PIKE COUNTY LIGHT AND POWER COMPANY

ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF

Issued: April 15, 1999                              Effective: May 1, 1999

Issued by: R. Lee Haney, Vice President
            Milford, Pennsylvania 18337

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RIDERS
A. Individual Coordination Agreement Rider
B. Scheduling Coordinator Designation Form

ISSUED: April 15, 1999
Effective: May 1, 1999

ISSUED BY: R. Lee Haney
Chief Financial Officer
Milford, Pennsylvania
DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS

1. Ancillary Services - Those services necessary to support the transmission of energy from generation resources to loads while maintaining reliability of the electric system. Ancillary Services are described and provided for in the OATT, and are set forth in Rule 6.6 of this Tariff.

2. 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, showing liabilities exceeding assets or the EGS generally failing to pay debts as they become due) or has failed to pay Company invoices when they became due on two or more occasions within the last twelve billing cycles.

3. Capability Period - Two periods, six months in duration and defined by the NYPP as follows:
   Summer Capability Period - May 1 through October 31; and
   Winter Capability Period - November 1 through April 30.

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

5. Company - Pike County Light and Power Company ("PIKE")


7. Competitive Energy Supply - energy and/or capacity provided by an Electric Generation Supplier.

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

9. Coordination Obligations - all obligations identified in Rule 4 of the Tariff, relating to the provision of Coordination Services.

10. 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 certain scheduling-related functions and reconciliation.

11. Coordinated Supplier - an Electric Generation Supplier that has appointed a Scheduling Coordinator as its designated agent for the purpose of submitting energy schedules to the Company or NYISO.

12. Creditworthy - a creditworthy EGS pays the Company's charges 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.

13. Customer - any person, partnership, association, or corporation receiving Competitive Energy Supply from an Electric Generation Supplier in accordance with the Competition Act at a single metered location.
14. **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.

15. **Direct Access** - “Direct Access” shall have the meaning set forth in the Competition Act.


17. **Electronic Data Interchange or “EDI”** - EDI shall be consistent with EDI Standards.

18. **EDI Standards** - the terms and conditions for EDI established by the Pa. P.U.C. through its Electronic Data Exchange Working Group which may be modified from time to time.

19. **Effective Switch Date** - the Effective Switch Date shall be: (1) prior to the Company’s implementation of EDI, the first day of the next calendar month; and (2) after the Company’s implementation of EDI, the Customer’s next Meter Read Date.

20. **Electric Distribution Company or “EDC”** - a public utility that owns electric distribution facilities. At times, this term is used to refer to the role of the Company as a deliverer of Competitive Energy Supply in a Direct Access environment as contemplated in the Competition Act.

21. **Electric Generation Supplier or “EGS”** - a supplier of electric generation that has been certified or licensed by the Pennsylvania Public Utility Commission to sell electricity to retail customers within the Commonwealth of Pennsylvania in accordance with the Competition Act.

22. **EGS Representative** - any officer, director, employee, consultant, contractor, or other agent or representative of an EGS in connection with the EGS’s activity solely as an EGS. To the extent an EGS is a division or group of a company, the term EGS Representative does not include any person in that company who is not part of the EGS division.


24. **Installed Capacity** - Capacity of a generating facility accessible to the bulk power transmission system that is capable of supplying and/or reducing the demand for energy in O&R’s service territory for the purpose of ensuring that sufficient energy and capacity are available to meet the NYPP Reliability criteria and rules (NYPP Billing Procedure 4-11 “Installed Reserve Requirements”). Installed Capacity shall include Installed Reserves defined below.

25. **Installed Reserves** - An amount of capacity beyond the EGS’s load and associated losses to meet the NYPP installed reserve requirement.

26. **Interval Meters or Hourly Meters** - term used to describe a meter that measures usage in time increments (e.g. 15 minutes or 1 hour) during a billing period.

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

28. **Kilowatt or kW** - unit of measurement of useful power equivalent to 1000 watts.

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Chief Financial Officer  
Milford, Pennsylvania
29. **Load Profiles** - Statistically developed usage patterns by service class and subclasses to calculate hour-by-hour estimates of energy usage in the absence of hourly metering.

30. **Local Distribution System** - is comprised of all of O&R’s subtransmission and distribution facilities not specifically controlled under an existing or future OATT.

31. **Losses** - Losses are the difference between the generation amount of energy produced and the metered amount of customer usage within a specific service area. Losses are associated with all transmission and distribution service systems. Electric Generation Suppliers are responsible for providing energy to compensate for energy losses on the Company’s Local Distribution System.

32. **Marginal Cost** - The incremental cost of the next generating unit on O&R’s system when it is on the margin (prior to completion of divestiture of O&R’s generating assets) or, when an external transaction is on the margin, the price of that transaction.

33. **Megawatt or MW** - one thousand kilowatts.

34. **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.

35. **Month** - a month under this Tariff means 1/12 of a year, or the period of approximately 30 days between two regular consecutive readings of the Company’s meter or meters installed on the customer's premises.

36. **New York Independent System Operator ("NYISO")** - The NYISO will coordinate the physical supply of electricity throughout the service territories of New York state utilities and maintains reliability of the bulk power system. The NYISO is to be functionally, financially, and physically separated from the merchant functions in the power generation and transmission markets. The NYISO will coordinate access to the transmission system for market participants who are eligible for access.

37. **New York Power Pool ("NYPP")** - The term refers to the NYPP as it presently exists under the New York Power Pool Agreement approved by FERC, and any of its successor organizations including a NYISO of which O&R is a member. It is an association of generating and transmitting electric utilities, including the New York Power Authority, which functions as a tightly controlled power pool with individual utility owned power plants being dispatched by the pool dispatcher. The NYPP’s principal mission from its formation has been the preservation and enhancement of the reliability of the bulk power system in New York State.

38. **OATT** - The current FERC-approved Open Access Transmission Tariff for the integrated transmission system operated by Orange and Rockland.


40. **PaPUC or Commission** - The Pennsylvania Public Utility Commission.

41. **Provider of Last Resort ("POLR") Service** - the provision of energy and capacity by the Company as POLR to Customers that: (1) are not offered Competitive Energy Supply by an EGS, (2) choose not to obtain Competitive Energy Supply from an EGS, (3) return to the Company’s service after having previously...
obtained Competitive Energy Supply; or (4) contract for Competitive Energy Supply with an EGS that fails to deliver.

42. **Retail Access** - A process whereby customers may purchase Competitive Energy Supply from Electric Generation Suppliers and have it delivered using the Company’s Local Distribution System

43. **Scheduling Coordinator** - an entity that has been authorized by the Electric Generation Supplier, in accordance with Rider B attached hereto, to perform Energy Scheduling and Load Balancing and Settlement activities, identified in Rule 6 and 7, on behalf of the Electric Generation Supplier.

44. **Transmission** - The process of transporting electricity on high voltage lines from the generator to the Local Distribution System. Transmission can be over long distances and power can be transmitted over power lines owned by more than one entity.

45. **Tariff** - this Electric Generation Supplier Coordination Tariff.

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**ISSUED:** April 15, 1999  
**Effective:** May 1, 1999

**ISSUED BY:**  
R. Lee Haney  
Chief Financial Officer  
Milford, Pennsylvania
RULES AND REGULATIONS

1. THE TARIFF

1.1 Filing And Posting. A copy of this Tariff, which comprises the Charges, Rules and Regulations and Riders under which the Company will provide Coordination Services to Electric Generation Suppliers, is on file with the Commission and is posted and open to inspection at the offices of the Company where an application for service can be made.

1.2 Revisions. 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 an Individual Coordination Agreement as required herein. In addition, the Charges herein shall apply to anyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

1.4 Rules And Regulations. The Rules and Regulations, filed as part of this Tariff, are a part of every Individual Coordination Agreement entered into by the Company pursuant to this Tariff and govern all Coordination Activities, unless specifically modified by a Charge or Rider provision. The obligations imposed on EGSs in the Rules and Regulations shall apply as well to everyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

1.5 Use Of Riders. The terms governing the supply of Coordination Services under this Tariff or a Charge therein may be modified or amended only by the application of those standard Riders, filed as part of this Tariff.

1.6 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.
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 Applicability of Terms to Scheduling Coordinators. As used in this Tariff, the term “EGS” shall apply equally to a Scheduling Coordinator for an EGS’s responsibilities and rights properly assigned to that Scheduling Coordinator by the EGS.

2.3 FERC Jurisdictional Matters. The inclusion of FERC-jurisdictional matters within the scope of this Tariff is intended solely for informational purposes and is not intended to accord any jurisdictional authority over such matters to the PaPUC. If anything stated herein is found by the FERC to conflict with or be inconsistent with provision of the Federal Power Act (FPA), or any rule, regulation, order or determination of the FERC under the FPA the applicable FERC rule, regulation, order or determination of the FPA shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA, the Company shall secure, from time to time, all appropriate orders, approvals and determinations from the 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) an Individual Coordination Agreement, as contained in a Rider hereto, fully executed in triplicate by a duly authorized representative of the EGS;

(b) if an EGS will utilize Rule 6-7 of this Tariff, written evidence that the EGS is registered, if appropriate, with the FERC, NYPP or the NYISO and;

(c) the EGS's Pennsylvania sales tax identification number.

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, as determined under 52 Pa. Code § 1.56, of the registration. An incomplete registration is not deemed to be ready for processing by the Company until it is completed by the EGS and Delivered to the Company.

3.3 Credit Check. A registration for Coordination Services shall constitute authorization to the Company to conduct a background credit check on the EGS.

3.4 Processing of Registrations. The Company shall complete the processing of each registration for Coordination Services within ten (10) business days after the date of the registration, as determined under 52 Pa. Code § 1.56, of the completed registration. The Company shall approve all completed registrations unless grounds for rejecting the registration, as defined below, exist.

3.5 Grounds for Rejecting Registration. The Company may reject any registration for Coordination Services on any of the following grounds:

(a) the EGS has undisputed outstanding debts to the Company arising from its previous receipt of Coordination Services from the Company under this Tariff;

(b) the EGS has failed to comply with credit requirements specified in Rule 10 of the Tariff; or

(c) the EGS has failed to submit a completed registration within thirty (30) calendar days after the date of the registration, as determined under 52 Pa. Code § 1.56, of written notice of the registration's deficiency.

The Company may also petition the PaPUC to reject the registration of an EGS with Bad Credit. 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 10.3.8.

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 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, then its 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 Rule 3.4, and shall state the basis for its rejection.

3.8 Approval of Registration. Upon its approval of a registration for Coordination Services, or pursuant to an order of the Commission approving a registration, the Company shall execute the Individual Coordination Agreement tendered by the registrant and shall file a copy with the PaPUC, shall provide one to the EGS by delivering such within the period set forth in Rule 3.4 and shall maintain a copy for its own records.

3.9 Identification Numbers. Upon its approval of a registration for Coordination Services, the Company will assign to the EGS a supplier identification number to be used in subsequent electronic information exchange between the EGS and the Company. This number shall be consistent with the EGS’s Dun & Bradstreet Business number.

3.10 Commencement of Coordination Services. Coordination Services shall commence within fifteen (15) days after the Company’s acceptance of an EGS’s registration for Coordination Services.
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 Customers 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 each EGS will cooperate in order to ensure delivery of Competitive Energy Supply to Customers as provided for by this Tariff, the EDC Tariff and the Competition Act.

4.4 State Licensing. An EGS must have and maintain in good standing a license from the PaPUC as an authorized EGS.

4.5 Energy Procurement. An EGS must make all necessary arrangements for obtaining Competitive Energy Supply in a quantity sufficient to serve its own Customers.

4.6 Energy Scheduling. An EGS must schedule the delivery of energy as set forth in Rule 6.

4.7 Reliability Requirements. An EGS shall satisfy those reliability requirements issued by the PaPUC, or any other governing reliability council with authority over the EGS, that apply to EGSs.

4.8 Supply of Data. An EGS and the Company shall supply to each 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.

4.9 Communication Requirements. An EGS must be equipped with the following communications capabilities:
   (a) Internet electronic mail (e-mail), including the capability to receive ASCII file attachments;
   (b) Internet browser capable of access to the Company web-site and file uploads and downloads;
   (c) Internet EDI peer-to-peer communication with push and pull capability, and
   (d) VAN and single Internet file transfer protocol, as determined by the Electronic Data Exchange Working Group (EDEWG) and PaPUC Docket No. M-00960890.F0015.

4.10 Record Retention. An EGS and the Company shall comply with all applicable laws and PaPUC rules and regulations for record retention, including but not limited to those Rules of Chapter 56 of the PaPUC’s regulations.

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 Data Exchange.
(a) Effective May 1, 1999 data exchanges between EGS and the Company will be in a standard electronic file format prescribed by the Company. The Company will provide software developed by the Company to be used by the EGS for submitting energy schedules; notices of customer enrollment, switches and drops; and customer billing information.

(b) Upon resolution in both the New Jersey Board of Public Utilities and New York Public Service Commission Electronic Data Interchange Proceedings, the Company will modify its customer accounting and communication systems on a system wide basis to accept EDI transactions. The EDI transactions shall at a minimum comply and adhere to the terms and requirements of the Electronic Data Exchange Working Group (Electronic Data Exchange Standards for Electric Deregulation in The Commonwealth of Pennsylvania) reviewed and approved by the Pa. PUC. (Docket No. M-00960890F.0015) (“EDI Standards”). The EDI Standards shall address the necessary data transfer and exchange to accommodate enrollment and switching of customers, metering and billing information, and current customer information. The Company shall follow these standards for all data exchange procedures and requirements.

(c) Subject to Rule 4.12 (d), below the Company shall make available to an EGS the information regarding that EGS’s Customers in an electronic file. The file will include but is not limited to the following information:

- Company Account Number
- Customer Name
- Service Address
- Service City
- Service State, Zip
- Mailing Address
- Mailing City
- Mailing State, Zip
- Telephone Number
- Rate Class
- Rate Class Load Profile and Class Strata (if any)
- Installed Capacity Obligation
- Historical Energy Usage for past 24 months
- If applicable, Billing Demand history for past 24 months

(d) An EGS must notify its Customers that by signing up for Competitive Energy Supply with the EGS, the Customer is consenting to the disclosure by the Company to the EGS of certain basic information about the Customer, as listed in Rule 4.12(c). At minimum, the notice shall inform the Customer that the following information will be disclosed: the Customer’s Company account number, rate class and electric usage, the Customer’s address(es) and telephone number.

(e) Nothing in this Rule shall prohibit the Company from making available to EGSs other electronic data, in formats chosen by the Company. Copies of the electronic file formats containing the data listed in this Rule will be provided to EGSs. The Company will not change the file formats without first providing, via Internet electronic mail, at least seven (7) days notice of any such change. The Company will make a good faith effort to provide a greater period of notice when warranted.

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ISSUED BY: R. Lee Haney
Chief Financial Officer
Milford, Pennsylvania
4.13 Codes of Conduct. The Codes of Conduct contained in the Company’s EDC Tariff are incorporated herein by reference.

4.14 Standards of Conduct and Disclosure for Licensed EGSs. The Commission’s Standards of Conduct and Disclosure for Licensees are incorporated herein by reference.
5. DIRECT ACCESS PROCEDURES

5.1 Customer Enrollment All Customers shall be eligible to obtain Competitive Energy Supply in accordance with the Direct Access procedures set forth in this Tariff and in the EDC Tariff.

5.1.1 Enrollment. The Company will process Company-supplied enrollment cards or EGS enrollment cards that conform with the Company’s defined standards and are sent to the Company’s designated address. If EGSs wish to use non-conforming cards, they may do so, but they must process them and then send enrollment information to the Company via properly formatted electronic files. The Company will acknowledge receipt of enrollment files received from EGSs via electronic confirmation. All EGS enrollment cards must enable a Customer to decide whether to consent to the disclosure of confidential Customer-specific information by the Company to all EGSs. The cards the Company will use will contain a check-off box, which a Customer would check to affirmatively indicate the Customer’s consent to disclosure of confidential Customer-specific information.

5.1.2 Provision of Customer Lists. The Company shall provide to all properly registered EGSs a complete list of enrolled Customer information. Said list shall be provided electronically and shall include, at a minimum, the information outlined in Rule 5.1.4.

5.1.3 Record of Customer Consent. An EGS that enrolls a Customer in accordance with Rule 5.1.1 of this Tariff must ask the Customer whether the Customer consents to the disclosure, to all EGSs by the Company, of confidential Customer specific information (i.e. telephone number and usage data). The EGS must retain a record indicating that the Customer was made aware of this disclosure. If the record is in an electronic form, the EGS must be able to print or otherwise reproduce the record.

5.1.4 Data Exchange.

(1) The list of enrolled Customers to be provided to all EGSs pursuant to Rule 5.1.2, above, shall contain at a minimum, the following information about Customers that have consented to the release of Customer Information.

   (a) Company Account Number
   (b) Customer Name
   (c) Service Address
   (d) Mailing Address
   (e) Telephone Number (if authorized by Customer)
   (f) Rate Class
   (g) Rate Class Load Profile and Class Strata (if any)
   (h) Installed Capacity Obligation
   (i) Historical Energy Usage for past 24 months (if authorized by Customer)
   (j) If applicable, Billing Demand history for past 24 months (if authorized by Customer)

(2) The list of enrolled Customers that the Company provides to all EGSs pursuant to Rule 5.1.2 shall contain at a minimum the following information about Customers that have not consented to the release of Customer information.
(a) Name, address, Company Account Number
(b) Rate Class

5.1.5 Procedure to Formalize Selection of an EGS

(a) An EGS must notify its Customers that by signing up for Competitive Energy Supply with the EGS, the Customer is consenting to the disclosure by the Company to the EGS of certain basic information about the Customer, as listed in Rule 4.12(c). At minimum, the notice shall inform the Customer that the following information will be disclosed: the Customer’s Company account number, data about meter readings, rate class and electric usage, the Customer’s address(es) and telephone number, and whether or not the Customer is on a budget billing plan or payment arrangement or as otherwise approved by the PUC Bureau of Consumer Services.

(b) The EGS will obtain appropriate authorization from the Customer, or from the person authorized to act on the Customer’s behalf, indicating the Customer’s choice of EGS. The authorization shall include the Customer’s acknowledgment that the Customer has received the notice required by rule 5.1.6. 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.

(c) The Customer’s EGS shall submit an electronic enrollment file to the Company using a file format designated by the Company. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file. Within one (1) business day of receipt of the electronic file, the Company will respond electronically and validate records contained in the file, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation shall also include information an EGS can use to identify rejected records.

(d) The Company will send the Customer a confirmation letter within one business day notifying the Customer of the right to rescind the selection of the EGS within ten (10) days. The confirmation letter shall include the Customer’s Name, Billing Address, Company Account Number, the EGS name and EGS proposed start date. The waiting period shall begin on the day the letter is mailed to the customer. 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 Effective Switch Date and the EGS will become the EGS of record for delivery provided that: (1) the Company has received notice from the EGS at least fifteen (15) days prior to the Effective Switch Date 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.

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 the EGS selection after the 10-day waiting period, the Customer will be advised that the rescission period has expired and a switch must be requested in accordance with Rule 5.2.
5.2 Switching Among EGSs

5.2.1 An EGS must notify its Customers that by signing up for Competitive Energy Supply with the EGS, the Customer is consenting to the disclosure by the Company to the EGS of certain basic information about the Customer, as listed in Rule 4.12(c). At minimum, the notice shall inform the Customer that the following information will be disclosed: the Customer’s Company account number, data about meter readings, rate class and electric usage, the Customer’s address(es) and telephone number, and whether or not the Customer is on a budget billing plan or payment arrangement or as otherwise approved by the PUC Bureau of Consumer Services.

5.2.2 (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. The authorization shall include the Customer’s acknowledgment that the Customer has received the notice required by Rule 5.2.1. 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 submit the Customer’s information using a file format designated by the Company. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file. Within one (1) business day of receipt of the electronic file, the Company will respond electronically and validate records contained in the file, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation shall also include information an EGS can use to identify rejected records.

(c) The Company will send the Customer a confirmation letter within one business day notifying the Customer of the right to rescind the selection of the EGS within ten (10) days. 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 Effective Switch Date and the EGS will become the EGS of record for delivery provided that: (1) the Company has received notice from the EGS at least fifteen (15) days prior to the Effective Switch Date 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 make available to the new EGS an electronic file, containing information for the new Customers of record for that particular EGS, in accordance with Rule 4.12(c).

If, during the 10-day waiting period, the Customer elects to rescind the EGS selection, the Company will notify the rejected EGS of the rescission electronically. In the event the Customer rescinds the EGS selection after the 10-day waiting period, the Customer will be advised that the rescission period has expired and a switch must be requested in accordance with this Rule.

(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.
5.2.3 If a Customer contacts the Company to request a change of EGS, the Company will inform the Customer that the EGS must be contacted to process such switch consistent with the Commission’s Standards of enrollment and switching.

5.2.4 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 or if the Customer has agreed to release the information during the enrollment process.

5.2.5 If a Customer contacts the Company to request a change from an EGS to the Company’s POLR 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 complete the request. The request will be effective as of the next Effective Switch 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 notice from the Customer at least fifteen (15) days prior to the Effective Switch Date; (2) the 10-day waiting period has expired; and (3) the Customer has not contacted the Company to rescind or dispute the switch to POLR Service. The Company will notify the Customer’s prior EGS of the discontinuance of service to the Customer from that prior EGS. Nothing contained herein will result in discontinuance of service to the Customer in the event of a default by an EGS.

5.2.6
(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. The Company will also send an electronic transaction to the Customer’s selected EGS for its new location, which may or may not be the current location, the Company will inform the Customer that the EGS must be contacted to establish service consistent with the Commission’s Standards for switching.

(b) If a Customer contacts the Company to discontinue electric service and indicates that the Customer will be relocating outside of the Company’s service territory, the Company will notify the current EGS, via electronic file, of the Customer’s discontinuance of service. If available, the Company will provide the EGS that served the Customer at the old location with the Customer’s new mailing address or forwarding address.

5.2.7 If the Company elects to change the account number for a Customer receiving Competitive Energy Supply from an EGS, the Company will notify the EGS of the change in account number via electronic file.

5.3 Provisions relating to an EGS’s Customers

5.3.1 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, PaPUC requirements, the EDC Tariff and this Tariff. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.
5.3.2 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, and that any such agreement shall not confer upon the Company any right to seek recourse directly from the EGS’s Customer for any charges owed to the Company by the EGS.

5.3.3 Customer Obligations. Customers remain bound by the rules and requirements of the EDC Tariff.
6. ENERGY SCHEDULING PROCEDURES

6.1 Scheduling Procedures: Post NYISO. To the extent the NYISO assumes responsibility for activities governed by Rule 6, including energy scheduling, transmission scheduling, installed capacity requirements, ancillary services, and other activities, EGSs will interact directly with the NYISO, rather than the Company, and the NYISO processes and requirements shall govern EGSs and supersede the processes and requirements in this Rule.

PRE-NYISO Procedures

6.2 Energy Scheduling

6.2.1 The EGS must schedule in an electronic format prescribed by the Company, the hourly energy required, including applicable Losses, for its Customers. The hourly schedule will be in one megawatt increments (no decimals or fraction of a megawatt). If there is less than one megawatt to be scheduled for an hour, the scheduled amount may reflect one megawatt for one hour and zero megawatts for the next hour or hours. For the one day each year when time changes from Daylight Savings Time to Eastern Standard Time the power schedule for that day shall include two hours ending 0200. For the one day each year when time changes from Eastern Standard Time to Daylight Savings Time, the power schedule for hour ending 0200 is to reflect 0 MW delivery for that hour. This will maintain the appropriate number of delivery hours for those respective days.

6.2.2 EGS’s schedules will be provided in an electronic format prescribed by the Company and include:

(a) the hourly amount (in whole MW) of energy, including applicable Losses, to be received by the Company;
(b) the customer names and account numbers associated with the scheduled energy delivery;
(c) the name of the EGS billing the transaction, a 24 hour/day phone number for notification of schedule changes, a properly completed NERC Tag, and the name of the generation source from which the energy is to be purchased;
(d) the contract path from the generation source to the point of delivery at the Company’s system.
(Note: all deliveries must be to the border of the Company’s service territory);
(e) the type of transmission service contracted for - firm or interruptible; and the Open Access Same Time Information System (“OASIS”) reservation number for the transaction; and
(f) beginning and ending time and date for each generation supplier’s contract - the start and stop time the transaction is in effect and delivery of energy is scheduled to occur.

6.2.3 The EGS will be required to forecast, calculate and furnish to the Company the hourly energy requirements for its customers. To assist EGSs in the scheduling process, the Company will:
(a) provide historical customer electric consumption data as provided for in Rule 4.12 (c)
(b) indicate customers’ load profile strata.
(c) provide scheduling software that includes the applicable Losses and load profile factors for the various load profile strata.

6.2.4 EGSs must submit a monthly schedule with the option of submitting changes to the schedule on a weekly basis or day-ahead basis.
(a) Month-ahead schedules must be submitted no later than every third Thursday of the month. Schedules submitted after this date will be accommodated as practicable. A monthly schedule is required. Week-ahead or day-ahead changes will not be accommodated unless a monthly schedule is submitted.

(b) Week-ahead change schedules must be submitted no later than 9 a.m. local time each Thursday. If Thursday or Friday is a holiday, then the schedules must be submitted by 9 a.m. on Wednesday. If the holiday consists of a Thursday and Friday, such as Thanksgiving, the schedule will be required by 9 a.m. on Tuesday.

(c) Day-ahead change schedules must be submitted every business day no later than 9 a.m. local time. Schedules for Mondays, weekends and holidays must be submitted on the business day preceding the weekend or holiday. Although it is desirable to receive changes on a day-ahead basis, the Company will accept changes to the hourly schedule up to two hours ahead of actual delivery of power. These changes shall be called into the Company by phone.


6.3 Transmission Scheduling

6.3.1 EGS is responsible for securing the transmission service necessary to deliver Competitive Energy Supply to the Company system boundary on behalf of its Customers. The EGS must schedule transmission service to the agreed upon point of delivery at the Company’s border. The Company will be responsible for providing transmission and distribution service required within its service area to reach the EGS’s Customers pursuant to the Company’s applicable Tariff.

6.3.2 The EGS must register with the NYPP to qualify for access to the NYPP transmission scheduling system, known as the NYPP OASIS. The Internet address for registration is www.global2000.net/nyppreg. The NYPP OASIS administrator can be reached at (518) 356-6000. Once registered with the NYPP, the EGS may nominate transmission reservations on the NYPP OASIS scheduling system via the Internet.

6.4 Transmission Allocation

6.4.1 The Company will allocate its existing transmission import capability to both the Company and EGSs. The transmission facilities that this allocation process applies to are Ramapo, South Mahwah, West Haverstraw, and Sugarloaf. The calculation of transmission allocation will be performed as follows:

(a) The amount of transmission import capability to be allocated to each EGS for each facility will be based on a load ratio. Each EGS will be entitled to its load ratio share of the facility’s available capacity. The capacity available on each facility will be the amount of total transmission capacity reduced for existing “grandfathered” transmission contracts.
(b) For the purpose of allocating transmission capability, “load ratio” shall mean the ratio of the EGS’s aggregated customer load, coincident with the O&R summer peak load for the prior year, to the O&R summer peak load for the prior year. The load ratio for each EGS will be calculated on a monthly basis.

6.5 EGS Installed Capacity Requirements

6.5.1 The EGS must meet the required Installed Capacity needs of all its Customers. Capacity is measured at the generator resource level and not at the customer meter level; therefore, the customer load must be adjusted for transmission and distribution system Losses and applicable reserve requirements when determining Installed Capacity requirements.

6.5.2 On or before 15 days prior to the NYPP scheduling deadline for each Capability Period, each EGS shall estimate its required Installed Capacity requirements for the coming Capability Period. The EGS must provide the Company with documentation (i.e. copy of contract(s) between the EGS and the generator) that it has obtained and will maintain capacity resources adequate to meet its Installed Capacity requirements. Installed Capacity must meet NYPP requirements and procedural rules (including NYPP Billing Procedure 4-11 “Installed Reserve Requirements”). In accordance with current NYPP or successor NYISO requirements, all EGSs must provide installed generation capacity including applicable reserve margins and Losses, to meet their participating customers’ aggregated peak loads (coincident with the O&R system peak load).

6.5.3 Customers receiving POLR Service from the Company as well as customers receiving Competitive Energy Supply from EGSs have the opportunity to switch energy suppliers during the Capability Periods established by the NYPP. Should a POLR Service customer switch to an EGS after the Installed Capacity requirements for the current Capability Period have been established, the EGS shall purchase from O&R the capacity requirement for that customer for the remainder of the Capability Period at O&R’s average installed capacity cost. If a Customer leaves an EGS and returns to POLR Service, the Company will purchase from the EGS, and the EGS will be required to sell to the Company, the Installed Capacity applicable to that customer at O&R’s average system installed capacity cost for the remainder of the Capability Period. This interim provision will no longer be required when the NYISO is established and a competitive capacity market exists.

6.5.4 The Installed Capacity requirement for hourly-metered customers will be determined by that customer’s coincident peak (“CP”) from the previous year’s comparable Capability Period adjusted for normal weather, Losses, and reserve requirements excluding the impact of any customer demand reduction activities. For non-hourly metered customers, the Installed Capacity will be determined based on the amount of energy required by the customer and the load profile for an average customer in applicable rate classification during the O&R system CP hour during the previous year’s comparable Capability Period similarly adjusted for normal weather, Losses and reserve requirements.

6.5.5 The EGS must notify the Company of changes to Installed Capacity under contract to the EGS. In addition, the EGS must inform the Company of all scheduled maintenance to Installed Capacity resources used to meet its capacity requirements. All information and copies of contracts provided to the Company will be protected as confidential and used only for the purpose of verifying the availability of capacity resources.
6.5.6 For each Capability Period, prior to the NYISO assuming responsibility for determining the adequacy of each EGS’s capacity, the Company will determine, based on NYPP procedural rules, any capacity deficiency and assess a charge to the EGS if it has a capacity deficiency. The charge will be equal to the Deficiency Charge set forth in Schedule B of the NYPP Agreement dated July 6, 1991, as the same may be amended from time to time.

6.6 Ancillary Services

6.6.1 For the period that O&R owns its existing electric generation plants and prior to the time the NYISO is established, the Company will provide Ancillary Services for all customers. A description of the Ancillary Services as well as the costs for these services are as follow:

1. **Reactive Supply and Voltage Control** - the management of reactive power in a manner that maintains voltages on the bulk power Transmission system within acceptable equipment and stability limits. O&R’s combined rate for Reactive Supply and Voltage Control is $0.719/MWh for all energy transmitted.

2. **Frequency Regulation and Response** - the continuous balancing of supply resources with load to maintain the electric system at sixty cycles per second (60 Hz). The combined rate for Regulation and Frequency Response Service is $0.383/MWh for all energy transmitted.

3. **Operating Reserve** - (Spinning and Supplemental Reserve Service) needed to serve load immediately in the event of a system contingency. The rate for Spinning Reserve Service is $1.116/MWh for all energy transmitted.

These Ancillary Service Costs are set forth in O&R’s FERC OATT. In the event that O&R divests its Electric Generation and the NYISO is not established, O&R will acquire the Ancillary Services and pass on the costs to the EGSs.

6.7 EGS Participation Through a Scheduling Coordinator

6.7.1 An EGS may enter into a business arrangement with another participating EGS or other entity that will act as a Scheduling Coordinator on behalf of EGSs serving Customers in the Company service territory. The Scheduling Coordinator shall be responsible for all of the energy scheduling and load balancing and settlement activities identified in Rules 6 and 7 for its own Customers, if any, and the Customers of the EGS(s) on whose behalf it is acting including, but not limited to, energy and transmission scheduling, installed capacity obligation, and settlement and balancing. All actions of the Scheduling Coordinator related to EGSs taking service under this Tariff are binding on, and attributable to, such EGSs.

6.7.2 To designate a Scheduling Coordinator, an EGS must provide the Company with a fully executed Scheduling Coordinator Designation Form, appended hereto as a Rider B.

6.7.3 Pursuant to this form, the EGS will authorize the Company to bill the Scheduling Coordinator for load balancing and settlements for all electric power deliveries scheduled with the Company on the EGS’s behalf. The EGS will, however, retain ultimate payment responsibility for such load imbalance amounts due to the Company.
7. RECONCILIATION/SETTLEMENT

7.1 Energy Reconciliation and Imbalance Charges: Post NYISO. After the NYISO assumes responsibility for providing balancing and settlement services, the Company will provide necessary data to the NYISO as per the NYISO retail access settlement process. EGSs will then interact directly with the NYISO, rather than the Company, and the NYISO processes and requirements shall govern EGSs and supersede the processes and requirements in this Rule.

PRE-NYISO Procedures

7.2 Overview. Load balancing is the process of reconciling hourly imbalances between actual power deliveries with customer loads. The Company must "balance", on an hourly basis, the EGS's actual deliveries with the EGS's actual aggregate customer load. Settlement will be complete after the EGS's customers' meters are read and it is known how much energy was actually used and how that compares to the EGS's deliveries. The settlement process will rely on readings from hourly meters and load profiles combined with readings from non-hourly meters.

7.3 Determining Customer's Hourly Usage. For the load balancing and settlement process, the Company must determine the hourly usage of each of the EGS's Customers. Determining the customer's hourly usage is done based on the customer's electric meter data, Losses and load profile.

(a) For customers who have hourly meters, the Company will extract and use the actual hourly usage data from the meter during normal monthly reading schedules. The actual hourly usage data will be adjusted for Losses.

(b) For customers without hourly meters, a load profile will be used to impute hourly usage from monthly usage data. The resulting hourly usage data will be adjusted for Losses. The load profile used for the customer is dependent on the customer's service classification and usage. The Company will provide the EGS with the load profiles used by the Company for settlement and balancing purposes in an electronic format.

7.4 Losses. For purposes of EGS load calculations in Rules 6 and 7 of this Tariff, the combined transmission and distribution line losses shall be calculated by multiplying the energy measured or calculated at the Customer’s meter times the applicable loss factor. The Energy Loss Factor is to be used in determining the amount of energy to be delivered to the system for the EGS’s Customers and the Demand Loss Factor is to be used in determining Installed Capacity requirements.

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ISSUED: April 15, 1999
Effective: May 1, 1999

ISSUED BY: R. Lee Haney
Chief Financial Officer
Milford, Pennsylvania
7.5 Details of Balancing and Settlement

7.5.1 On a monthly basis, the Company will:

1) Determine hourly imbalances by comparing the EGS's actual aggregated customer usage to the EGS's actual deliveries on an hourly basis. The actual hourly aggregated load of the EGS will be computed based on its customers’ actual meter usage, adjusted for applicable Losses, and the customers’ load profile. In the event actual metered usage data is unavailable, estimated data will be used.

2) Price out imbalances. Energy imbalances will be reconciled based on the value of energy for each hour as follows:

   (a) The EGS will be assessed a charge for under-deliveries equal to 100% of O&R’s marginal cost of energy during the hour in which the under-delivery occurred.
   (b) The EGS will be credited for over-deliveries with a credit equal to 100% of O&R’s marginal cost of energy during the hour in which the over-delivery occurred.

3) Determine if penalties apply to imbalances. Energy imbalances outside a Deviation Band of 5% of an EGS’s hourly aggregate customer load or 2 MW, whichever is greater, will be subject to a penalty determined as follows:

   (a) The EGS will not be assessed a penalty if its imbalance is contrary to the net aggregate imbalance of all other EGSs during that hour.
   (b) The Company will apply a proportional allocation of the total contrary imbalances of all other EGSs (within and outside the Deviation Band) to the EGS’s imbalance. The proportional allocation will be based on the ratio of the EGS’s imbalance outside the deviation band to the aggregate of all EGSs’ imbalances outside the deviation band excluding contrary imbalances.
   (c) The EGS will be assessed a penalty if it still has an imbalance after application of any contrary imbalances.

4) The penalty assessed will be determined by multiplying the kW imbalance subject to penalty by a rate equal to 35 percent of O&R’s marginal cost of energy for that hour for surpluses up to 125 percent of the EGS’s actual load. The penalty for a surplus imbalance in excess of 125 percent is 70 percent of O&R’s marginal cost of energy for that hour. The penalty for all deficiency imbalances is 35 percent of O&R’s marginal cost of energy for that hour.

5) Render an invoice for the EGS’s balancing and settlement activity including any penalties incurred. The invoice for balancing and settlement for the month is the sum of (a) the hourly cost of under-deliveries over the month, plus (b) any penalties imposed for scheduling outside the Deviation Band, minus (c) any credits for the hourly cost of over-deliveries over the month.
(6) Provide the EGS access electronically to the detailed data and calculations used to prepare the balancing and settlement invoices.

The above monthly process will be performed for each Settlement month by the 10th business after a calendar month becomes fully metered.
8. METERING

8.1 Meters Supplied by Company. The Company shall furnish, install, maintain and own the meter and transformer or transformers required for measurement of the service supplied.

8.2 Right to Remove Company’s Equipment. All meters, transformers or other equipment supplied by the Company shall remain its exclusive property. The Company shall have the right to remove all its property from the premises of the Customer at any time after the termination of service, whatever may have been the reason for such termination.

8.3 EGS Request for Special Meter. The Company shall offer and support a selection of qualified meters and metering related devices compatible with its existing infrastructure. The Company shall install such meters upon the request of an EGS or Customer and at the expense of the EGS or Customer pursuant to the EDC Tariff.
9. CONFIDENTIALITY OF INFORMATION

9.1 Generally. All Company information available to an EGS in connection with the provision of coordination services, including, but not limited to, rate class load profile data, and information regarding the Company, computer and communications systems shall not be disclosed to third parties without appropriate authorization and/or consent.

9.2 Customer Information. The EGS shall keep all Customer-specific information supplied by the Company confidential unless the EGS has the Customer’s authorization to do otherwise.
10. PAYMENT AND BILLING

10.1 Customer Choice of Billing Option - The Customer shall have the choice of receiving a Company generated consolidated bill for the Competitive Energy Supply provided by the their EGS and service provided by the Company, or receiving separate bills from the EGS and the Company. The Company shall offer billing service to those EGSs who request such service and provide the Company with their Customer’s monthly rate information as provided for in Rule 10.1.1. EGSs may also bill their Customers separately for the Competitive Energy Supply or other services they provide.

10.1.1 Consolidated EDC Billing Service

(a) The EGS will provide the Company no later than 10 calendar days prior to the beginning of each month a rate per kWh ($/kWh) to be charged each of its Customers for Competitive Energy Supply to be consumed by the customer during the next calendar month.

(b) The EGS will submit the monthly billing information to the Company in an electronic format prescribed by the Company identifying the name, Company account number and $/kWh billing price for each customer.

(1) The EGS must provide a single monthly price per kWh to be used for billing purposes. The EGS may charge a different price for each customer and each customer’s billing price may change monthly.

(c) If EGS pricing information required is not received by in a timely fashion as prescribed in Rule 10.1.1 (a) and/or if a price is not entered for a customer(s) on the customer list provided the Company, the Company will not include the EGS charges on its monthly billing to the Customer.

(d) The Company will render the EGS’s customers a consolidated bill for both the Competitive Energy Supply and the Company’s energy delivery services monthly. The Company will calculate the EGS’s charges for billing purposes by multiplying the Customer’s monthly electric energy consumption by the rate provided by the EGS in Rule 10.1.1(b).

(e) The consolidated bill will be unbundled to display the amount and price of Competitive Energy Supply purchased from the EGS and the identity of the EGS. The Company’s charges will be displayed in the manner and format prescribed in the EDC Tariff.

(f) The Company will perform cycled meter readings in accordance with its current practices. In the event an actual meter reading cannot be obtained, the Company shall estimate the customer’s consumption for billing purposes in accordance with applicable Commission regulations. The consolidated bill will be issued in accordance with the established meter reading cycles for the applicable account. If the meter read date for a particular customer changes, the Company will notify the EGS.

(g) The Company will collect and process customer’s payments and perform collection activities on customers’ accounts. The Company will follow its current credit and collection policies for collections.

ISSUED: April 15, 1999   Effective: May 1, 1999

ISSUED BY: R. Lee Haney
Chief Financial Officer
Milford, Pennsylvania
(h) Except for conditions set forth below in 10.1.1(i), the Company will remit payment to the EGS by the 20th calendar day of the month for all EGS charges billed to customers in the previous month, regardless of whether the Customer has paid the Company, via wire transfer to a bank designated by the EGS. The payment will be net of all EGS amounts owed to the Company as specified in Rule 10.3.

(i) The Company will not remit EGS charges billed by the Company for a particular Customer if:

1. Customer disputes the EGS charges and notifies the Company that it has not paid the EGS charges because of the dispute. The Company will notify the EGS within 24 hours of notification by the Customer of refusal to pay the EGS charges billed. In the event the Customer and EGS resolve the dispute, the Company will remit payments received from customer within 5 calendar days of receipt.

2. Customer does not dispute EGS charges but the account is 90 days overdue. The EGS or EDC may request the customer to receive to two separate bills from the EDC and EGS. In the event, the Customer settles the entire arrears amount with the Company, the Company will continue to remit payment to the EGS as prescribed in Rule 10.1.1(h).

(j) The Company will not provide consolidated billing to EGSs for Customer accounts that are 90 days overdue with the Company.

10.1.2 Separate Bills from EGS and the Company. Under this option, the Company and EGS will separately bill for the service provided to the Customer. The Company’s sole responsibility to the EGS under this billing option will be to electronically transmit, to the EGS, its Customers’ metering information to be used for EGS billing.

10.2 Data Exchange

10.2.1 Consolidated EDC Billing: The Company will provide a statement containing the electric usage and billed amount for each of the EGS’s Customers with the monthly remittance identified in Rule 10.1.1(h). Upon the Company’s implementation of EDI, the Company will electronically transmit to the EGS the Customer’s meter reading and billing information, once the account has been billed. This transmittal will be formatted and contain data in accordance with the EDI Standards.

10.2.2 Separate Bills from the EGS and the Company. The Company shall electronically transmit to the EGS the meter indexes and related information on a schedule consistent with the Company’s normal Customer meter reading and bill processing schedule.

10.2.3 Taxes. The Company is not responsible for the paying or remitting, on behalf of an EGS, any federal, state or local taxes with the exception of state and local sales and use taxes. Until the completion and implementation of the required system modifications to separately identify the sales and use taxes associated with the EGS and the Company charges on the consolidated EDC bill, the Company will calculate and pay to the appropriate taxing authority the sales and use taxes associated with the total consolidated bill. Upon completion of the necessary system modifications, the Company will calculate and identify the sales and use tax associated with the EGS charges and remit to the EGS.
in accordance with Rule 10.1.1 (h). The Company will notify the EGS 30 days prior to the effective date of the change of responsibility for the sales and use taxes.

10.3 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:

10.3.1 Billing Procedure. Each month, the Company shall submit an invoice to the EGS for all Coordination Services Charges provided under this Tariff. 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 fifteen (15) days from the date of transmittal of the bill.

(a) If the Company is providing consolidated EDC billing as provided for in Rule 10.1.1, the Company’s remittance payment to the EGS in accordance with 10.1.1 (h) shall be net of all amounts owed to the Company for all Coordination Services Charges provided under this Tariff.

10.3.2 Billing Corrections and Estimated Billings. Notwithstanding anything stated herein bills shall be subject to adjustment for any errors in arithmetic, computation, meter readings, estimating or other errors for a period for six (6) months from the date of such original monthly billing.

10.3.3 Manner of Payment. The EGS may make payments of funds payable to the Company by wire transfer to a bank designated by the Company. The Company may require that an EGS that is not creditworthy tender payment by means of a certified, cashier’s, teller’s, 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.

10.3.4 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 1.5% per month on the unpaid balance.

10.3.5 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 Individual 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 16.

10.3.6 Billing for Supplier Obligations to Other Parties. The Company will assume no responsibility for billing between an EGS and the NYISO, an EGS and any energy source, or a Scheduling Coordinator and any Coordinated Suppliers.

10.3.7 Guarantee of Payments. Before the Company will render service or continue to render service, the Company may 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 or has Bad Credit. An EGS shall have the right to submit to the Commission for resolution any reasonable 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.

10.3.8 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 billing periods based on that EGS’s forecasted load obligation.

10.3.9 Return of Deposits. Deposits secured from an EGS shall either be applied with interest to the EGS’s account or returned to the EGS with interest when the EGS becomes creditworthy. In cases of 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.

10.3.10 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).

10.3.11 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. The Company will report to a national credit bureau the EGS’s credit history with the Company.
11. WITHDRAWAL BY EGS FROM RETAIL SERVICE

11.1 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 PaPUC’s rulings in Docket No. M-00960890F.0013, and any subsequent applicable PaPUC rulings.

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

11.3 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 the NYPP/NYISO or other third parties resulting from EGS non-performance.
12. EGS’S DISCONTINUANCE OF CUSTOMERS

12.1 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 discontinuances of service to Customers in a manner consistent with applicable PaPUC rules, which apply to all Customer classes.

12.2 Notice to Customers. An EGS shall provide a minimum of thirty (30) days advance notice to residential customers prior to discontinuing service except as set forth below. An EGS may discontinue service to a residential customer for theft of service, fraud or failure to pay overdue charges consistent with applicable Pa PUC orders and regulations. With respect to all other classes of Customers, it will be the EGS’s responsibility to provide notice to a Customer of its intention to discontinue service in accordance with the EGS’s contractual obligations with the Customer.

12.3 Effective Date of Discontinuance. Any discontinuance will be effective on the next Effective Switch Date for each Customer and in accordance with the EGS switching rules in this Tariff and the EDC Tariff.
13. LIABILITY

13.1 General Limitation on Liability. The Company shall have no duty or liability with respect to Competitive Energy Supply before it is delivered by an EGS to a point of delivery on the Company’s Local Distribution System. After its receipt of electric energy and capacity at the point of delivery, the Company shall have the same duty and liability for distribution service to customers receiving Competitive Energy Supply as to those receiving POLR Service from the Company.

13.2 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.

13.3 Additional Limitations On Liability In Connection With Direct Access. Other than its duty to deliver electric energy and capacity, the Company shall have no duty or liability to an EGS providing Competitive Energy Supply 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 Energy Supply arising out of or related to switching EGSs, unless the Company is negligent in switching or failing to switch a customer.

13.4 Company’s Indemnification of EGS. Subject to Rule 13.2, in the event the Company is not able to render continuous, regular, and uninterrupted supply of service due to interruption or service limitations not caused by the EGS, the Company shall hold the EGS harmless for any penalties, fines, or other costs that the Company may incur.
14. BREACH OF COORDINATION OBLIGATIONS

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

14.2 Events of Breach. A material breach of Coordination Obligations hereunder, as described in Rule 14.1, 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 license or certification as an electric generation supplier or electricity supplier from the PaPUC;

(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.

14.3 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 Individual 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 such period and, thereafter, diligently pursues such action to completion.

14.4 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.
15. TERMINATION OF INDIVIDUAL COORDINATION AGREEMENT

15.1 Termination. An Individual 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 discontinues its last Customer.

(b) **The Company’s Termination Rights Upon Default by EGS.** In the event of a Default by the EGS, the Company may terminate the Individual 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.

15.2 Effect of Termination. Termination of Individual Coordination Agreements will have the same effect on an EGS’s Customers as the EGS’s discontinuance of supply to such Customers described in the EDC Tariff. If a Customer of a terminated EGS has not switched to another EGS prior to termination, said Customer will receive POLR Service from the Company pending its selection of another EGS.

15.3 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.
16. ALTERNATIVE DISPUTE RESOLUTION

16.1 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 Energy Services and Delivery Group.

16.2 Internal Dispute Resolution Procedures. Any dispute between the Company and an EGS under this Tariff or Individual 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 in accordance with Section 26 (E) of the Standards of Competitive Conduct in the EDC Tariff or may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

16.3 External Arbitration Procedures. If the amount in dispute is $500,000 or less, the arbitration initiated under the Tariff or any Individual 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 (3)-member arbitration panel. The two (2) 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.

16.4 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 therefore. 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 PaPUC, if it affects their respective jurisdictional rates, terms and conditions of service or facilities.

16.5 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

ISSUED: April 15, 1999 Effective: May 1, 1999

ISSUED BY: R. Lee Haney
Chief Financial Officer
Milford, Pennsylvania
(b) a proportionate share of the cost of the single arbitrator jointly chosen by the parties.


17. MISCELLANEOUS

17.1 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 Individual Coordination Agreement. If given by electronic transmission (including fax, telex, telexcopy 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.

17.2 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.

17.3 Gratuities to Employees. The Company’s employees are strictly forbidden to demand or accept any personal compensation, or gifts, for service rendered by them while working for the Company on the Company’s time.

17.4 Assignment.

17.4.1 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 consent of the other party, which consent shall not be unreasonably withheld.

17.4.2 Any assignment occurring in accordance with Rule 17.4.1 hereunder shall be binding upon, and oblige and inure to the benefit of, the successors and assigns of the parties to the Individual Coordination Agreement.

17.5 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 Individual Coordination Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

The Tariff or any Individual 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 Individual Coordination Agreement, the FERC, the PaPUC or a court of competent jurisdiction issues an order under which a party hereto believes that its rights, interests and/or expectations under the 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, interests and/or expectations in the 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.

17.6 Tax Indemnification. If the Company becomes liable under Section 2806(g) or 2809(c) of the Public Utility Code, 66 Pa. C.S. Section 2806(g) or 2809(c), for Pennsylvania state taxes not paid by an EGS, the non-compliant EGS shall indemnify the Company for the amount of additional state tax liability 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.
RIDER A

INDIVIDUAL COORDINATION AGREEMENT RIDER

1.0 This Individual Coordination Agreement ("Agreement"), dated as of ___________ is entered into, by and between Pike County Light and Power Company (the "Company", "PIKE") and ______________________ ("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 ("EGS Coordination 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) If an EGS will utilize Rules 6 and 7 of the EGS Coordination Tariff, the EGS must register, if appropriate, with the FERC, NYPP or the NYISO and comply with all obligations, rules and regulations, that are applicable to EGSSs serving Customers located in the NYPP / NYISO control area.

(ii) The EGS is licensed by the PaPUC to provide Competitive Energy Supply to Customers in Pennsylvania and has and will continue to satisfy all other PaPUC requirements applicable to EGSSs.

(b) The Company and the EGS, individually referred to hereafter as the “Parties,” 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 or 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 EGS Coordination 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.

Pike County Light & Power Company
Manager - Energy Services and Delivery Group
390 W. Route 59
Spring Valley, NY 10977
Phone:
Fax:
E-Mail

and to:

Electric Generation Supplier

8.0 The EGS Coordination 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 EGS Coordination Tariff.
IN WITNESS WHEREOF, and intending to be legally bound thereby, PIKE and the EGS identified above have caused this Coordination Agreement to be executed by their respective authorized officials.

PIKE COUNTY LIGHT & POWER COMPANY

By: ___________________________ ___________________________ ___________________ Title
   Name Date

_______________________________ (EGS)

By: ___________________________ ___________________________ ___________________ Title
   Name Date

ISSUED: April 15, 1999

Effective: May 1, 1999

ISSUED BY: R. Lee Haney
Chief Financial Officer
Milford, Pennsylvania
RIDER B

SCHEDULING COORDINATOR DESIGNATION FORM

By executing and submitting this form, __________________________ ("EGS") hereby notifies Pike County Light and Power (the “Company”) that it has appointed __________________________ to act as Scheduling Coordinator in scheduling electric power deliveries to serve EGS’s retail customers in accordance with Rule 6.6 of the Electric Generation Supplier Coordination Tariff (“EGS Coordination Tariff”).

EGS states that Scheduling Coordinator is deemed to be acting on behalf of the EGS with respect to electric energy scheduling unless the Company is notified in writing by the EGS and Scheduling Coordinator that this no longer the case. The Scheduling Coordinator is responsible to the performance of all of the EGS’s energy scheduling and load balancing and settlement activities in accordance with New York Power Pool or successor New York Independent System Operator and Company requirements. The EGS assumes liability for the Scheduling Coordinator’s failure to comply.

The Company is authorized to settle supply/usage imbalances attributable to the EGS on whose behalf it is acting directly with the Scheduling Coordinator and issue bills for amounts owed as a result of such imbalances to the Scheduling Coordinator. The EGS retains ultimate payment responsibility for such billings, including late payment charges as applicable.

The EGS Coordination Tariff is incorporated by reference and made a part hereof. All terms used, but not defined, in this Designation Form, shall have the meaning stated in the EGS Coordination Tariff. The EGS and its designated Scheduling Coordinator shall comply with all terms and conditions of the EGS Coordination Tariff, including those pertaining to Scheduling Coordinators.

The duly authorized representative of the above designated Scheduling Coordinator has executed this document below to acknowledge and consent to its appointment as a Scheduling Coordinator, and to agree to abide by its terms and conditions of its designation set forth above in the Scheduling Coordinator Designation Form prepared by the EGS, including the terms and conditions of the EGS Coordination Tariff which is incorporated therein by reference.

For EGS: For Scheduling Coordinator:

Name of Firm: __________________________ Name of Firm: __________________________

Name: __________________________ Name: __________________________

Signature: __________________________ Signature: __________________________

Title: __________________________ Title: __________________________

ISSUED: April 15, 1999 Effective: May 1, 1999

ISSUED BY: R. Lee Haney
Chief Financial Officer
Milford, Pennsylvania