

## COORDINATION AGREEMENT

- 1.0 This Supplier Coordination Agreement ("Agreement"), dated as of \_\_\_\_\_ is entered into, by and between The Potomac Edison Company (the "Company" or "PE") and \_\_\_\_\_ (Electricity Supplier).
- 2.0 The Company agrees to supply, and the Electricity Supplier (Supplier) hereby requests and agrees to take all "Coordination Services" pursuant to the Company's Electricity Supplier Coordination Tariff ("Tariff"). Both Parties agree that such services are necessary to coordinate the delivery of Competitive Power Supply to Customers located within the Company's service territory.
- 3.0 Representations and Warranties.
- a) The Supplier hereby represents, warrants and covenants as follows:
- (i) The Supplier is a [corporation/partnership/\_\_\_\_\_] duly organized and validly existing under the laws of the State of \_\_\_\_\_ is duly registered and authorized to do business and is in good standing in the State of Maryland;
  - (ii) The Supplier is a signatory to PJM Open Access Transmission Tariff, and is in compliance, and will continue to comply either directly or through its Scheduling Coordinator, with all obligations, rules and regulations, as established and interpreted by the PJM Office of Interconnection, that are applicable to Electricity Companies serving Customers in the APS Zone. ;
  - (iii) The Supplier is licensed by the Maryland Public Service Commission (PSC) to provide Competitive Energy Supply to Customers in Maryland and has and will continue to satisfy all other Maryland PSC requirements applicable to the Supplier;
  - (iv) The Supplier's performance of its obligations hereunder has been duly authorized by all necessary action on the part of the Supplier and does not and will not conflict with or result in a breach of the Supplier'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 Supplier is a party or by which the Supplier or any of its properties is bound or subject;
  - (v) There are no actions at law, suits in equity, proceedings or claims pending or, to the Supplier's knowledge, threatened against the Supplier before any federal, state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the Supplier's performance of its obligations hereunder; and
- b) The Supplier shall provide notice to the Company via facsimile, with the original delivered via overnight mail, at such time that the Supplier learns that any of the presentations, warranties, or covenants in Paragraph 3 (a) of this Agreement have been violated.
- 4.0 Supplier and the Company will comply with any and all information and data transfer protocols that may be adopted by the Maryland Public Service Commission and set forth in the Electronic Data Exchange Standards for Electric Deregulation in the State of Maryland.

- 5.0 This Agreement is a valid and binding obligation of the Company and the Supplier, 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.
- 6.0 As consideration for Coordination Services provided by the Company, the Supplier shall pay the Company those Coordination Services Charges billed to the Supplier in accordance with the terms and conditions of the Company's Electricity Supplier Coordination Tariff.
- 7.0 Coordination Services between the Company and the Supplier will commence pursuant to Section 4.2 of the Company's Electricity Supplier Coordination Tariff.
- 8.0 Indemnification
- a) Should a Party (the "Indemnified Party") become the defendant in, or obligor for, any claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person including a Party's employees or any third parties, that were caused by an act or omission of the other Party, for which that other Party has assumed liability under the terms of this Agreement (the "Indemnifying Party"), the Indemnifying Party shall defend (at the Indemnified party's option), indemnify and hold harmless the Indemnified Party from and against any and all such claims and/or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any negligent or willful act or omission of the Indemnified Party. The Indemnified Party may, at its own expense, retain counsel and participate in the defense of any such suit or action.
- b) It is specifically understood and agreed, without limiting the Company's right to indemnification under this Section, that the Supplier shall indemnify the Company from and against all claims and/or liabilities arising out of the switching of customers to Competitive Energy Supply provided by the Supplier, under the procedures adopted by the Commission, including but not limited to "slamming" or "cramming", as these terms may be defined by the Commission.
- c) The obligation of either Party to defend, indemnify, and hold harmless the other Party under this Section shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for either Party under any statutory scheme, including any Worker's Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.
- 9.0 Assignment. The Supplier Coordination Agreement hereunder may not be assigned by either the Company or the Electricity Supplier without first obtaining (a) any and all necessary regulatory approvals and (b) the consent of the other party, which consent shall not be unreasonably withheld. Any assignment occurring in accordance with this provision shall be binding upon, and oblige and inure to the benefit of, the successors and assigns of the parties to the Agreement.
- 10.0 Governing Law. To the extent not subject to the exclusive jurisdiction of FERC, the formation, validity, interpretation, execution, amendment and termination of this Supplier Coordination Agreement shall be governed by the laws of the State of Maryland.

11.0 Third Party Beneficiaries. The Supplier Coordination Agreement is intended solely for the benefit of the Parties hereto. Nothing in the Supplier Coordination Agreement shall be construed to create any duty, or standard of care with reference to, or any liability to, any person not a party to the Supplier Coordination Agreement.

12.0 General Miscellaneous Provisions.

- a) The Supplier Coordination Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the parties, or to impose any partnership obligation or liability upon either party. Neither party shall have any right, power, or authority to enter into any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.
- b) Cancellation, expiration or earlier termination of the Supplier Coordination Agreement shall not relieve the parties of obligations that by their nature survive such cancellation, expiration or termination, including without limitation warranties, remedies, promises of indemnity and confidentiality.
- c) Should any provision of this Tariff or the Supplier Coordination Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof unless it materially changes the Agreement of the parties.
- d) This Supplier Coordination Agreement is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. All prior written or oral understandings, offers or other communications or every kind pertaining to this Agreement are hereby abrogated and withdrawn.

13.0 Rights Upon Default. Notwithstanding anything stated herein, (1) upon the occurrence of a monetary Default by the Supplier, the Company may draw upon the Supplier's Credit Resources to pay the amount of the monetary Default; and (2) upon the occurrence of any Default, the party not in Default shall be entitled to file a complaint with the Commission 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. Monetary default includes but is not limited to:

- (a) Special mailings by the Company to the Supplier's Customers to inform them of the discontinuance of service and their options;
- (b) Non-standard/manual bill calculation and production performed by the Company;
- (c) Company performance of any of the Supplier's data transfer responsibilities;
- (d) Charges or penalties imposed on the Company by third parties resulting from the Supplier's non-performance;
- (e) Unplanned replacement capacity and/or energy obligations, and
- (f) Other expenses associated with such failure.

14.0 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: The Potomac Edison Company  
Competitive Energy Supplier Contracts Administrator  
The Potomac Edison Company  
76 South Main Street  
Akron, Ohio 44308

To: The Certified Supplier  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

15.0 The Company's Electricity Supplier Coordination Tariff and the PJM Open Access Transmission Tariff (collectively "Tariffs") are incorporated herein by reference and made a part hereof. By signing below, Supplier acknowledges that it has read and understands the Tariffs and will strictly comply with the terms and conditions contained in the Tariffs. All terms used in this Agreement that are not otherwise defined shall have the meaning provided in the Supplier Tariff.

**IN WITNESS WHEREOF**, and intending to be legally bound thereby, The Potomac Edison Company and the Supplier identified above have caused this Coordination Agreement to be executed by their respective authorized officials.

The Potomac Edison Company  
(Company)

\_\_\_\_\_  
(Certified Supplier Company Name)

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print or Type Name)

\_\_\_\_\_  
(Print or Type Name)

\_\_\_\_\_  
(Title) (Date)

\_\_\_\_\_  
(Title) (Date)