

_____ (Date)

Letter of Credit No. _____

To: The Potomac Edison Company

341 White Pond Dr.

Akron, OH 44320

Attn: Credit Risk Management

1. We hereby establish in your favor this irrevocable Letter of Credit (this "Letter of Credit") for the account of _____ (the "Applicant"), in the amount of \$_____, effective immediately and expiring on _____ (date) (or if such day is not a Business Day, the next Business Day thereafter), unless terminated earlier, or automatically extended, in accordance with the provisions hereof or otherwise extended.
2. This Letter of Credit is issued at the request of the Applicant, and we hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, the amount of this Letter of Credit. This Letter of Credit may be drawn upon for obligations arising under The Potomac Edison Company Electricity Supplier Coordination Tariff and Supplier Coordination Agreement between the Applicant and The Potomac Edison Company.
3. A drawing hereunder may be made by you on any Business Day prior to the expiration of this Letter of Credit by delivering, by no later than 10:00 A.M. (New York, New York time) on

such Business Day to _____ (Bank), _____
(address), (i) a notice executed by you in the form of Annex 1 hereto, appropriately completed and duly signed by your authorized officer and (ii) your draft in the form of Annex 2 hereto, appropriately completed and duly signed by your authorized officer.

4. We may, but shall not be obligated to, accept any Letter of Credit delivered by you to us for exchange for a new Letter of Credit in the amount set forth in an Availability Certificate, in the form of Annex 3 hereto. Upon acceptance by us of any such Letter of Credit for exchange, the new Letter of Credit shall be issued in the amount as set forth in the Availability Certificate.

5. We hereby agree to honor a drawing hereunder made in compliance with this Letter of Credit by transferring in immediately available funds the amount specified in the draft delivered to us in connection with such drawing to such account at such bank in the United States as you may specify in your draft delivered to us pursuant to Paragraph 3 hereof, at the opening of business on the first Business Day next succeeding the date of such drawing.

6. If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you prompt notice (not exceeding three (3) Business Days following the date of receipt of the documents) that the demand for payment was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefore and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, you may attempt to correct any such non-conforming demand for payment to the extent that you are entitled to do so, provided however, in such event a conforming demand for payment must be timely made in accordance with the terms of this Letter of Credit.

7. This Letter of Credit shall automatically terminate and be delivered to us for cancellation on the earliest of (i) the making by you of the drawing available to be made hereunder, (ii) the date we receive from you a Certificate of Expiration in the form of Annex 4 hereto or (iii) shall be automatically extended without written amendment for successive additional one (1) year periods from the current or any future extended expiry date, unless at least 90 days prior to any such date of expiration, we shall give written notice to beneficiary by registered or certified mail, return receipt requested, or overnight courier, at the address set forth above or such amended address of which prior written notice has been provided to us therefore, that we elect not to renew this irrevocable standby letter of credit for such an additional period.

8. As used herein:

“Availability Certificate” shall mean a certificate substantially in the form of Annex 3 hereto, appropriately completed and duly signed by your authorized officer.

“Business Day” shall mean any day on which commercial banks are not authorized or required to close in New York, New York and any day on which payments can be effected on the Fedwire system.

9. This Letter of Credit is not assignable or transferable and, except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 Revision, ICC Publication No. 600, or any successor publication thereto (the “UCP”). All banking charges are for the account of the Applicant. This Letter of Credit shall, as matters not governed by the UCP, be governed and construed with New York law, without regard to principles of conflict of law.

10. This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1 through 4 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as set forth above.

11. The amount which may be drawn by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid through us referencing this Letter of Credit No. _____. Partial drawings are permitted hereunder.

12. Faxed documents are acceptable. Presentation by fax must be made to fax number _____. Presentation by fax must be confirmed by telephone to our Standby Letter of Credit Unit at _____; provided, however, that should this telephone number change or become invalid such that the Standby Letter of Credit Unit cannot be reached by you at the above number at the time of fax presentation, the

requirement of telephonic confirmation shall be waived and the faxed documents(s) shall be considered operative and valid without such confirmation.

13. In the event of act of God, riot, civil commotion, insurrection, war, terrorism or by any strikes or lock outs, or any cause beyond our control, that interrupts our business, and causes the place for presentation of this Letter of Credit to be closed for business on the last day of presentation, the expiration date of this Letter of Credit shall be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

Very truly yours,

(Bank)

By: _____

Name:

Title:

By: _____

Name:

Title:

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned is making a drawing under the above-referenced Letter of Credit in the amount specified below and hereby certifies to you as follows:

“Pursuant to Paragraph #2 of the Letter of Credit No. _____, dated _____ (date), the undersigned is entitled to make a drawing under the Letter of Credit.”

The amounts to be received is \$_____.

Very truly yours,

The Potomac Edison Company

By _____
Name:
Title:
Date:

cc: _____(Applicant)

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

ON [Business Day immediately succeeding
date of presentation]

PAY TO: The Potomac Edison Company
341 White Pond Dr
Akron, OH 44320

Attn: _____

\$ _____

For credit to the account of _____, Account No. _____, ABA No.
_____ at _____.

FOR VALUE RECEIVED AND CHARGE TO ACCOUNT OF LETTER OF CREDIT NO.
_____ OF

(Bank)
(Address)

The Potomac Edison Company

By _____
Name:
Title:

AVAILABILITY CERTIFICATE
UNDER LETTER OF CREDIT NO. _____

To: (Bank) _____, 20__
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

Each of the undersigned hereby requests that, in exchange for the above-referenced Letter of Credit, a new Letter of Credit be issued in the amount of \$_____ (the "New Amount") and to expire on _____(date).

Please acknowledge your intention to issue such new Letter of Credit in the New Amount upon the surrender of the above-referenced Letter of Credit by signing the attached acknowledgment copy hereof and forwarding it to:

The Potomac Edison Company
341 White Pond Dr.
Akron, OH 44320
Attention: Credit Risk Management

Very truly yours,

The Potomac Edison Company

By _____
Name:
Title:
Date:

APPLICANT NAME

By _____
Name:
Title:
Date:

Agreed and Accepted:
(Bank)

By _____
Name:
Title:
Date:

CERTIFICATE OF EXPIRATION
OF LETTER OF CREDIT NO. _____

_____, 20__

To: (Bank)
(Address)

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above referenced Letter of Credit may expire without payment. Attached hereto is said Letter of Credit, marked canceled.

Very truly yours,

The Potomac Edison Company

By _____
Name:
Title:
Date:

cc: _____ (Applicant Name)