

ATTACHMENT F-1

Form of Umbrella Service Agreement for Network Integration Transmission Service Under State Required Retail Access Programs

- 1.0 This Service Agreement dated as of _____, including the Specifications For Network Integration Transmission Service Under State Required Retail Access Programs attached hereto and incorporated herein, is entered into, by and between PJM Interconnection, L.L.C. (“Transmission Provider”) as administrator of the Tariff, PJM Settlement Inc. (“Counterparty”) as the counterparty, and _____, a transmission customer participating in a state required retail access program and/or a program providing for the contractual provision of default service or provider of last resort service (“Network Customer”).
- 2.0 The Network Customer has been determined by the Transmission Provider to have a valid request for Network Integration Transmission Service under the Tariff and to have satisfied the conditions for service imposed by the Tariff to the extent necessary to obtain service with respect to its participation in a state required retail access program.
- 3.0 Service under this Service Agreement shall commence on _____, and shall terminate on such date as mutually agreed upon by the parties, unless state law or regulations specify a limited period for service or unless earlier terminated for default under Section 7.3 of the Tariff.
- 4.0 The Transmission Provider agrees to provide, and the Network Customer agrees to take, Network Integration Transmission Service in accordance with the Tariff, including the Operating Agreement of the PJM Interconnection, L.L.C. (“Operating Agreement”) (which is the Network Operating Agreement under the Tariff and is incorporated herein by reference) and this Service Agreement, as they may be amended from time to time.
- 5.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider (on behalf of Transmission Provider and Counterparty)

PJM Interconnection, L.L.C.
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403-2497

SPECIFICATIONS FOR
NETWORK INTEGRATION TRANSMISSION SERVICE
PURSUANT TO STATE REQUIRED RETAIL ACCESS PROGRAMS

- 1.0 Term of Service: The term of service under this Service Agreement shall be from _____ until terminated by mutual agreement of the parties, unless state law or regulations specify a limited period for service or unless earlier terminated for default under Section 7.3 of the Tariff.
- 2.0 Network Operating Agreement: In accordance with Section 29.1 of the Tariff, the Network Customer must be a member of PJM Interconnection, L.L.C. and a signatory to the Operating Agreement.
- 3.0 Network Load and Network Resources: The Network Customer shall be responsible for the Transmission Provider receiving the information pertaining to Network Load, Network Resources, and Behind The Meter Generation described in this section. Such information shall be provided in accordance with procedures established by the Transmission Provider. With respect to service requests under this umbrella Service Agreement, the Transmission Provider will deem the provision of the information specified in this section as complying with the application requirements set forth in Section 29.2 of the Tariff.
- 3.1 Network Load: For Network Load within the PJM Region, the Network Customer shall arrange for each electric distribution company (“EDC”) delivering to the Network Customer’s load to provide directly to the Transmission Provider, on a daily basis, the Network Customer’s peak load (net of operating Behind The Meter Generation, but not to be less than zero, unless such generation is separately metered and reported to PJM), by bus, coincident with the annual peak load of the Zone as determined under Section 34.1 of the Tariff. The peak load shall be expressed in terms of tenths of a megawatt and shall include all losses within the PJM Region, other transmission losses, and distribution losses. Unless a more specific bus distribution is available, the EDC may provide a bus distribution for the Network Customer’s peak load proportional to the bus distribution for all of the load in the Zone. The information must be submitted directly to the Transmission Provider by the EDC, unless the Transmission Provider approves in advance another arrangement. For Non-Zone Network Load, the Network Customer shall provide to the Transmission Provider, on a daily basis, the Network Customer’s peak load, by interconnection at the border of the PJM Region, coincident with the annual peak load of such area as determined under Section 34.1 of the Tariff. The peak load for such Non-Zone Network Load shall be expressed in terms of tenths of a megawatt and shall not include losses within the PJM Region. Unless a more specific bus distribution is identified and node definition requested, a service

request shall be granted upon submission of the information set forth in this Section 3.1 without any further confirmation procedures. If a Network Customer under this Service Agreement, prior to the commencement of service or at any time after the commencement of service, identifies a more specific bus distribution and requests a node definition for all or part of its Network Load that is served under state required retail access programs, the Network Customer shall notify both the Transmission Provider and the electric distribution company pursuant to the notification procedure and schedule set forth in the PJM manuals. The Transmission Provider, exercising its independent judgment and expertise, shall have the authority to resolve any difference of opinion that may arise between the Network Customer and the electric distribution company as to the applicable bus distribution or node definition. If confirmed, the more specific bus distribution will not be used for billing and settlement purposes, however, until the notification procedure set forth in the PJM manuals is completed, and in no event until June 1, to correspond with the commencement of the annual planning period.

- 3.2 Network Resources: The Network Customer, as necessary, shall designate from time to time its Network Resources. In the event the Network Resource to be designated is Behind The Meter Generation, the designation must be made before the commencement of a Planning Period as that term is defined in the Operating Agreement and will remain in effect for the entire Planning Period. Such Network Resources must be acceptable to the Transmission Provider as Network Resources in accordance with the Tariff and the Operating Agreement. Designations of resources that have not previously been accepted as Network Resources of any Network Customer or Transmission Customer shall include the information set forth in Section 29.2(v) of the Tariff. Changes in the designation of Network Resources will be treated as an application for modification of service. The Network Customer shall confirm the acceptance of a Network Resource within 15 days of the completion of a System Impact Study or 30 days after completion of a Facilities Study, as is applicable. The Transmission Provider will maintain a current list of Network Resources, which shall be updated from time to time.
- 3.3 Hourly Load: The Network Customer and/or the EDCs delivering to the Network Customer's load shall provide to the Transmission Provider, on a daily basis, hourly loads and an associated bus distribution for the Network Load. For Network Load within the PJM Region, hourly loads required under this Section shall include all losses within such area, including 500 kV transmission losses, other transmission losses, and distribution losses. The Network Customer shall notify the Transmission Provider whether the Network Customer or the EDC or both will submit the hourly loads.
- 3.4 Energy Schedules: The Network Customer shall schedule energy for its hourly loads in accordance with the Appendix to Attachment K of the Tariff.

- 3.5 Interruptible Loads: The Network Customer shall inform or shall arrange for each EDC delivering to Network Customer's load to inform Transmission Provider about the amount and location of any interruptible loads included in the Network Load. This information shall include the summer and winter peak load for each interruptible load (had such load not been interruptible), that portion of each interruptible load subject to interruption, the conditions under which an interruption can be implemented, and any limitations on the duration and frequency of interruptions.
- 3.6 Procedures for Load Determination: The procedures by which an EDC will determine the peak and hourly loads reported to the Transmission Provider under Sections 3.1 and 3.3 may be set forth in a separate schedule to the Tariff for each EDC.
- 3.7 Behind The Meter Generation: For Behind The Meter Generation of a Network Customer that requires metering pursuant to section 14.5 of the Operating Agreement, the Network Customer shall arrange for the Transmission Owner or EDC to provide directly to Transmission Provider information pertaining to such Behind The Meter Generation and the total load at its location as necessary for PJM's planning purposes.
- 4.0 Energy Imbalance Service: The Network Customer will receive Energy Imbalance Service from the Transmission Provider in accordance with Schedule 4 of the Tariff. Energy Imbalance Service is considered to be PJM Interchange and will be charged at the hourly locational marginal price determined pursuant to Section 2 of the Appendix to Attachment K of the Tariff.
- 5.0 Reconciliation Billing: For Network Load within the PJM Region, to the extent required, the Transmission Provider will reconcile the Network Customer's hourly energy responsibilities as initially reported to Transmission Provider and its hourly energy consumption based on, or estimated from, metered usage, and provide corresponding charges and credits to Network Customer. Such reconciliation, if required, shall be made at the same rates as Energy Imbalance Service.
- 6.0 Designation of party subject to reciprocal service obligation: The Network Customer shall comply with Section 6 of the Tariff.
- 7.0 Name(s) of any Intervening Systems providing transmission service: To the extent any Network Resources are located outside the PJM Region, the list of Network Resources maintained by the Transmission Provider referenced in Section 3.2 of these specifications, shall identify any intervening systems needed to deliver those Network Resources to the Network Customer's retail load.
- 8.0 Charges: Service under this Service Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

- 8.1 Embedded Cost Transmission Charge: The embedded cost transmission charge shall be determined in accordance with the formula set forth in Section 34 of the Tariff.
- 8.2 System Impact and Facilities Study Charges: To the extent Network Resources are located outside, or a new resource is added to, the PJM Region, a System Impact Study and/or Facilities Study Agreement and related charges may be required pursuant to Section 32 of the Tariff.
- 8.3 Direct Assignment Facilities Charge: To the extent that facilities or portions of facilities must be constructed by a Transmission Owner for the sole use or benefit of the Network Customer to accommodate the service requested by the Network Customer, the Network Customer shall be responsible for the cost of such Direct Assignment Facilities, and the charges for such facilities shall be specified at the time that the Transmission Provider determines the facilities that are needed to provide the requested service.
- 8.4 Ancillary Services Charge: In addition to Energy Imbalance Service, Transmission Provider shall bill the Network Customer for ancillary services in accordance with Schedules 1, 1-A, 2, 3, 5, 6, and 9 of the Tariff. To the extent required, the ancillary services charges shall also be reconciled based on any differences between the Network Customer's hourly energy responsibilities as initially reported to Transmission Provider and its hourly energy consumption based on, or estimated from, metered usage.
- 8.5 Other Supporting Facilities Charge: None.
- 8.6 Losses: For Non-Zone Network Load, losses of 3 percent for on-peak hours and 2.5 percent for off-peak hours shall be supplied as set forth in the Appendix to Attachment K of the Tariff.
- 8.7 Other Charges: Transmission Provider shall charge Network Customer any and all other charges set forth in the Tariff applicable to providing Network Integration Service.
- 9.0 Designated Agent: To the extent that a Designated Agent for one or more Network Customers provides to the Transmission Provider any of the information required by these Specifications, it shall provide the information separately for each Network Customer.

CERTIFICATION

I, _____, certify that I am a duly authorized officer of

_____ (Network Customer) and that

_____ (Network Customer) will not request service under this Service Agreement to assist an Eligible Customer to avoid the reciprocity provision of this Open-Access Transmission Tariff.

(Name)

(Name)

Subscribed and sworn before me this ____ day of _____, _____.

(Notary Public)

My Commission expires:_____