligations under this Tariff and the Coordination Agreement if: (i) it fails to cure its breach within thirty (30) days after its receipt of such notice; or (ii) the breach cannot be cured within such period and the Breaching Party does not commence action to cure the breach within said period and thereafter diligently pursues such action to completion.

16.4 Rights Upon Default. Notwithstanding anything stated herein, upon the occurrence of any Default, the party not in Default shall be entitled to (i) commence an action to require the party in Default to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (ii) exercise such other rights and remedies as it may have in equity or at law.

Upon the occurrence of any such Default, the Company may, at any time, declare any amount owing to be immediately due and payable. Such amount will thereupon be immediately due and payable, without presentment, demand, protest, notice of protest or other notice of any kind, all of which are hereby expressly waived by the EGS. In case any one or more of the Events of Breach shall happen and be continuing, the Company may proceed to protect and enforce its rights by suit in equity, action at law or by other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Tariff or in aid of the exercise of any power granted in this Tariff or may proceed to enforce any other legal right which the Company may have, all of which it hereby expressly reserves.

16.5 Rights, Remedies, or Powers. All rights, remedies, or powers hereby conferred upon the Company will, to the extent not prohibited by law, be deemed cumulative and not exclusive of any other thereof, or any other rights, remedies or powers available to the Company. No delay or omission of the Company to exercise any right, remedy, or power will impair any such right, remedy or power or will be construed to be a waiver of an Event of Breach or an acquiescence therein. Any right, remedy or power conferred upon the Company hereunder may be exercised from time to time, independently or concurrently, and as often as it shall deem expedient. No waiver of any Event of Breach by the Company will extend to or will affect any subsequent Event of Breach. No single or partial exercise of any right, remedy or power by the Company will preclude further exercise thereof by the Company. Acceptance by the Company of partial payments will not constitute a waiver by the Company of any rights or remedies the Company may otherwise have.

17. TERMINATION OF INDIVIDUAL COORDINATION AGREEMENT

17.1 Termination. A Coordination Agreement will or may be terminated as follows:

- (a) **Withdrawal of the EGS from Retail Service.** In the event the EGS ceases to participate in or otherwise withdraws the provision of Competitive Energy Supply to Customers in the Company's Service Territory, the Individual Coordination Agreement between the EGS and the Company shall terminate thirty (30) days following the date on which the EGS has no more active Customers.
- (b) **The Company's Termination Rights Upon Default by EGS.** In the event of a Default by the EGS, the Company may terminate the Coordination Agreement between the EGS and the Company by providing written notice to the EGS in Default, without prejudice to any remedies at law or in equity available to the party not in Default by reason of the Default.

17.2 Effect of Termination. Termination of Coordination Agreements will have the same effect on an EGS's Customers as the EGS's discontinuance of supply to such Customers. If a Customer of a terminated EGS has not switched to another EGS prior to termination, said Customer will receive PLR Service (as stated in the EDC Tariff No. 35) pending its selection of another EGS.

17.3 Survival of Obligations. Termination of an Individual Coordination Agreement for any reason shall not relieve the Company or an EGS of any obligation accrued or accruing prior to such termination.

18. ALTERNATIVE DISPUTE RESOLUTION

18.1 Informal Resolution of Disputes. The Company and EGS shall use good faith and commercially reasonable efforts to informally resolve all disputes arising out of the implementation of this Tariff and/or the conduct of Coordination Activities hereunder. The EGS's point of contact for all information, operations, questions, and problems regarding Coordination Activities shall be the Company's Supplier Administration Group.

18.2 Internal Dispute Resolution Procedures. Any dispute between the Company and an EGS under this Tariff or Coordination Agreement shall be referred to a designated senior representative of each of the parties for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) days (or such other period as the parties may agree upon) such dispute, by mutual agreement, may be referred to mediation or may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

18.3 External Arbitration Procedures. If the amount in dispute is \$500,000 or less, the arbitration initiated under the Tariff or any Coordination Agreement shall be conducted before a single neutral arbitrator appointed by the parties. If the parties fail to agree upon a single arbitrator within twenty (20) days of the referral of the dispute to arbitration the parties shall request the American Arbitration Association to appoint a single neutral arbitrator. If the amount in dispute exceeds \$500,000, each party shall choose one neutral arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) days of their selection, select a third arbitrator to chair the arbitration panel. In any case, the arbitrators chosen shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association.

18.4 Arbitration Decisions. Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90) days of their appointment and shall notify the parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and any Individual Coordination Agreement and shall have no power to modify or change any provisions in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court of competent jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in 42 Pa. C.S.A. § 7341. The final decision of the arbitrator must also be filed with FERC and Pa PUC, if it affects their respective jurisdictional rates, terms and conditions of service or facilities.

18.5 Costs. Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

- (a) the cost of the arbitrator chosen by the party to sit on the three member panel and a proportionate share of the cost of the third arbitrator chosen; or
- (b) the proportionate share of the cost of the single arbitrator jointly chosen by the parties.

18.6 Rights Under the Federal Power Act. Nothing in this Section shall restrict the rights of any party to file a complaint with FERC under relevant provisions of the Federal Power Act.

18.7 Rights Under The Pennsylvania Public Utility Code. Nothing in this Section shall restrict the rights of any party to file a complaint with the Pa PUC under relevant provisions of the Pennsylvania Public Utility Code.

19. MISCELLANEOUS

19.1 Notices. Unless otherwise stated herein, any notice contemplated by this Tariff shall be in writing and shall be given to the other party at the addresses stated in the notice section of the Coordination Agreement. If given by electronic transmission (including fax, telex, telecopy or Internet email), notice shall be deemed given on the date sent and shall be confirmed by a written copy sent by first class mail. If sent in writing by first class mail, notice shall be deemed given on the fifth business day following deposit in the United States mail (as noted by the postmark), properly addressed, with postage prepaid. If sent by same-day or overnight delivery service, notice shall be deemed given on the day of delivery. The Company and an EGS may change their representative for receiving notices contemplated by this Tariff by delivering written notice of their new representatives to the other.

19.2 No Prejudice of Rights. The failure by either the Company or the EGS to enforce any of the terms of this Tariff or any Individual Coordination Agreement shall not be deemed a waiver of the right of either to do so.

19.3 Assignment.

19.3.1 An Individual Coordination Agreement hereunder may not be assigned by either the Company or the EGS without (a) any necessary regulatory approval and (b) the prior written consent of the other party, which consent shall not be unreasonably withheld.

19.3.2 Any assignment occurring in accordance with Rule 19.3.1 hereunder shall be binding upon, and oblige and inure to the benefit of, the successors and assigns of the parties to the Coordination Agreement.

19.4 Governing Law. To the extent not subject to the exclusive jurisdiction of FERC, the formation, validity, interpretation, execution, amendment and termination of this Tariff or any Coordination Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

The Tariff or any Coordination Agreement, and the performance of the parties' obligations thereunder, is subject to and contingent upon (i) present and future local, state and federal laws, and (ii) present and future regulations or orders of any local, state or federal regulating authority having jurisdiction over the matter set forth herein.

If at any time during the term of the Tariff or any Coordination Agreement, FERC, the Pa PUC or a court of competent jurisdiction issues an order under which a party hereto believes that its rights and/or interests under the Coordination Agreement are materially affected by said order, the party so affected shall within thirty (30) days of said final order provide the other party with notice setting forth in reasonable detail how said order has materially affected its rights and/or interests in the Coordination Agreement. Within thirty (30) days from the receiving party's receipt of said notice the parties agree to attempt through good faith negotiations to resolve the issue. If the parties are unable to resolve the issue within thirty (30) days from the commencement of negotiations, either party may at the close of said thirty (30) day period terminate the Agreement, subject to any applicable regulatory requirements, following an additional thirty (30) days prior written notice to the other party without any liability or responsibility whatsoever except for obligations arising prior to the date of service termination.

19.5 Tax Indemnification. If the Company becomes liable under Section 2806(g) or 2809(c) of the Public Utility Code, 66 Pa. C.S. §§ 2806(g) and 2809(f), for Pennsylvania state taxes not paid by an EGS, the non-compliant EGS shall indemnify and hold harmless the Company for the full amount of additional state tax liability, including penalties or additional assessments, imposed upon the Company by the Pennsylvania Department of Revenue due to the failure of the EGS to pay or remit to the Commonwealth the tax imposed on its gross receipts under Section 1101 of the Tax Report Code of 1971 or Chapter 28 of Title 66.

19.6 EGS Informational Meetings. The Company will sponsor periodic meetings at Company locations, with interested EGSs to discuss supplier issues. The meetings will be held on a semi-annual basis as long as EGS attendance warrants.

TECHNICAL SUPPORT AND ASSISTANCE CHARGE

AVAILABILITY/APPLICABILITY

Technical Support and Assistance is defined as support and assistance that may be provided by the Company to a licensed EGS in connection with questions raised, and research requests, by the EGS in support of its energy supply business. The Company is under no obligation to provide any such support and assistance, with the exception of the services described in the "Conditions" section below. Such support and assistance for which the charge applies is categorized in three general areas:

1. Explanation of the Company's communications related to information posted to the website and /or sent via the Supplier Support Internet e-mail address;
2. Manual verification and confirmation of Customer account data beyond the information and messages available through the standard automated process; and
3. Explanation and definition of the Company's filings, PUC rulings and FERC orders.

Such Technical Support and Assistance may include time spent by Company personnel conducting research in connection with an EGS inquiry.

CHARGE

\$53.00 per hour and billed in one minute intervals.

CONDITIONS

There will be no time recorded against an EGS's in connection with inquiries covering required business interactions, specifically:

1. Load profiling and Energy scheduling;
2. Standard automated processing of EGS data files by the Company;
3. Website availability and access; and
4. Erroneous data communicated by the Company via GISB other Internet address and the website

COORDINATION AGREEMENT

- 1.0 This Coordination Agreement (“Agreement”), dated as of _____
_____ is entered into, by and between PENNSYLVANIA POWER
COMPANY (the “Company”) and _____
_____ (Electric Generation Supplier or
“EGS”).
- 2.0. The Company agrees to supply, and the EGS agrees to have the Company supply, all
“Coordination Services” specified in the Electric Generation Supplier Coordination
Tariff (“Tariff”). Both Parties agree that such services are necessary to coordinate the
delivery of Competitive Energy Supply to Customers located within the Company’s
service territory.
- 3.0 Representations and Warranties.
- (a) The EGS hereby represents, warrants and covenants as follows:
- (i) The EGS is in compliance, and will continue to comply, with all obligations,
rules and regulations, as established and interpreted by the Transmission
Provider Open Access Transmission Tariff, that are applicable to the EGS’s
serving Customers located in the FirstEnergy System Balancing Authority
Area ; and

- (ii) The EGS is licensed by the Pa PUC to provide Competitive Energy Supply to Customers in Pennsylvania and has and will continue to satisfy all other Pa PUC requirements applicable to EGSs.
- (b) The Company and the EGS, individually referred to hereafter as the “Party,” each represents, warrants and covenants as follows:
 - (i) Each Party’s performance of its obligations hereunder has been duly authorized by all necessary action on the part of the Party and does not and will not conflict with or result in a breach of the Party’s charter documents or bylaws or any indenture, mortgage, other agreement or instrument, or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the Party is a party or by which the Party or any of its properties is bound or subject.

(ii) This Agreement is a valid and binding obligation of the Party, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights generally or by general principles of equity.

4.0 The EGS shall provide notice to the Company via facsimile, with a copy delivered pursuant to overnight mail, at such time that the EGS learns that any of the representations, warranties, or covenants in Section 3.0 of this Agreement have been violated.

5.0 As consideration for Coordination Services provided by the Company, the EGS shall pay the Company those Coordination Services Charges billed to the EGS in accordance with the terms and conditions of the Tariff.

6.0 Coordination Services between the Company and the EGS will commence on

_____.

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

To PENNSYLVANIA POWER COMPANY:

Competitive Energy Supplier Contracts Administrator
First Energy- Pennsylvania Power Company
76 S. Main Street
Akron OH, 44308
Phone (440) 546-8667

Fax (330) 315-8664

To the EGS:

Telephone: _____

Facsimile: _____

8.0 The Tariff is incorporated herein by reference and made a part hereof. All terms used in this Agreement that are not otherwise defined shall have the meaning provided in the Tariff.

IN WITNESS WHEREOF, and intending to be legally bound thereby, PENNSYLVANIA POWER COMPANY and the EGS identified above have caused this Coordination Agreement to be executed by their respective authorized officials.

PENNSYLVANIA POWER COMPANY

By: _____
Signature

Print or Type Name

Title

Date

EGS COMPANY NAME

By: _____
Signature

Print or Type Name

Title

Date

Scheduling Coordinator Designation Form

All scheduling must follow the Transmission Provider's procedures.