

GPU ENERGY ATTACHMENT B

GPU Energy Bill Insert Service Option

The purpose of this document is to communicate GPU Energy's current bill insert service option specifications with its outsourcing provider. General information:

- GPU Energy can allot two inserting slots for use by Third Party Suppliers (TPS). These suppliers must follow a predetermined schedule created by GPU Energy
- All residential customers of a particular supplier will get their insert. Only one supplier insert will be included in its customer's bills.
- GPU Energy shall have the right to exclude any insert that it deems, in good faith, to be objectionable or in bad taste or that GPU Energy believes, in good faith, would be inconsistent with GPU Energy's corporate image. Any dispute over GPU Energy's exercise of this right shall be resolved exclusively through binding arbitration before the American Arbitration Association.
- This service will be provided to TPSs at a negotiated rate.
- The TPS will provide a copy of each of its proposed bill inserts to GPU Energy thirty (30) days prior to the TPS's intended date for inclusion of such bill insert within GPU Energy's consolidated bills.
- The TPS will provide the required number of fully printed inserts in accordance with then current specifications, and consistent with the timing, criteria, terms and conditions set forth below.
- The TPSs' bill inserts shall be limited to company information and/or information on products and services offered by the TPSs in New Jersey and shall not include derogatory statements about competition or each other's respective services.

To support efficient processing, it is imperative that certain physical characteristics, such as weight and size, conform to the criteria identified below. GPU Energy has the right to outsource bill printing to another vendor(s) or print internally. The following specifications are preliminary.

1. Process for Establishing Inserts:

A. TPS Responsibilities

- 1) GPU Energy will provide written notice to the outsourcer via E-mail of the intent to use supplier inserts for a specific month.
- 2) TPS will supply GPU Energy with the following information at least 60 calendar days prior to the scheduled mailing date. Said information should be titled "ATTN: Insert Coordinator" and must include:
 - Insert name
 - Estimated volume of inserts to be processed
 - Number of inserts to be shipped
 - Bill cycles scheduled to receive the inserts
 - GPU Energy will inform the TPS what 8-digit insert identification code the TPS should use
- 3) TPS will deliver inserts to the outsourcing provider at least 5 scheduled business days prior to the scheduled mailing date of each insert
- 4) TPS will ensure that inserts are manufactured in accordance with the specifications in this document.
- 5) TPS will arrange for the manufacturing and delivery of the inserts.
- 6) TPS will ensure consistency in the insert identification code as it appears on the faxed notification of intent to include an insert, the data files transmitted to the outsourcing provider and on the outside of each insert
- 7) Insert identification codes for GPU Energy will use the following naming convention:
GPUID-DD-YY
Where GPU = GPU Energy identifier fixed for all inserts
ID = Insert description
DD = the month in numeric format (example-- 04 for April)

YY = Year

- 8) TPS will provide specific direction for the disposition of unused inserts. If no direction is given when the insert is scheduled, unused inserts will be destroyed. If inserts need to be returned, TPS will be responsible for costs of coordinating removal of inserts from GPU Energy Property, including collection of remaining inserts, scheduling arrangements of shipping and actual shipping costs.

B. Print Outsourcer Responsibilities:

- Establish insert controls based on the scheduling information provided by GPU Energy.

2. **Insert Physical Specifications:**

A. Size Requirements:

	<u>Minimum Folded</u>	<u>Maximum Folded</u>
Height	3.5 in.	3.5 in.
Width	5.2 in.	6.5 in.
Thickness	.07 in.	.07 in.

B. Fold Requirements: TPS must ensure that the inserts conform to the following fold requirements:

- 1) Acceptable insert folds:
 - No fold
 - Half fold — folded insert must conform to size requirements noted above
 - "C" fold — folded insert must conform to size requirements noted above
- 2) Unacceptable insert folds:
 - Accordion folds
 - "Z" folds
- 3) Folds must be even, square, crisp, and uniform.
- 4) Fold must be on the WIDTH edge

- C. Paper Stock: TPS must ensure that the single panel inserts are manufactured on 7 pt. Card stock. Glossy finish inserts are not acceptable. TPS will use 50 lb stock only when folded inserts are used. Inserts exceeding three panels are not acceptable.

D. Insert Identification Code Printed on Insert:

- 1) TPS will ensure that an insert identification code is printed on each insert. This 8-digit insert identification code must match the insert identification code that appears on the:
 - E-mail notification of intent to include an insert
 - Data files transmitted to the outsourcing provider
- 2) The insert identification code must appear on the outside of each insert, printed in a 9-point font size.

E. Insert Identification Code Requirements:

- 1) Must be an 8-digit unique alpha/numeric code.
- 2) TPS must provide the insert identification code to the outsourcer's Insert Coordinator at least 10 scheduled business days prior to date to be inserted.
- 3) All inserts with the same insert identification code must be the same (e.g. size, thickness, etc.).

F. Miscellaneous Production Notes:

- 1) Inserts must not have cutouts.
 - GPU Energy will not accept inserts with labels or any loose or affixed objects enclosed in them.
- 2) Insert Appearance/Distinguishing Characteristics: Insert appearance must be unique and easily distinguishable from any other insert provided by the TPS. When inserts similar in

appearance are a TPS requirement, every attempt should be made to incorporate a color scheme or unique marking to clearly differentiate one insert from another. TPS must secure prior approval from the outsourcing provider or any exceptions to the unique appearance requirement. If an exception is approved then the TPS must ensure that the similar inserts are packaged using different color paper banding to clearly distinguish one insert from another.

3. Insert Packaging Specifications:

A. Banding:

- 1) Paper banding only. (Two rubber bands for single panel inserts – subject to testing).
- 2) Single panel inserts—band using minimum of 60 lb. paper in minimum 4 inch to maximum 4.5 inch bundles.
- 3) Multi-panel folded inserts:
 - Band using minimum of 70 lb. paper in 3-inch bundles
 - Folded edges must face in the same direction
 - If an exception is approved by the outsourcing provider to use a paper weight of less than 50 lb. chip board must be placed at the top and bottom of each insert bundle.

B. Bundle Packing in Cartons:

- 1) Bundles must all face the same direction.
- 2) Bundles must be placed flat in cartons.
- 3) Bundles must not be placed on sides or ends.

C. Carton Weight and Size:

- Maximum carton weight is 35 lb.
- Cartons must be the same size for any given insert

D. Carton Markings:

- 1) The exterior of the carton must be clearly marked with:
 - The insert identification code
 - The amount of inserts bundled per pack
 - The number of packs contained in the carton
 - The number of cartons per shipment (1 of 5, 2 of 5, etc.)
- 2) Sample of the insert must be affixed to the outside of each carton.

E. Pallet Requirements:

- 1) No pallets are to be double stacked.
- 2) Size 42" x 42".
- 3) Maximum pallet height is four (4) feet.

4. Insert Delivery Requirements:

A. Delivery Date:

- The outsourcing provider must receive inserts 5 scheduled business days in advance of scheduled mailing date. If more than one (1) skid per supplier is to be received during the month, special arrangements will need to be made due to storage weight requirements.

B. Receiving Days/Hours:

- Monday through Friday, 8:00 a.m. to noon; 1 p.m. to 4:00 p.m. No deliveries accepted between noon and 1 p.m.

C. Truck Size:

- Tailgate of truck must be a minimum of three (3) feet high. Any cartons not on skids must be off loaded by shipper/trucker.

D. Delivery Address:

To be determined

E. Delivery Documentation:

Insert vendor delivery bill of lading must include the number of cartons delivered, and must clearly identify the type of stock and paper weight used for inserts (e.g., 50 lb offset)

5. Contingency for Damage:

- Additional Inserts Requirement: TPS will provide the outsourcer with additional inserts as a contingency for damaged inserts based on the following schedule:

<u>Quantity Shipped</u>	<u>% Extra Inserts Required</u>
0-100	25%
101-5,000	15%
5,001-10,000	10%
10,001-50,000	7%
50,001-1,000,000	6%
1,000,001 or more	5%