

# ALSTON & BIRD

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April 6, 2018

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

**Re: Metropolitan Edison Company, Pennsylvania Electric Company, and  
Mid-Atlantic Interstate Transmission, LLC**

**Modifications to Certain Agreements to Which Metropolitan Edison  
Company and Pennsylvania Electric Company Are Currently Parties**

**Docket No. ER18-1312-000**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act,<sup>1</sup> and Part 35 of the Regulations of the Federal Energy Regulatory Commission (“Commission” or “FERC”),<sup>2</sup> Metropolitan Edison Company (“MetEd”), Pennsylvania Electric Company (“Penelec”), and Mid-Atlantic Interstate Transmission, LLC (“MAIT”) (collectively, the “FE Companies”) submit for filing proposed ministerial modifications to four (4) agreements (individually, an “Agreement” or collectively, the “Agreements”) listed below to which MetEd and Penelec are parties.<sup>3</sup> The sole purpose of the modified Agreements is to replace MetEd and Penelec as parties to the Agreements with MAIT, in connection with the completed integration of MAIT into PJM.

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<sup>1</sup> 16 U.S.C. § 824d (2006).

<sup>2</sup> 18 C.F.R. Part 35 (2016).

<sup>3</sup> Pursuant to Order No. 714, this filing is submitted by PJM Interconnection, L.L.C. (“PJM”) on behalf of the FE Companies as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners (which, as explained below, now include MAIT) in order to retain administrative control over the PJM Tariff. The FE Companies have requested that PJM submit the modified Agreements in the eTariff system as part of PJM’s electronic Service Agreements Tariff.

The FE Companies respectfully request that the Commission grant waiver of its notice requirements to accept each of the modified Agreements effective as of February 1, 2017, the date on which MAIT was integrated into PJM. The agreements were not filed earlier due to clerical error.

## **I. Background**

MetEd and Penelec are public utilities and wholly owned subsidiaries of FirstEnergy Corp. (“FirstEnergy”), a diversified energy company headquartered in Akron, Ohio. MAIT, a Delaware limited liability company, is a stand-alone transmission company and a wholly owned subsidiary of FirstEnergy Transmission, LLC (“FET”).<sup>4</sup>

As of February 1, 2017, MAIT owns and operates transmission facilities previously owned and operated by MetEd and Penelec that are under PJM’s functional control.<sup>5</sup>

## **II. Modifications to the Agreements**

MAIT owns and operates the transmission facilities in what were formerly the MetEd and Penelec transmission zones in PJM, including facilities that are subject to the Agreements. Therefore, it is necessary to modify each of the Agreements to substitute MAIT for MetEd and Penelec with respect to the transmission facilities. These modifications are ministerial in nature in that, where needed, they consist of substituting MAIT’s name for MetEd’s or Penelec’s. These modifications will not result in any change to the rates or terms of service under the Agreements.

In an earlier proceeding, the Commission accepted similar ministerial revisions to other agreements to which MetEd and Penelec are parties in order to reflect the integration of MAIT into PJM.<sup>6</sup> The Agreements contained in the instant filing were not previously submitted due to an inadvertent clerical error, for which they convey their apologies.

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<sup>4</sup> FET, formerly known as Allegheny Energy Transmission, LLC, is a direct, wholly owned subsidiary of FirstEnergy.

<sup>5</sup> MetEd and Penelec do, however, continue to own and operate distribution facilities. The Commission approved this transaction by order dated February 18, 2016. *Pa. Elec. Co., et al.*, 154 FERC ¶ 61,109 (2016).

<sup>6</sup> *See FirstEnergy Serv. Co.*, Letter Order, in Docket No. ER17-1102-000 (May 1, 2017).

In this filing, the FE Companies propose to make ministerial modifications to the following Agreements:

- Interconnection Agreement between MetEd and Trans-Allegheny Interstate Line Company (Service Agreement No. 3818), which went into effect on November 29, 2015.<sup>7</sup>
- Interconnection Agreement between MetEd and Jersey Central Power & Light Company (Service Agreement No. 3996), which went into effect on February 22, 2015.<sup>8</sup>
- Interconnection Facilities Agreement among Penelec, MetEd, West Penn Power Company, The Potomac Edison Company of Pennsylvania, and The Potomac Edison Company (originally designated as MetEd Rate Schedule No. 39 and Penelec Rate Schedule No. 60, and re-designated in this filing as Service Agreement No. 5049), which went into effect on April 1, 2002.<sup>9</sup>
- Interconnection Agreement between Penelec and PPL Electric Utilities Corporation (originally designated as Penelec Rate Schedule No. 89, and re-designated in this filing as Service Agreement No. 5050), which went into effect on June 27, 1993.<sup>10</sup>

All of the Agreements listed above permit assignment of those Agreements from Penelec or MetEd to MAIT pursuant to a letter provided by Penelec or MetEd to the counterparty that gives notification of the assignment. Penelec and MetEd have provided the notification letters to the counterparties to those Agreements.

### **III. Additional Information**

#### **A. Proposed Effective Date and Request for Waiver**

The FE Companies request an effective date of **February 1, 2017** for each of the modified Agreements listed above. Pursuant to Section 35.11 of the Commission's regulations,<sup>11</sup> the FE Companies also respectfully request waiver of Section 35.3 of the

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<sup>7</sup> *PJM Interconnection, L.L.C. & Trans-Allegheny Interstate Line Co., et al.*, Letter Order, Docket No. ER15-2739-000 (Nov. 18, 2015).

<sup>8</sup> *PJM Interconnection, L.L.C. & Am. Transmission Sys., Inc., et al.*, Letter Order, Docket No. ER15-690-000 (Feb. 10, 2015).

<sup>9</sup> *Allegheny Power Sys., Inc.*, 104 FERC ¶ 63,001 (2003); *Pa. Elec. Co. & Metro. Edison Co.*, 104 FERC ¶ 61,101 (2003).

<sup>10</sup> *Pa. Power & Light Co.*, Letter Order, Docket Nos. ER93-594-000, *et al.* (June 9, 1993).

<sup>11</sup> 18 C.F.R. § 35.11.

Commission's regulations,<sup>12</sup> in order to permit that effective date. Waiver is appropriate because the effective date is requested solely to make the ministerial revisions to the Agreements effective as of the date that MAIT was integrated into PJM. Therefore, good cause exists for the Commission to the requested waiver.

**B. Communications**

Please place the names of the following persons on the official service list established by the Secretary in this proceeding:

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**C. List of Documents Submitted With Filing**

In addition to this transmittal letter, this filing includes the following attachments:

1. Attachment A-1 Clean Service Agreement No. 3818 as modified in this filing;
2. Attachment A-2 Red-lined Service Agreement No. 3818 as modified in this filing;
3. Attachment B-1 Clean Service Agreement No. 3996 as modified in this filing;
4. Attachment B-2 Red-lined Service Agreement No. 3996 as modified in this filing;
5. Attachment C-1 Clean Service Agreement No. 5049 as modified in this filing;
6. Attachment C-2 Red-lined Service Agreement No. 5049 as modified in this filing;
7. Attachment D-1 Clean Service Agreement No. 5050 as modified in this filing; and

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<sup>12</sup> 18 C.F.R. § 35.3.

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8. Attachment D-2 Red-lined Service Agreement No. 5050 as modified in this filing.

**D. Service**

The FE Companies have served copies of this filing, including all attachments, on all of the parties to the Agreements.

Please contact the undersigned if you have any questions.

Respectfully submitted,

/s/ Bradley R. Miliauskas  
Kenneth G. Jaffe  
Bradley R. Miliauskas  
Alston & Bird LLP  
950 F Street, NW  
Washington, DC 20004

**Attachment A-1**

**Clean Tariff**

**Service Agreement No. 3818**

Service Agreement No. 3818

**INTERCONNECTION AGREEMENT**

**between**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC**

**and**

**TRANS-ALLEGHENY INTERSTATE LINE COMPANY**

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- Appendix I Interconnection Point, One-Line Diagram(s), Metering, and Data Submission
- Appendix II Definitions



## **INTERCONNECTION AGREEMENT**

THIS INTERCONNECTION AGREEMENT (“Agreement”) is made and entered into as of the 16<sup>th</sup> of September 2015 (the “Execution Date”), between Mid-Atlantic Interstate Transmission, LLC (“Zonal TO” or “MAIT”), and Trans-Allegheny Interstate Line Company (“TO Affiliate” or “TrAILCo”). Zonal TO and TO Affiliate may be referred to herein individually as a “Party” or collectively as the “Parties”. For the avoidance of doubt, the terms “Party” and “Parties” as used herein shall not include PJM Interconnection, L.L.C. (“PJM”) or any successor Regional Transmission Organization. This Agreement supersedes and cancels that certain Service Agreement No. 3818 entered into by the Parties on May 12, 2014 and accepted for filing in Federal Energy Regulatory Commission (“FERC”) Docket No. ER14-2052-000.

### **WITNESSETH:**

WHEREAS, TO Affiliate owns transmission facilities that will be operated and maintained by the Zonal TO and electrically connected to the Transmission System of the Zonal TO;

WHEREAS, Zonal TO and TO Affiliate desire to embody in this Agreement the terms and conditions to govern the operation and electrical interconnection of the respective Transmission Systems of each Party; and

WHEREAS, FERC has required the Parties to this Agreement to include PJM as a signatory to this Agreement, pursuant to *American Electric Power Service Corporation*, 112 FERC ¶ 61,128 at P 10 (2005), in order to ensure that PJM is kept fully apprised of the matters addressed herein and so that PJM may be kept aware of any reliability and planning issues that may arise.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, the Parties hereto agree as follows:

### **ARTICLE 1. INTERCONNECTED OPERATION**

#### **1.1. Interconnected Operation**

The Parties’ transmission systems (each, a “Transmission System”) shall be interconnected at each Interconnection Point specified and described in Appendix I of this Agreement. The Parties, by amendment to this Agreement pursuant to Article 8.3, may add, discontinue or modify one or more Interconnection Points.

#### **1.2. Continuity of Interconnected Operation**

During the term of this Agreement, each Party shall maintain in service its respective systems, facilities and equipment necessary to maintain in a safe and reliable manner each Interconnection Point described in Appendix I.

#### **1.3. Compliance with Law**

Each Party shall comply with Good Utility Practice and Applicable Laws and Regulations,

including the requirements of any Governmental Authority having jurisdiction over the Party, in performing its respective obligations and responsibilities under this Agreement.

## ARTICLE 2. OPERATIONS AND MAINTENANCE

### 2.1. Operating Responsibilities

Each Party, if applicable, shall exercise reasonable care to design, construct, maintain, and operate its Transmission System, in accordance with Good Utility Practice and any PJM requirement, and in such manner as to avoid the unauthorized use of the generation or transmission facilities of any other person, including such facilities of the other Party (hereinafter referred to as “Unauthorized Use”). Each Party may install and operate on its Transmission System such relays, disconnecting devices, and other equipment, as it may deem appropriate for the protection of its Transmission System or prevention of Unauthorized Use. Each Party shall maintain and operate its respective Transmission System so as to reasonably minimize, in accordance with Good Utility Practice, the likelihood of a disturbance originating on its Transmission System, which might cause impairment to the service of the other Party.

### 2.2. Interruption of Service

The interconnection of the Parties’ Transmission Systems under this Agreement may be interrupted, upon reasonable notice, under the following circumstances: (a) by operation of automatic equipment installed for power system protection; (b) after consultation with the other Party if practicable, when a Party deems it desirable for the installation, maintenance, inspection, repairs or replacements of equipment; (c) to comply with a directive issued by PJM; or (d) at any time that, in the sole judgment of the interrupting Party, such action is necessary to preserve the integrity of, or to prevent or limit any instability on, or to avoid or mitigate a burden on its system, or to avoid or mitigate the loss of life, injury, or property damage. If synchronous operation of the Parties’ Transmission Systems through a particular facility becomes interrupted, the Parties shall cooperate so as to remove the cause of such interruption as soon as practicable and restore said facility to normal operating condition.

### 2.3. Maintenance and Facility Maintenance

Each Party shall maintain its facilities in a safe and reliable manner in accordance with : (i) the terms of this Agreement; (ii) applicable NERC Reliability Standards; (iii) PJM Requirements; and (iv) Good Utility Practice. Operating arrangements for the Transmission Systems shall be coordinated by Zonal TO operating personnel, and with PJM to the extent required by Applicable Laws and Regulations and PJM Requirements. Except as may be necessary and appropriate in an emergency, all operating arrangements shall be in accordance with PJM Requirements.

### 2.4. Cooperation Associated with NERC Reliability Standards

If a Party: (a) is subject to a data request, self-certification or an audit of applicable NERC Reliability Standards to effect the interconnection of the Parties’ Transmission Systems at each Interconnection Point by FERC, NERC, or PJM; or (b) is required to comply with NERC Reliability Standards with respect to such facilities, then the Parties shall reasonably cooperate in a

timely fashion and to the extent necessary to address such matter pursuant to Article 2.4(a) and to demonstrate such compliance pursuant to Article 2.4(b).

### 2.5. Access

Each Party shall grant the other Party access to areas under the granting Party's control as reasonably necessary to permit the other Party to perform its obligations under this Agreement, including operation and maintenance obligations. A Party that obtains such access shall comply with all safety rules applicable to the area to which access is obtained.

### 2.6. Primary Point of Contact

To ensure that each Party's operation, maintenance and planning relating to its Transmission System is coordinated with the other Party, and with PJM, during the term of this Agreement, particularly in the event of system emergencies and interruptions of service undertaken in accordance with Article 2.2, and to ensure that each Party (and PJM) has access to an authorized individual representing the other Party and PJM, each Party and PJM hereby designates the individual set forth in this Article 2.6 as the primary point of contact ("PPC") for that Party. A representative of the Zonal TO shall be the PPC for TO Affiliate.

For Zonal TO:

Title: FirstEnergy East Shift Supervisor Telephone: (330) 761-6862

For TO Affiliate:

Title: FirstEnergy East Shift Supervisor Telephone: (330) 761-6862

For PJM

Title: PJM Transmission Desk Telephone: (610) 666-8808 E-mail:  
dispsup@pjm.com

Each Party and PJM is free to revise its PPC by providing notice to the other Party and PJM (or to both Parties in the case of PJM) in accordance with the notice provisions of Article 10.4.

## ARTICLE 3. METERING AND DATA ACQUISITION SYSTEM EQUIPMENT

### 3.1 Metering Equipment

The net interchange of electrical energy between the Transmission Systems at the Points of Interconnection shall be measured by the revenue quality meters, as necessary, specified in Appendix I. The metering equipment shall satisfy applicable ANSI standards and PJM's metering standards and requirements. Both parties shall own, operate and maintain, such recording, telemetering, communication, and control facilities on their respective side of the Points of Interconnection required for coordinated operation. Except for the charge referenced in Section 3.2, no specific charge will apply to either Party for the installation, replacement, operation, maintenance or testing of such equipment.

### 3.2 Maintenance, Testing, and Calibration of Metering Equipment

Procedures with respect to maintenance, testing, calibrating, and precision tolerance of all

metering equipment shall be performed in accordance with the Good Utility Practice. The expense of testing any meter shall be borne by the Party owning such meter, except that when a meter is tested at the request of another Party and is found to register within the established tolerance, the Party making the request shall bear the expense of such test.

#### ARTICLE 4. CONFIDENTIALITY

##### 4.1. Confidentiality

During the term of this Agreement, each Party shall hold in confidence, and shall not disclose to any person, Confidential Information provided to it by the other Party. A party receiving Confidential Information shall protect that information in accordance with that Party's own procedures regarding the protection of Confidential Information and Applicable Laws and Regulations. Information designated as Confidential Information shall no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

#### ARTICLE 5. INVOICING AND PAYMENT; TAXES

##### 5.1. Purpose of Invoicing

Any invoice that is issued pursuant to this Agreement shall be for: (a) the establishment of any new Interconnection Point; (b) the modification of an existing Interconnection Point; or (c) other purposes as may be set forth in this Agreement.

##### 5.2. Timeliness of Payment

Unless otherwise agreed upon, all invoices, if any, issued pursuant to this Agreement shall be rendered as soon as practicable in the month following the calendar month in which expenses were incurred and shall be due and payable, unless otherwise agreed upon, within thirty (30) days of receipt of such invoice. Payment shall be made by electronic transfer or such other means as shall cause such payment to be available for the use of the payee.

##### 5.3. Disputed Invoices

In the event that a Party disputes an invoice, the Party shall pay the invoice in full in accordance with Article 5.2 of this Agreement.

##### 5.4. Tax Reimbursement

If, as part of any compensation to be paid under this Agreement, any direct tax, including, but not limited to sales, excise, or similar taxes (other than taxes based on or measured by net income) is levied and/or assessed against either Party by any taxing authority on the power and/or energy transmitted, interchanged, exchanged, exported or imported by the supplying Party to the other Party, then except as provided for in Article 5.5 such Party shall be fully compensated prospectively by the other Party for such direct taxes.

### 5.5. Contribution In-Aid of Construction

For payment amounts that are classified as contributions in-aid of construction (“CIAC”), and in the event and to the extent such CIAC payment amounts (“CIAC Payment”) are classified as taxable income by the receiving Party or if the receiving Party is tax exempt, receipt of such CIAC Payment causes said Party to become taxable, such CIAC Payment shall be increased (or “grossed-up”) to fully cover the receiving Party’s net tax consequences arising from the CIAC Payment. If at the time of invoicing the receiving Party made a good faith determination that the CIAC Payment would not be classified as taxable income but federal or state income taxes are subsequently imposed upon the receiving Party by the Internal Revenue Service (“IRS”) and/or a state department of revenue (“State”) arising from the receipt of such CIAC Payment, the Party that originally made the CIAC Payment shall reimburse the receiving Party for the full tax effect of such CIAC Payment computed in accordance with FERC rules and including any interest and penalty charged to the Party by the IRS and/or State.

## ARTICLE 6. INDEMNITY AND INSURANCE

### 6.1. Indemnity

To the extent permitted by law, each Party (the “Indemnifying Party”) shall indemnify, save harmless, and defend the other Party (the “Indemnified Party”) from and against any losses, liabilities, costs, expenses, suits, actions, claims, and all other obligations arising out of injuries or death to persons or damage to property to the extent arising out of, in connection with, or resulting from (i) the failure of the Indemnifying Party or any of its Contractors in performance of its obligations under this Agreement, or (ii) the negligence or intentional misconduct of the Indemnifying Party or its Contractors, except that a Party’s obligation to indemnify the Indemnified Party shall not apply to the extent of any liabilities arising from the Indemnified Party’s negligence or intentional misconduct.

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the Indemnity provided for in this Article 6.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect an Indemnifying Party’s indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall, at the Indemnified Party’s option and at the Indemnifying Party’s expense, defend the Indemnified Party against any and all suits, actions, or claims arising out of, connected with, or resulting from (i) the failure of the Indemnifying Party or any of its Contractors in performance of its obligations under this Agreement, or (ii) the negligence or intentional misconduct of the indemnifying Party or its Contractors provided that the Indemnifying Party shall not settle or make a plea with respect to any proceeding without the Indemnified Party’s prior written consent.

A Party’s obligations to another Party under this Article 6.1 shall not be limited in any way by any provision of any workers’ compensation, disability benefits, payroll or other employee benefits laws; provided, however, that nothing herein shall limit or restrict any defense a Party may be entitled to assert with respect to a Third Party Claim, including a defense based on the status of

such Party as a statutory employer. EACH PARTY HEREBY SPECIFICALLY AND EXPRESSLY WAIVES ANY AND ALL DEFENSES IT MAY HAVE TO AN INDEMNIFICATION OBLIGATION TO THE OTHER PARTY PURSUANT TO THIS AGREEMENT BASED ON ANY IMMUNITY TO WHICH SUCH PARTY MAY BE ENTITLED UNDER ANY WORKERS' COMPENSATION, DISABILITY BENEFITS, PAYROLL OR EMPLOYEE BENEFITS LAWS.

For the purposes of this Article 6.1 only, the term "Party" shall include the Party's Affiliates and the directors, officers, employees, and agents of the Party and its Affiliates.

## 6.2. Insurance

### 6.2.1. Maintaining Insurance

Each Party shall maintain insurance in such coverages and amounts as that Party deems customary and appropriate given the expected performance under this Agreement, including the interconnection of the Parties' Transmission Systems and related risks and potential liabilities.

### 6.2.2. Additional Insureds

The insurance policies procured by a Party shall include the other Party, and its respective officers, agents and employees as additional insureds, providing all standard coverages and covering liability of the Party for bodily injury and/or property damage (including loss of use) arising out of the Party's operations, performance, or lack of performance under this Agreement.

### 6.2.3. Other Required Terms

The insurance policies procured by a Party (except workers' compensation and professional liability) shall provide the following:

a. Each policy shall contain provisions that specify that it is primary and non contributory for any liability arising out of the Party's liability, and shall apply to such extent without consideration for other policies separately carried by the other Party and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. In addition, the following shall apply to all Parties' insurance policies, to the extent allowable by law.

- i. If any coverage is written on a Claims First Made Basis, continuous coverage shall be maintained or an extended discovery period will be exercised for a period of not less than two (2) years after termination of this Agreement.
- ii. The insurance (including worker's compensation) shall include a waiver of all rights of subrogation which a Party's insurance carrier might exercise against the other Party.
- iii. Each Party shall be responsible for its respective deductibles or retentions.

#### 6.2.4. No Limitation of Liability

The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by each respective Party under this Agreement.

#### 6.2.5. Notices; Certificates of Insurance

Each Party shall provide the other Party with thirty days prior written notice of cancellation to any of the insurance required under this Agreement provided, however, that no notice shall be required if a canceled policy is replaced with an equivalent policy without any lapse in coverage. Each Party shall provide the other with certificates of insurance prior to the initial operation of the transmission facilities related to the Interconnection Point and thereafter at such time intervals as they shall mutually agree upon, provided that such interval shall not be less than one year. A Party's certificates of insurance shall indicate that the certificate holder is included as an additional insured under the Commercial General Liability, Business/Commercial Automobile Liability and Excess and/or Umbrella Liability coverage, and that this insurance is primary. Each Party's certificates of insurance shall evidence that a waiver of subrogation is included in the required insurance policies in favor of the other Party.

#### 6.2.6. Contractor Insurance

In accord with Good Utility Practice, each Party shall require each of its Contractors to maintain and provide evidence of insurance coverage of types, and in amounts, commensurate with the risks associated with the services provided by the Contractor. Bonding of Contractors shall be at the hiring Party's discretion, but regardless of bonding, the hiring principal shall be responsible for the performance or non-performance of any Contractor it hires.

#### 6.2.7. Reporting Incidents

The Parties shall report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

### ARTICLE 7. TERM AND TERMINATION OF AGREEMENT

#### 7.1. Term

This Agreement shall be effective as of the Execution Date, or such later date as the last necessary regulatory approval hereof shall be obtained (unless an earlier date is specified by the regulatory authority having jurisdiction), and shall remain in effect until it is terminated in accordance with Article 7.2.

#### 7.2. Termination

This Agreement may be terminated by the following means:

7.2.1. By Mutual Consent

This Agreement may be terminated as of the date on which the Parties mutually agree to terminate this Agreement.

7.2.2. By Either Party

Either Party may terminate this Agreement by providing to the other Party and to Transmission Provider thirty-six (36) months' advance written notice of its intent to terminate this Agreement, in which case this Agreement shall terminate at the end of such thirty-six (36) month notice period.

ARTICLE 8. REGULATORY AUTHORITIES

8.1. Regulatory Authorities

This Agreement is made subject to the jurisdiction of FERC and any Governmental Authority having jurisdiction over the rates, terms conditions or services provided under this Agreement.

8.2. Adverse Regulatory Change

The Parties agree to jointly submit and support the filing of this Agreement with the FERC, if such filing is required by the Federal Power Act. Any changes or conditions imposed by the FERC in connection with such submission or otherwise in respect of this Agreement, any of which are unacceptable to a Party after the Parties' good faith attempt to negotiate a resolution to such objectionable change or condition, shall be cause for termination of this Agreement upon thirty (30) days' prior written notice by the non-consenting Party to the other Party.

8.3. Amendments to this Agreement

8.3.1. Amendments

In the event that the Parties agree to amend this Agreement, the Parties shall, if required by Applicable Laws and Regulations, file any such amendment or modification with the FERC.

8.3.2. Section 205 and 206 Rights

Nothing contained in this Agreement shall preclude either Party from exercising its rights under Section 205 and 206 of the Federal Power Act to file for a change in any rate, term, condition or service provided under this Agreement.

ARTICLE 9. MODIFICATIONS OF FACILITIES

9.1. Generally.

Each Party may make such Modifications to its facilities at or near the Interconnection Points as it deems necessary in its sole judgment based on the PJM Tariff, Good Utility Practice, subject to the requirements of Article 9.2, below. Modifications shall be subject to any applicable approval



process set forth in the PJM Tariff. All Modifications mandated by the PJM Tariff shall be performed by Zonal TO.

#### 9.2. Notice.

In the event a Party plans to undertake Modifications to its facilities at or near the Interconnection Points that reasonably may be expected to impact the other Party's Transmission System, the initiating Party shall provide the other Party with at least ninety (90) days' advance notice of the desired Modifications. The nature of, and the schedule of work for, performing such Modifications shall be subject to review and acceptance by the other Party, which review and acceptance shall not be untimely nor unreasonably withheld or delayed, to ensure that such Modifications will (i) not adversely affect a party's Transmission System, or other facilities, and (ii) are consistent with Good Utility Practice. Subject to all applicable requirements imposed by Applicable Law and Regulations, PJM Requirements, and NERC, the suitability and the responsibility for the safe and adequate design, construction, operation and maintenance of the initiating Party's modifications shall be and remain the sole obligation of the initiating party.

#### 9.3. Information

Subject to Applicable Laws and Regulations and any applicable requirements pertaining to Confidential Information, each Party agrees that it will furnish to the other party such information concerning its system as may be reasonably requested by the other Party as reasonably necessary to construct, operate, maintain, and implement Modifications to the other Party's facilities.

### ARTICLE 10. GENERAL

#### 10.1. Force Majeure

A Party unable to fulfill any obligation by reason of Force Majeure shall use diligence to remove such disability with appropriate dispatch. A Party unable to fulfill any obligation by reason of Force Majeure shall: (a) provide prompt written notice of such Force Majeure event to the other Party which notice shall include an estimate of the expected duration of such event; and (b) attempt to exercise all reasonable efforts to continue to perform its obligations under this Agreement. As soon as the non-performing Party is able to resume performance of its obligations, such Party shall resume performance and give prompt notice thereof to the other Party.

#### 10.2. Waivers

No failure or delay on the part of either Party in exercising any of its rights under this Agreement, no partial exercise by either Party of any of its rights under this Agreement, and no course of dealing between the Parties shall constitute a waiver of the rights of either Party under this Agreement. Any waiver shall be effective only by a written instrument signed by the Party granting such waiver, and such shall not operate as a waiver of, or continuing waiver with respect to any subsequent failure to comply therewith.

#### 10.3. Liability

- a. Nothing in this Agreement shall be construed to create or give rise to any liability on the part of PJM, and the Parties expressly waive any claims that may arise against PJM under this Agreement.
- b. The Parties acknowledge and understand that the signature of the authorized officer of PJM on this Agreement is for the limited purpose of acknowledging that a representative of PJM has read the terms of this Agreement. The Parties and PJM further state that they understand that FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the PJM officer shall not in any way be deemed to imply that PJM is taking responsibility for the actions of any Party, that PJM has any affirmative duties under this Agreement or that PJM is liable in any way under this Agreement.

#### 10.4. Written Notices

Any notice this is required or permitted under this Agreement may be given by personal delivery, by e-mail (with confirmation of receipt), by any courier service which guarantees overnight, receipted delivery, or by U.S. certified or registered mail, return receipt requested, addressed to PJM or the Party entitled thereto, at:

If to Zonal TO:	Manager, FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308 and Attorney for FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308
If to TO Affiliate:	Manager, FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308 and Attorney for FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308
If to PJM:	Vice President-Government Policy PJM Interconnection, L.L.C. 1200 G Street, N.W., Suite 600 Washington D.C. 20005 and General Counsel PJM Interconnection, L.L.C. 2750 Monroe Blvd. Audubon, PA 19403

The above listed titles and addresses for a Party or PJM may be changed by written notice to all the other Parties and PJM. Such change shall not necessitate a filing under Section 205 of the Federal Power Act. Any such notice or communication will be deemed to have been given as of the date received.

#### 10.5. Governing Law

The validity and meaning of this Agreement shall be governed by and construed in accordance with federal law where applicable and, when not in conflict with or preempted by federal law, the applicable law of the law where the Interconnection Point is located, without application of its conflicts of law provisions.

#### 10.6. Defined Terms and Execution

All capitalized terms used in this Agreement shall have the meanings as specified in the body of this Agreement or Appendix IV, or as defined in the PJM Tariff. In the event of any conflict between defined terms set forth in the PJM Tariff or defined terms in this Agreement, such conflict shall be resolved in favor of the terms set forth in this Agreement. Any provisions of the PJM Tariff relating to this Agreement that uses any such defined term shall be construed using the definition given to such defined term in this Agreement.

#### 10.7. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

### ARTICLE 11. ASSIGNMENT

#### 11.1. Assignment

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties. Successors and assigns of PJM shall become signatories to this Agreement for the limited purpose described in Article 10.3 of this Agreement. This Agreement shall not be assigned by any Party without the written consent of the other Party, which consent may be withheld, conditioned, or delayed. A Party may withhold, condition or delay its consent to the other Party's proposed assignment of this Agreement if the proposed assignee is not an Affiliate of the Parties. Notwithstanding the foregoing, a Party may assign this Agreement to an Affiliate of the assigning Party for the purposes of a corporate restructuring, provided that the assigning Party provides reasonable prior written notice to the other Party and the assignee assumes in writing all rights, duties, and obligations arising under this Agreement. An assignment of this Agreement shall be filed with FERC for acceptance pursuant to Section 205 of the Federal Power Act.

### ARTICLE 12. SURVIVAL

#### 12.1. Survival

The termination of this Agreement shall not discharge either Party from any obligation it owes to the other Party under this Agreement by reason of any transaction, loss, cost, damage, expense or liability that shall occur (or the circumstances, events or basis of which shall occur or arise) prior to such termination. It is the intent of the Parties hereby that any such obligation owed (whether the same shall be known or unknown at the termination of this Agreement) shall survive the termination of this Agreement, and that either Party may enforce its rights against the other Party with respect to such obligations in an action at law or in equity to the fullest extent permitted by law.

This Agreement shall continue in effect after termination to the extent necessary for final billings and payments, and to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit each Party to have access to the real property, including but not limited to leased property

and easements of the other Party to disconnect, remove or salvage its own facilities and equipment.

IN WITNESS WHEREOF, this Agreement has been executed by each Party's respective representative lawfully authorized so to do, as of the Execution Date.

Service Agreement No. 3818

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC

By:           /s/ Edward L Shuttleworth            
          (Signature)  
Name:           Edward L Shuttleworth            
          (Print)  
Title:           President, PA Operations          

TRANS-ALLEGHENY INTERSTATE LINE COMPANY

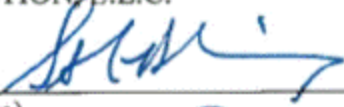
By:           /s/ Carl Bridenbaugh            
          (Signature)  
Name:           Carl Bridenbaugh            
          (Print)  
Title:           V.P. Transmission

The signature below of the authorized officer of PJM Interconnection, L.L.C. is for the limited purpose of acknowledging that a representative of PJM has read this Agreement as of the 6<sup>th</sup> day of April, 2018.

Service Agreement No. 3818

PJM INTERCONNECTION, L.L.C.

By:

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

Name:

Steven R. Herling  
\_\_\_\_\_  
(Print)

Title:

VP, Planning  
\_\_\_\_\_

## APPENDIX I

### Interconnection Point, One-Line Diagram(s), Metering, and Data Submission

1. The respective Transmission Systems of the Parties shall be interconnected at the Interconnection Point(s) described below:

1.1 a) **Interconnection Point:** The point hereby designated and hereinafter called “Pleasureville Interconnection Point”.

b) **Interconnection Point Description:** The point of interconnection is where capacitor bank circuit connects to 115kV bus (See Figure 1).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.2 a) **Interconnection Point:** The points hereby designated and hereinafter called “Northwood #1 Interconnection Points”.

b) **Interconnection Point Description:** The point of interconnection is where 230kV side of transformer #6 connects to the existing ME circuit (See Figure 2).

c) **Revenue Metering Description:** TrAILCo owned revenue metering equipment, including meters and current transformers are located on the low side of the transformer.

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** MAIT

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational

metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.3 a) **Interconnection Point:** The points hereby designated and hereinafter called “Northwood #2 Interconnection Points”.

b) **Interconnection Point Description:** The point of interconnection is where 115kV breaker connects to D10 (See Figure 2).

c) **Revenue Metering Description:** TrAILCo owned revenue metering equipment, including meters and current transformers are located on the low side of the transformer.

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** MAIT

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.4 a) **Interconnection Point:** The points hereby designated and hereinafter called “Hunterstown #1 Interconnection Point”.

b) **Interconnection Point Description:** The point of interconnection is located at terminal of switch D118 of SVC connection buswork (See Figure 3).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data

will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.5 a) **Interconnection Point:** The points hereby designated and hereinafter called “Hunterstown #2 Interconnection Point”.

b) **Interconnection Point Description:** The point of interconnection is located at terminal of switch D41 on SVC connection buswork (See Figure 3).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.6 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #1”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational



metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.7 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #2”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.8 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #3”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.9 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #4”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.10 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #5”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.11 a) **Interconnection Point:** The point hereby designated as “Middletown Junction

#6”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.12 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #7”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.13 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #8”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.14 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #9”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.15 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #10”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.16 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #11”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.17 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #12”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.18 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #13”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.19 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #14”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and

equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.20 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #15”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.21 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #16”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational

metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.22 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #17”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.23 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #18”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.



**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.24 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #19”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.25 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #20”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.26 a) **Interconnection Point:** The point hereby designated as “Middletown Junction

#21”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.27 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #22”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.28 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #23”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.29 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #24”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

Figure 1  
Pleasureville Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

APPENDIX I

Figure 2  
Northwood Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

APPENDIX I

Figure 3  
Hunterstown Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

## APPENDIX I

### Figure 4 Middletown Junction Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

## **APPENDIX II**

### **Definitions**

“Affiliate” - shall mean with respect to a corporation, limited liability company, partnership or other entity, each such other corporation, limited liability company, partnership or other entity that either directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, limited liability company partnership or other entity.

“Applicable Laws and Regulations” - shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the relevant Parties, their respective facilities, and/or the respective services they provide.

“Contractor” - shall mean one or more persons or entities designated by either Party or its Affiliates to provide or perform all or a portion of the supply of any work, services, labor, supervision, equipment, data, materials or any other item related to the Interconnection Points identified in this Agreement.

“Confidential Information” - shall mean information clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. If requested by any Party, the disclosing Party shall provide in writing the basis for asserting that the information referred to warrants confidential treatment. “Confidential Information” does not include any information which the receiving Party can demonstrate (a) has become available to the public through no breach of this Agreement; (b) was previously known by the receiving Party without any obligation to hold it in confidence; (c) was received on a non-confidential basis from a third party free to disclose such information without restriction; or (d) was independently developed by the receiving Party without the use of Confidential Information of the disclosing Party.

“Due Diligence” - shall mean the exercise of commercially reasonable efforts consistent with Good Utility Practice.

“Force Majeure” - shall mean any cause beyond the control of the affected Party, including but not restricted to, acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, acts of a public enemy or terrorist, explosions, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, which, in any of the foregoing cases, by exercise of Due Diligence such Party could not reasonably have been expected to avoid, and which, by the exercise of due diligence, it has been unable to overcome. Force Majeure does not include: (i) a failure of performance that is due to an affected Party’s own negligence or intentional wrongdoing; (ii) any removable or remediable causes (other than settlement of a strike or labor dispute) which an affected Party fails to remove or remedy within a reasonable time; or (iii) economic hardship of an affected Party.



“Good Utility Practice” - shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region; including those practices required by Section 215(a)(4) of the Federal Power Act.

“Governmental Authority” - shall mean any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, arbitrating body, or other governmental authority, having responsibility over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include either Party, nor any Affiliate thereof.

“Interconnection Point” - shall mean each point of electrical connection between the Transmission System of one Party and the Transmission System of the other Party as set forth in this Agreement.

“Metering Point” - shall mean each point at which the electrical energy flowing between the Parties at an Interconnection Point is measured.

“Modification” - Any material new construction, additions, design changes or modifications made to, or the abandonment, retirement, relocation or rearrangement of facilities.

“NERC” - shall mean the North American Electric Reliability Corporation or any successor or other entity assuming or charged with similar responsibilities related to the operation and reliability of the North American electric interconnected transmission grid and the electric transmission facilities addressed in this Agreement, including with respect to each Party’s own transmission facilities, any regional entity or other subordinate council of which the Parties are a member.

“NERC Reliability Standards” - shall mean mandatory and enforceable requirements, administered by NERC, approved by the FERC under Section 215 of the Federal Power Act, to provide for reliable operation of the bulk-power system.

“Non-owning Party” - shall mean the Party that does not own certain facilities as delineated in Appendix I to this Agreement.

“Owning Party” - shall mean the Party that owns certain facilities as delineated in Appendix I to this Agreement.

“PJM Requirement” - shall mean any rule, charge, procedure, or other requirements of PJM, including the PJM Tariff, applicable to FERC-jurisdictional service provided over the Transmission System of either Party.

“PJM Tariff” - shall mean PJM’s Open Access Transmission Tariff as on file with FERC and in effect.

“Representatives” - means a Party’s Affiliates, and the Party’s and its Affiliates’ equity owners, governing persons, officers, employees, advisors, attorneys, and prospective or actual lenders or investors.

“Third Party Claim” shall mean a claim, demand, cause of action or proceeding made or brought by a Person that is not a Party or an Affiliate of a Party.

**Attachment A-2**

**Marked Tariff**

**Service Agreement No. 3818**

**INTERCONNECTION AGREEMENT**

**between**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC ~~METROPOLITAN  
EDISON COMPANY~~**

**and**

**TRANS-ALLEGHENY INTERSTATE LINE COMPANY**

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### APPENDICES

Appendix I Interconnection Point, One-Line Diagram(s), Metering, and Data Submission

Appendix II Definitions

## INTERCONNECTION AGREEMENT

THIS INTERCONNECTION AGREEMENT (“Agreement”) is made and entered into as of the 16<sup>th</sup> of September 2015 (the “Execution Date”), between Mid-Atlantic Interstate Transmission, LLC~~Metropolitan Edison Company~~ (“Zonal TO” or “MAIT”), and Trans-Allegheny Interstate Line Company (“TO Affiliate” or “TrAILCo”). Zonal TO and TO Affiliate may be referred to herein individually as a “Party” or collectively as the “Parties”. For the avoidance of doubt, the terms “Party” and “Parties” as used herein shall not include PJM Interconnection, L.L.C. (“PJM”) or any successor Regional Transmission Organization. This Agreement supersedes and cancels that certain Service Agreement No. 3818 entered into by the Parties on May 12, 2014 and accepted for filing in Federal Energy Regulatory Commission (“FERC”) Docket No. ER14-2052-000.

### WITNESSETH:

WHEREAS, TO Affiliate owns transmission facilities that will be operated and maintained by the Zonal TO and electrically connected to the Transmission System of the Zonal TO;

WHEREAS, Zonal TO and TO Affiliate desire to embody in this Agreement the terms and conditions to govern the operation and electrical interconnection of the respective Transmission Systems of each Party; and

WHEREAS, FERC has required the Parties to this Agreement to include PJM as a signatory to this Agreement, pursuant to *American Electric Power Service Corporation*, 112 FERC ¶ 61,128 at P 10 (2005), in order to ensure that PJM is kept fully apprised of the matters addressed herein and so that PJM may be kept aware of any reliability and planning issues that may arise.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, the Parties hereto agree as follows:

### ARTICLE 1. INTERCONNECTED OPERATION

#### 1.1. Interconnected Operation

The Parties’ transmission systems (each, a “Transmission System”) shall be interconnected at each Interconnection Point specified and described in Appendix I of this Agreement. The Parties, by amendment to this Agreement pursuant to Article 8.3, may add, discontinue or modify one or more Interconnection Points.

#### 1.2. Continuity of Interconnected Operation

During the term of this Agreement, each Party shall maintain in service its respective systems, facilities and equipment necessary to maintain in a safe and reliable manner each Interconnection Point described in Appendix I.

### 1.3. Compliance with Law

Each Party shall comply with Good Utility Practice and Applicable Laws and Regulations, including the requirements of any Governmental Authority having jurisdiction over the Party, in performing its respective obligations and responsibilities under this Agreement.

## ARTICLE 2. OPERATIONS AND MAINTENANCE

### 2.1. Operating Responsibilities

Each Party, if applicable, shall exercise reasonable care to design, construct, maintain, and operate its Transmission System, in accordance with Good Utility Practice and any PJM requirement, and in such manner as to avoid the unauthorized use of the generation or transmission facilities of any other person, including such facilities of the other Party (hereinafter referred to as "Unauthorized Use"). Each Party may install and operate on its Transmission System such relays, disconnecting devices, and other equipment, as it may deem appropriate for the protection of its Transmission System or prevention of Unauthorized Use. Each Party shall maintain and operate its respective Transmission System so as to reasonably minimize, in accordance with Good Utility Practice, the likelihood of a disturbance originating on its Transmission System, which might cause impairment to the service of the other Party.

### 2.2. Interruption of Service

The interconnection of the Parties' Transmission Systems under this Agreement may be interrupted, upon reasonable notice, under the following circumstances: (a) by operation of automatic equipment installed for power system protection; (b) after consultation with the other Party if practicable, when a Party deems it desirable for the installation, maintenance, inspection, repairs or replacements of equipment; (c) to comply with a directive issued by PJM; or (d) at any time that, in the sole judgment of the interrupting Party, such action is necessary to preserve the integrity of, or to prevent or limit any instability on, or to avoid or mitigate a burden on its system, or to avoid or mitigate the loss of life, injury, or property damage. If synchronous operation of the Parties' Transmission Systems through a particular facility becomes interrupted, the Parties shall cooperate so as to remove the cause of such interruption as soon as practicable and restore said facility to normal operating condition.

### 2.3. Maintenance and Facility Maintenance

Each Party shall maintain its facilities in a safe and reliable manner in accordance with : (i) the terms of this Agreement; (ii) applicable NERC Reliability Standards; (iii) PJM Requirements; and (iv) Good Utility Practice. Operating arrangements for the Transmission Systems shall be coordinated by Zonal TO operating personnel, and with PJM to the extent required by Applicable Laws and Regulations and PJM Requirements. Except as may be necessary and appropriate in an emergency, all operating arrangements shall be in accordance with PJM Requirements.

### 2.4. Cooperation Associated with NERC Reliability Standards

If a Party: (a) is subject to a data request, self-certification or an audit of applicable NERC Reliability Standards to effect the interconnection of the Parties' Transmission Systems at each Interconnection Point by FERC, NERC, or PJM; or (b) is required to comply with NERC Reliability Standards with respect to such facilities, then the Parties shall reasonably cooperate in a timely fashion and to the extent necessary to address such matter pursuant to Article 2.4(a) and to demonstrate such compliance pursuant to Article 2.4(b).

### 2.5. Access

Each Party shall grant the other Party access to areas under the granting Party's control as reasonably necessary to permit the other Party to perform its obligations under this Agreement, including operation and maintenance obligations. A Party that obtains such access shall comply with all safety rules applicable to the area to which access is obtained.

### 2.6. Primary Point of Contact

To ensure that each Party's operation, maintenance and planning relating to its Transmission System is coordinated with the other Party, and with PJM, during the term of this Agreement, particularly in the event of system emergencies and interruptions of service undertaken in accordance with Article 2.2, and to ensure that each Party (and PJM) has access to an authorized individual representing the other Party and PJM, each Party and PJM hereby designates the individual set forth in this Article 2.6 as the primary point of contact ("PPC") for that Party. A representative of the Zonal TO shall be the PPC for TO Affiliate.

For Zonal TO:

Title: FirstEnergy East Shift Supervisor Telephone: (330) 761-6862

For TO Affiliate:

Title: FirstEnergy East Shift Supervisor Telephone: (330) 761-6862

For PJM

Title: PJM Transmission Desk Telephone: (610) 666-8808 E-mail:

dispsup@pjm.com

Each Party and PJM is free to revise its PPC by providing notice to the other Party and PJM (or to both Parties in the case of PJM) in accordance with the notice provisions of Article 10.4.

## ARTICLE 3. METERING AND DATA ACQUISITION SYSTEM EQUIPMENT

### 3.1 Metering Equipment

The net interchange of electrical energy between the Transmission Systems at the Points of Interconnection shall be measured by the revenue quality meters, as necessary, specified in Appendix I. The metering equipment shall satisfy applicable ANSI standards and PJM's metering standards and requirements. Both parties shall own, operate and maintain, such recording, telemetering, communication, and control facilities on their respective side of the Points of Interconnection required for coordinated operation. Except for the charge referenced in Section 3.2, no specific charge will apply to either Party for the installation, replacement, operation, maintenance or testing of such equipment.



### 3.2 Maintenance, Testing, and Calibration of Metering Equipment

Procedures with respect to maintenance, testing, calibrating, and precision tolerance of all metering equipment shall be performed in accordance with the Good Utility Practice. The expense of testing any meter shall be borne by the Party owning such meter, except that when a meter is tested at the request of another Party and is found to register within the established tolerance, the Party making the request shall bear the expense of such test.

## ARTICLE 4. CONFIDENTIALITY

### 4.1. Confidentiality

During the term of this Agreement, each Party shall hold in confidence, and shall not disclose to any person, Confidential Information provided to it by the other Party. A party receiving Confidential Information shall protect that information in accordance with that Party's own procedures regarding the protection of Confidential Information and Applicable Laws and Regulations. Information designated as Confidential Information shall no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

## ARTICLE 5. INVOICING AND PAYMENT; TAXES

### 5.1. Purpose of Invoicing

Any invoice that is issued pursuant to this Agreement shall be for: (a) the establishment of any new Interconnection Point; (b) the modification of an existing Interconnection Point; or (c) other purposes as may be set forth in this Agreement.

### 5.2. Timeliness of Payment

Unless otherwise agreed upon, all invoices, if any, issued pursuant to this Agreement shall be rendered as soon as practicable in the month following the calendar month in which expenses were incurred and shall be due and payable, unless otherwise agreed upon, within thirty (30) days of receipt of such invoice. Payment shall be made by electronic transfer or such other means as shall cause such payment to be available for the use of the payee.

### 5.3. Disputed Invoices

In the event that a Party disputes an invoice, the Party shall pay the invoice in full in accordance with Article 5.2 of this Agreement.

### 5.4. Tax Reimbursement

If, as part of any compensation to be paid under this Agreement, any direct tax, including, but not limited to sales, excise, or similar taxes (other than taxes based on or measured by net income) is levied and/or assessed against either Party by any taxing authority on the power and/or energy transmitted, interchanged, exchanged, exported or imported by the supplying Party

to the other Party, then except as provided for in Article 5.5 such Party shall be fully compensated prospectively by the other Party for such direct taxes.

#### 5.5. Contribution In-Aid of Construction

For payment amounts that are classified as contributions in-aid of construction (“CIAC”), and in the event and to the extent such CIAC payment amounts (“CIAC Payment”) are classified as taxable income by the receiving Party or if the receiving Party is tax exempt, receipt of such CIAC Payment causes said Party to become taxable, such CIAC Payment shall be increased (or “grossed-up”) to fully cover the receiving Party’s net tax consequences arising from the CIAC Payment. If at the time of invoicing the receiving Party made a good faith determination that the CIAC Payment would not be classified as taxable income but federal or state income taxes are subsequently imposed upon the receiving Party by the Internal Revenue Service (“IRS”) and/or a state department of revenue (“State”) arising from the receipt of such CIAC Payment, the Party that originally made the CIAC Payment shall reimburse the receiving Party for the full tax effect of such CIAC Payment computed in accordance with FERC rules and including any interest and penalty charged to the Party by the IRS and/or State.

### ARTICLE 6. INDEMNITY AND INSURANCE

#### 6.1. Indemnity

To the extent permitted by law, each Party (the “Indemnifying Party”) shall indemnify, save harmless, and defend the other Party (the “Indemnified Party”) from and against any losses, liabilities, costs, expenses, suits, actions, claims, and all other obligations arising out of injuries or death to persons or damage to property to the extent arising out of, in connection with, or resulting from (i) the failure of the Indemnifying Party or any of its Contractors in performance of its obligations under this Agreement, or (ii) the negligence or intentional misconduct of the Indemnifying Party or its Contractors, except that a Party’s obligation to indemnify the Indemnified Party shall not apply to the extent of any liabilities arising from the Indemnified Party’s negligence or intentional misconduct.

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the Indemnity provided for in this Article 6.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect an Indemnifying Party’s indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall, at the Indemnified Party’s option and at the Indemnifying Party’s expense, defend the Indemnified Party against any and all suits, actions, or claims arising out of, connected with, or resulting from (i) the failure of the Indemnifying Party or any of its Contractors in performance of its obligations under this Agreement, or (ii) the negligence or intentional misconduct of the indemnifying Party or its Contractors provided that the Indemnifying Party shall not settle or make a plea with respect to any proceeding without the Indemnified Party’s prior written consent.

A Party's obligations to another Party under this Article 6.1 shall not be limited in any way by any provision of any workers' compensation, disability benefits, payroll or other employee benefits laws; provided, however, that nothing herein shall limit or restrict any defense a Party may be entitled to assert with respect to a Third Party Claim, including a defense based on the status of such Party as a statutory employer. EACH PARTY HEREBY SPECIFICALLY AND EXPRESSLY WAIVES ANY AND ALL DEFENSES IT MAY HAVE TO AN INDEMNIFICATION OBLIGATION TO THE OTHER PARTY PURSUANT TO THIS AGREEMENT BASED ON ANY IMMUNITY TO WHICH SUCH PARTY MAY BE ENTITLED UNDER ANY WORKERS' COMPENSATION, DISABILITY BENEFITS, PAYROLL OR EMPLOYEE BENEFITS LAWS.

For the purposes of this Article 6.1 only, the term "Party" shall include the Party's Affiliates and the directors, officers, employees, and agents of the Party and its Affiliates.

## 6.2. Insurance

### 6.2.1. Maintaining Insurance

Each Party shall maintain insurance in such coverages and amounts as that Party deems customary and appropriate given the expected performance under this Agreement, including the interconnection of the Parties' Transmission Systems and related risks and potential liabilities.

### 6.2.2. Additional Insureds

The insurance policies procured by a Party shall include the other Party, and its respective officers, agents and employees as additional insureds, providing all standard coverages and covering liability of the Party for bodily injury and/or property damage (including loss of use) arising out of the Party's operations, performance, or lack of performance under this Agreement.

### 6.2.3. Other Required Terms

The insurance policies procured by a Party (except workers' compensation and professional liability) shall provide the following:

a. Each policy shall contain provisions that specify that it is primary and non contributory for any liability arising out of the Party's liability, and shall apply to such extent without consideration for other policies separately carried by the other Party and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. In addition, the following shall apply to all Parties' insurance policies, to the extent allowable by law.

- i. If any coverage is written on a Claims First Made Basis, continuous coverage shall be maintained or an extended discovery period will be exercised for a period of not less than two (2) years after termination of this Agreement.
- ii. The insurance (including worker's compensation) shall include a waiver of all rights

of subrogation which a Party's insurance carrier might exercise against the other Party.

iii. Each Party shall be responsible for its respective deductibles or retentions.

6.2.4. No Limitation of Liability

The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by each respective Party under this Agreement.

6.2.5. Notices; Certificates of Insurance

Each Party shall provide the other Party with thirty days prior written notice of cancellation to any of the insurance required under this Agreement provided, however, that no notice shall be required if a canceled policy is replaced with an equivalent policy without any lapse in coverage. Each Party shall provide the other with certificates of insurance prior to the initial operation of the transmission facilities related to the Interconnection Point and thereafter at such time intervals as they shall mutually agree upon, provided that such interval shall not be less than one year. A Party's certificates of insurance shall indicate that the certificate holder is included as an additional insured under the Commercial General Liability, Business/Commercial Automobile Liability and Excess and/or Umbrella Liability coverage, and that this insurance is primary. Each Party's certificates of insurance shall evidence that a waiver of subrogation is included in the required insurance policies in favor of the other Party.

6.2.6. Contractor Insurance

In accord with Good Utility Practice, each Party shall require each of its Contractors to maintain and provide evidence of insurance coverage of types, and in amounts, commensurate with the risks associated with the services provided by the Contractor. Bonding of Contractors shall be at the hiring Party's discretion, but regardless of bonding, the hiring principal shall be responsible for the performance or non-performance of any Contractor it hires.

6.2.7. Reporting Incidents

The Parties shall report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

## ARTICLE 7. TERM AND TERMINATION OF AGREEMENT

7.1. Term

This Agreement shall be effective as of the Execution Date, or such later date as the last necessary regulatory approval hereof shall be obtained (unless an earlier date is specified by the regulatory authority having jurisdiction), and shall remain in effect until it is terminated in accordance with Article 7.2.

## 7.2. Termination

This Agreement may be terminated by the following means:

### 7.2.1. By Mutual Consent

This Agreement may be terminated as of the date on which the Parties mutually agree to terminate this Agreement.

### 7.2.2. By Either Party

Either Party may terminate this Agreement by providing to the other Party and to Transmission Provider thirty-six (36) months' advance written notice of its intent to terminate this Agreement, in which case this Agreement shall terminate at the end of such thirty-six (36) month notice period.

## ARTICLE 8. REGULATORY AUTHORITIES

### 8.1. Regulatory Authorities

This Agreement is made subject to the jurisdiction of FERC and any Governmental Authority having jurisdiction over the rates, terms conditions or services provided under this Agreement.

### 8.2. Adverse Regulatory Change

The Parties agree to jointly submit and support the filing of this Agreement with the FERC, if such filing is required by the Federal Power Act. Any changes or conditions imposed by the FERC in connection with such submission or otherwise in respect of this Agreement, any of which are unacceptable to a Party after the Parties' good faith attempt to negotiate a resolution to such objectionable change or condition, shall be cause for termination of this Agreement upon thirty (30) days' prior written notice by the non-consenting Party to the other Party.

### 8.3. Amendments to this Agreement

#### 8.3.1. Amendments

In the event that the Parties agree to amend this Agreement, the Parties shall, if required by Applicable Laws and Regulations, file any such amendment or modification with the FERC.

#### 8.3.2. Section 205 and 206 Rights

Nothing contained in this Agreement shall preclude either Party from exercising its rights under Section 205 and 206 of the Federal Power Act to file for a change in any rate, term, condition or service provided under this Agreement.

## ARTICLE 9. MODIFICATIONS OF FACILITIES

### 9.1. Generally.

Each Party may make such Modifications to its facilities at or near the Interconnection Points as it deems necessary in its sole judgment based on the PJM Tariff, Good Utility Practice, subject to the requirements of Article 9.2, below. Modifications shall be subject to any applicable approval process set forth in the PJM Tariff. All Modifications mandated by the PJM Tariff shall be performed by Zonal TO.

### 9.2. Notice.

In the event a Party plans to undertake Modifications to its facilities at or near the Interconnection Points that reasonably may be expected to impact the other Party's Transmission System, the initiating Party shall provide the other Party with at least ninety (90) days' advance notice of the desired Modifications. The nature of, and the schedule of work for, performing such Modifications shall be subject to review and acceptance by the other Party, which review and acceptance shall not be untimely nor unreasonably withheld or delayed, to ensure that such Modifications will (i) not adversely affect a party's Transmission System, or other facilities, and (ii) are consistent with Good Utility Practice. Subject to all applicable requirements imposed by Applicable Law and Regulations, PJM Requirements, and NERC, the suitability and the responsibility for the safe and adequate design, construction, operation and maintenance of the initiating Party's modifications shall be and remain the sole obligation of the initiating party.

### 9.3. Information

Subject to Applicable Laws and Regulations and any applicable requirements pertaining to Confidential Information, each Party agrees that it will furnish to the other party such information concerning its system as may be reasonably requested by the other Party as reasonably necessary to construct, operate, maintain, and implement Modifications to the other Party's facilities.

## ARTICLE 10. GENERAL

### 10.1. Force Majeure

A Party unable to fulfill any obligation by reason of Force Majeure shall use diligence to remove such disability with appropriate dispatch. A Party unable to fulfill any obligation by reason of Force Majeure shall: (a) provide prompt written notice of such Force Majeure event to the other Party which notice shall include an estimate of the expected duration of such event; and (b) attempt to exercise all reasonable efforts to continue to perform its obligations under this Agreement. As soon as the non-performing Party is able to resume performance of its obligations, such Party shall resume performance and give prompt notice thereof to the other Party.

### 10.2. Waivers

No failure or delay on the part of either Party in exercising any of its rights under this Agreement, no partial exercise by either Party of any of its rights under this Agreement, and no course of dealing between the Parties shall constitute a waiver of the rights of either Party under this Agreement. Any waiver shall be effective only by a written instrument signed by the Party granting such waiver, and such shall not operate as a waiver of, or continuing waiver with respect to any subsequent failure to comply therewith.

### 10.3. Liability

- a. Nothing in this Agreement shall be construed to create or give rise to any liability on the part of PJM, and the Parties expressly waive any claims that may arise against PJM under this Agreement.
- b. The Parties acknowledge and understand that the signature of the authorized officer of PJM on this Agreement is for the limited purpose of acknowledging that a representative of PJM has read the terms of this Agreement. The Parties and PJM further state that they understand that FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the PJM officer shall not in any way be deemed to imply that PJM is taking responsibility for the actions of any Party, that PJM has any affirmative duties under this Agreement or that PJM is liable in any way under this Agreement.

### 10.4. Written Notices

Any notice this is required or permitted under this Agreement may be given by personal delivery, by e-mail (with confirmation of receipt), by any courier service which guarantees overnight, receipted delivery, or by U.S. certified or registered mail, return receipt requested, addressed to PJM or the Party entitled thereto, at:

If to Zonal TO:	Manager, FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308 and Attorney for FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308
If to TO Affiliate:	Manager, FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308 and Attorney for FERC & Wholesale Connection Support FirstEnergy Service Company 76 S. Main St. Akron, OH 44308
If to PJM:	Vice President-Government Policy PJM Interconnection, L.L.C. 1200 G Street, N.W., Suite 600 Washington D.C. 20005 and General Counsel PJM Interconnection, L.L.C. 2750 Monroe Blvd. Audubon, PA 19403

The above listed titles and addresses for a Party or PJM may be changed by written notice to all the other Parties and PJM. Such change shall not necessitate a filing under Section 205 of the

Federal Power Act. Any such notice or communication will be deemed to have been given as of the date received.

#### 10.5. Governing Law

The validity and meaning of this Agreement shall be governed by and construed in accordance with federal law where applicable and, when not in conflict with or preempted by federal law, the applicable law of the law where the Interconnection Point is located, without application of its conflicts of law provisions.

#### 10.6. Defined Terms and Execution

All capitalized terms used in this Agreement shall have the meanings as specified in the body of this Agreement or Appendix IV, or as defined in the PJM Tariff. In the event of any conflict between defined terms set forth in the PJM Tariff or defined terms in this Agreement, such conflict shall be resolved in favor of the terms set forth in this Agreement. Any provisions of the PJM Tariff relating to this Agreement that uses any such defined term shall be construed using the definition given to such defined term in this Agreement.

#### 10.7. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

### ARTICLE 11. ASSIGNMENT

#### 11.1. Assignment

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties. Successors and assigns of PJM shall become signatories to this Agreement for the limited purpose described in Article 10.3 of this Agreement. This Agreement shall not be assigned by any Party without the written consent of the other Party, which consent may be withheld, conditioned, or delayed. A Party may withhold, condition or delay its consent to the other Party's proposed assignment of this Agreement if the proposed assignee is not an Affiliate of the Parties. Notwithstanding the foregoing, a Party may assign this Agreement to an Affiliate of the assigning Party for the purposes of a corporate restructuring, provided that the assigning Party provides reasonable prior written notice to the other Party and the assignee assumes in writing all rights, duties, and obligations arising under this Agreement. An assignment of this Agreement shall be filed with FERC for acceptance pursuant to Section 205 of the Federal Power Act.

### ARTICLE 12. SURVIVAL

#### 12.1. Survival

The termination of this Agreement shall not discharge either Party from any obligation it owes to the other Party under this Agreement by reason of any transaction, loss, cost, damage, expense or



liability that shall occur (or the circumstances, events or basis of which shall occur or arise) prior to such termination. It is the intent of the Parties hereby that any such obligation owed (whether the same shall be known or unknown at the termination of this Agreement) shall survive the termination of this Agreement, and that either Party may enforce its rights against the other Party with respect to such obligations in an action at law or in equity to the fullest extent permitted by law.

This Agreement shall continue in effect after termination to the extent necessary for final billings and payments, and to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit each Party to have access to the real property, including but not limited to leased property and easements of the other Party to disconnect, remove or salvage its own facilities and equipment.

IN WITNESS WHEREOF, this Agreement has been executed by each Party's respective representative lawfully authorized so to do, as of the Execution Date.

Service Agreement No. 3818

MID-ATLANTIC INTERSTATE TRANSMISSION,  
LLCMETROPOLITAN EDISON COMPANY

By:     /s/ Edward L Shuttleworth      
      (Signature)  
Name:     Edward L Shuttleworth      
      (Print)  
Title:     President, PA Operations    

TRANS-ALLEGHENY INTERSTATE LINE COMPANY

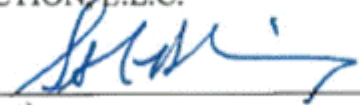
By:     /s/ Carl Bridenbaugh      
      (Signature)  
Name:     Carl Bridenbaugh      
      (Print)  
Title:     V.P. Transmission

The signature below of the authorized officer of PJM Interconnection, L.L.C. is for the limited purpose of acknowledging that a representative of PJM has read this Agreement as of the 6<sup>th</sup> day of April, 2018.

Service Agreement No. 3818

PJM INTERCONNECTION, L.L.C.

By:

  
\_\_\_\_\_

(Signature)

Name:

Steven R. Herling  
\_\_\_\_\_

(Print)

Title:

VP, Planning  
\_\_\_\_\_

## APPENDIX I

### Interconnection Point, One-Line Diagram(s), Metering, and Data Submission

1. The respective Transmission Systems of the Parties shall be interconnected at the Interconnection Point(s) described below:

1.1 a) **Interconnection Point:** The point hereby designated and hereinafter called “Pleasureville Interconnection Point”.

b) **Interconnection Point Description:** The point of interconnection is where capacitor bank circuit connects to 115kV bus (See Figure 1).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.2 a) **Interconnection Point:** The points hereby designated and hereinafter called “Northwood #1 Interconnection Points”.

b) **Interconnection Point Description:** The point of interconnection is where 230kV side of transformer #6 connects to the existing ME circuit (See Figure 2).

c) **Revenue Metering Description:** TrAILCo owned revenue metering equipment, including meters and current transformers are located on the low side of the transformer.

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** MAITMetEd

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE

Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.3 a) **Interconnection Point:** The points hereby designated and hereinafter called “Northwood #2 Interconnection Points”.

b) **Interconnection Point Description:** The point of interconnection is where 115kV breaker connects to D10 (See Figure 2).

c) **Revenue Metering Description:** TrAILCo owned revenue metering equipment, including meters and current transformers are located on the low side of the transformer.

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** MAITMetEd

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.4 a) **Interconnection Point:** The points hereby designated and hereinafter called “Hunterstown #1 Interconnection Point”.

b) **Interconnection Point Description:** The point of interconnection is located at terminal of switch D118 of SVC connection buswork (See Figure 3).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering

and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.5 a) **Interconnection Point:** The points hereby designated and hereinafter called “Hunterstown #2 Interconnection Point”.

b) **Interconnection Point Description:** The point of interconnection is located at terminal of switch D41 on SVC connection buswork (See Figure 3).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.6 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #1”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE

Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.7 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #2”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.8 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #3”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party.

The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.9 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #4”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.10 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #5”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.11 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #6”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.12 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #7”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.13 a) **Interconnection Point:** The point hereby designated as “Middletown Junction



#8”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.14 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #9”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.15 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #10”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.16 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #11”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

c) **Revenue Metering Description:** N/A

d) **Revenue Meter Loss Compensation:** N/A

e) **Revenue Meter Data Submission:** N/A

f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.17 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #12”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.18 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #13”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.19 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #14”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.20 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #15”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.21 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #16”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering

and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.22 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #17”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.23 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #18”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational

metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.24 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #19”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A

1.25 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #20”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description:** N/A

**d) Revenue Meter Loss Compensation:** N/A

**e) Revenue Meter Data Submission:** N/A

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.26 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #21”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description: N/A**

**d) Revenue Meter Loss Compensation: N/A**

**e) Revenue Meter Data Submission: N/A**

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

1.27 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #22”.

b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).

**c) Revenue Metering Description: N/A**

**d) Revenue Meter Loss Compensation: N/A**

**e) Revenue Meter Data Submission: N/A**

**f) Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.

**g) Part of FE East or FE South EHV Loss calculation(Y/N)? N/A**

- 1.28 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #23”.
- b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).
- c) **Revenue Metering Description:** N/A
- d) **Revenue Meter Loss Compensation:** N/A
- e) **Revenue Meter Data Submission:** N/A
- f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.
- g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A
- 1.29 a) **Interconnection Point:** The point hereby designated as “Middletown Junction #24”.
- b) **Interconnection Point Description:** The point of interconnection is on the breaker side of surrounding switches (See Figure 4).
- c) **Revenue Metering Description:** N/A
- d) **Revenue Meter Loss Compensation:** N/A
- e) **Revenue Meter Data Submission:** N/A
- f) **Operational Metering:** Pursuant to PJM requirements, relay class metering and equipment for new installations is required. Refer to the PJM Manual and FE Requirements for Transmission Connected Facilities. Operational metering data will come from metering sources provided by the Party owning the operational metering and will be provided through a RTO ICCP link to the non-owning Party. The owner of the operational metering is responsible for owning, operating, and maintaining the equipment at its own cost.
- g) **Part of FE East or FE South EHV Loss calculation(Y/N)?** N/A



## APPENDIX I

### Figure 1 Pleasureville Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

## APPENDIX I

### Figure 2 Northwood Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

## APPENDIX I

### Figure 3 Hunterstown Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

## APPENDIX I

### Figure 4 Middletown Junction Substation

\*\* Does not represent exact meter location or meter count. This is meant to be an abstract view of the meter location(s).

## **APPENDIX II**

### **Definitions**

“Affiliate”- shall mean with respect to a corporation, limited liability company, partnership or other entity, each such other corporation, limited liability company, partnership or other entity that either directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, limited liability company partnership or other entity.

“Applicable Laws and Regulations”- shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the relevant Parties, their respective facilities, and/or the respective services they provide.

“Contractor” - shall mean one or more persons or entities designated by either Party or its Affiliates to provide or perform all or a portion of the supply of any work, services, labor, supervision, equipment, data, materials or any other item related to the Interconnection Points identified in this Agreement.

“Confidential Information” - shall mean information clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. If requested by any Party, the disclosing Party shall provide in writing the basis for asserting that the information referred to warrants confidential treatment. “Confidential Information” does not include any information which the receiving Party can demonstrate (a) has become available to the public through no breach of this Agreement; (b) was previously known by the receiving Party without any obligation to hold it in confidence; (c) was received on a non-confidential basis from a third party free to disclose such information without restriction; or (d) was independently developed by the receiving Party without the use of Confidential Information of the disclosing Party.

“Due Diligence” - shall mean the exercise of commercially reasonable efforts consistent with Good Utility Practice.

“Force Majeure” - shall mean any cause beyond the control of the affected Party, including but not restricted to, acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, acts of a public enemy or terrorist, explosions, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, which, in any of the foregoing cases, by exercise of Due Diligence such Party could not reasonably have been expected to avoid, and which, by the exercise of due diligence, it has been unable to overcome. Force Majeure does not include: (i) a failure of performance that is due to an affected Party’s own negligence or intentional wrongdoing; (ii) any removable or remediable causes (other than settlement of a strike or labor dispute) which an affected Party fails to remove or remedy within a reasonable time; or (iii) economic hardship of an affected Party.

“Good Utility Practice”- shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region; including those practices required by Section 215(a)(4) of the Federal Power Act.

“Governmental Authority” - shall mean any federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, arbitrating body, or other governmental authority, having responsibility over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include either Party, nor any Affiliate thereof.

“Interconnection Point” - shall mean each point of electrical connection between the Transmission System of one Party and the Transmission System of the other Party as set forth in this Agreement.

“Metering Point” - shall mean each point at which the electrical energy flowing between the Parties at an Interconnection Point is measured.

“Modification” - Any material new construction, additions, design changes or modifications made to, or the abandonment, retirement, relocation or rearrangement of facilities.

“NERC” - shall mean the North American Electric Reliability Corporation or any successor or other entity assuming or charged with similar responsibilities related to the operation and reliability of the North American electric interconnected transmission grid and the electric transmission facilities addressed in this Agreement, including with respect to each Party’s own transmission facilities, any regional entity or other subordinate council of which the Parties are a member.

“NERC Reliability Standards” - shall mean mandatory and enforceable requirements, administered by NERC, approved by the FERC under Section 215 of the Federal Power Act, to provide for reliable operation of the bulk-power system.

“Non-owning Party” - shall mean the Party that does not own certain facilities as delineated in Appendix I to this Agreement.

“Owning Party” - shall mean the Party that owns certain facilities as delineated in Appendix I to this Agreement.

“PJM Requirement” - shall mean any rule, charge, procedure, or other requirements of PJM, including the PJM Tariff, applicable to FERC-jurisdictional service provided over the Transmission System of either Party.

“PJM Tariff” - shall mean PJM’s Open Access Transmission Tariff as on file with FERC and in effect.

“Representatives” - means a Party’s Affiliates, and the Party’s and its Affiliates’ equity owners, governing persons, officers, employees, advisors, attorneys, and prospective or actual lenders or investors.

“Third Party Claim” shall mean a claim, demand, cause of action or proceeding made or brought by a Person that is not a Party or an Affiliate of a Party.

**Attachment B-1**

**Clean Tariff**

**Service Agreement No. 3996**



Service Agreement No. 3996

**INTERCONNECTION AGREEMENT**

**Between**

**JERSEY CENTRAL POWER & LIGHT COMPANY**

**and**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC**

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## **INTERCONNECTION AGREEMENT**

THIS INTERCONNECTION AGREEMENT (this “Agreement”) is made and entered into as of this 28th day of October, 2014, by Jersey Central Power & Light Company (“JCPL”), and Mid-Atlantic Interstate Transmission, LLC (“MAIT”). JCPL and MAIT may be referred to herein individually as a “Party” or collectively as the “Parties”. The terms “Party” and “Parties” as used herein shall not include PJM Interconnection, L.L.C. (“PJM”).

### **WITNESSETH:**

- 0.1 WHEREAS, JCPL is a New Jersey corporation, owning and operating electric facilities for the transmission of electric power and energy in the PJM region;
- 0.2 WHEREAS, MAIT is a Pennsylvania corporation, owning and operating electric facilities for the transmission of electric power and energy in Pennsylvania;
- 0.3 WHEREAS, the electric transmission systems of the Parties are or may become interconnected at one or more points of interconnection, each herein called an “Interconnection Point”;
- 0.4 WHEREAS, the Parties’ transmission facilities are under the functional control of PJM; and
- 0.5 WHEREAS, the Federal Energy Regulatory Commission (“FERC”) has required the Parties to include PJM as a signatory to this Agreement in order to ensure that PJM is kept fully apprised of the matters addressed herein and so that PJM may be kept aware of any reliability and planning issues that may arise.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, the Parties hereto agree as follows:

### **ARTICLE 1 - INTERCONNECTED OPERATION**

The Parties’ systems shall be interconnected at the Interconnection Points specified and described in Appendix I. The Parties by amendment to this Agreement may add, discontinue or modify the Interconnection Points and such additional, discontinued or modified Interconnection Points shall be reflected in a revised Appendix I. The Parties shall, during the term of this Agreement, continue to service the existing transmission lines and equipment necessary to maintain the Interconnection Points specified and described in Appendix I.

### **ARTICLE 2 - SERVICE CONDITIONS**

## 2.1 Avoidance of Unauthorized Use and Control of System Disturbance

Each Party shall have facilities or contractual arrangements adequate to serve its own load and shall exercise reasonable care to design, construct, maintain, and operate its facilities, in accordance with Good Utility Practice, and in such manner as to avoid the unauthorized utilization of the generation or transmission facilities of any other person (hereinafter referred to as “Unauthorized Use”). Any Party may install and operate on its system such relays, disconnecting devices, and other equipment, as it may be deemed appropriate for the protection of its system or prevention of Unauthorized Use. The Parties shall maintain and operate their respective systems so as to minimize, in accordance with Good Utility Practice, the likelihood of a disturbance originating in either system, which might cause impairment to the service of the other Party or of any system interconnected with the system of the other Party.

## 2.2 Interruption of Service

The interconnection provided under this Agreement may be interrupted or reduced upon such notice as is reasonable under the circumstances (a) by operation of automatic equipment installed for power system protection, (b) after consultation with the other Party if practicable, when a Party deems it desirable for installation, maintenance, inspection, repair or replacement of equipment, or (c) at any time that in the sole judgment of the interrupting Party such action is necessary to preserve the integrity of, or to prevent or limit any instability on, or to avoid or mitigate a burden on, the interrupting Party’s system.

## 2.3 Operating Responsibilities

Each Party shall maintain its equipment in a manner consistent with Good Utility Practice and the document entitled “Requirements for Transmission Connected Facilities,” as it may be revised from time to time, in order to permit the Parties to operate their respective facilities as required by this Agreement. Operating arrangements for facility maintenance shall be coordinated between operating personnel of the Parties in accordance with Article 6 of this Agreement. Except as may be necessary and appropriate in an emergency, all operating arrangements shall be coordinated with, and consistent with, the practices of PJM.

## 2.4 Energy Losses

The energy losses on the interconnected facilities shall be assigned to the appropriate Party based on the metering points of the facilities or according to procedures developed by the Operating Committee, and subject to any requirements of PJM.

## 2.5 Good Utility Practice

The term “Good Utility Practice” as used herein shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected

to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act.

## 2.6 Applicable Laws and Regulations and Compliance with Law

2.6.1 The term “Applicable Laws and Regulations” as used in this Agreement shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any governmental authority having jurisdiction over the relevant Parties, their respective facilities, and/or the respective services they provide.

2.6.2 Each Party shall comply with Good Utility Practice and Applicable Laws and Regulations, including the requirements of any governmental authority having jurisdiction over the Party, in performing its respective obligations and responsibilities under this Agreement.

## ARTICLE 3 -INTERCONNECTION POINT, METERING POINTS AND METERING AND DATA ACQUISITION SYSTEM EQUIPMENT

### 3.1 Interconnection Point

All electric energy transmitted under this Agreement shall be of the character commonly known as three-phase 60 Hz energy and shall flow to the Interconnection Points specified under Article 1 (and Appendix I) of this Agreement at a standard nominal voltage or such other voltages as may be required by PJM.

### 3.2 Metering and Data Acquisition System Equipment

Measurement of electric power for the purposes of determining load and effecting settlements, and monitoring and telemetering of power flows under this Agreement shall be made by standard types of metering and data acquisition system (“DAS”) equipment installed and maintained, required by the PJM Operating Agreement, by the owner at the Interconnection Point consistent with provisions and exhibits of Appendix II of this Agreement. Any aspects of metering and DAS equipment not specifically provided for by the PJM Operating Agreement shall be referred to the Operating Committee.

### 3.3 Access to Interconnection Points

Each Party shall have a non-transferable, non-assignable license to access the property, structure(s) and facility (ies) of the other Party for purposes of accessing the Interconnection Point. Such access shall be in accordance with the operating procedures, rules and regulations of the Party who owns or controls such property, structure(s) or facility (ies).

#### ARTICLE 4 - RECORDS

Each Party shall provide to a requesting Party copies of records maintained in accordance with FERC record retention requirements to the extent such records relate to this Agreement.

#### ARTICLE 5 - BILLING AND PAYMENT; TAXES

##### 5.1 Purpose of Billing

For the purpose of this Agreement, any billings that occur shall address either the establishment of any new Interconnection Point or the modification of any existing Interconnection Point between the Parties. As per Article 6.2(b), the Operating Committee shall establish the terms and conditions by which payment for these facilities is handled.

##### 5.2 Timeliness of Payment

Unless otherwise agreed upon, all invoices, if any, under this Agreement shall be rendered as soon as practicable in the month following the calendar month in which they were incurred and shall be due and payable, unless otherwise agreed upon, when rendered, and payment of such bills shall be made by electronic transfer or such other means as shall cause such payment to be available for the use of the payee on or before the twentieth (20th) day of the month in which the bill is rendered or five (5) days after receipt of the bill, whichever is later. Interest on unpaid amounts shall accrue daily at the then current prime interest rate (the base corporate loan interest rate) published in the Wall Street Journal, or, if no longer so published, in any mutually agreeable publication, plus two percent (2%) per annum, from the due date of such unpaid amount and until the date paid.

##### 5.3 Disputed Bills

In the case of a disputed bill, all bills shall be paid in full under the conditions specified in Article 5.2 above. Disputes will then be brought before the Operating Committee for resolution in accordance with Article 6. If this method fails, disputes will then be finally resolved through arbitration in accordance with Article 8 of this Agreement.

##### 5.4 Billing Adjustments

Other than as required by law, regulatory action or metering test adjustments, bill adjustments

shall be made within six (6) months of the rendition of the initial bill.

#### 5.5 Tax Reimbursement

It is expressly agreed by the Parties that, as part of the compensation to be paid under this Agreement, if, during the term hereof there should be levied and/or assessed against either Party any direct tax, including, but not limited to sales, excise, commercial activity or similar taxes (other than taxes based on or measured by net income), by any taxing authority on the power and/or energy manufactured, generated, produced, converted, sold, purchased, transmitted, interchanged, exchanged, exported or imported by the supplying Party to the other Party, such supplying Party shall be fully compensated by the other Party for such direct taxes.

### ARTICLE 6 - OPERATING COMMITTEE

#### 6.1 Operating Committee

An Operating Committee shall administer the interconnected operation of the Parties' systems as provided for in this Agreement. The Parties shall each appoint one member and one alternate to the Operating Committee and designate, in writing, said appointments to the other Party. Such representatives and alternates shall be persons familiar with the transmission and substation facilities of the Parties they represent and shall be fully authorized to perform the principal duties listed below.

#### 6.2 Duties of the Operating Committee

The principal duties of the Operating Committee shall be as follows:

- a. to establish operating and control procedures;
- b. to establish accounting and billing procedures;
- c. to coordinate maintenance schedules to an extent agreed by the Parties; and
- d. to perform those duties, which this Agreement requires to be done by the Operating Committee, and such other duties as may be required for the proper performance of this Agreement.

#### 6.3 Limitations on Operating Committee Duties

The Operating Committee shall not amend or modify any of the terms or conditions of this Agreement.

#### 6.4 Operating Committee

If the Operating Committee is unable to agree on any matter coming under its jurisdiction, that matter shall be submitted for resolution under the arbitration procedures specified in Article 8 of this Agreement.

## ARTICLE 7 - INDEMNITY

To the extent permitted by law, each Party shall indemnify, save harmless, and defend the other Party from and against any losses, damages, liabilities, costs, expenses, suits, actions, claims, and all other obligations arising out of injuries or death to persons or damage to property caused by or in any way attributable to the ownership or operation of the facilities of the owning Party (individually, a "Loss"), except that the indemnifying Party's obligation to indemnify the other Party shall not apply to the extent of any liabilities arising from such other Party's negligence. Further, to the extent that a Party's immunity as a complying employer, under the worker's compensation and occupational disease laws, might serve to bar or affect recovery under or enforcement of the indemnification otherwise granted herein, each Party agrees to waive its immunity. For the purposes of this Article 7 only, the term "Party" shall include the directors, officers, employees, affiliates and agents of a Party eligible for indemnification under this Article 7.

## ARTICLE 8 - ARBITRATION

### 8.1 Submission to Arbitration

In the event of disagreement between the Parties with respect to (1) any matter herein specifically made subject to arbitration, (2) any question of operating practice involved in performance of this Agreement, (3) any question of fact involved in the application of provisions of this Agreement, or (4) the interpretation of any provision of this Agreement, the matter involved in the disagreement shall, upon request of either Party, be submitted to arbitration in the manner hereinafter provided.

### 8.2 Appointment of Arbitrators

The Party requesting arbitration shall serve notice in writing upon the other Party, setting forth in detail the subject or subjects to be arbitrated, and the Parties thereupon shall endeavor to agree upon and appoint one person to act as sole arbitrator. If the Parties fail to agree within a period of fifteen (15) days from the receipt of the original notice, the Party requesting the arbitration shall, by written notice to the other Party, request the appointment of a board of arbitrators skilled with respect to matters of the character involved in the disagreement, naming one arbitrator in such notice. The other Party shall, within ten (10) days after the receipt of such notice, appoint a second arbitrator, and the two so appointed shall choose and appoint a third. In case such other Party fails to appoint an arbitrator within said ten (10) days, or in case the two so appointed fail for ten (10) days to agree upon and appoint a third, the Party requesting the arbitration, upon five (5) days' written notice delivered to the other Party, shall apply to the person who at the time shall be the most senior Judge of the United States District Court having jurisdiction in Pittsburgh,



Pennsylvania for appointment of the second or third arbitrator, as the case may be.

### 8.3 Arbitration

The sole arbitrator, or the board of arbitrators, shall afford adequate opportunity to the Parties to present information with respect to the question or questions submitted for arbitration and may request further information from either or both Parties. The findings and award of the sole arbitrator or of a majority of the board of arbitrators shall be final and conclusive with respect to the question or questions submitted for arbitration and shall be binding upon the Parties, provided that such findings and award shall not in any way vary the expressed terms of this Agreement or in any way extend the expressed scope and intent hereof. Each Party shall pay for the services and expenses of the arbitrator appointed on their behalf. If there is a board of arbitrators, all costs incurred in connection with the arbitration shall be paid in equal parts by the Parties hereto, unless the award shall specify a different division of the costs.

## ARTICLE 9 - TERM AND TERMINATION OF THIS AGREEMENT

This Agreement shall be effective as of the date of execution by both Parties and PJM or such later date as FERC may authorize, and shall remain in effect for a term of ten (10) years thereafter. Following the initial ten (10) year term, this Agreement shall remain in place from year-to-year unless terminated by either Party upon not less than one (1) year's prior written notice. Either Party may provide notice of termination after the conclusion of the ninth (9th) year of this Agreement.

## ARTICLE 10 - REGULATORY AUTHORITIES

This Agreement is made subject to the jurisdiction of any governmental authority or authorities having jurisdiction over this Agreement. Nothing contained in this Agreement shall be construed as affecting in any way, the right of a Party to unilaterally make application to FERC for a modification of this Agreement under Section 205 or Section 206 of the Federal Power Act and the rules and regulations promulgated thereunder.

## ARTICLE 11 - RELOCATIONS, DISCONTINUANCE AND MODIFICATIONS OF INTERCONNECTION POINT

### 11.1 Adjustments of Existing Facilities.

The Parties acknowledge that existing facilities may be relocated, removed, discontinued, or

modified in connection with each Interconnection Point set forth in Appendix I, or any new Interconnection Point established under this Agreement. The Parties shall work in good faith to arrange adjustment of existing facilities.

## ARTICLE 12 - GENERAL

### 12.1 Force Majeure

No Party shall be in default in respect to any obligation hereunder because of Force Majeure. Force Majeure shall mean any event that creates an inability to fulfill an obligation under this Agreement that could not be prevented or overcome by the due diligence of the Party claiming Force Majeure. Such events include, but are not defined by or limited to, acts of God, strikes, lockouts, labor disputes, acts of a public enemy, acts of sabotage, acts of terrorism, wars, blockades, insurrections, riots, epidemics, landslides, earthquakes, fires, hurricanes, storms, tornadoes, floods, washouts, civil disturbances, explosions, accidents, or the binding order of any court, legislative body, or governmental authority which has been resisted in good faith by all reasonable legal means. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the Party claiming suspension. A Party unable to fulfill any obligation by reason of any Force Majeure event shall use diligence to remove such disability with appropriate dispatch. Each Party shall (a) provide prompt written notice of such Force Majeure event to the other Party, which notice shall include an estimate of the expected duration of such event and, (b) attempt to exercise all reasonable efforts to continue to perform its obligations under this Agreement.

### 12.2 Waivers

Any waiver at any time by either Party of its rights with respect to default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or matter. Any delay, short of the statutory period of limitation, in asserting or enforcing any right under this Agreement, shall not be deemed a waiver of such right.

### 12.3 Liability

- (a) Nothing in this Agreement shall be construed to create or give rise to any liability on the part of PJM and each Party expressly waives any claims that may arise against PJM under this Agreement.
- (b) The Parties acknowledge and understand that the signature of the authorized officer of PJM on this Agreement is for the limited purpose of acknowledging that representatives of PJM have read the terms of this Agreement. The Parties and PJM further state that they understand that FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the PJM officer shall not in any way be deemed to imply that (a) PJM is taking responsibility

for the actions of any Party, (b) PJM has any affirmative duties under this Agreement, or (c) PJM is liable in any way under this Agreement.

#### 12.4 Written Notices

Notices and communication made pursuant to this Agreement shall be deemed to be properly given if delivered in writing, postage paid to the following:

If to JCPL:                              Manager, Agreements Support  
  FirstEnergy Service Company  
  76 S. Main Street  
  Akron, OH 44308

and

  Attorney for Agreements Support  
  Legal Department  
  FirstEnergy Service Company  
  76 S. Main Street  
  Akron, OH 44308

If to MAIT:                              Manager, Agreements Support  
  FirstEnergy Service Company  
  76 S. Main Street  
  Akron, OH 44308

and

  Attorney for Agreements Support  
  Legal Department  
  FirstEnergy Service Company  
  76 S. Main Street  
  Akron, OH 44308

If to PJM:                                 Vice President-Government Policy  
  PJM Interconnection, L.L.C  
  1200 G Street, NW, Suite 600  
  Washington, DC 20005

and

General Counsel  
PJM Interconnection, L.L.C  
2750 Monroe Blvd.  
Audubon, PA 19403

The above listed titles and addresses for a Party or PJM may be changed by written notice to all other Parties and PJM.

#### 12.5 Agreement Validity

The validity and meaning of this Agreement shall be governed by the law of the Commonwealth of Pennsylvania.

ARTICLE 13 - ASSIGNMENT

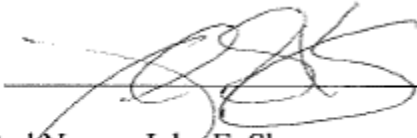
This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties. Successors and assigns of PJM shall become signatories to this Agreement for the limited purpose described herein applicable to PJM. This Agreement shall not be assigned by either Party without the written consent of the other Party, which consent shall not be reasonably withheld, except to a successor to which substantially all of the business and assets of such Party shall be transferred or to an affiliate of the assigning Party for the purposes of a corporate restructuring.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties' respective officers lawfully authorized so to do, as of the day and year first above written.

Service Agreement No. 3996

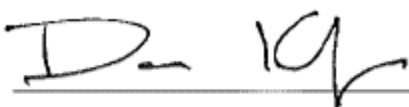
JERSEY CENTRAL POWER & LIGHT

By: \_\_\_\_\_

  
Printed Name: John E. Skory  
Title: Regional President

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC

By: \_\_\_\_\_

  
Printed Name: David Karafa  
Title: Regional President

The signature below of the authorized officer of PJM Interconnection, L.L.C. is for the limited purpose of acknowledging that a representative of PJM has read this Agreement as of the 6<sup>th</sup> day of April, 2018.

Service Agreement No. 3996

PJM INTERCONNECTION, L.L.C.


By:

(Signature)

Name:

(Print)

Title:

  
\_\_\_\_\_  
Steven R. Herling  
\_\_\_\_\_  
VP, Planning  
\_\_\_\_\_

APPENDIX I  
Interconnection Points

Delivery Point	Volt (kV)
Gilbert-Glendon	115
KITTATINNY - PORTLAND	230
Pequest-Portland	115
Portland-Greystone	230

## APPENDIX II Metering and Metering Points

### 1.1 Metering Points

Electric power and energy delivered at the Interconnection Points shall be measured by suitable metering equipment provided by the Parties at the metering points as described below; and at such other points, voltages, and ownership as may be agreed upon by the Parties.

### 1.2 Metering Equipment

Suitable and reliable metering equipment shall be installed at each Interconnection Point, as described under Section 1.1 above, and shall include potential and current transformers, revenue meters, test switches and such other equipment as may be needed. The design standard established by this Appendix II shall apply to all new interconnection metering installations. However, a major modification, upgrade, or any new installation, which is not a replacement to any existing facilities after the effective date of this agreement, shall be performed in compliance with this standard.

1.2.1 General Requirements. All metering quantities shall be measured at the Interconnection Point and its metering accuracy shall meet the ANSI Standards as set forth in Section 1.2.2 of this Appendix II. The Parties may agree by amendment to this Agreement to install metering at location other than the Interconnection Point, however, measured metering quantities shall be compensated to the Interconnection Point, provided that the Parties shall exercise commercially reasonable efforts to avoid such compensating metering installations.

All reasonable costs for the meter changes or upgrades requested by the Party, shall be borne by the requesting Party, unless agreed otherwise.

1.2.2 Industry Standard Requirements. At least (N-1) metering elements will be used to measure all real and reactive power crossing the Interconnection Point, where N is the number of wires in service including the ground wire. The revenue quality metering package (consisting of instrument transformers, meters, sockets, and test switches) shall be installed, calibrated, and tested (at the requesting Party's expense) in accordance with the latest approved version of (but not limited to) the Standard Documents listed below, including the standard testing procedures and guidelines of the Party that owns the metering equipment:

ANSI C12.1 :	Code For Electricity Metering
ANSI C12.7 :	Requirements for Watt-Hour Meter Socket
ANSI C12.9 :	Test Switches for Transformer-Rated Meters
ANSI C12.11:	Instrument Transformers for Revenue Metering, 10kV Through 350kV BIL
ANSI C12.10:	Electromechanical Watt-hour Meters



ANSI C12.16: Solid State Electricity Meters  
ANSI C12.20: For Electricity Meters 0.2 and 0.5 Accuracy Class  
ANSI C37.90.1: Surge Withstand Capability (SWC) Test  
ANSI/IEEE C57.13: Standard Requirements for Instrument Transformers

To the extent that the above requirement conflicts with the manuals, standards or guidelines of the applicable Reliability Council regarding interchange metering and transactions, the manuals, standards and guidelines of such Reliability Council shall control.

1.2.3 Metering Equipment Maintenance and Testing. Upon installation and unless otherwise specified, the revenue meters shall be inspected and tested in accordance with the ANSI Standards as set forth in Section 1.2.2 and at least once every two (2) years, or at any other mutually agreed frequency thereafter. More frequent meter tests can be performed at the request of any Party, and the test will be performed at the requesting Party's expense if the meter is found to be within the established ANSI tolerances. The Party that owns the metering shall inform the other Party with at least three (3) weeks advance notice or more, of impending metering tests, and invite the other Party to attend and witness the tests.

The accuracy of the revenue meter shall be maintained at two tenths of one percent (0.2%) accuracy or better, and the meter test shall require a meter standard with accuracy traceable to the National Institute of Standards and Technology ("NIST").

If at any test of metering equipment an inaccuracy shall be disclosed exceeding two percent (2%), the account between the Parties for service theretofore delivered shall be adjusted to correct for the inaccuracy disclosed over the shorter of the following two periods: (1) for the 30-day period immediately preceding the day of the test, or (2) for the period that such inaccuracy may be determined to have existed. No meter shall be left in service if the percent accuracy error is found to be more than +/-1%.

The Party that owns the metering equipment shall maintain records that demonstrate compliance with all meter tests and maintenance conducted in accordance with Good Utility Practice for the life of the Interconnection Point. The other Party shall have reasonable access to such records. If Revenue Metering equipment fails to function, the energy registration shall be determined from the best available data, including the check metering, if applicable. The Instrument Transformers ("IT") shall also be inspected and maintained based on Article 1.2.2 of this Appendix II, and existing standards and practices of the Party that owns the metering equipment.

1.2.4 Current Transformer Requirements. Each metering point shall have a dedicated set of metering class of current transformers. Unless otherwise agreed upon by the Parties, all metering shall be type 3.0 element metering, and have three (3) metering accuracy current transformers.

Current transformers shall meet or exceed an accuracy class of 0.3% (as defined in IEEE

C57.13), or better. Current transformers shall comply with the minimum BIL rating as specified in standards IEEE C57.13 and ANSI C12.11.

The mechanical and thermal short time current ratings of the current transformer shall exceed or withstand the available fault current, while the secondary burden of the current transformer shall not exceed its stated name plate burden rating.

1.2.5 Voltage Transformers Requirements. Each metering point shall have a dedicated set of metering class of voltage transformers. Unless otherwise agreed upon by the Parties, all metering shall be type 3.0 element metering, and have three (3) metering accuracy current transformers.

Voltage transformers shall meet or exceed an accuracy class of 0.3% (as defined in IEEE C57.13). The 115 volt secondary of the voltage transformer shall be exclusively used for the revenue meters only, so as not to exceed the secondary burden of the stated voltage transformer's name plate burden rating.

Voltage transformers shall comply with the minimum BIL rating as specified in standards IEEE C57.13 and ANSI C12.11.

### 1.3 Remote Meter Access and Data Communications

For an Interconnection Point not designated as normally open, and for a normally open Interconnection Point, the Party that owns the metering equipment at such Interconnection Point, unless otherwise mutually agreed, shall be responsible for installation of the communications facilities (typically consisting of a telephone circuit and modems) for remotely accessing the meter. The Party that owns the metering equipment shall also be responsible for operation and maintenance, and on-going monthly costs of the communication facilities.

1.3.1 Remote Billing Data Retrieval. The owning Party shall provide appropriate communication capability of electronic remote interrogation of the billing data in a manner that is compatible with commonly used billing data systems such as MV-90.

1.3.2 Real Time Communications. Revenue meters shall be capable of communicating with DAS equipment such as Remote Terminal Unit ("RTU") to provide the following real time bidirectional power and energy data: instantaneous power flows, per phase and three-phase averaged RMS voltages, per phase and three-phase averaged RMS currents and frequency with at least two decimal points.

1.3.3 Energy Flow Data. A continuous accumulating record of active and reactive energy flows shall be provided by means of the registers on the meters. The deployed revenue meter(s) shall be capable of providing bidirectional energy data flow in either kwh pulse signals format, or accumulated counters to RTU. All Parties shall share the same data register buffers regardless of the types of employed data communication methods. If the accumulation counter method is used, only one Party shall be responsible for freezing the accumulator buffers and the owner of the metering equipment shall freeze them. The

accumulator freezing signals shall be synchronized to Universal Coordinated Time (“UCT”) within 1/ 2 seconds.

#### 1.4. Metering Device Requirements

All revenue meters shall be programmable and capable of measuring, recording, and displaying bi-directional active and reactive energy and four quadrant power quantities. Also, the revenue meters shall be programmable for compensating for power transformer and line losses. The revenue meters may preferably have at least one serial communication, one Ethernet port, hard-wired kyz pulse output, and internal modem for data communication.

The revenue meters’ internal clocks and real-time DAS equipment shall be synchronized with UTC (“Universal Time Coordination”) with at least 10 milliseconds resolution. The GPS clock receiver used at each interconnection point, shall be capable of providing unmodulated IRIG-B signals to support the UTC time synch requirement.

#### 1.5 Redundant Installation

Each metering point shall have a primary and a backup meter. The revenue meters shall be powered by the station control battery.

#### 1.6 Meter Access

A Party whose metering equipment is located within a station owned by the other Party shall have reasonable access to said metering equipment for purposes of meter reading, inspection, testing, and other such valid operating purposes. Such access shall not be unreasonably withheld.

#### 1.7 Meter Removal

Upon termination of this Agreement or when the metering is no longer needed, the Party that owns the meter equipment in another Party’s station shall remove the metering equipment from the premises of the other Party within one (1) year after termination or within one (1) year after the Party that owns the meter equipment determines that the interchange metering is no longer needed.

**APPENDIX III**  
**DAS Equipment: Ownership, Installation and Maintenance**

Any real-time data requirements defined in the PJM manuals, including PJM Manual 01 - Control Center and Data Exchange Requirements, and PJM Manual 03 - Transmission Operations, shall be provided to PJM to allow PJM to comply with its roles as reliability coordinator, balancing authority, and transmission operator.

**Attachment B-2**

**Marked Tariff**

**Service Agreement No. 3996**

Service Agreement No. 3996

**INTERCONNECTION AGREEMENT**

**Between**

**JERSEY CENTRAL POWER & LIGHT COMPANY**

**and**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC~~METROPOLITAN EDISON  
COMPANY~~**

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## INTERCONNECTION AGREEMENT

THIS INTERCONNECTION AGREEMENT (this “Agreement”) is made and entered into as of this 28th day of October, 2014, by Jersey Central Power & Light Company (“JCPL”), and ~~Mid-Atlantic Interstate Transmission, LLC~~ ~~Metropolitan Edison Company~~ (“~~MAITME~~”). JCPL and ~~MAITME~~ may be referred to herein individually as a “Party” or collectively as the “Parties”. The terms “Party” and “Parties” as used herein shall not include PJM Interconnection, L.L.C. (“PJM”).

### WITNESSETH:

- 0.1 WHEREAS, JCPL is a New Jersey corporation, owning and operating electric facilities for the transmission of electric power and energy in the PJM region;
- 0.2 WHEREAS, ~~MAITME~~ is a Pennsylvania corporation, owning and operating electric facilities for the transmission ~~and distribution~~ of electric power and energy in Pennsylvania;
- 0.3 WHEREAS, the electric transmission systems of the Parties are or may become interconnected at one or more points of interconnection, each herein called an “Interconnection Point”;
- 0.4 WHEREAS, the Parties’ transmission facilities are under the functional control of PJM; and
- 0.5 WHEREAS, the Federal Energy Regulatory Commission (“FERC”) has required the Parties to include PJM as a signatory to this Agreement in order to ensure that PJM is kept fully apprised of the matters addressed herein and so that PJM may be kept aware of any reliability and planning issues that may arise.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, the Parties hereto agree as follows:

### ARTICLE 1 - INTERCONNECTED OPERATION

The Parties’ systems shall be interconnected at the Interconnection Points specified and described in Appendix I. The Parties by amendment to this Agreement may add, discontinue or modify the Interconnection Points and such additional, discontinued or modified Interconnection Points shall be reflected in a revised Appendix I. The Parties shall, during the term of this Agreement, continue to service the existing transmission lines and equipment necessary to maintain the Interconnection Points specified and described in Appendix I.



## ARTICLE 2 - SERVICE CONDITIONS

### 2.1 Avoidance of Unauthorized Use and Control of System Disturbance

Each Party shall have facilities or contractual arrangements adequate to serve its own load and shall exercise reasonable care to design, construct, maintain, and operate its facilities, in accordance with Good Utility Practice, and in such manner as to avoid the unauthorized utilization of the generation or transmission facilities of any other person (hereinafter referred to as "Unauthorized Use"). Any Party may install and operate on its system such relays, disconnecting devices, and other equipment, as it may be deemed appropriate for the protection of its system or prevention of Unauthorized Use. The Parties shall maintain and operate their respective systems so as to minimize, in accordance with Good Utility Practice, the likelihood of a disturbance originating in either system, which might cause impairment to the service of the other Party or of any system interconnected with the system of the other Party.

### 2.2 Interruption of Service

The interconnection provided under this Agreement may be interrupted or reduced upon such notice as is reasonable under the circumstances (a) by operation of automatic equipment installed for power system protection, (b) after consultation with the other Party if practicable, when a Party deems it desirable for installation, maintenance, inspection, repair or replacement of equipment, or (c) at any time that in the sole judgment of the interrupting Party such action is necessary to preserve the integrity of, or to prevent or limit any instability on, or to avoid or mitigate a burden on, the interrupting Party's system.

### 2.3 Operating Responsibilities

Each Party shall maintain its equipment in a manner consistent with Good Utility Practice and the document entitled "Requirements for Transmission Connected Facilities," as it may be revised from time to time, in order to permit the Parties to operate their respective facilities as required by this Agreement. Operating arrangements for facility maintenance shall be coordinated between operating personnel of the Parties in accordance with Article 6 of this Agreement. Except as may be necessary and appropriate in an emergency, all operating arrangements shall be coordinated with, and consistent with, the practices of PJM.

### 2.4 Energy Losses

The energy losses on the interconnected facilities shall be assigned to the appropriate Party based on the metering points of the facilities or according to procedures developed by the Operating Committee, and subject to any requirements of PJM.

### 2.5 Good Utility Practice

The term “Good Utility Practice” as used herein shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act.

## 2.6 Applicable Laws and Regulations and Compliance with Law

2.6.1 The term “Applicable Laws and Regulations” as used in this Agreement shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any governmental authority having jurisdiction over the relevant Parties, their respective facilities, and/or the respective services they provide.

2.6.2 Each Party shall comply with Good Utility Practice and Applicable Laws and Regulations, including the requirements of any governmental authority having jurisdiction over the Party, in performing its respective obligations and responsibilities under this Agreement.

## ARTICLE 3 -INTERCONNECTION POINT, METERING POINTS AND METERING AND DATA ACQUISITION SYSTEM EQUIPMENT

### 3.1 Interconnection Point

All electric energy transmitted under this Agreement shall be of the character commonly known as three-phase 60 Hz energy and shall flow to the Interconnection Points specified under Article 1 (and Appendix I) of this Agreement at a standard nominal voltage or such other voltages as may be required by PJM.

### 3.2 Metering and Data Acquisition System Equipment

Measurement of electric power for the purposes of determining load and effecting settlements, and monitoring and telemetering of power flows under this Agreement shall be made by standard types of metering and data acquisition system (“DAS”) equipment installed and maintained, required by the PJM Operating Agreement, by the owner at the Interconnection Point consistent with provisions and exhibits of Appendix II of this Agreement. Any aspects of metering and DAS equipment not specifically provided for by the PJM Operating Agreement shall be referred to the Operating Committee.

### 3.3 Access to Interconnection Points

Each Party shall have a non-transferable, non-assignable license to access the property, structure(s) and facility (ies) of the other Party for purposes of accessing the Interconnection Point. Such access shall be in accordance with the operating procedures, rules and regulations of the Party who owns or controls such property, structure(s) or facility (ies).

## ARTICLE 4 - RECORDS

Each Party shall provide to a requesting Party copies of records maintained in accordance with FERC record retention requirements to the extent such records relate to this Agreement.

## ARTICLE 5 - BILLING AND PAYMENT; TAXES

### 5.1 Purpose of Billing

For the purpose of this Agreement, any billings that occur shall address either the establishment of any new Interconnection Point or the modification of any existing Interconnection Point between the Parties. As per Article 6.2(b), the Operating Committee shall establish the terms and conditions by which payment for these facilities is handled.

### 5.2 Timeliness of Payment

Unless otherwise agreed upon, all invoices, if any, under this Agreement shall be rendered as soon as practicable in the month following the calendar month in which they were incurred and shall be due and payable, unless otherwise agreed upon, when rendered, and payment of such bills shall be made by electronic transfer or such other means as shall cause such payment to be available for the use of the payee on or before the twentieth (20th) day of the month in which the bill is rendered or five (5) days after receipt of the bill, whichever is later. Interest on unpaid amounts shall accrue daily at the then current prime interest rate (the base corporate loan interest rate) published in the Wall Street Journal, or, if no longer so published, in any mutually agreeable publication, plus two percent (2%) per annum, from the due date of such unpaid amount and until the date paid.

### 5.3 Disputed Bills

In the case of a disputed bill, all bills shall be paid in full under the conditions specified in Article 5.2 above. Disputes will then be brought before the Operating Committee for resolution in accordance with Article 6. If this method fails, disputes will then be finally resolved through arbitration in accordance with Article 8 of this Agreement.

#### 5.4 Billing Adjustments

Other than as required by law, regulatory action or metering test adjustments, bill adjustments shall be made within six (6) months of the rendition of the initial bill.

#### 5.5 Tax Reimbursement

It is expressly agreed by the Parties that, as part of the compensation to be paid under this Agreement, if, during the term hereof there should be levied and/or assessed against either Party any direct tax, including, but not limited to sales, excise, commercial activity or similar taxes (other than taxes based on or measured by net income), by any taxing authority on the power and/or energy manufactured, generated, produced, converted, sold, purchased, transmitted, interchanged, exchanged, exported or imported by the supplying Party to the other Party, such supplying Party shall be fully compensated by the other Party for such direct taxes.

### ARTICLE 6 - OPERATING COMMITTEE

#### 6.1 Operating Committee

An Operating Committee shall administer the interconnected operation of the Parties' systems as provided for in this Agreement. The Parties shall each appoint one member and one alternate to the Operating Committee and designate, in writing, said appointments to the other Party. Such representatives and alternates shall be persons familiar with the transmission and substation facilities of the Parties they represent and shall be fully authorized to perform the principal duties listed below.

#### 6.2 Duties of the Operating Committee

The principal duties of the Operating Committee shall be as follows:

- a. to establish operating and control procedures;
- b. to establish accounting and billing procedures;
- c. to coordinate maintenance schedules to an extent agreed by the Parties; and
- d. to perform those duties, which this Agreement requires to be done by the Operating Committee, and such other duties as may be required for the proper performance of this Agreement.

#### 6.3 Limitations on Operating Committee Duties

The Operating Committee shall not amend or modify any of the terms or conditions of this Agreement.

#### 6.4 Operating Committee

If the Operating Committee is unable to agree on any matter coming under its jurisdiction, that matter shall be submitted for resolution under the arbitration procedures specified in Article 8 of this Agreement.

### ARTICLE 7 - INDEMNITY

To the extent permitted by law, each Party shall indemnify, save harmless, and defend the other Party from and against any losses, damages, liabilities, costs, expenses, suits, actions, claims, and all other obligations arising out of injuries or death to persons or damage to property caused by or in any way attributable to the ownership or operation of the facilities of the owning Party (individually, a "Loss"), except that the indemnifying Party's obligation to indemnify the other Party shall not apply to the extent of any liabilities arising from such other Party's negligence. Further, to the extent that a Party's immunity as a complying employer, under the worker's compensation and occupational disease laws, might serve to bar or affect recovery under or enforcement of the indemnification otherwise granted herein, each Party agrees to waive its immunity. For the purposes of this Article 7 only, the term "Party" shall include the directors, officers, employees, affiliates and agents of a Party eligible for indemnification under this Article 7.

### ARTICLE 8 - ARBITRATION

#### 8.1 Submission to Arbitration

In the event of disagreement between the Parties with respect to (1) any matter herein specifically made subject to arbitration, (2) any question of operating practice involved in performance of this Agreement, (3) any question of fact involved in the application of provisions of this Agreement, or (4) the interpretation of any provision of this Agreement, the matter involved in the disagreement shall, upon request of either Party, be submitted to arbitration in the manner hereinafter provided.

#### 8.2 Appointment of Arbitrators

The Party requesting arbitration shall serve notice in writing upon the other Party, setting forth in detail the subject or subjects to be arbitrated, and the Parties thereupon shall endeavor to agree upon and appoint one person to act as sole arbitrator. If the Parties fail to agree within a period of fifteen (15) days from the receipt of the original notice, the Party requesting the arbitration shall, by written notice to the other Party, request the appointment of a board of arbitrators

skilled with respect to matters of the character involved in the disagreement, naming one arbitrator in such notice. The other Party shall, within ten (10) days after the receipt of such notice, appoint a second arbitrator, and the two so appointed shall choose and appoint a third. In case such other Party fails to appoint an arbitrator within said ten (10) days, or in case the two so appointed fail for ten (10) days to agree upon and appoint a third, the Party requesting the arbitration, upon five (5) days' written notice delivered to the other Party, shall apply to the person who at the time shall be the most senior Judge of the United States District Court having jurisdiction in Pittsburgh, Pennsylvania for appointment of the second or third arbitrator, as the case may be.

### 8.3 Arbitration

The sole arbitrator, or the board of arbitrators, shall afford adequate opportunity to the Parties to present information with respect to the question or questions submitted for arbitration and may request further information from either or both Parties. The findings and award of the sole arbitrator or of a majority of the board of arbitrators shall be final and conclusive with respect to the question or questions submitted for arbitration and shall be binding upon the Parties, provided that such findings and award shall not in any way vary the expressed terms of this Agreement or in any way extend the expressed scope and intent hereof. Each Party shall pay for the services and expenses of the arbitrator appointed on their behalf. If there is a board of arbitrators, all costs incurred in connection with the arbitration shall be paid in equal parts by the Parties hereto, unless the award shall specify a different division of the costs.

## ARTICLE 9 - TERM AND TERMINATION OF THIS AGREEMENT

This Agreement shall be effective as of the date of execution by both Parties and PJM or such later date as FERC may authorize, and shall remain in effect for a term of ten (10) years thereafter. Following the initial ten (10) year term, this Agreement shall remain in place from year-to-year unless terminated by either Party upon not less than one (1) year's prior written notice. Either Party may provide notice of termination after the conclusion of the ninth (9th) year of this Agreement.

## ARTICLE 10 - REGULATORY AUTHORITIES

This Agreement is made subject to the jurisdiction of any governmental authority or authorities having jurisdiction over this Agreement. Nothing contained in this Agreement shall be construed as affecting in any way, the right of a Party to unilaterally make application to FERC for a modification of this Agreement under Section 205 or Section 206 of the Federal Power Act and the rules and regulations promulgated thereunder.

## ARTICLE 11 - RELOCATIONS, DISCONTINUANCE AND MODIFICATIONS OF INTERCONNECTION POINT

### 11.1 Adjustments of Existing Facilities.

The Parties acknowledge that existing facilities may be relocated, removed, discontinued, or modified in connection with each Interconnection Point set forth in Appendix I, or any new Interconnection Point established under this Agreement. The Parties shall work in good faith to arrange adjustment of existing facilities.

## ARTICLE 12 - GENERAL

### 12.1 Force Majeure

No Party shall be in default in respect to any obligation hereunder because of Force Majeure. Force Majeure shall mean any event that creates an inability to fulfill an obligation under this Agreement that could not be prevented or overcome by the due diligence of the Party claiming Force Majeure. Such events include, but are not defined by or limited to, acts of God, strikes, lockouts, labor disputes, acts of a public enemy, acts of sabotage, acts of terrorism, wars, blockades, insurrections, riots, epidemics, landslides, earthquakes, fires, hurricanes, storms, tornadoes, floods, washouts, civil disturbances, explosions, accidents, or the binding order of any court, legislative body, or governmental authority which has been resisted in good faith by all reasonable legal means. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the Party claiming suspension. A Party unable to fulfill any obligation by reason of any Force Majeure event shall use diligence to remove such disability with appropriate dispatch. Each Party shall (a) provide prompt written notice of such Force Majeure event to the other Party, which notice shall include an estimate of the expected duration of such event and, (b) attempt to exercise all reasonable efforts to continue to perform its obligations under this Agreement.

### 12.2 Waivers

Any waiver at any time by either Party of its rights with respect to default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or matter. Any delay, short of the statutory period of limitation, in asserting or enforcing any right under this Agreement, shall not be deemed a waiver of such right.

### 12.3 Liability

- (a) Nothing in this Agreement shall be construed to create or give rise to any liability on the part of PJM and each Party expressly waives any claims that may arise

against PJM under this Agreement.

- (b) The Parties acknowledge and understand that the signature of the authorized officer of PJM on this Agreement is for the limited purpose of acknowledging that representatives of PJM have read the terms of this Agreement. The Parties and PJM further state that they understand that FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the PJM officer shall not in any way be deemed to imply that (a) PJM is taking responsibility for the actions of any Party, (b) PJM has any affirmative duties under this Agreement, or (c) PJM is liable in any way under this Agreement.

#### 12.4 Written Notices

Notices and communication made pursuant to this Agreement shall be deemed to be properly given if delivered in writing, postage paid to the following:

If to JCPL:                      Manager, Agreements Support  
FirstEnergy Service Company  
76 S. Main Street  
Akron, OH 44308

and

Attorney for Agreements Support  
Legal Department  
FirstEnergy Service Company  
76 S. Main Street  
Akron, OH 44308

| If to MAITME:                      Manager, Agreements Support  
FirstEnergy Service Company  
76 S. Main Street  
Akron, OH 44308

and

Attorney for Agreements Support  
Legal Department  
FirstEnergy Service Company  
76 S. Main Street  
Akron, OH 44308



If to PJM: Vice President-Government Policy  
PJM Interconnection, L.L.C  
1200 G Street, NW, Suite 600  
Washington, DC 20005

and

General Counsel  
PJM Interconnection, L.L.C  
2750 Monroe Blvd.  
Audubon, PA 19403

The above listed titles and addresses for a Party or PJM may be changed by written notice to all other Parties and PJM.

#### 12.5 Agreement Validity

The validity and meaning of this Agreement shall be governed by the law of the Commonwealth of Pennsylvania.

ARTICLE 13 - ASSIGNMENT

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties. Successors and assigns of PJM shall become signatories to this Agreement for the limited purpose described herein applicable to PJM. This Agreement shall not be assigned by either Party without the written consent of the other Party, which consent shall not be reasonably withheld, except to a successor to which substantially all of the business and assets of such Party shall be transferred or to an affiliate of the assigning Party for the purposes of a corporate restructuring.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties' respective officers lawfully authorized so to do, as of the day and year first above written.

Service Agreement No. 3996

Formatted: Right

JERSEY CENTRAL POWER & LIGHT

By: \_\_\_\_\_

Printed Name: John E. Skory  
Title: Regional President

~~MID-ATLANTIC INTERSTATE TRANSMISSION, LLC~~  
~~METROPOLITAN EDISON COMPANY~~

By: \_\_\_\_\_

Printed Name: David Karafa  
Title: Regional President

The signature below of the authorized officer of PJM Interconnection, L.L.C. is for the limited purpose of acknowledging that a representative of PJM has read this Agreement as of the 6<sup>th</sup> day of April, 2018.

Service Agreement No. 3996

PJM INTERCONNECTION, L.L.C.

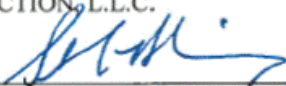
By:

(Signature)

Name:

(Print)

Title:

  
\_\_\_\_\_  
Steven R. Herling  
\_\_\_\_\_  
VP, Planning  
\_\_\_\_\_

APPENDIX I  
Interconnection Points

Delivery Point	Volt (kV)
Gilbert-Glendon	115
KITTATINNY - PORTLAND	230
Pequest-Portland	115
Portland-Greystone	230

APPENDIX II  
Metering and Metering Points

1.1 Metering Points

Electric power and energy delivered at the Interconnection Points shall be measured by suitable metering equipment provided by the Parties at the metering points as described below; and at such other points, voltages, and ownership as may be agreed upon by the Parties.

1.2 Metering Equipment

Suitable and reliable metering equipment shall be installed at each Interconnection Point, as described under Section 1.1 above, and shall include potential and current transformers, revenue meters, test switches and such other equipment as may be needed. The design standard established by this Appendix II shall apply to all new interconnection metering installations. However, a major modification, upgrade, or any new installation, which is not a replacement to any existing facilities after the effective date of this agreement, shall be performed in compliance with this standard.

1.2.1 General Requirements. All metering quantities shall be measured at the Interconnection Point and its metering accuracy shall meet the ANSI Standards as set forth in Section 1.2.2 of this Appendix II. The Parties may agree by amendment to this Agreement to install metering at location other than the Interconnection Point, however, measured metering quantities shall be compensated to the Interconnection Point, provided that the Parties shall exercise commercially reasonable efforts to avoid such compensating metering installations.

All reasonable costs for the meter changes or upgrades requested by the Party, shall be borne by the requesting Party, unless agreed otherwise.

1.2.2 Industry Standard Requirements. At least (N-1) metering elements will be used to measure all real and reactive power crossing the Interconnection Point, where N is the number of wires in service including the ground wire. The revenue quality metering package (consisting of instrument transformers, meters, sockets, and test switches) shall be installed, calibrated, and tested (at the requesting Party's expense) in accordance with the latest approved version of (but not limited to) the Standard Documents listed below, including the standard testing procedures and guidelines of the Party that owns the metering equipment:

- |              |  |
|--------------|--|
| ANSI C12.1 : | Code For Electricity Metering  |
| ANSI C12.7 : | Requirements for Watt-Hour Meter Socket                              |
| ANSI C12.9 : | Test Switches for Transformer-Rated Meters                           |
| ANSI C12.11: | Instrument Transformers for Revenue Metering, 10kV Through 350kV BIL |

ANSI C12.10: Electromechanical Watt-hour Meters  
ANSI C12.16: Solid State Electricity Meters  
ANSI C12.20: For Electricity Meters 0.2 and 0.5 Accuracy Class  
ANSI C37.90.1: Surge Withstand Capability (SWC) Test  
ANSI/IEEE C57.13: Standard Requirements for Instrument Transformers

To the extent that the above requirement conflicts with the manuals, standards or guidelines of the applicable Reliability Council regarding interchange metering and transactions, the manuals, standards and guidelines of such Reliability Council shall control.

1.2.3 Metering Equipment Maintenance and Testing. Upon installation and unless otherwise specified, the revenue meters shall be inspected and tested in accordance with the ANSI Standards as set forth in Section 1.2.2 and at least once every two (2) years, or at any other mutually agreed frequency thereafter. More frequent meter tests can be performed at the request of any Party, and the test will be performed at the requesting Party's expense if the meter is found to be within the established ANSI tolerances. The Party that owns the metering shall inform the other Party with at least three (3) weeks advance notice or more, of impending metering tests, and invite the other Party to attend and witness the tests.

The accuracy of the revenue meter shall be maintained at two tenths of one percent (0.2%) accuracy or better, and the meter test shall require a meter standard with accuracy traceable to the National Institute of Standards and Technology ("NIST").

If at any test of metering equipment an inaccuracy shall be disclosed exceeding two percent (2%), the account between the Parties for service theretofore delivered shall be adjusted to correct for the inaccuracy disclosed over the shorter of the following two periods: (1) for the 30-day period immediately preceding the day of the test, or (2) for the period that such inaccuracy may be determined to have existed. No meter shall be left in service if the percent accuracy error is found to be more than +/-1%.

The Party that owns the metering equipment shall maintain records that demonstrate compliance with all meter tests and maintenance conducted in accordance with Good Utility Practice for the life of the Interconnection Point. The other Party shall have reasonable access to such records. If Revenue Metering equipment fails to function, the energy registration shall be determined from the best available data, including the check metering, if applicable. The Instrument Transformers ("IT") shall also be inspected and maintained based on Article 1.2.2 of this Appendix II, and existing standards and practices of the Party that owns the metering equipment.

1.2.4 Current Transformer Requirements. Each metering point shall have a dedicated set of metering class of current transformers. Unless otherwise agreed upon by the Parties, all metering shall be type 3.0 element metering, and have three (3) metering accuracy current transformers.

Current transformers shall meet or exceed an accuracy class of 0.3% (as defined in IEEE C57.13), or better. Current transformers shall comply with the minimum BIL rating as specified in standards IEEE C57.13 and ANSI C12.11.

The mechanical and thermal short time current ratings of the current transformer shall exceed or withstand the available fault current, while the secondary burden of the current transformer shall not exceed its stated name plate burden rating.

1.2.5 Voltage Transformers Requirements. Each metering point shall have a dedicated set of metering class of voltage transformers. Unless otherwise agreed upon by the Parties, all metering shall be type 3.0 element metering, and have three (3) metering accuracy current transformers.

Voltage transformers shall meet or exceed an accuracy class of 0.3% (as defined in IEEE C57.13). The 115 volt secondary of the voltage transformer shall be exclusively used for the revenue meters only, so as not to exceed the secondary burden of the stated voltage transformer's name plate burden rating.

Voltage transformers shall comply with the minimum BIL rating as specified in standards IEEE C57.13 and ANSI C12.11.

### 1.3 Remote Meter Access and Data Communications

For an Interconnection Point not designated as normally open, and for a normally open Interconnection Point, the Party that owns the metering equipment at such Interconnection Point, unless otherwise mutually agreed, shall be responsible for installation of the communications facilities (typically consisting of a telephone circuit and modems) for remotely accessing the meter. The Party that owns the metering equipment shall also be responsible for operation and maintenance, and on-going monthly costs of the communication facilities.

1.3.1 Remote Billing Data Retrieval. The owning Party shall provide appropriate communication capability of electronic remote interrogation of the billing data in a manner that is compatible with commonly used billing data systems such as MV-90.

1.3.2 Real Time Communications. Revenue meters shall be capable of communicating with DAS equipment such as Remote Terminal Unit ("RTU") to provide the following real time bidirectional power and energy data: instantaneous power flows, per phase and three-phase averaged RMS voltages, per phase and three-phase averaged RMS currents and frequency with at least two decimal points.

1.3.3 Energy Flow Data. A continuous accumulating record of active and reactive energy flows shall be provided by means of the registers on the meters. The deployed revenue meter(s) shall be capable of providing bidirectional energy data flow in either kyz pulse signals format, or accumulated counters to RTU. All Parties shall share the same data register buffers regardless of the types of employed data communication methods. If the accumulation counter method is used, only one Party shall be responsible

for freezing the accumulator buffers and the owner of the metering equipment shall freeze them. The accumulator freezing signals shall be synchronized to Universal Coordinated Time (“UCT”) within 1/2 seconds.

#### 1.4. Metering Device Requirements

All revenue meters shall be programmable and capable of measuring, recording, and displaying bi-directional active and reactive energy and four quadrant power quantities. Also, the revenue meters shall be programmable for compensating for power transformer and line losses. The revenue meters may preferably have at least one serial communication, one Ethernet port, hard-wired kyz pulse output, and internal modem for data communication.

The revenue meters’ internal clocks and real-time DAS equipment shall be synchronized with UTC (“Universal Time Coordination”) with at least 10 milliseconds resolution. The GPS clock receiver used at each interconnection point, shall be capable of providing unmodulated IRIG-B signals to support the UTC time synch requirement.

#### 1.5 Redundant Installation

Each metering point shall have a primary and a backup meter. The revenue meters shall be powered by the station control battery.

#### 1.6 Meter Access

A Party whose metering equipment is located within a station owned by the other Party shall have reasonable access to said metering equipment for purposes of meter reading, inspection, testing, and other such valid operating purposes. Such access shall not be unreasonably withheld.

#### 1.7 Meter Removal

Upon termination of this Agreement or when the metering is no longer needed, the Party that owns the meter equipment in another Party’s station shall remove the metering equipment from the premises of the other Party within one (1) year after termination or within one (1) year after the Party that owns the meter equipment determines that the interchange metering is no longer needed.



**APPENDIX III**  
**DAS Equipment: Ownership, Installation and Maintenance**

Any real-time data requirements defined in the PJM manuals, including PJM Manual 01 - Control Center and Data Exchange Requirements, and PJM Manual 03 - Transmission Operations, shall be provided to PJM to allow PJM to comply with its roles as reliability coordinator, balancing authority, and transmission operator.

**Attachment C-1**

**Clean Tariff**

**Service Agreement No. 5049**

Service Agreement No. 5049

**115 KV, 138 KV and 230 KV  
INTERCONNECTION FACILITIES AGREEMENT**

**Agreement dated June 20, 1968**

**Among**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC**

**WEST PENN POWER COMPANY**

**THE POTOMAC EDISON COMPANY OF PENNSYLVANIA**

**THE POTOMAC EDISON COMPANY**

**Agreement Providing for the Operation  
and Maintenance of 115 KV, 138 KV and 230 KV  
Facilities between the Parties**

115 KV, 138 KV and 230 KV  
INTERCONNECTION FACILITIES AGREEMENT

AGREEMENT, dated June 20, 1968, among Mid-Atlantic Interstate Transmission, LLC (“MAIT”), West Penn Power Company (“WEST PENN”), The Potomac Edison Company of Pennsylvania (“POTOMAC-PA”), each of which is a Pennsylvania corporation, and The Potomac Edison Company (“POTOMAC-MD”) a Maryland corporation.

W I T N E S S E T H:

0.01 MAIT is engaged in the transmission of electric power and energy, WEST PENN and POTOMAC-MD are engaged in the generation, transmission, distribution and sale of electric power and energy, and POTOMAC-PA is engaged in the transmission, distribution and sale of electric power and energy.

0.02 The electric systems of the parties are interconnected through certain transmission and control facilities.

0.03 The parties desire that their systems shall continue to be interconnected and operated continuously in parallel in order to obtain reductions in cost and improvement in reliability of service and wish to set forth the terms and conditions upon which the facilities necessary for such interconnection shall be provided.

ARTICLE 1

1.01 This Agreement shall become effective on July 24, 1968, or such later date as shall be necessary in order to satisfy the requirements of regulatory bodies having jurisdiction with respect thereto and shall continue in force until August 1, 1973, and thereafter until terminated under Section 1.02.

1.02 Any party by at least 5 years prior written notice to the others may terminate this Agreement on August 1, 1973, or any anniversary of said date.

ARTICLE 2

2.01 Each party shall provide and maintain, or cause to be maintained, in good operating order the facilities described under its name in Schedules 1 through 5 hereto. Additions to, deletions from, and changes in facilities provided under this Agreement may be made from time to time by the execution, by each of the parties hereto, of one or more schedules reflecting such

additions, deletions and changes and, upon the execution of any such schedule and the satisfaction of any applicable regulatory approval, this Agreement shall thereby be amended.

2.02 Where, from time to time, one or more of the parties (hereinafter called the “Owner”) shall provide facilities for the exclusive or primary use of one or more of the other parties (hereinafter called the “User”) and compensation for such use shall not otherwise be provided for, the party or parties providing such facilities shall make charges for the use thereof in such amounts and on such bases as shall from time to time be set forth in supplementary schedules to this Agreement. Further, in the event that the parties, by mutual consent, terminate or otherwise change one of the seven initial interconnections provided for under Section 2.01, appropriate charges shall be established by supplementary schedules to this Agreement which charges shall have the effect of reimbursing the parties for any resulting inequities.

2.03 Charges being made by one party to another under Section 2.02 shall be revised annually to reflect changes in facilities installed and in depreciation accrued on those facilities. Charges shall further be revised upon the written request from any party for the revision of any component of the charges being made under Section 2.02. If all of the parties do not agree to the revision requested, or to a modification thereof, then, upon at least one year’s written notice to all of the other parties, any party may initiate a change in the rate in the manner provided by law.

2.04 In the event that the use of interconnection facilities, provided under Section 2.02 above, is discontinued, a termination charge shall be paid by the User. Such termination charge shall be equal to the undepreciated investment then provided by the Owner, plus the cost or removal of the facilities and less their salvage value, which salvage value is understood to include the value of facilities which have continued use to the Owner. When such facilities have been provided for the benefit of more than one User, the termination charge shall be prorated among the Users in accordance with their previously established monthly payments.

2.05 Any party on whose property facilities of another party are located shall grant such other party freedom of access for the purpose of constructing, reconstructing, maintaining, operating and removing such facilities. Such facilities shall remain the property of such other party, and such other party shall have the right to remove any or all of them at the expiration of this Agreement.

### ARTICLE 3

3.01 During the term of this Agreement, it is intended that the systems of the appropriate parties shall be operated in continuous synchronism through the facilities provided for herein. If synchronous operation through any such facilities becomes interrupted either manually or automatically for any reason, including scheduled maintenance that has been agreed to by the parties, the parties shall cooperate to remove the cause of the interruption and restore the facilities to normal operating condition as soon as practicable. No party shall be liable to any other party for any damage or loss of revenue caused by any such interruption.

3.02 The facilities provided for herein may be used for any transactions pursuant to other present or future agreements between any parties hereto.

3.03 The parties recognize that reciprocal use of their respective transmission systems is inherent in the existence of interconnections among them and that unintentional and displacement flows will occur over these interconnections. Accordingly, each party, within the limits of its ability to do so (of which it shall be the sole judge) and the capacity of the interconnections, shall accept electric energy from any of the other parties and shall relay such energy to any other party or absorb it in lieu of electric energy supplied to such other party. The services to be supplied under this Agreement shall not be construed as to include the intentional use by any party of the system of any other party for services provided to or from companies not parties to this Agreement without the establishment of provisions for compensation in money or services satisfactory to the party whose system is being so used.

3.04 Each party hereto shall exercise reasonable care to maintain and operate its system in accordance with good utility practice in such manner as to minimize the likelihood of disturbance originating in its system which might impair the service of the system of any other party or of any system interconnected with such other party. In the event of any such disturbance, the cause of such disturbance shall be removed as soon as practicable. No party shall be responsible to any other party for any damage or loss of revenue caused by any such disturbance.

### ARTICLE 4

4.01 Each party shall indemnify and save harmless each other party from all claims, liability and expense arising out of any bodily injury, death, or damage to property (other than

those caused by such other party or its servants or employees) occurring in or about facilities owned or controlled by it, except that each party shall be responsible for all claims of its own employees, agents, and servants growing out of any workmen's compensation or similar law.

4.02 No party shall be liable for the failure of any other party to perform any of its obligations hereunder.

#### ARTICLE 5

5.01 Any party may assign this Agreement to a successor corporation acquiring its electric utility property and business substantially as an entirety, provided such successor corporation assumes all obligations of the assignor hereunder. Such successor shall be substituted for the assignor under this Agreement, and the Assignor shall be released from all such obligations. Except as aforesaid no party shall assign this Agreement without the prior written consent of the others.

#### ARTICLE 6

6.01 MAIT is hereby authorized to file this Agreement and all supplements thereto, with the regulatory bodies having jurisdiction, on behalf of all parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed.

Service Agreement No. 5049

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC

By *C. L. L...*  
VICE PRESIDENT

THE POTOMAC EDISON COMPANY OF PENNSYLVANIA

By *M. M. H...*  
Vice President

THE POTOMAC EDISON COMPANY

By *M. M. H...*  
Vice President

WEST PENN POWER COMPANY

By *C. B. F...*  
Vice President



SCHEDULE 1  
Facilities Owned by MAIT

1.00 MAIT has provided and now owns, or shall provide and own, the following described facilities, which are installed for the electrical interconnections among the parties:

1.01 Piney-Burma Interconnection

1.01 At Piney Substation, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment. (The metering for this interconnection is located at Burma and is described in Section 3.014 of Schedule 3.)

1.02 Blairsville East-Social Hall Interconnection

1.021 A 138 kV single circuit, three phase transmission line, 4.80 miles in length, extending from MAIT's Blairsville East Substation to a point where it connects to WEST PENN's Social Hall Substation.

1.022 At Blairsville East Substation, one (1) 100 MVA, 138/115 kV, three phase auto-transformer, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

1.023 At Blairsville East Substation, such communication, telemetering and other facilities as have been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' system.

1.024 At Blairsville East Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 115 kV side of the 138/115 kV auto-transformer and is compensated to the point where MAIT's 138 kV, 4.80 mile line connects to WEST PENN's Social Hall Substation.

### 1.03 Shingletown Interconnection

1.031 A 230 kV single circuit, three phase transmission line, 5.43 miles in length, extending MAIT's 230 kV line from Shawville to WEST PENN'S Shingletown Substation.

1.033 A 230 kV single circuit, three phase transmission line, 5.42 miles in length, extending MAIT's 230 kV line from Lewistown to WEST PENN's Shingletown Substation. (1968-1969 Addition)

### 1.04 Roxbury-Grand Point Interconnection

1.041 A 138 kV single circuit, three phase transmission line, 5.57 miles in length, extending from MAIT's Roxbury Substation to a point where it connects to WEST PENN'S portion of the same line described in Section 3.081 of Schedule 3.

1.042 At Roxbury Substation, one (1) 100 MVA, 138/115 kV three phase auto-transformer, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

1.043 At Roxbury Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

1.044 At Roxbury Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 115 kV side of the 138/115 kV auto-transformer and compensated to the point where MAIT's 138 kV, 5.57 mile line meets WEST PENN's portion of the same line.

### 1.05 Deep Creek-Garrett Interconnection

1.051 At Garrett Substation, one (1) 50 MVA, 131/115 kV, three phase auto-transformer, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related POTOMAC control equipment.

1.052 At Garrett Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties systems.

1.053 At Garrett Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 138 kV side

of the 138/115 kV auto-transformer and compensated to the point where POTOMAC's 115 kV, 1.93 mile line taps MAIT's 115 kV Deep Creek-Penn Mar line.

1.06 Brookville Interconnection

1.061 A 138 kV single circuit, three phase transmission line, 0.54 mile in length, extending WEST PENN'S 138 kV line from Elko to MAIT's Brookville Substation.

1.062 At Brookville Substation, two (2) 138 kV automatic line switches, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

1.063 At Brookville Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

1.064 At Brookville Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 138 kV side of the 138-34.5 kV transformers.

1.065 A 138 kV single circuit, three phase transmission line, 0.55 mile in length, extending WEST PENN's 138 kV line from Armstrong to MAIT's Brookville Substation. (1981 Addition)

1.07 Elko Interconnection

1.071 A 230 kV single circuit, three phase transmission line, 3.03 miles in length, extending MAIT's 230 kV line from Forest Substation to WEST PENN's Elko Substation.

1.073 A 230 kV single circuit, three phase transmission line, 3.03 miles in length, extending MAIT's 230 kV line from Shawville to WEST PENN's Elko Substation. (1981 Addition)

1.10 Potter Interconnection

1.101 A single circuit 115 kV, three phase transmission line, 0.05 mile in length, extending from a tap on MAIT's Farmers Valley-Mansfield line to WEST PENN'S Potter Substation.

1.102 At Potter Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

1.11 Moshannon Interconnection

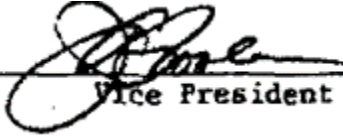
1.111 Line modifications as necessary to loop MAIT's Shawville-East Towanda 230 kV single circuit, three phase transmission line into WEST PENN'S Moshannon Switching Station.

1.112 At Moshannon Switching Station, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

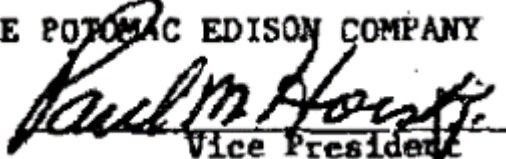
1.113 At Shawville Switching Station, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

Accepted:

MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC

By  \_\_\_\_\_  
Vice President

WEST PENN POWER COMPANY  
By  \_\_\_\_\_  
Vice President

THE POTOMAC EDISON COMPANY  
By  \_\_\_\_\_  
Vice President

SCHEDULE 2  
Facilities Owned by MAIT

2.00 MAIT has provided and now owns the following described facilities which are installed for the electrical interconnections among the parties:

2.01 Carroll-Germantown Interconnection

2.011 A 138 kV single circuit, three phase transmission line, 2.7 miles in length, extending from MAIT's Germantown Substation to a point where it connects to POTOMAC's portion of the same line described in Section 5.011 of Schedule 5.

2.012 At Germantown Substation, one (1) 100 MVA, 138/115 KV three phase auto-transformer, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related POTOMAC's control equipment described in Section 5.012 of Schedule 5.

2.013 At Germantown Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

2.014 At Germantown Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 115 kV side of the 138/115 kV auto-transformer and is compensated to the point where MAIT's 138 kV, 2.7 mile line meets POTOMAC's portion of the same line.

Service Agreement No. 5049

Accepted:

MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC

By

  
Vice President

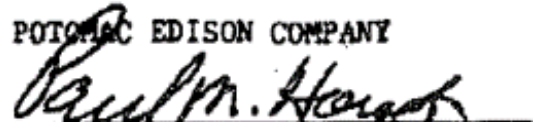
WEST PENN. POWER COMPANY

By

  
Vice President

THE POTOMAC EDISON COMPANY

By

  
Vice President

115 kV, 138 kV, and 230 kV  
Interconnection Facilities Agreement  
Schedule \_\_\_\_\_ Rev. \_\_\_\_\_  
Date of Issue \_\_\_\_\_  
Effective Date \_\_\_\_\_  
Super. Sched. No. \_\_\_\_\_ Rev. \_\_\_\_\_  
Date of Super. Sched. \_\_\_\_\_

SCHEDULE 3  
Facilities Owned by WEST PENN

3.00 WEST PENN has provided and now owns, or shall provide and own, the following described facilities, which are installed for the electrical interconnections among the parties:

3.01 Piney-Burma Interconnection

3.011 A 115 kV single circuit, three phase transmission line, 4.25 miles long, extending from WEST PENN's Burma Substation to MAIT's Piney Substation.

3.012 At Burma Substation, two (2) 100 MVA, 138/115 kV, three phase auto-transformers, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment.

3.013 At Burma Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.014 At Burma Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 138 kV side of the 138/115 kV auto-transformers and compensated to the point where WEST PENN's 115 kV, 4.25 mile line terminates on MAIT's 115 kV structure at the Piney Substation.

3.02 Blairsville East-Social Hall Interconnection

3.021 At Social Hall Substation, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment. (The metering for this interconnection is located at Blairsville East and is described in Section 1.024 of Schedule 1.)

### 3.03 Shingletown Interconnection

3.032 At Shingletown Substation, such communications, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.033 At Shingletown Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 230 kV Shawville and Lewistown line circuit breakers. (1968-1969 Addition)

3.034 At Shingletown Substation, three (3) 230 kV high-speed automatic reclosing circuit breakers, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment. (1984 property transfer from MAIT)

### 3.04 Elko Interconnection

3.042 At Elko Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.043 At Elko Substation, two (2) 230 kV high-speed automatic reclosing circuit breakers, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment. (1981 addition)

3.044 At Elko Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. The metering for this interconnection is on the Shawville and Forest 230 kV circuit breakers. (1981 addition)

3.045 At Elko Substation, one (1) 230kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carriers equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment. (1984 Property transfer from MAIT)



### 3.07 Potter Interconnection

3.071 At Potter Substation, one (1) 115 kV circuit switcher, appurtenant disconnecting and associated structures and equipment, control switchboard and such items as are required and suitable for the control of the above Interconnection and for the coordination of such control with related MAIT control equipment.

3.072 At Potter Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.073 At Potter Substation, such metering equipment as has been determined by the parties as necessary for power, reactive power and energy measurement. The metering is on the 46 kV side of the 115-46 kV transformer and compensated to the point where MAIT's tap line, described in Section 1.101, connects to MAIT's Farmers Valley-Mansfield 115 kV line.

### 3.08 Roxbury - Grand Point Interconnection

3.081 A 138 kV single circuit, three phase transmission line, 7.44 miles in length, extending from WEST PENN's Grand Point Substation to a point where it connects with MAIT's 138 kV line described in Section 1.041 of Schedule 1. (1977 property transfer from POTOMAC)

3.082 At Grand Point Substation, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment. (The metering for this interconnection is located at Roxbury and is described in Section 1.044 of Schedule 1. (1977 property transfer from POTOMAC)

### 3.09 Moshannon Interconnection

3.091 At Moshannon Switching Station, four (4) 230 kV high-speed automatic reclosing circuit breakers, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment.

3.092 At Moshannon Switching Station, such communications, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.093 At Moshannon Switching Station, such metering equipment as has been determined as necessary for power and energy measurement. This metering is located between the bus section terminating MAIT's 230 kV lines to Shawville and East Towanda and the bus section terminating WEST PENN'S 230 kV lines to Milesburg and Quehanna.

Service Agreement No. 5049

Accepted:

MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC

By

  
Vice President

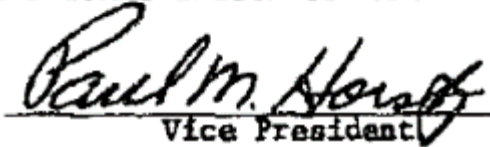
WEST PENN POWER COMPANY

By

  
Vice President

THE POTOMAC EDISON COMPANY

By

  
Vice President

SCHEDULE 4

This schedule was originally used to describe facilities owned by POTOMAC-PA. Those facilities have been transferred to the ownership of POTOMAC and later to WEST PENN by merger through separate documents within the provisions of Article 5. Those facilities were incorporated into SCHEDULE 5 – Facilities Owned by POTOMAC and are now incorporated into SCHEDULE 3 – Facilities Owned by WEST PENN.

Service Agreement No. 5049

Accepted:

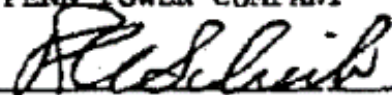
MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC

By

  
Vice President

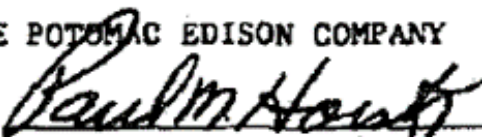
WEST PENN POWER COMPANY

By

  
Vice President

THE POTOMAC EDISON COMPANY

By

  
Vice President

SCHEDULE 5  
Facilities Owned by POTOMAC

5.00 POTOMAC has provided and now owns the following described facilities which are installed for the electrical interconnections among the parties:

5.01 Carroll-Germantown Interconnection

5.011 A 138 kV single circuit, three phase transmission line, 11.3 miles in length, extending from POTOMAC's Carroll Substation to a point where it connects to MAIT's portion of the same line described in Section 2.011 of Schedule 2.

5.012 At Carroll Substation, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAIT control equipment. (The metering for this interconnection is located at Germantown and is described in Section 2.014 of Schedule 2.)

5.02 Deep Creek-Garrett Interconnection

5.021 A 115 kV single circuit, three phase transmission line. 1.93 miles in length, extending from the Garrett Substation to a tap on MAIT's 115 kV Deep Creek-Penn Mar line. (The metering for this interconnection is located at Garrett and is described in Section 1:053 of Schedule 1.)

Service Agreement No. 5049

Accepted:

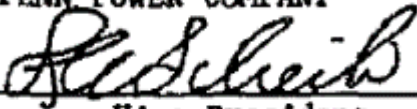
MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC

By

  
Vice President

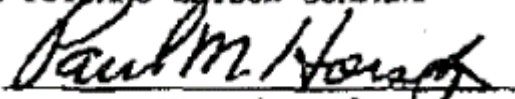
WEST PENN POWER COMPANY

By

  
Vice President

THE POTOMAC EDISON COMPANY

By

  
Vice President

SCHEDULE 6  
 Cost And Charges Of MAIT Facilities  
For WEST PENN'S Use At The Elko Interconnection

6.01 The facilities of MAIT referred to in Section 1.07 of Schedule 1 are supplied by MAIT for the primary use of WEST PENN and compensation for such use is not otherwise provided for. Therefore, MAIT shall make charges to WEST PENN of \$10,281.00 per month for such use, calculated on the following basis:

(a) Depreciable Plant as of 12/31/91	\$740,695
(b) Non-Depreciable Plant as of 12/31/91	<u>1,028</u>
(c) Total Plant (a) + (b)	\$741,723
(d) Investment Recovered (accrued depreciation) as of 12/31/91	<u>236,072</u>
(e) Net Investment (c) - (d)	505,651
(f) Depreciation (a) x 2.55%	18,888
(g) Operation & Maintenance (a) x 3.81%	28,220
(h) Return (e) x 10.09%	51,020
(i) Income Taxes 0.656 x 6.78% x (e)	22,490
(j) PA Cap. Stock Tax (e) x (0.545%)	2,756
(k) Total Annual Charge (f) + (g) + (h) + (i) + (j)	123,374
(l) Monthly Charge (k) x 1/12	\$ 10,281

NOTE: Calculated monthly payments as shown shall be effective for calendar year 1992 only. Prior to the beginning of the calendar year 1993 and each year thereafter, the monthly payments for such year shall be calculated using the same formula, except that Items (d), (e), (h), (i) and (j) shall be revised as of December 31 of the preceding year.

SCHEDULE 7  
 Cost And Charges Of MAIT Facilities  
For WEST PENN'S Use At The Shingletown Interconnection

6.01 The facilities of MAIT referred to in Section 1.03 of Schedule 1 are supplied by MAIT for the primary use of WEST PENN and compensation for such use is not otherwise provided for. Therefore, MAIT shall make charges to WEST PENN of \$2,540.00 per month for such use, calculated on the following basis:

(a) Depreciable Plant as of 12/31/91	\$277,392
(b) Non-Depreciable Plant as of 12/31/91	_____
(c) Total Plant (a) + (b)	\$277,392
(d) Investment Recovered (accrued depreciation) as of 12/31/91	\$192,276
(e) Net Investment (c) - (d)	85,116
(f) Depreciation (a) x 2.55%	7,073
(g) Operation and Maintenance (a) x 3.81%	10,569
(h) Return (e) x 10.09%	8,588
(i) Income Taxes 0.656 x 6.78% x (e)	3,786
(j) PA Cap. Stock Tax (e) x (0.545%)	464
(k) Total Annual Charge (f) + (g) + (h) + (i) + (j)	30,480
(l) Monthly Charge (k) x 1/12	\$ 2,540

NOTE: Calculated monthly payments as shown shall be effective for calendar year 1992 only. Prior to the beginning of the calendar year 1993 and each year thereafter, the monthly payments for such year shall be calculated using the same formula, except that Items (d), (e), (h), (i) and (j) shall be revised as of December 31 of the preceding year.

SCHEDULE 8  
 Cost And Charges Of MAIT Facilities  
For WEST PENN'S Use At The Moshannon Interconnection

6.01 The facilities of MAIT referred to in Section 1.11 of Schedule 1 are supplied by MAIT for the primary use of WEST PENN and compensation for such use is not otherwise provided for. Therefore, MAIT shall make charges to WEST PENN of \$3,030.00 per month for such use, calculated on the following basis:

(a) Depreciable Plant as of 12/31/91	\$192468
(b) Non-Depreciable Plant as of 12/31/91	-
(c) Total Plant (a) + (b)	\$192,468
(d) Investment Recovered as of 12/31/91	<u>32,550</u>
(e) Net Investment (c) - (d)	159,918
(f) Depreciation (a) x 2.55%	4,908
(g) Operation & Maintenance (a) x 3.81%	7,333
(h) Return (e) x 10.09%	16,136
(i) Income Taxes 0.656 x 6.78% x (e)	7,113
(j) PA Cap. Stock Tax (e) x (0.545%)	872
(k) Total Annual Charge (f) + (g) + (h) + (i) + (j)	36,362
(l) Monthly Charge (k) x 1/12	\$ 3,030

NOTE: Calculated monthly payments as shown shall be affective for calendar year 1992 only. Prior to the beginning of the calendar year 1993 and each year thereafter, the monthly payments for such year shall be calculated using the same formula, except that Items (d), (e), (h), (i) and (j) shall be revised as of December 31 of the preceding year.

**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

**NOTICE OF TERMINATION**



**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

**NOTICE OF TERMINATION**

**CANCELS SCHEDULE 9 OF  
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THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

**NOTICE OF TERMINATION**

**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

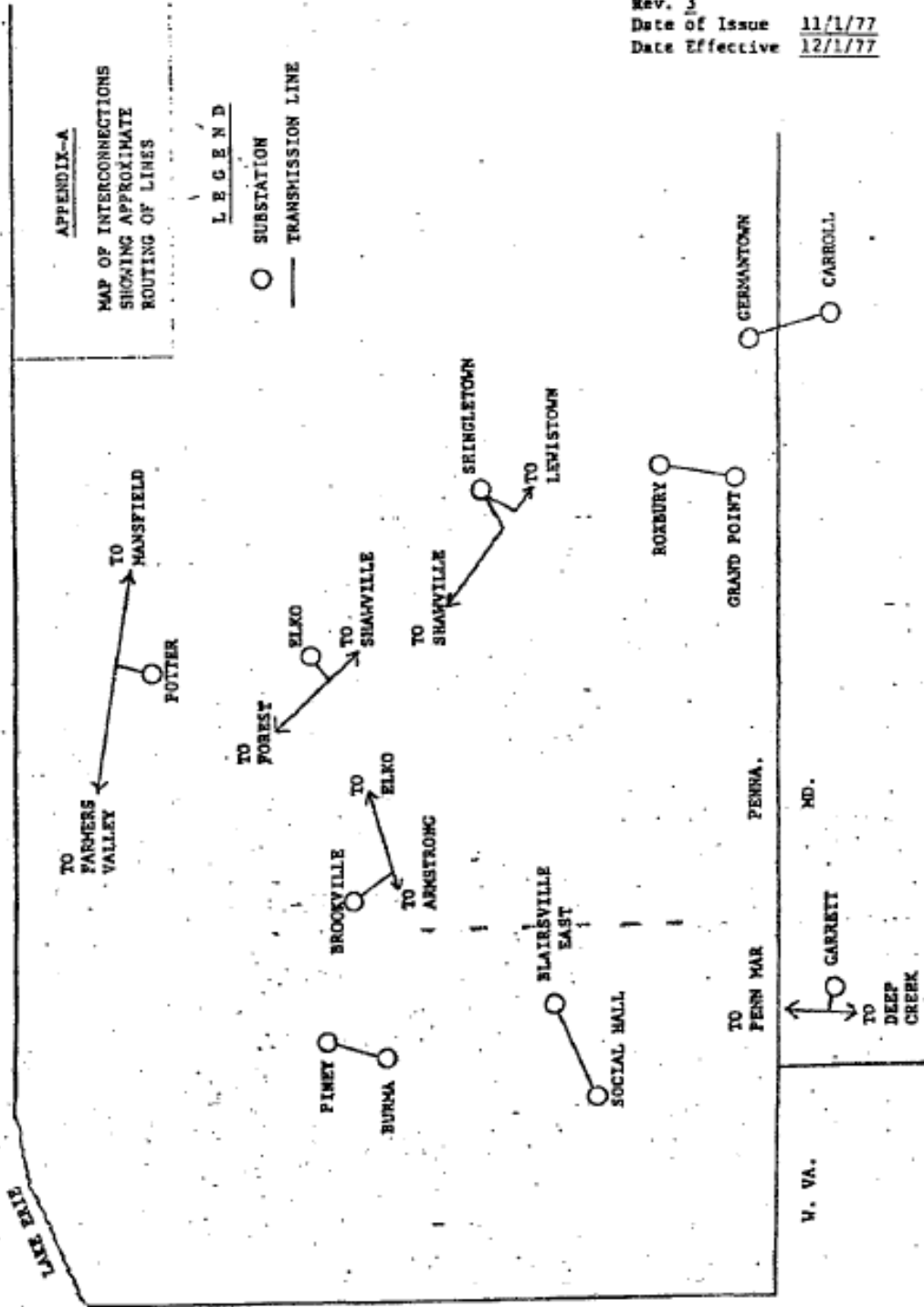
**NOTICE OF TERMINATION**

**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

Rev. 3  
Date of Issue 11/1/77  
Date Effective 12/1/77

APPENDIX-A  
MAP OF INTERCONNECTIONS  
SHOWING APPROXIMATE  
ROUTING OF LINES

LEGEND  
○ SUBSTATION  
— TRANSMISSION LINE



**Attachment C-2**

**Marked Tariff**

**Service Agreement No. 5049**



Service Agreement No. 5049

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**115 KV, 138 KV and 230 KV  
INTERCONNECTION FACILITIES AGREEMENT**

**Agreement dated June 20, 1968**

**Among**

**~~MID-ATLANTIC INTERSTATE TRANSMISSION, LLC PENNSYLVANIA ELECTRIC  
COMPANY~~**

**METROPOLITAN EDISON COMPANY**

**WEST PENN POWER COMPANY**

**THE POTOMAC EDISON COMPANY OF PENNSYLVANIA**

**THE POTOMAC EDISON COMPANY**

**Agreement Providing for the Operation  
and Maintenance of 115 KV, 138 KV and 230 KV  
Facilities between the Parties**

115 KV, 138 KV and 230 KV  
INTERCONNECTION FACILITIES AGREEMENT

AGREEMENT, dated June 20, 1968, among Mid-Atlantic Interstate Transmission, LLC (“MAIT”), ~~Pennsylvania Electric Company (“PENELEC”), Metropolitan Edison Company (“MET-ED”)~~, West Penn Power Company (“WEST PENN”), The Potomac Edison Company of Pennsylvania (“POTOMAC-PA”), each of which is a Pennsylvania corporation, and The Potomac Edison Company (“POTOMAC-MD”) a Maryland corporation.

W I T N E S S E T H:

0.01 ~~MAIT is engaged in the transmission of electric power and energy, PENELEC, MET-ED,~~ WEST PENN and POTOMAC-MD are engaged in the generation, transmission, distribution and sale of electric power and energy, and POTOMAC-PA is engaged in the transmission, distribution and sale of electric power and energy.

0.02 The electric systems of the parties are interconnected through certain transmission and control facilities.

0.03 The parties desire that their systems shall continue to be interconnected and operated continuously in parallel in order to obtain reductions in cost and improvement in reliability of service and wish to set forth the terms and conditions upon which the facilities necessary for such interconnection shall be provided.

ARTICLE 1

1.01 This Agreement shall become effective on July 24, 1968, or such later date as shall be necessary in order to satisfy the requirements of regulatory bodies having jurisdiction with respect thereto and shall continue in force until August 1, 1973, and thereafter until terminated under Section 1.02.

1.02 Any party by at least 5 years prior written notice to the others may terminate this Agreement on August 1, 1973, or any anniversary of said date.

ARTICLE 2

2.01 Each party shall provide and maintain, or cause to be maintained, in good operating order the facilities described under its name in Schedules 1 through 5 hereto. Additions to, deletions from, and changes in facilities provided under this Agreement may be

made from time to time by the execution, by each of the parties hereto, of one or more schedules reflecting such additions, deletions and changes and, upon the execution of any such schedule and the satisfaction of any applicable regulatory approval, this Agreement shall thereby be amended.

2.02 Where, from time to time, one or more of the parties (hereinafter called the “Owner”) shall provide facilities for the exclusive or primary use of one or more of the other parties (hereinafter called the “User”) and compensation for such use shall not otherwise be provided for, the party or parties providing such facilities shall make charges for the use thereof in such amounts and on such bases as shall from time to time be set forth in supplementary schedules to this Agreement. Further, in the event that the parties, by mutual consent, terminate or otherwise change one of the seven initial interconnections provided for under Section 2.01, appropriate charges shall be established by supplementary schedules to this Agreement which charges shall have the effect of reimbursing the parties for any resulting inequities.

2.03 Charges being made by one party to another under Section 2.02 shall be revised annually to reflect changes in facilities installed and in depreciation accrued on those facilities. Charges shall further be revised upon the written request from any party for the revision of any component of the charges being made under Section 2.02. If all of the parties do not agree to the revision requested, or to a modification thereof, then, upon at least one year’s written notice to all of the other parties, any party may initiate a change in the rate in the manner provided by law.

2.04 In the event that the use of interconnection facilities, provided under Section 2.02 above, is discontinued, a termination charge shall be paid by the User. Such termination charge shall be equal to the undepreciated investment then provided by the Owner, plus the cost or removal of the facilities and less their salvage value, which salvage value is understood to include the value of facilities which have continued use to the Owner. When such facilities have been provided for the benefit of more than one User, the termination charge shall be prorated among the Users in accordance with their previously established monthly payments.

2.05 Any party on whose property facilities of another party are located shall grant such other party freedom of access for the purpose of constructing, reconstructing, maintaining, operating and removing such facilities. Such facilities shall remain the property of such other

party, and such other party shall have the right to remove any or all of them at the expiration of this Agreement.

### ARTICLE 3

3.01 During the term of this Agreement, it is intended that the systems of the appropriate parties shall be operated in continuous synchronism through the facilities provided for herein. If synchronous operation through any such facilities becomes interrupted either manually or automatically for any reason, including scheduled maintenance that has been agreed to by the parties, the parties shall cooperate to remove the cause of the interruption and restore the facilities to normal operating condition as soon as practicable. No party shall be liable to any other party for any damage or loss of revenue caused by any such interruption.

3.02 The facilities provided for herein may be used for any transactions pursuant to other present or future agreements between any parties hereto.

3.03 The parties recognize that reciprocal use of their respective transmission systems is inherent in the existence of interconnections among them and that unintentional and displacement flows will occur over these interconnections. Accordingly, each party, within the limits of its ability to do so (of which it shall be the sole judge) and the capacity of the interconnections, shall accept electric energy from any of the other parties and shall relay such energy to any other party or absorb it in lieu of electric energy supplied to such other party. The services to be supplied under this Agreement shall not be construed as to include the intentional use by any party of the system of any other party for services provided to or from companies not parties to this Agreement without the establishment of provisions for compensation in money or services satisfactory to the party whose system is being so used.

3.04 Each party hereto shall exercise reasonable care to maintain and operate its system in accordance with good utility practice in such manner as to minimize the likelihood of disturbance originating in its system which might impair the service of the system of any other party or of any system interconnected with such other party. In the event of any such disturbance, the cause of such disturbance shall be removed as soon as practicable. No party shall be responsible to any other party for any damage or loss of revenue caused by any such disturbance.

#### ARTICLE 4

4.01 Each party shall indemnify and save harmless each other party from all claims, liability and expense arising out of any bodily injury, death, or damage to property (other than those caused by such other party or its servants or employees) occurring in or about facilities owned or controlled by it, except that each party shall be responsible for all claims of its own employees, agents, and servants growing out of any workmen's compensation or similar law.

4.02 No party shall be liable for the failure of any other party to perform any of its obligations hereunder.

#### ARTICLE 5

5.01 Any party may assign this Agreement to a successor corporation acquiring its electric utility property and business substantially as an entirety, provided such successor corporation assumes all obligations of the assignor hereunder. Such successor shall be substituted for the assignor under this Agreement, and the Assignor shall be released from all such obligations. Except as aforesaid no party shall assign this Agreement without the prior written consent of the others.

#### ARTICLE 6

6.01 ~~MAIT Pennsylvania Electric Company~~ is hereby authorized to file this Agreement and all supplements thereto, with the regulatory bodies having jurisdiction, on behalf of all parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed.

Service Agreement No. 5049

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THE POTOMAC EDISON COMPANY OF  
~~MID-ATLANTIC INTERSTATE TRANSMISSION, LLC PENNSYLVANIA ELECTRIC COMPANY~~  
PENNSYLVANIA

By *[Signature]*  
VICE PRESIDENT

By *[Signature]*  
Vice President

~~METROPOLITAN EDISON COMPANY~~ THE POTOMAC EDISON COMPANY

By *[Signature]*  
Vice President

By \_\_\_\_\_ WEST PENN POWER COMPANY

By *[Signature]*  
Vice President

SCHEDULE 1  
Facilities Owned by MAITPENELEC

1.00 MAITPENELEC has provided and now owns, or shall provide and own, the following described facilities, which are installed for the electrical interconnections among the parties:

1.01 Piney-Burma Interconnection

1.01 At Piney Substation, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment. (The metering for this interconnection is located at Burma and is described in Section 3.014 of Schedule 3.)

1.02 Blairsville East-Social Hall Interconnection

1.021 A 138 kV single circuit, three phase transmission line, 4.80 miles in length, extending from PENELECMAIT's Blairsville East Substation to a point where it connects to WEST PENN's Social Hall Substation.

1.022 At Blairsville East Substation, one (1) 100 MVA, 138/115 kV, three phase auto-transformer, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

1.023 At Blairsville East Substation, such communication, telemetering and other facilities as have been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' system.

1.024 At Blairsville East Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 115 kV side of the 138/115 kV auto-transformer and is compensated to the point where PENELECMAIT's 138 kV, 4.80 mile line connects to WEST PENN's Social Hall Substation.

#### 1.03 Shingletown Interconnection

1.031 A 230 kV single circuit, three phase transmission line, 5.43 miles in length, extending **PENELECMAIT**'s 230 kV line from Shawville to WEST PENN'S Shingletown Substation.

1.033 A 230 kV single circuit, three phase transmission line, 5.42 miles in length, extending **PENELECMAIT**'s 230 kV line from Lewistown to WEST PENN'S Shingletown Substation. (1968-1969 Addition)

#### 1.04 Roxbury-Grand Point Interconnection

1.041 A 138 kV single circuit, three phase transmission line, 5.57 miles in length, extending from **PENELECMAIT**'s Roxbury Substation to a point where it connects to WEST PENN'S portion of the same line described in Section 3.081 of Schedule 3.

1.042 At Roxbury Substation, one (1) 100 MVA, 138/115 kV three phase auto-transformer, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

1.043 At Roxbury Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

1.044 At Roxbury Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 115 kV side of the 138/115 kV auto-transformer and compensated to the point where **PENELECMAIT**'s 138 kV, 5.57 mile line meets WEST PENN's portion of the same line.

#### 1.05 Deep Creek-Garrett Interconnection

1.051 At Garrett Substation, one (1) 50 MVA, 131/115 kV, three phase auto-transformer, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related POTOMAC control equipment.

1.052 At Garrett Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties systems.

1.053 At Garrett Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 138 kV side



of the 138/115 kV auto-transformer and compensated to the point where POTOMAC's 115 kV, 1.93 mile line taps PENELECMAIT's 115 kV Deep Creek-Penn Mar line.

1.06 Brookville Interconnection

1.061 A 138 kV single circuit, three phase transmission line, 0.54 mile in length, extending WEST PENN'S 138 kV line from Elko to PENELECMAIT's Brookville Substation.

1.062 At Brookville Substation, two (2) 138 kV automatic line switches, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

1.063 At Brookville Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

1.064 At Brookville Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 138 kV side of the 138-34.5 kV transformers.

1.065 A 138 kV single circuit, three phase transmission line, 0.55 mile in length, extending WEST PENN's 138 kV line from Armstrong to PENELECMAIT's Brookville Substation. (1981 Addition)

1.07 Elko Interconnection

1.071 A 230 kV single circuit, three phase transmission line, 3.03 miles in length, extending PENELECMAIT's 230 kV line from Forest Substation to WEST PENN's Elko Substation.

1.073 A 230 kV single circuit, three phase transmission line, 3.03 miles in length, extending PENELECMAIT's 230 kV line from Shawville to WEST PENN's Elko Substation. (1981 Addition)

1.10 Potter Interconnection

1.101 A single circuit 115 kV, three phase transmission line, 0.05 mile in length, extending from a tap on PENELECMAIT's Farmers Valley-Mansfield line to WEST PENN'S Potter Substation.

1.102 At Potter Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

1.11 Moshannon Interconnection

1.111 Line modifications as necessary to loop PENELECMAIT's Shawville-East Towanda 230 kV single circuit, three phase transmission line into WEST PENN'S Moshannon Switching Station.

1.112 At Moshannon Switching Station, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

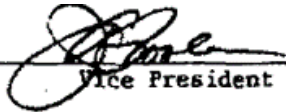
1.113 At Shawville Switching Station, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related WEST PENN control equipment.

Accepted:

Service Agreement No. 5049

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~~MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC  
PENNSYLVANIA ELECTRIC COMPANY~~

By   
Vice President

WEST PENN POWER COMPANY

By   
Vice President

~~METROPOLITAN EDISON COMPANY~~

By \_\_\_\_\_  
Vice President

THE POTOMAC EDISON COMPANY

By   
Vice President

SCHEDULE 2  
Facilities Owned by ~~MAITMET-ED~~

2.00 ~~MAITMET-ED~~ has provided and now owns the following described facilities which are installed for the electrical interconnections among the parties:

2.01 Carroll-Germantown Interconnection

2.011 A 138 kV single circuit, three phase transmission line, 2.7 miles in length, extending from ~~MET-EDMAIT~~'s Germantown Substation to a point where it connects to POTOMAC's portion of the same line described in Section 5.011 of Schedule 5.

2.012 At Germantown Substation, one (1) 100 MVA, 138/115 KV three phase auto-transformer, one (1) 115 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related POTOMAC's control equipment described in Section 5.012 of Schedule 5.

2.013 At Germantown Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

2.014 At Germantown Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 115 kV side of the 138/115 kV auto-transformer and is compensated to the point where ~~MET-EDMAIT~~'s 138 kV, 2.7 mile line meets POTOMAC's portion of the same line.

Service Agreement No. 5049

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Accepted:

~~MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC PENNSYLVANIA  
ELECTRIC COMPANY~~

By   
Vice President

~~WEST PENN POWER COMPANY~~

By   
Vice President

~~METROPOLITAN EDISON COMPANY~~

By \_\_\_\_\_  
Vice President

~~THE POTOMAC EDISON COMPANY~~

By   
Vice President

115 kV, 138 kV, and 230 kV  
Interconnection Facilities Agreement  
Schedule \_\_\_\_\_ Rev. \_\_\_\_\_  
Date of Issue \_\_\_\_\_  
Effective Date \_\_\_\_\_  
Super. Sched. No. \_\_\_\_\_ Rev. \_\_\_\_\_  
Date of Super. Sched. \_\_\_\_\_

SCHEDULE 3  
Facilities Owned by WEST PENN

3.00 WEST PENN has provided and now owns, or shall provide and own, the following described facilities, which are installed for the electrical interconnections among the parties:

3.01 Piney-Burma Interconnection

3.011 A 115 kV single circuit, three phase transmission line, 4.25 miles long, extending from WEST PENN's Burma Substation to PENELECMAIT's Piney Substation.

3.012 At Burma Substation, two (2) 100 MVA, 138/115 kV, three phase auto-transformers, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAITPENELEC control equipment.

3.013 At Burma Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.014 At Burma Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 138 kV side of the 138/115 kV auto-transformers and compensated to the point where WEST PENN's 115 kV, 4.25 mile line terminates on PENELECMAIT's 115 kV structure at the Piney Substation.

3.02 Blairsville East-Social Hall Interconnection

3.021 At Social Hall Substation, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAITPENELEC control equipment. (The metering for this interconnection is located at Blairsville East and is described in Section 1.024 of Schedule 1.)

### 3.03 Shingletown Interconnection

3.032 At Shingletown Substation, such communications, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.033 At Shingletown Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. This metering is on the 230 kV Shawville and Lewistown line circuit breakers. (1968-1969 Addition)

3.034 At Shingletown Substation, three (3) 230 kV high-speed automatic reclosing circuit breakers, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAITPENELEC control equipment. (1984 property transfer from MAITPENELEC)

### 3.04 Elko Interconnection

3.042 At Elko Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.043 At Elko Substation, two (2) 230 kV high-speed automatic reclosing circuit breakers, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAITPENELEC control equipment. (1981 addition)

3.044 At Elko Substation, such metering equipment as has been determined by the parties as necessary for power and energy measurement. The metering for this interconnection is on the Shawville and Forest 230 kV circuit breakers. (1981 addition)

3.045 At Elko Substation, one (1) 230kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carriers equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAITPENELEC control equipment. (1984 Property transfer from MAITPENELEC)

### 3.07 Potter Interconnection

3.071 At Potter Substation, one (1) 115 kV circuit switcher, appurtenant disconnecting and associated structures and equipment, control switchboard and such items as are required and suitable for the control of the above Interconnection and for the coordination of such control with related MAITPENELEC control equipment.

3.072 At Potter Substation, such communication, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.073 At Potter Substation, such metering equipment as has been determined by the parties as necessary for power, reactive power and energy measurement. The metering is on the 46 kV side of the 115-46 kV transformer and compensated to the point where PENELECMAIT's tap line, described in Section 1.101, connects to PENELECMAIT's Farmers Valley-Mansfield 115 kV line.

### 3.08 Roxbury - Grand Point Interconnection

3.081 A 138 kV single circuit, three phase transmission line, 7.44 miles in length, extending from WEST PENN's Grand Point Substation to a point where it connects with PENELECMAIT's 138 kV line described in Section 1.041 of Schedule 1. (1977 property transfer from POTOMAC)

3.082 At Grand Point Substation, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAITPENELEC control equipment. (The metering for this interconnection is located at Roxbury and is described in Section 1.044 of Schedule 1. (1977 property transfer from POTOMAC)

### 3.09 Moshannon Interconnection

3.091 At Moshannon Switching Station, four (4) 230 kV high-speed automatic reclosing circuit breakers, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related MAITPENELEC control equipment.

3.092 At Moshannon Switching Station, such communications, telemetering and other facilities as has been determined by mutual agreement as necessary for proper and efficient interconnected operation of the parties' systems.

3.093 At Moshannon Switching Station, such metering equipment as has been determined as necessary for power and energy measurement. This metering is located between the bus section terminating ~~PENELECMAIT~~'s 230 kV lines to Shawville and East Towanda and the bus section terminating WEST PENN'S 230 kV lines to Milesburg and Quehanna.

Service Agreement No. 5049

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Accepted:

~~MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC PENNSYLVANIA  
ELECTRIC COMPANY~~

By  Vice President

WEST PENN POWER COMPANY

By  Vice President

~~METROPOLITAN EDISON COMPANY~~

By \_\_\_\_\_  
Vice President

THE POTOMAC EDISON COMPANY

By  Vice President



SCHEDULE 4

This schedule was originally used to describe facilities owned by POTOMAC-PA. Those facilities have been transferred to the ownership of POTOMAC and later to WEST PENN by merger through separate documents within the provisions of Article 5. Those facilities were incorporated into SCHEDULE 5 — Facilities Owned by POTOMAC and are now incorporated into SCHEDULE 3 — Facilities Owned by WEST PENN.

Service Agreement No. 5049

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Accepted:

~~MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC PENNSYLVANIA  
ELECTRIC COMPANY~~

By   
Vice President

WEST PENN POWER COMPANY

By   
Vice President

THE POTOMAC EDISON COMPANY

By   
Vice President

~~METROPOLITAN EDISON COMPANY~~

By \_\_\_\_\_  
Vice President

SCHEDULE 5  
Facilities Owned by POTOMAC

5.00 POTOMAC has provided and now owns the following described facilities which are installed for the electrical interconnections among the parties:

5.01 Carroll-Germantown Interconnection

5.011 A 138 kV single circuit, three phase transmission line, 11.3 miles in length, extending from POTOMAC's Carroll Substation to a point where it connects to ~~MET-EDMAIT~~'s portion of the same line described in Section 2.011 of Schedule 2.

5.012 At Carroll Substation, one (1) 138 kV high-speed automatic reclosing circuit breaker, appurtenant disconnecting and associated equipment, control switchboard, carrier current relays and associated carrier equipment and such other items as are required and suitable for the control of the above interconnection and for the coordination of such control with related ~~MAITMET-ED~~ control equipment. (The metering for this interconnection is located at Germantown and is described in Section 2.014 of Schedule 2.)

5.02 Deep Creek-Garrett Interconnection

5.021 A 115 kV single circuit, three phase transmission line. 1.93 miles in length, extending from the Garrett Substation to a tap on ~~PENELECMAIT~~'s 115 kV Deep Creek-Penn Mar line. (The metering for this interconnection is located at Garrett and is described in Section 1:053 of Schedule 1.)

Accepted:

Service Agreement No. 5049

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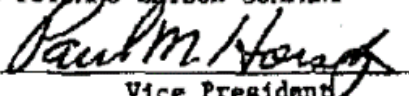
~~MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC PENNSYLVANIA  
ELECTRIC COMPANY~~

By  Vice President

WEST PENN POWER COMPANY  
By  Vice President

~~METROPOLITAN EDISON COMPANY~~

By \_\_\_\_\_  
Vice President

THE POTOMAC EDISON COMPANY  
By  Vice President

SCHEDULE 6  
 Cost And Charges Of ~~MAITPENELEC~~ Facilities  
 For WEST PENN'S Use At The Elko Interconnection

6.01 The facilities of ~~MAITPENELEC~~ referred to in Section 1.07 of Schedule 1 are supplied by ~~MAITPENELEC~~ for the primary use of WEST PENN and compensation for such use is not otherwise provided for. Therefore, ~~MAITPENELEC~~ shall make charges to WEST PENN of \$10,281.00 per month for such use, calculated on the following basis:

(a) Depreciable Plant as of 12/31/91	\$740,695
(b) Non-Depreciable Plant as of 12/31/91	<u>1,028</u>
(c) Total Plant (a) + (b)	\$741,723
(d) Investment Recovered (accrued depreciation) as of 12/31/91	<u>236,072</u>
(e) Net Investment (c) - (d)	505,651
(f) Depreciation (a) x 2.55%	18,888
(g) Operation & Maintenance (a) x 3.81%	28,220
(h) Return (e) x 10.09%	51,020
(i) Income Taxes 0.656 x 6.78% x (e)	22,490
(j) PA Cap. Stock Tax (e) x (0.545%)	2,756
(k) Total Annual Charge (f) + (g) + (h) + (i) + (j)	123,374
(l) Monthly Charge (k) x 1/12	\$ 10,281

NOTE: Calculated monthly payments as shown shall be effective for calendar year 1992 only. Prior to the beginning of the calendar year 1993 and each year thereafter, the monthly payments for such year shall be calculated using the same formula, except that Items (d), (e), (h), (i) and (j) shall be revised as of December 31 of the preceding year.

SCHEDULE 7  
 Cost And Charges Of MAITPENELEC Facilities  
 For WEST PENN'S Use At The Shingletown Interconnection

6.01 The facilities of MAITPENELEC referred to in Section 1.03 of Schedule 1 are supplied by MAITPENELEC for the primary use of WEST PENN and compensation for such use is not otherwise provided for. Therefore, MAITPENELEC shall make charges to WEST PENN of \$2,540.00 per month for such use, calculated on the following basis:

(a) Depreciable Plant as of 12/31/91	\$277,392
(b) Non-Depreciable Plant as of 12/31/91	-
(c) Total Plant (a) + (b)	\$277,392
(d) Investment Recovered (accrued depreciation) as of 12/31/91	\$192,276
(e) Net Investment (c) - (d)	85,116
(f) Depreciation (a) x 2.55%	7,073
(g) Operation and Maintenance (a) x 3.81%	10,569
(h) Return (e) x 10.09%	8,588
(i) Income Taxes 0.656 x 6.78% x (e)	3,786
(j) PA Cap. Stock Tax (e) x (0.545%)	464
(k) Total Annual Charge (f) + (g) + (h) + (i) + (j)	30,480
(l) Monthly Charge (k) x 1/12	\$ 2,540

NOTE: Calculated monthly payments as shown shall be effective for calendar year 1992 only. Prior to the beginning of the calendar year 1993 and each year thereafter, the monthly payments for such year shall be calculated using the same formula, except that Items (d), (e), (h), (i) and (j) shall be revised as of December 31 of the preceding year.

SCHEDULE 8  
 Cost And Charges Of MAITPENELEC Facilities  
 For WEST PENN'S Use At The Moshannon Interconnection

6.01 The facilities of MAITPENELEC referred to in Section 1.11 of Schedule 1 are supplied by MAITPENELEC for the primary use of WEST PENN and compensation for such use is not otherwise provided for. Therefore, MAITPENELEC shall make charges to WEST PENN of \$3,030.00 per month for such use, calculated on the following basis:

(a) Depreciable Plant as of 12/31/91	\$192468
(b) Non-Depreciable Plant as of 12/31/91	-
(c) Total Plant (a) + (b)	\$192,468
(d) Investment Recovered as of 12/31/91	<u>32,550</u>
(e) Net Investment (c) - (d)	159,918
(f) Depreciation (a) x 2.55%	4,908
(g) Operation & Maintenance (a) x 3.81%	7,333
(h) Return (e) x 10.09%	16,136
(i) Income Taxes 0.656 x 6.78% x (e)	7,113
(j) PA Cap. Stock Tax (e) x (0.545%)	872
(k) Total Annual Charge (f) + (g) + (h) + (i) + (j)	36,362
(l) Monthly Charge (k) x 1/12	\$ 3,030

NOTE: Calculated monthly payments as shown shall be affective for calendar year 1992 only. Prior to the beginning of the calendar year 1993 and each year thereafter, the monthly payments for such year shall be calculated using the same formula, except that Items (d), (e), (h), (i) and (j) shall be revised as of December 31 of the preceding year.

**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

**NOTICE OF TERMINATION**

**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

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**NOTICE OF TERMINATION**

**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

**NOTICE OF TERMINATION**

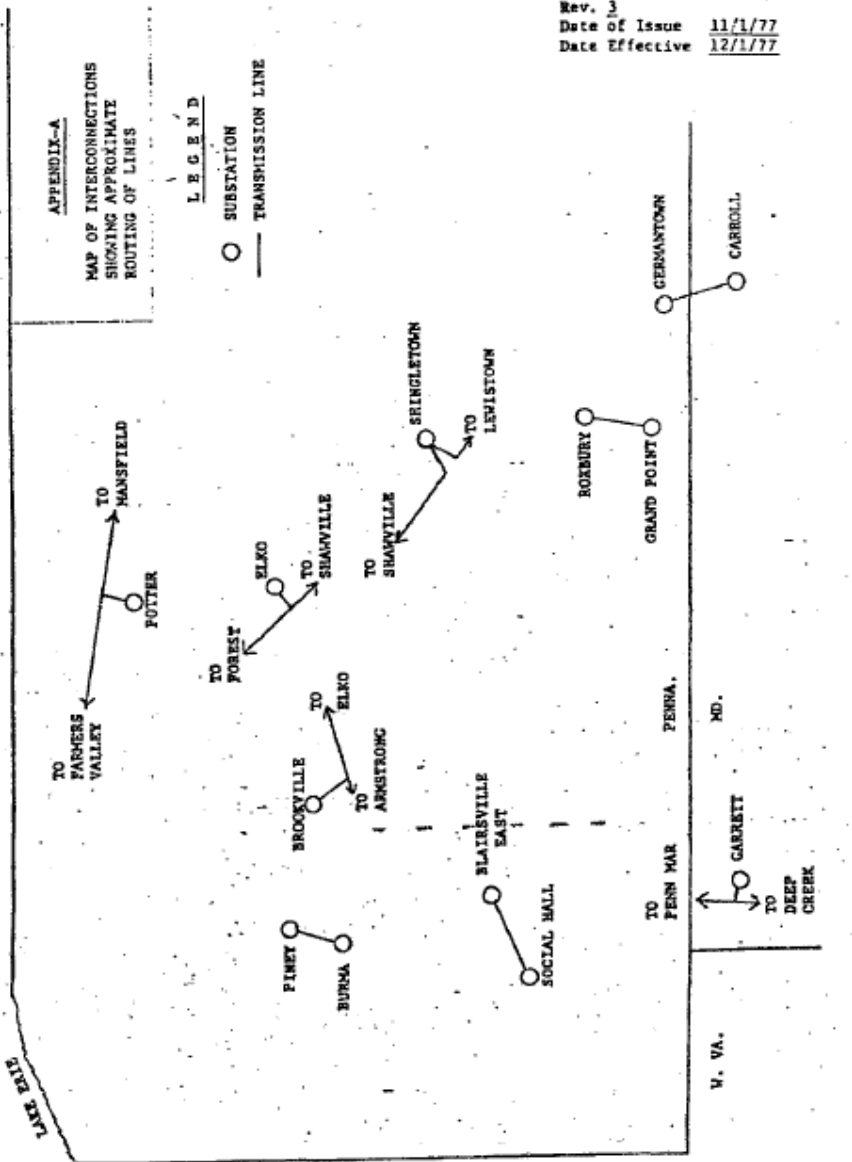
**CANCELS SCHEDULE 9 OF  
THE POTOMAC EDISON COMPANY  
RATE SCHEDULE FERC NO. 31**

APPENDIX-A

MAP OF INTERCONNECTIONS  
SHOWING APPROXIMATE  
ROUTING OF LINES

LEGEND

○ SUBSTATION  
— TRANSMISSION LINE



Rev. 3  
Date of Issue 11/1/77  
Date Effective 12/1/77

**Attachment D-1**

**Clean Tariff**

**Service Agreement No. 5050**

INTERCONNECTION AGREEMENT

BETWEEN

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC

AND

PENNSYLVANIA POWER & LIGHT COMPANY

Made as of November 20, 1978

\_\_\_\_\_  
\_\_\_\_\_

To Amend and Restate an Existing Agreement, as Supplemented,  
and to Add One New 230 KV Interconnection Point, to Remove One  
230 KV Interconnection Point, and to Remove One 110 KV  
Interconnection Point.

**INTERCONNECTION AGREEMENT**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC**

**AND**

**PENNSYLVANIA POWER & LIGHT COMPANY**

AGREEMENT made and entered into as of the 20th day of November, 1978, by and between MID-ATLANTIC INTERSTATE TRANSMISSION, LLC, hereinafter called "MAIT", party of the first part, and PENNSYLVANIA POWER & LIGHT COMPANY, hereinafter called "PL", party of the second part, both of said parties being corporations organized and existing under the laws of the Commonwealth of Pennsylvania.

WHEREAS, MAIT and PL have currently in effect an Interconnection Agreement dated May 31, 1968, as supplemented; and

WHEREAS, MAIT and PL have agreed to terminate the Peckville 110 KV interconnection; and

WHEREAS, MAIT has agreed to sell and PL has agreed to buy the Lackawanna-Peckville portion (2.5 miles, more or less) of MAIT's East Towanda-Peckville 230 KV line, and as a result thereof, the Peckville 230 KV inter-connection is terminated and replaced by a new Lackawanna 230 KV inter-connection; and

WHEREAS, certain other changes in said agreement are desired by the parties and, as a result, the parties have determined to amend and restate their interconnection arrangements.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that the parties hereto, intending to be legally bound, covenant and agree with each other as follows:



## ARTICLE 1

### Duration of Agreement

1.1 Subject to receipt of all requisite regulatory approvals, this Agreement shall become effective on the date of Closing on the sale by MAIT and the purchase by PL of the Lenox-Peckville 115 KV line estimated to be on September 15, 1979, and shall continue in force with respect to each point of interconnection, initially or hereafter provided for, until terminated by either party giving to the other not less than five (5) years' written notice of its intention to do so, except that no termination with respect to any point of interconnection shall become effective as long as the interconnection between the parties hereto at that point is necessary to enable the parties hereto to perform and carry out the terms of any other interconnection agreement to which they are both parties at the time.

## ARTICLE 2

### Points of Interconnection

2.1 Each of the parties hereto shall maintain and operate, or cause to be maintained and operated, its respectively owned interconnection facilities for the transfer or interchange between the systems of the parties hereto of electric capacity and energy at the points of inter-connection described in Appendix A, attached hereto and made a part hereof.

2.2 The construction, maintenance, and operation of facilities for any point of interconnection in addition to those hereinabove provided for, or any change in the existing or such additional points, shall be as agreed upon between the parties hereto and shall be covered by an appropriate supplement or appropriate supplements to this Agreement.

### ARTICLE 3

#### Metering

3.1 The amount of electric energy transferred, interchanged, or replaced between the systems of the parties hereto at the several points of interconnection hereinabove referred to, shall be determined as described in Appendix B, attached hereto and made a part hereof.

3.2 Except as otherwise provided in Appendix B, the loss compensators provided therein shall account for the energy losses between points of interconnection and points of metering, and such losses shall be added to or subtracted from, as the particular situation requires, the energy flow at the metering point to determine the actual energy transferred at the point of interconnection.

### ARTICLE 4

#### Services to be Rendered

4.1 The interconnection facilities referred to in Article 2 shall be used for transactions contemplated by the terms of such other agreements to which both parties hereto are parties and which require their availability, and also for such other transactions, not inconsistent with the existing obligations of the parties hereto, as MAIT and PL may mutually agree upon.

4.2 Each party shall, within the limits of the capacity of the interconnection or interconnections provided hereunder and its own ability to do so, of which latter it shall be the sole judge, accept electric energy from the other party and relay such energy through its system from one interconnection point hereunder to the other party at another interconnection point hereunder; provided, however that nothing in this Section shall be construed as relieving either party of its responsibility to provide adequate facilities to serve its

own load either by construction of its own facilities or by paying proper compensation for the use of the facilities of the other party.

4.3 PL shall have the right to supply electric energy to its Renovo Substation at Renovo, Pennsylvania, by means of the Chapman Interconnection described in Appendix A (2), at any time when PL's 69 KV line between Lock Haven and Renovo is not available for service; provided, however, that the 12 KV circuit breaker described in Appendix A (2) (b), which is normally open, shall not, except by mutual agreement of the duly authorized representatives of the parties hereto, be closed while PL's 69 KV line between Lock Haven and Renovo is being used to supply Renovo Substation.

## ARTICLE 5

### Billing and Payments

5.1 The monthly payments, if any, between the parties hereto shall be as set forth in Appendix C, attached hereto and made a part hereof, as the same may be amended from time to time. Effective July 1, 1980, and each July thereafter, Appendix C shall be revised so as to reflect information as of December 31 of the preceding year. The parties hereto may agree not to amend Appendix C, or any part thereof, if in their mutual opinions the resultant change would not justify the amendment.

5.2 In the event that any of the interconnections on which facilities charges are being paid in accordance with Appendix C are terminated by either party in accordance with the provisions of Section 1.1 hereof, the owning party shall be paid by the other party a sum of money equivalent to net investment (original cost less depreciation) in the facilities pertaining to the interconnection so terminated at the time of termination, plus the cost of removal of such facilities less their salvage value. The net investment in each

party's facilities shall be computed in accordance with each party's own accounting practices.

5.3 All bills rendered under this Article shall be payable within fifteen (15) days of receipt thereof.

5.4 Any filing fees in connection with revisions to Appendix C as contemplated in Section 5.1 hereof shall be shared equally by each of the parties, except that if a party requests by written notice that a suggested revision to Appendix C is not necessary because the resultant change in monthly payments would not be significant enough to justify the amendment, and the other party refuses to agree not to amend Appendix C, the party so refusing shall pay all of the filing fees ,in connection with such revision.

## ARTICLE 6

### Appendices

6.1 In order to permit flexibility of making changes in this Agreement to conform to changing conditions, appendices as required shall be prepared, and revised from time to time by the parties, setting forth descriptions of interconnections, determinations of charges for interconnection facilities, locations of metering points, and any other matters requisite or appropriate to the carrying out of this Agreement. Upon acceptance by the parties of any such appendix and satisfaction of all applicable regulatory requirements, said appendix shall become a part of this Agreement as an addition thereto or in lieu of any prior appendices or portions thereof which they are designated to replace.

## ARTICLE 7

### Indemnity

7.1 Except as it may be otherwise provided in any separate agreement between the parties under the terms of which either party may be acting as a contractor for the other party to service, operate, or maintain certain facilities of the other, each party shall save the other party hereto harmless of and from any and all loss and damage by reason of any bodily injury, death, or damage to property caused or sustained in that portion of the interconnecting facilities owned, controlled, or made available by it, notwithstanding that a judgment may be entered against the other party hereto; except that each party shall be responsible for all claims of its own employees, agents, and servants, growing out of any Worker's Compensation Law. It is expressly agreed that neither party shall be liable for consequential damages under this Agreement.

## ARTICLE 8

### Cancellation of Existing Agreements

8.1 That certain Agreement dated May 31, 1968, by and between MAIT and PL, as supplemented by Appendix B, Revisions 1 - 11/1/69, and 2 - 10/1/71, is hereby cancelled and terminated as of the effective date of this Agreement, except that nothing herein contained shall be construed to relieve either party from the obligation to make any payments due to the other thereunder as of the date of such cancellation.

## ARTICLE 9

### Terminology

9.1 As a matter of terminology and in the interest of simplicity, all lines and facilities of both parties shall be referred to respectively as 230 KV, 115 KV and 69 KV, as appropriate.

ARTICLE 10

Assignment

10.1 The terms and provisions of this Agreement shall enure to and bind not only the parties hereto, but also their respective successors and assigns.

ARTICLE 11

Readings

11.1 The descriptive headings of the various articles of this agreement have been inserted for convenience or reference only and shall in no manner modify or restrict any of the terms or provisions hereof.

ARTICLE 12

Failure to Insist Upon Performance

12.1 The failure of any party to insist in one or more instances upon strict performance of any of the provisions of this agreement or to take advantage of its rights hereunder, shall not be construed as a waiver of any such provision, or the relinquishment of any such rights, but the same shall continue to remain in full force and effect.

ARTICLE 13

Provisions Severable

13.1 The provisions of this agreement are severable and if any provisions shall be determined to be illegal or unenforceable, such determination shall in no manner affect any other provision hereof, and the remainder of this agreement shall remain in full force and effect without regard to the fact that one or several provisions of this agreement may be determined from time to time to be illegal or unenforceable, provided however, that the intention and essence of this agreement may still be accomplished and satisfied.

ARTICLE 14

Laws

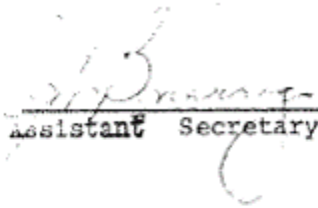
14.1 The validity, interpretation, and performance of this agreement and of every provision hereunder shall, except otherwise provided by law, be governed by the laws of the Commonwealth of Pennsylvania.


IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their respective names, each by duly authorized officers, and have further caused their respective corporate seals to be hereunto affixed and attested, on the day and year first above written.

Service Agreement No. 5050

MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC

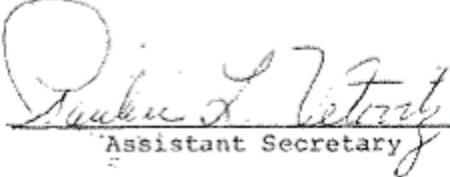
ATTEST:


  
\_\_\_\_\_  
Assistant Secretary

  
\_\_\_\_\_  
Vice President

PENNSYLVANIA POWER & LIGHT COMPANY  
BY:

ATTEST:

  
\_\_\_\_\_  
Assistant Secretary

  
\_\_\_\_\_  
Vice President

**APPENDIX A**

**POINTS OF INTERCONNECTION**

**Section 2.1**

- (1) LEWISTOWN-JUNIATA INTERCONNECTION - located at PL's Juniata Substation in Centre Township, Perry County, Pennsylvania, and including the following facilities:
  - (a) Terminal facilities owned by PL, which include a steel dead-end structure, 230 KV circuit breakers, disconnect switches, connections between the Lewistown-Juniata line and the Juniata-Middletown Junction line referred to in (1) (b) below and the 230 KV station bus, relaying and telemetering facilities, etc.; and
  - (b) Two 230 KV transmission lines owned by MAIT, known as the Lewistown-Juniata line and the Juniata-Middletown Junction line, which lines terminate on PL's dead-end structure provided under (1) (a).
  
- (2) CHAPMAN INTERCONNECTION - located at PL's Chapman Substation in Chapman Township, Clinton County, Pennsylvania, and including the following facilities:
  - (a) One 12,000 KVA, 230-12 KV transformer, together with a 230 KV circuit switcher, a 12 KV circuit breaker, associated substation structure, connections to MAIT's 230 KV tap provided under (2) (c) below, relaying and telemetering facilities, etc., all owned by PL;
  - (b) An approximately one-mile 12 KV line, also owned by PL, connecting PL's Chapman Substation provided under (2) (a) to PL's Renovo Substation through a 12 KV circuit breaker located in said Renovo Substation; and
  - (c) A 230 KV structure installed in MAIT's Shawville-East Towanda 230 KV line and a 230 KV single span tapping said line and terminating on PL's substation structure provided under (2) (a) above. The tap structure and 230 KV span are owned by MAIT.
  
- (3) LACKAWANNA 230 KV INTERCONNECTION - located at PL's Lackawanna Switching Station in Blakely Borough, Lackawanna County, Pennsylvania and including the following facilities:
  - (a) Terminal facilities' owned by PL, which include a steel dead-end structure, air switches, circuit breaker, a coupling capacitor, carrier relay, and station grounding, wiring, conduit, switchboards, metering, and telemetering facilities.
  - (b) A 230 KV transmission line owned by MAIT known as the East Towanda-Lackawanna Line, terminates on PL's dead-end structure provided under (3) (a).



**APPENDIX B**

**ENERGY METERING**

**Section 3.1**

- (1) LEWISTOWN-JUNIATA INTERCONNECTION - by energy meters, including loss compensators, installed at MAIT's, Lewistown Substation in Granville Township, Mifflin County, Pennsylvania, at 230 KV, which meters are to be furnished and maintained by MAIT.
- (2) CHAPMAN INTERCONNECTION - by energy meter, including loss compensator, installed at PL's Renovo Substation in Renovo Borough, Clinton County, Pennsylvania, which meter is to be furnished and maintained by PL. The use of energy for standby operation shall be estimated and included in the energy accounting.
- (3) LACKAWANNA 230 KV INTERCONNECTION - by energy meters installed at PL's Lackawanna Substation in Blakely Borough, Lackawanna County, Pennsylvania, at 230 KV, which meters are to be-furnished and maintained by PL on behalf of MAIT.

**APPENDIX C**

**CALCULATION OF MONTHLY PAYMENTS**

**Section 5.1**

- C-1 Peckville 110 KV Interconnection, terminated
- C-2 Peckville 110 KV Interconnection, terminated
- C-3 Peckville 220 KV Interconnection, terminated
- C-4 Lewistown-Juniata Interconnection
- C-5 Chapman Interconnection
- C-6 Lackawanna 230 KV Interconnection

APPENDIX C

CALCULATION OF MONTHLY PAYMENT

Section 5.1

Lewistown-Juniata Interconnection

Calculation of monthly payment to be made by MAIT to PL for provision, operation and maintenance of line terminal facilities at Juniata Substation described in Appendix A(1) (a)

a.	Depreciable Plant as of 12/31/78	\$206,136
b.	Non-Depreciable Plant as of 12/31/78	—
c.	Total Plant (a) + (b)	\$206,136
d.	Investment Recovered (accrued depreciation as of 12/31/78)	65,454
e.	Net Investment (c) - (d)	140,682
f.	Depreciation (a) x 2.266%	4,671
g.	Operation & Maintenance (c) x 3.11%	6,411
h.	Return (e) x 10.26%	14,434
i.	Income Taxes 1.069 (6.68% x (e))	10,046
j.	PA Cap. Stock Tax (e) x 0.548%	<u>771</u>
k.	Total Annual Charge (f) + (g) + (h) + (i) + (j)	36,333
l.	Monthly Charge (k) x 1/12	\$ 3,028

APPENDIX C

CALCULATION OF MONTHLY PAYMENT

Section 5.1

Chapman Interconnection

Calculation of monthly payment to be made by PL to MAIT for PL's use of MAIT's facilities as provided under Appendix A(2) (c)

a.	Depreciable Plant as of 12/31/78	\$17,821
b.	Non-Depreciable Plant as of 12/31/78	-
c.	Total Plant (a) + (b)	17,821
d.	Investment Recovered (accrued depreciation as of 12/31/78)	6,078
e.	Net Investment (c) - (d)	11,743
f.	Depreciation (a) x 2.38%	424
g.	Operation & Maintenance (c) x 2.56%	456
h.	Return (e) x 9.52%	1,118
i.	Income Taxes 1.069 (5.56% x (e))	698
j.	PA Cap. Stock Tax (e) x 0.471%	<u>55</u>
k.	Total Annual Charge (f) + (g) + (h) + (i) + (j)	2,751
l.	Monthly Charge (k) x 1/12	\$ 229

APPENDIX C

CALCULATION OF MONTHLY PAYMENT

Section 5.1

Lackawanna Interconnection

Calculation of monthly payment to be made by MAIT to PL for provision, operation and maintenance of line terminal facilities by the latter at Lackawanna Substation for the East Towanda 230 kv line described in Appendix A(3) (a)

a.	Depreciable Plant as of 12/31/78	\$206,784
b.	Non-Depreciable Plant as of 12/31/78	-
c.	Total Plant (a) + (b)	206,784
d.	Investment Recovered (accrued depreciation as of 12/31/78)	36,623
e.	Net Investment (c) - (d)	170,161
f.	Depreciation (a) x 2.266%	4,686
g.	Operation & Maintenance (c) x 3.11%	6,431
h.	Return (e) x 10.26%	17,459
i.	Income Taxes 1.069 (6.68% x (e))	12,151
j.	PA Cap. Stock Tax (e) x 0.548%	<u>932</u>
k.	Total Annual Charge (f) + (g) + (h) + (i) + (j)	41,659
l.	Monthly Charge (k) x 1/12	\$ 3,472

PENNSYLVANIA POWER & LIGHT COMPANYDepreciation and Amortization of Electric  
Year 1978

<u>Acct. No.</u>	<u>Average</u> <u>Depreciable</u> <u>Plant</u>	<u>Est.</u> <u>Life</u>	<u>Net</u> <u>Salvage</u>	<u>Depr.</u> <u>Rate</u>	<u>Mortality</u> <u>Curve</u>
Transmission Plant					
3504	\$ 16,192	100	0	1.000	R2
3520	11,462	75	0	1.333	R3
3530	123,177	45	0	2.222	SO
3540	71,725	40	0	2.500	R3
3550	2,118	35	0	2.857	R2
3560	41,457	40	0	2.500	R2
3590	<u>1,631</u>	60	0	1.667	R4
TOTAL	<u>\$267,762</u>			<u>2.266</u>	

PENNSYLVANIA POWER & LIGHT COMPANYTransmission Fixed Costs  
Year 1978

<u>Account</u>	<u>Amount</u>
560 Operation supervision & engineering	\$ 804,274*
561 Load dispatching	1,591,603*
562 Station expense	515,134*
563 Overhead line expense	88,105*
566 Misc. transmission expense	377,526*
567 Rents	75,988*
	<hr/>
Total Operation	3,452,630
	<hr/>
568 Maintenance supervision & engineering	167,549*
569 Maintenance of structure	125,381*
570 Maintenance of station equipment	1,833,546*
571 Maintenance of overhead lines	1,828,500*
573 Maintenance of miscellaneous transmission plant	398,379*
	<hr/>
Total Maintenance	4,353,355
	<hr/>
Total Operation & Maintenance	7,805,985
	<hr/>
Lease of Power Control Center and System Control & Data Acquisition	739,426**
	<hr/>
Total O&M and Lease Expense	\$ 8,545,411
	<hr/>
Transmission Plant in Service	
December 31, 1977	\$279,389,344***
December 31, 1978	270,595,484***
	<hr/>
Total	549,984,828
	<hr/>
Average Plant	\$274,992,414
	<hr/>
O&M Fixed Charge (\$8,545,411 ÷ \$274,992,414)	3.11%

\*\* Per page 418 of FPC Form No. 1, 1978

\*\* 60% of total \$1,232,376 FPC Form No. 1, Page 421B = \$739,426

\*\*\* Page 402 of FPC Form No. 1, 1978

PENNSYLVANIA POWER & LIGHT COMPANYTransmission Fixed Charges  
Rate of Return

<u>Class of Capital</u>	<u>Capitalization</u> <u>Ratio</u>	<u>Effective</u> <u>Rate</u>	<u>Composite Cost</u> <u>of Capital</u>
Long Term Debt	45.2%	7.92% (B)	3.58%
Preferred Stock	19.5	8.39% (B)	1.64
Common Stock	<u>35.3</u>	14.28% (A)	<u>5.04</u>
Total	<u>100.0%</u>		<u>10.26%</u>

Re (Return on Equity) = 1.64% + 5.04% = 6.68%

Equity Capitalization Ratio = 19.5% + 35.3% = 54.8%

(A) Per Rate Order of August 26, 1976 by the P.P.U.C.

(B) As of December 31, 1978



**PENNSYLVANIA POWER & LIGHT COMPANY****Transmission Fixed Charges**  
**Derivation of Income Tax Rate**

Income Taxes:

$$\text{Federal Taxable Income} = \text{State Taxable Income} - \text{State Tax}$$

$$\text{State Tax} = T_s = 10.5\% \times \text{STI}$$

$$\text{Federal Tax} = T_f = 46\% \times \text{FTI}$$

$$\text{FTI} = \text{STI} - T_s$$

$$T_c = \text{Composite Tax} - T_f + T_s$$

$$= 0.46 (\text{STI} - T_s) + 0.105 \text{STI}$$

$$= 0.46 \text{STI} - 0.46 \times 0.105 \text{STI} + 0.105 \text{STI}$$

$$= (0.46 + 0.105 - 0.0483) \text{STI}$$

$$= 0.5167 \text{STI}$$

$$R_e = \text{Equity Return Component}$$

$$\text{STI} = R_e + T_c$$

$$= R_e + 0.5167 \text{STI}$$

$$= \frac{1}{1.0 - 0.5167} \times R_e$$

$$= \frac{1}{0.4833} \times R_e$$

$$T_c = \frac{0.5167}{0.4833} \times R_e$$

$$= 1.069 \times R_e$$

**PENNSYLVANIA POWER & LIGHT COMPANY****Transmission Fixed Charges**  
**Calculation of Pa. Cap. Stock Tax Rate**Line

1	Equity Capitalization Ratio (Total of Preferred & Preference + Common Per Schedule 4 attached)	54.8%
2	Capital Stock Tax	1.0%
3	Capital Stock Tax Rate (Line 1 x Line 2)	.548%

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC**

**Depreciation and Amortization of Electric Plant  
 Factors Used in Estimating Depreciation Charges**

Functional Classification (a)	Depreciable Plant Base (1,000) (b)	Estimated Avg. Service Life (c)	Applied Depr. Rate (Percent) (d)
Steam Production Plant	465,223	32.5	3.08
Nuclear Production Plant	101,032	30.7	3.26
Hydro Production Plant	22,147	71.4	1.40
Other Production Plant	14,736	20.9	4.78
Transmission Plant	188,859	42.0	2.38
Distribution Plant	438,867	36.0	2.78
General Plant	40,083	41.0	2.44
Total	1,270,947		

MID-ATLANTIC INTERSTATE TRANSMISSION, LLCTransmission Fixed ChargesDerivation of Operation & Maintenance Expenses for Transmission Plant

<u>Account</u>	<u>Expenses - Year of 1978</u>	
	<u>Transmission Operation</u>	
560	Operation, Supervision and Engineering	\$ 1,117,111
561	Load Dispatching	558,340
562	Station Expenses	280,226
563	Overhead Line Expenses	112,390
564	Underground Line Expenses	—
566	Miscellaneous Transmission Expenses	171,173
567	Rents	112,055
		<u>\$ 2,351,295</u>
	<u>Transmission Maintenance</u>	
568	Maintenance Supervisions and Engineering	\$ 96,201
569	Maintenance of Structures	16,614
570	Maintenance of Station Equipment	924,093
571	Maintenance of Overhead Lines	1,375,787
572	Maintenance of Underground Lines	239
573	Maintenance of Miscellaneous Transmission Plant	102,277
		<u>\$ 2,515,211</u>
	Total Operating and Maintenance	<u>\$ 4,866,506</u>
	Transmission Plant in Service	
	December 31, 1977	\$187,044,523
	December 31, 1978	<u>193,467,682</u>
		\$380,512,205
	Average Transmission Plant	<u>\$190,256,103</u>
	Operation and Maintenance Fixed Charge \$4,866,506	
	÷ \$190,256,103 = <u>2.56%</u>	

REF: Expenses - Page 418 of FERC Form 1, 1978  
Plant In Service - Page 402 of FERC Form 1, 1978

## MID-ATLANTIC INTERSTATE TRANSMISSION, LLC

Transmission Fixed Charges  
Rate of Return  
December 31, 1978

<u>Class of Capital</u>	<u>Capitalization Ratio</u>	<u>Effective Rate</u>	<u>Composite Cost of Capital</u>
Long Term Debt	52.88%	7.49%	3.96%
Preferred Stock	14.15%	8.67%	1.23%
Common Stock	<u>32.97%</u>	13.12%*	<u>4.33%</u>
	100.00%		9.52%

Re (Return on Equity) = 1.23 + 4.33 = 5.56%

Equity Capitalization Ratio = 14.15% + 32.97% = 47.12%

\* As per PPUC Rate Order entered 1/26/79 on Docket R-78040599, effective 12/31/78.

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC****Transmission Fixed Charges**  
**Derivation of Income Tax Rate**

Income Taxes:

$$\text{Federal Taxable Income} = \text{State Taxable Income} - \text{State Tax}$$

$$\text{State Tax} = T_s = 10.5\% \times \text{STI}$$

$$\text{Federal Tax} = T_f = 46\% \times \text{FTI}$$

$$\text{FTI} = \text{STI} - T_s$$

$$T_c = \text{Composite Tax} - T_f + T_s$$

$$= 0.46 (\text{STI} - T_s) + 0.105 \text{ STI}$$

$$= 0.46 \text{ STI} - 0.46 \times 0.105 \text{ STI} + 0.105 \text{ STI}$$

$$= (0.46 + 0.105 - 0.0483) \text{ STI}$$

$$= 0.5167 \text{ STI}$$

$$R_e = \text{Equity Return Component}$$

$$\text{STI} = R_e + T_c$$

$$= R_e + 0.5167 \text{ STI}$$

$$= \frac{1}{1.0 - 0.5167} \times R_e$$

$$= \frac{1}{0.4833} \times R_e$$

$$T_c = \frac{0.5167}{0.4833} \times R_e$$

$$= 1.069 \times R_e$$

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC****Transmission Fixed Charges**  
**Derivation of Pennsylvania Capital Stock Tax Rate**Line

1	Equity Capitalization at December 31, 1978 (Schedule h)	47.12%
2	Capital Stock Tax	1.0%
3	Capital Stock Tax Rate (Line 1 x Line 2)	0.471%

**SUPPLEMENTAL AGREEMENT**

**TO**

**INTERCONNECTION AGREEMENT**

**BETWEEN**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC**

**AND**

**PENNSYLVANIA POWER & LIGHT COMPANY**

**MADE AS OF NOVEMBER 20, 1978**

To reflect revision to the payment provisions of the agreement to allow for either lump sum or monthly progress payments or carrying charges as methods of reimbursement.



**SUPPLEMENTAL AGREEMENT TO THE  
INTERCONNECTION AGREEMENT BETWEEN  
MID-ATLANTIC INTERSTATE TRANSMISSION, LLC AND  
PENNSYLVANIA POWER & LIGHT COMPANY  
DATED AS OF NOVEMBER 20, 1978**

SUPPLEMENTAL AGREEMENT made as of the 30 day of March, 1993 by and between Mid-Atlantic Interstate Transmission, LLC ("MAIT") and Pennsylvania Power & Light Company ("PP&L"), both parties being corporations organized and existing under the laws of the Commonwealth of Pennsylvania.

WHEREAS, PP&L and MAIT ("Companies"), are parties to an Interconnection Agreement ("Agreement") dated November 20, 1978; and

WHEREAS, the Agreement defines the rights and responsibilities of PP&L and MAIT concerning interconnection facilities and is necessary to permit interconnected operations between the Companies; and

WHEREAS, periodically, it is expected that either party may perform work and incur costs on behalf of the other party, related to the interconnection facilities; and

WHEREAS, Article 5 of the Agreement provides for carrying charge payments as defined therein when either Company performs operational or construction activities related to interconnected facilities at the request of and for the other Company; and

WHEREAS, PP&L and MAIT would each like to have the option to make either lump-sum payments in full after work is completed, or monthly payments to reimburse the other Company for actual costs incurred as work is performed, in lieu of the carrying charges addressed in Article 5.

NOW THEREFORE, in view of the mutual promises and covenants contained herein, the Companies hereby agree to amend the Agreement as follows:

1. New Section 5.5 shall be added to the Agreement.

"5.5 Either party, upon the request of the other party, may perform design, installation, construction, operation, or maintenance work for the other party on facilities and points of interconnection described in Appendix A or on other facilities which may affect these points of interconnection, and shall be reimbursed for the costs thereof by the other party. For such work, as an alternative to and in lieu of the revisions that could otherwise apply to the monthly payments set forth in Appendix C, if mutually agreed upon by both parties, reimbursement may be made for the actual costs incurred either by a one-time lump sum payment in full after the work is completed or by monthly payments for costs incurred as the work is performed."
2. In all other respects, all other provisions of the Agreement, as supplemented, shall remain in full force and effect, and this Supplement shall not be deemed to change or affect the Agreement unless specifically set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their respective names each by duly authorized officers, and have further caused their respective corporate seals to be hereunto affixed and attested, on the day and year first above written.

SERVICE AGREEMENT NO. 5050

MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC  
BY:

ATTEST:

  
\_\_\_\_\_  
ASSISTANT Secretary

  
\_\_\_\_\_  
G. R. Repko  
Vice President

MAIT-PL INTERCONNECTION AGREEMENT

Comparison of Present and Proposed Monthly Payments (\$)

Statement A

	Present Payments MAIT to PL					Present Payments PL to MAIT		
	C-1	C-2	C-3	C-4	C-6	Total	C-5	Total
September 1978	762	395	1,542	2,083	-	4,782	180	180
October	762	395	1,542	2,083	-	4,782	180	180
November	762	395	1,542	2,083	-	4,782	180	180
December	762	395	1,542	2,083	-	4,782	180	180
January 1979	728	383	1,499	2,034	-	4,644	175	175
February	728	383	1,499	2,034	-	4,644	175	175
March	728	383	1,499	2,034	-	4,644	175	175
April	728	383	1,499	2,034	-	4,644	175	175
May	728	383	1,499	2,034	-	4,644	175	175
June	728	383	1,499	2,034	-	4,644	175	175
July	728	383	1,499	2,034	-	4,644	175	175
August	728	383	1,499	2,034	-	4,644	175	175
<b>Total</b>	<b>8,872</b>	<b>4,644</b>	<b>18,160</b>	<b>24,604</b>		<b>56,280</b>	<b>2,120</b>	<b>2,120</b>
	Proposed Payments MAIT to PL					Proposed Payments PL to MAIT		
September 1979	-	-	-	3,028	3,472	6,500	229	229
October	-	-	-	3,028	3,472	6,500	229	229
November	-	-	-	3,028	3,472	6,500	229	229
December	-	-	-	3,028	3,472	6,500	229	229
January 1980	-	-	-	3,028	3,472	6,500	229	229
February	-	-	-	3,028	3,472	6,500	229	229
March	-	-	-	3,028	3,472	6,500	229	229
April	-	-	-	3,028	3,472	6,500	229	229
May	-	-	-	3,028	3,472	6,500	229	229
June	-	-	-	3,028	3,472	6,500	229	229
July	-	-	-	2,958	3,402	6,360	224	224
August	-	-	-	2,958	3,402	6,360	224	224
<b>Total</b>				<b>36,196</b>	<b>41,524</b>	<b>77,720</b>	<b>2,738</b>	<b>2,738</b>

Net Payments PN to PL (12 months ending August 1979) = \$54,160

Net Payments PN to PL (12 months ending August 1980) = \$74,982

**Attachment D-2**

**Marked Tariff**

**Service Agreement No. 5050**

SERVICE AGREEMENT NO. 5050

INTERCONNECTION AGREEMENT

BETWEEN

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC ~~PENNSYLVANIA ELECTRIC COMPANY~~

AND

PENNSYLVANIA POWER & LIGHT COMPANY

Made as of November 20, 1978

\_\_\_\_\_  
\_\_\_\_\_  
To Amend and Restate an Existing Agreement, as  
Supplemented, and to Add One New 230 KV Interconnection  
Point, to Remove One 230 KV Interconnection Point, and to  
Remove One 110 KV Interconnection Point.

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SERVICE AGREEMENT NO. 5050

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INTERCONNECTION AGREEMENT

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC~~PENNSYLVANIA ELECTRIC COMPANY~~

AND

PENNSYLVANIA POWER & LIGHT COMPANY

AGREEMENT made and entered into as of the 20th day of November, 1978, by and between MID-ATLANTIC INTERSTATE TRANSMISSION, LLC~~PENNSYLVANIA ELECTRIC COMPANY~~, hereinafter called "MAITPN", party of the first part, and PENNSYLVANIA POWER & LIGHT COMPANY, herein- after called "PL", party of the second part, both of said parties being corporations organized and existing under the laws of the Commonwealth of Pennsylvania.

WHEREAS, MAITPN and PL have currently in effect an Interconnection Agreement dated May 31, 1968, as supplemented; and

WHEREAS, MAITPN and PL have agreed to terminate the Peckville 110 KV interconnection; and

WHEREAS, MAITPN has agreed to sell and PL has agreed to buy the Lackawanna-Peckville portion (2.5 miles, more or less) of ~~PNMAIT~~'s East Towanda-Peckville 230 KV line, and as a result thereof, the Peckville 230 KV inter-connection is terminated and replaced by a new Lackawanna 230 KV inter-connection; and

WHEREAS, certain other changes in said agreement are desired by the parties and, as a result, the parties have determined to amend and restate their interconnection arrangements.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that the parties hereto, intending to be legally bound, covenant and agree with each other as follows:



ARTICLE 1

Duration of Agreement

1.1 Subject to receipt of all requisite regulatory approvals, this Agreement shall become effective on the date of Closing on the sale by ~~MAITPN~~ and the purchase by PL of the Lenox-Peckville 115 KV line estimated to be on September 15, 1979, and shall continue in force with respect to each point of interconnection, initially or hereafter provided for, until terminated by either party giving to the other not less than five (5) years' written notice of its intention to do so, except that no termination with respect to any point of interconnection shall become effective as long as the interconnection between the parties hereto at that point is necessary to enable the parties hereto to perform and carry out the terms of any other interconnection agreement to which they are both parties at the time.

ARTICLE 2

Points of Interconnection

2.1 Each of the parties hereto shall maintain and operate, or cause to be maintained and operated, its respectively owned interconnection facilities for the transfer or interchange between the systems of the parties hereto of electric capacity and energy at the points of interconnection described in Appendix A, attached hereto and made a part hereof.

2.2 The construction, maintenance, and operation of facilities for any point of interconnection in addition to those hereinabove provided for, or any change in the existing or such additional points, shall be as agreed upon between the parties hereto and shall be covered by an appropriate supplement or appropriate supplements to this Agreement.

ARTICLE 3

Metering

3.1 The amount of electric energy transferred, interchanged, or replaced between the systems of the parties hereto at the several points of interconnection hereinabove referred to, shall be determined as described in Appendix B, attached hereto and made a part hereof.

3.2 Except as otherwise provided in Appendix B, the loss compensators provided therein shall account for the energy losses between points of interconnection and points of metering, and such losses shall be added to or subtracted from, as the particular situation requires, the energy flow at the metering point to determine the actual energy transferred at the point of interconnection.

ARTICLE 4

Services to be Rendered

4.1 The interconnection facilities referred to in Article 2 shall be used for transactions contemplated by the terms of such other agreements to which both parties hereto are parties and which require their availability, and also for such other transactions, not inconsistent with the existing obligations of the parties hereto, as MAITPN and PL may mutually agree upon.

4.2 Each party shall, within the limits of the capacity of the interconnection or interconnections provided hereunder and its own ability to do so, of which latter it shall be the sole judge, accept electric energy from the other party and relay such energy through its system from one interconnection point hereunder to the other party at another interconnection point hereunder; provided, however that nothing in this Section shall be construed as relieving either party of its

responsibility to provide adequate facilities to serve its own load either by construction of its own facilities or by paying proper compensation for the use of the facilities of the other party.

4.3 PL shall have the right to supply electric energy to its Renovo Substation at Renovo, Pennsylvania, by means of the Chapman Interconnection described in Appendix A (2), at any time when PL's 69 KV line between Lock Haven and Renovo is not available for service; provided, however, that the 12 KV circuit breaker described in Appendix A (2) (b), which is normally open, shall not, except by mutual agreement of the duly authorized representatives of the parties hereto, be closed while PL's 69 KV line between Lock Haven and Renovo is being used to supply Renovo Substation.

#### ARTICLE 5

##### Billing and Payments

5.1 The monthly payments, if any, between the parties hereto shall be as set forth in Appendix C, attached hereto and made a part hereof, as the same may be amended from time to time. Effective July 1, 1980, and each July thereafter, Appendix C shall be revised so as to reflect information as of December 31 of the preceding year. The parties hereto may agree not to amend Appendix C, or any part thereof, if in their mutual opinions the resultant change would not justify the amendment.

5.2 In the event that any of the interconnections on which facilities charges are being paid in accordance with Appendix C are terminated by either party in accordance with the provisions of Section 1.1 hereof, the owning party shall be paid by the other party a sum of money equivalent to net investment (original cost less depreciation) in the facilities pertaining to the interconnection so terminated at the time of

termination, plus the cost of removal of such facilities less their salvage value. The net investment in each party's facilities shall be computed in accordance with each party's own accounting practices.

5.3 All bills rendered under this Article shall be payable within fifteen (15) days of receipt thereof.

5.4 Any filing fees in connection with revisions to Appendix C as contemplated in Section 5.1 hereof shall be shared equally by each of the parties, except that if a party requests by written notice that a suggested revision to Appendix C is not necessary because the resultant change in monthly payments would not be significant enough to justify the amendment, and the other party refuses to agree not to amend Appendix C, the party so refusing shall pay all of the filing fees ,in connection with such revision.

#### ARTICLE 6

##### Appendices

6.1 In order to permit flexibility of making changes in this Agreement to conform to changing conditions, appendices as required shall be prepared, and revised from time to time by the parties, setting forth descriptions of interconnections, determinations of charges for interconnection facilities, locations of metering points, and any other matters requisite or appropriate to the carrying out of this Agreement. Upon acceptance by the parties of any such appendix and satisfaction of all applicable regulatory requirements, said appendix shall become a part of this Agreement as an addition thereto or in lieu of any prior appendices or portions thereof which they are designated to replace.

ARTICLE 7

Indemnity

7.1 Except as it may be otherwise provided in any separate agreement between the parties under the terms of which either party may be acting as a contractor for the other party to service, operate, or maintain certain facilities of the other, each party shall save the other party hereto harmless of and from any and all loss and damage by reason of any bodily injury, death, or damage to property caused or sustained in that portion of the interconnecting facilities owned, controlled, or made available by it, notwithstanding that a judgment may be entered against the other party hereto; except that each party shall be responsible for all claims of its own employees, agents, and servants, growing out of any Worker's Compensation Law. It is expressly agreed that neither party shall be liable for consequential damages under this Agreement.

ARTICLE 8

Cancellation of Existing Agreements

8.1 That certain Agreement dated May 31, 1968, by and between MAITPN and PL, as supplemented by Appendix B, Revisions 1 - 11/1/69, and 2 - 10/1/71, is hereby cancelled and terminated as of the effective date of this Agreement, except that nothing herein contained shall be construed to relieve either party from the obligation to make any payments due to the other thereunder as of the date of such cancellation.

ARTICLE 9

Terminology

9.1 As a matter of terminology and in the interest of simplicity, all lines and facilities of both parties shall be referred to respectively as 230 KV, 115 KV and 69 KV, as appropriate.

ARTICLE 10

Assignment

10.1 The terms and provisions of this Agreement shall enure to and bind not only the parties hereto, but also their respective successors and assigns.

ARTICLE 11

Readings

11.1 The descriptive headings of the various articles of this agreement have been inserted for convenience or reference only and shall in no manner modify or restrict any of the terms or provisions hereof.

ARTICLE 12

Failure to Insist Upon Performance

12.1 The failure of any party to insist in one or more instances upon strict performance of any of the provisions of this agreement or to take advantage of its rights hereunder, shall not be construed as a waiver of any such provision, or the relinquishment of any such rights, but the same shall continue to remain in full force and effect.

ARTICLE 13

Provisions Severable

13.1 The provisions of this agreement are severable and if any provisions shall be determined to be illegal or unenforceable, such determination shall in no manner affect any other provision hereof, and the remainder of this agreement shall remain in full force and effect without regard to the fact that one or several provisions of this agreement may be determined from time to time to be illegal or unenforceable, provided

however, that the intention and essence of this agreement may still be accomplished and satisfied.

ARTICLE 14

Laws

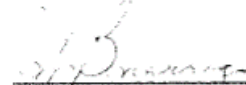
14.1 The validity, interpretation, and performance of this agreement and of every provision hereunder shall, except otherwise provided by law, be governed by the laws of the Commonwealth of Pennsylvania.


IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their respective names, each by duly authorized officers, and have further caused their respective corporate seals to be hereunto affixed and attested, on the day and year first above written.

Service Agreement No. 5050  
MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC PENNSYLVANIA  
ELECTRIC COMPANY

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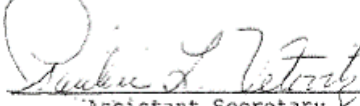
ATTEST:


  
\_\_\_\_\_  
Assistant Secretary

  
\_\_\_\_\_  
Vice President

PENNSYLVANIA POWER & LIGHT COMPANY  
BY:

ATTEST:

  
\_\_\_\_\_  
Assistant Secretary

  
\_\_\_\_\_  
Vice President

**APPENDIX A**

**POINTS OF INTERCONNECTION**

**Section 2.1**

- (1) LEWISTOWN-JUNIATA INTERCONNECTION - located at PL's Juniata Substation in Centre Township, Perry County, Pennsylvania, and including the following facilities:
  - (a) Terminal facilities owned by PL, which include a steel dead-end structure, 230 KV circuit breakers, disconnect switches, connections between the Lewistown-Juniata line and the Juniata-Middletown Junction line referred to in (1) (b) below and the 230 KV station bus, relaying and telemetering facilities, etc.; and
  - (b) Two 230 KV transmission lines owned by ~~MAITPN~~, known as the Lewistown-Juniata line and the Juniata-Middletown Junction line, which lines terminate on PL's dead-end structure provided under (1) (a).
  
- (2) CHAPMAN INTERCONNECTION - located at PL's Chapman Substation in Chapman Township, Clinton County, Pennsylvania, and including the following facilities:
  - (a) One 12,000 KVA, 230-12 KV transformer, together with a 230 KV circuit switcher, a 12 KV circuit breaker, associated substation structure, connections to ~~PNMAIT~~'s 230 KV tap provided under (2) (c) below, relaying and telemetering facilities, etc., all owned by PL;
  - (b) An approximately one-mile 12 KV line, also owned by PL, connecting PL's Chapman Substation provided under (2) (a) to PL's Renovo Substation through a 12 KV circuit breaker located in said Renovo Substation; and
  - (c) A 230 KV structure installed in ~~PNMAIT~~'s Shawville-East Towanda 230 KV line and a 230 KV single span tapping said line and terminating on PL's substation structure provided under (2) (a) above. The tap structure and 230 KV span are owned by ~~MAITPN~~.
  
- (3) LACKAWANNA 230 KV INTERCONNECTION - located at PL's Lackawanna Switching Station in Blakely Borough, Lackawanna County, Pennsylvania and including the following facilities:
  - (a) Terminal facilities' owned by PL, which include a steel dead-end structure, air switches, circuit breaker, a coupling capacitor, carrier relay, and station grounding, wiring, conduit, switchboards, metering, and telemetering facilities.
  - (b) A 230 KV transmission line owned by ~~MAITPN~~ known as the East Towanda-Lackawanna Line, terminates on PL's dead-end structure provided under (3) (a).



**APPENDIX B**

**ENERGY METERING**

**Section 3.1**

- (1) LEWISTOWN-JUNIATA INTERCONNECTION - by energy meters, including loss compensators, installed at ~~PMMAIT~~'s, Lewistown Substation in Granville Township, Mifflin County, Pennsylvania, at 230 KV, which meters are to be furnished and maintained by ~~MAITPN~~.
- (2) CHAPMAN INTERCONNECTION - by energy meter, including loss compensator, installed at PL's Renovo Substation in Renovo Borough, Clinton County, Pennsylvania, which meter is to be furnished and maintained by PL. The use of energy for standby operation shall be estimated and included in the energy accounting.
- (3) LACKAWANNA 230 KV INTERCONNECTION - by energy meters installed at PL's Lackawanna Substation in Blakely Borough, Lackawanna County, Pennsylvania, at 230 KV, which meters are to be-furnished and maintained by PL on behalf of ~~MAITPN~~.

**APPENDIX C**

**CALCULATION OF MONTHLY PAYMENTS**

**Section 5.1**

- C-1 Peckville 110 KV Interconnection, terminated
- C-2 Peckville 110 KV Interconnection, terminated
- C-3 Peckville 220 KV Interconnection, terminated
- C-4 Lewistown-Juniata Interconnection
- C-5 Chapman Interconnection
- C-6 Lackawanna 230 KV Interconnection

APPENDIX C

**CALCULATION OF MONTHLY PAYMENT**

Section 5.1

**Lewistown-Juniata Interconnection**

Calculation of monthly payment to be made by MAITPN to PL for provision, operation and maintenance of line terminal facilities at Juniata Substation described in Appendix A(1) (a)

a.	Depreciable Plant as of 12/31/78	\$206,136
b.	Non-Depreciable Plant as of 12/31/78	—
c.	Total Plant (a) + (b)	\$206,136
d.	Investment Recovered (accrued depreciation as of 12/31/78)	65,454
e.	Net Investment (c) - (d)	140,682
f.	Depreciation (a) x 2.266%	4,671
g.	Operation & Maintenance (c) x 3.11%	6,411
h.	Return (e) x 10.26%	14,434
i.	Income Taxes 1.069 (6.68% x (e))	10,046
j.	PA Cap. Stock Tax (e) x 0.548%	<u>771</u>
k.	Total Annual Charge (f) + (g) + (h) + (i) + (j)	36,333
l.	Monthly Charge (k) x 1/12	\$ 3,028

APPENDIX C

CALCULATION OF MONTHLY PAYMENT

Section 5.1

Chapman Interconnection

Calculation of monthly payment to be made by PL to ~~MAITPN~~ for PL's use of ~~PMMAIT~~'s facilities as provided under Appendix A(2) (c)

a.	Depreciable Plant as of 12/31/78	\$17,821
b.	Non-Depreciable Plant as of 12/31/78	—
c.	Total Plant (a) + (b)	17,821
d.	Investment Recovered (accrued depreciation as of 12/31/78)	6,078
e.	Net Investment (c) - (d)	11,743
f.	Depreciation (a) x 2.38%	424
g.	Operation & Maintenance (c) x 2.56%	456
h.	Return (e) x 9.52%	1,118
i.	Income Taxes 1.069 (5.56% x (e))	698
j.	PA Cap. Stock Tax (e) x 0.471%	<u>55</u>
k.	Total Annual Charge (f) + (g) + (h) + (i) + (j)	2,751
l.	Monthly Charge (k) x 1/12	\$ 229

APPENDIX C

CALCULATION OF MONTHLY PAYMENT

Section 5.1

Lackawanna Interconnection

| Calculation of monthly payment to be made by ~~MAITPN~~ to PL for provision, operation and maintenance of line terminal facilities by the latter at Lackawanna Substation for the East Towanda 230 kv line described in Appendix A(3) (a)

a.	Depreciable Plant as of 12/31/78	\$206,784
b.	Non-Depreciable Plant as of 12/31/78	-
c.	Total Plant (a) + (b)	206,784
d.	Investment Recovered (accrued depreciation as of 12/31/78)	36,623
e.	Net Investment (c) - (d)	170,161
f.	Depreciation (a) x 2.266%	4,686
g.	Operation & Maintenance (c) x 3.11%	6,431
h.	Return (e) x 10.26%	17,459
i.	Income Taxes 1.069 (6.68% x (e))	12,151
j.	PA Cap. Stock Tax (e) x 0.548%	<u>932</u>
k.	Total Annual Charge (f) + (g) + (h) + (i) + (j)	41,659
l.	Monthly Charge (k) x 1/12	\$ 3,472

PENNSYLVANIA POWER & LIGHT COMPANY  
Depreciation and Amortization of Electric  
Year 1978

<u>Acct. No.</u>	<u>Average</u> <u>Depreciable</u> <u>Plant</u>	<u>Est.</u> <u>Life</u>	<u>Net</u> <u>Salvage</u>	<u>Depr.</u> <u>Rate</u>	<u>Mortality</u> <u>Curve</u>
Transmission Plant					
3504	\$ 16,192	100	0	1.000	R2
3520	11,462	75	0	1.333	R3
3530	123,177	45	0	2.222	S0
3540	71,725	40	0	2.500	R3
3550	2,118	35	0	2.857	R2
3560	41,457	40	0	2.500	R2
3590	<u>1,631</u>	60	0	1.667	R4
TOTAL	<u>\$267,762</u>			<u>2.266</u>	

PENNSYLVANIA POWER & LIGHT COMPANYTransmission Fixed Costs  
Year 1978

<u>Account</u>	<u>Amount</u>
560 Operation supervision & engineering	\$ 804,274*
561 Load dispatching	1,591,603*
562 Station expense	515,134*
563 Overhead line expense	88,105*
566 Misc. transmission expense	377,526*
567 Rents	<u>75,988*</u>
Total Operation	<u>3,452,630</u>
568 Maintenance supervision & engineering	167,549*
569 Maintenance of structure	125,381*
570 Maintenance of station equipment	1,833,546*
571 Maintenance of overhead lines	1,828,500*
573 Maintenance of miscellaneous transmission plant	<u>398,379*</u>
Total Maintenance	<u>4,353,355</u>
Total Operation & Maintenance	<u>7,805,985</u>
Lease of Power Control Center and System Control & Data Acquisition	<u>739,426**</u>
Total O&M and Lease Expense	<u>\$ 8,545,411</u>
Transmission Plant in Service	
December 31, 1977	\$279,389,344***
December 31, 1978	<u>270,595,484***</u>
Total	<u>549,984,828</u>
Average Plant	<u>\$274,992,414</u>
O&M Fixed Charge (\$8,545,411 ÷ \$274,992,414)	<u>3.11%</u>

\*\* Per page 418 of FPC Form No. 1, 1978

\*\* 60% of total \$1,232,376 FPC Form No. 1, Page 421B = \$739,426

\*\*\* Page 402 of FPC Form No. 1, 1978

PENNSYLVANIA POWER & LIGHT COMPANYTransmission Fixed Charges  
Rate of Return

<u>Class of Capital</u>	<u>Capitalization</u> <u>Ratio</u>	<u>Effective</u> <u>Rate</u>	<u>Composite Cost</u> <u>of Capital</u>
Long Term Debt	45.2%	7.92% (B)	3.58%
Preferred Stock	19.5	8.39% (B)	1.64
Common Stock	<u>35.3</u>	14.28% (A)	<u>5.04</u>
Total	<u>100.0%</u>		<u>10.26%</u>

Re (Return on Equity) = 1.64% + 5.04% = 6.68%

Equity Capitalization Ratio = 19.5% + 35.3% = 54.8%

(A) Per Rate Order of August 26, 1976 by the P.P.U.C.

(B) As of December 31, 1978



PENNSYLVANIA POWER & LIGHT COMPANYTransmission Fixed Charges  
Derivation of Income Tax Rate

Income Taxes:

Federal Taxable Income = State Taxable Income - State Tax

State Tax =  $T_s = 10.5\% \times \text{STI}$ Federal Tax =  $T_f = 46\% \times \text{FTI}$ FTI =  $\text{STI} - T_s$ 

$$\begin{aligned} T_c &= \text{Composite Tax} - T_f + T_s \\ &= 0.46 (\text{STI} - T_s) + 0.105 \text{STI} \\ &= 0.46 \text{STI} - 0.46 \times 0.105 \text{STI} + 0.105 \text{STI} \\ &= (0.46 + 0.105 - 0.0483) \text{STI} \\ &= 0.5167 \text{STI} \end{aligned}$$

 $R_e$  = Equity Return Component

$$\begin{aligned} \text{STI} &= R_e + T_c \\ &= R_e + 0.5167 \text{STI} \\ &= \frac{1}{1.0 - 0.5167} \times R_e \\ &= \frac{1}{0.4833} \times R_e \\ T_c &= \frac{0.5167}{0.4833} \times R_e \\ &= 1.069 \times R_e \end{aligned}$$

PENNSYLVANIA POWER & LIGHT COMPANY

Transmission Fixed Charges  
Calculation of Pa. Cap. Stock Tax Rate

Line

1	Equity Capitalization Ratio (Total of Preferred & Preference + Common Per Schedule 4 attached)	54.8%
2	Capital Stock Tax	1.0%
3	Capital Stock Tax Rate (Line 1 x Line 2)	.548%

Schedule (f)  
Ended December 31, 1978

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC PENNSYLVANIA ELECTRIC COMPANY

Depreciation and Amortization of Electric Plant  
Factors Used in Estimating Depreciation Charges

Functional Classification (a)	Depreciable Plant Base (1,000) (b)	Estimated Avg. Service Life (c)	Applied Depr. Rate (Percent) (d)
Steam Production Plant	465,223	32.5	3.08
Nuclear Production Plant	101,032	30.7	3.26
Hydro Production Plant	22,147	71.4	1.40
Other Production Plant	14,736	20.9	4.78
Transmission Plant	188,859	42.0	2.38
Distribution Plant	438,867	36.0	2.78
General Plant	40,083	41.0	2.44
Total	1,270,947		

Schedule (g)

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC PENNSYLVANIA ELECTRIC COMPANY

Transmission Fixed Charges  
Derivation of Operation & Maintenance Expenses for Transmission Plant

<u>Account</u>	<u>Expenses - Year of 1978</u>	
	<u>Transmission Operation</u>	
560	Operation, Supervision and Engineering	\$ 1,117,111
561	Load Dispatching	558,340
562	Station Expenses	280,226
563	Overhead Line Expenses	112,390
564	Underground Line Expenses	—
566	Miscellaneous Transmission Expenses	171,173
567	Rents	<u>112,055</u>
		\$ 2,351,295
	<u>Transmission Maintenance</u>	
568	Maintenance Supervisions and Engineering	\$ 96,201
569	Maintenance of Structures	16,614
570	Maintenance of Station Equipment	924,093
571	Maintenance of Overhead Lines	1,375,787
572	Maintenance of Underground Lines	239
573	Maintenance of Miscellaneous Transmission Plant	<u>102,277</u>
		\$ 2,515,211
	Total Operating and Maintenance	<u>\$ 4,866,506</u>
	Transmission Plant in Service	
	December 31, 1977	\$187,044,523
	December 31, 1978	<u>193,467,682</u>
		\$380,512,205
	Average Transmission Plant	<u>\$190,256,103</u>
	Operation and Maintenance Fixed Charge	
	$\$4,866,506 \div \$190,256,103 = \underline{2.56\%}$	

REF: Expenses - Page 418 of FERC Form 1, 1978  
Plant In Service - Page 402 of FERC Form 1, 1978

Schedule (h)

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC~~PENNSYLVANIA ELECTRIC COMPANY~~

Transmission Fixed Charges  
Rate of Return  
December 31, 1978

<u>Class of Capital</u>	<u>Capitalization</u> <u>Ratio</u>	<u>Effective</u> <u>Rate</u>	<u>Composite Cost</u> <u>of Capital</u>
Long Term Debt	52.88%	7.49%	3.96%
Preferred Stock	14.15%	8.67%	1.23%
Common Stock	<u>32.97%</u>	13.12%*	<u>4.33%</u>
	100.00%		9.52%

Re (Return on Equity) = 1.23 + 4.33 = 5.56%

Equity Capitalization Ratio = 14.15% + 32.97% = 47.12%

\* As per PPUC Rate Order entered 1/26/79 on Docket R-78040599, effective 12/31/78.

Schedule (i)

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC PENNSYLVANIA ELECTRIC COMPANY

Transmission Fixed Charges  
Derivation of Income Tax Rate

Income Taxes:

Federal Taxable Income = State Taxable Income - State Tax

State Tax =  $T_s = 10.5\% \times \text{STI}$

Federal Tax =  $T_f = 46\% \times \text{FTI}$

$\text{FTI} = \text{STI} - T_s$

$$\begin{aligned} T_c &= \text{Composite Tax} - T_f + T_s \\ &= 0.46 (\text{STI} - T_s) + 0.105 \text{STI} \\ &= 0.46 \text{STI} - 0.46 \times 0.105 \text{STI} + 0.105 \text{STI} \\ &= (0.46 + 0.105 - 0.0483) \text{STI} \\ &= 0.5167 \text{STI} \end{aligned}$$

$R_e$  = Equity Return Component

$$\begin{aligned} \text{STI} &= R_e + T_c \\ &= R_e + 0.5167 \text{STI} \\ &= \frac{1}{1.0 - 0.5167} \times R_e \\ &= \frac{1}{0.4833} \times R_e \\ T_c &= \frac{0.5167}{0.4833} \times R_e \\ &= 1.069 \times R_e \end{aligned}$$

Schedule (j)

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC PENNSYLVANIA ELECTRIC COMPANY

Transmission Fixed Charges  
Derivation of Pennsylvania Capital Stock Tax Rate

Line

1	Equity Capitalization at December 31, 1978 (Schedule h)	47.12%
2	Capital Stock Tax	1.0%
3	Capital Stock Tax Rate (Line 1 x Line 2)	0.471%

**SUPPLEMENTAL AGREEMENT**

**TO**

**INTERCONNECTION AGREEMENT**

**BETWEEN**

**MID-ATLANTIC INTERSTATE TRANSMISSION, LLC~~PENNSYLVANIA ELECTRIC COMPANY~~**

**AND**

**PENNSYLVANIA POWER & LIGHT COMPANY**

**MADE AS OF NOVEMBER 20, 1978**

To reflect revision to the payment provisions of the agreement to allow for either lump sum or monthly progress payments or carrying charges as methods of reimbursement.



**SUPPLEMENTAL AGREEMENT TO THE  
INTERCONNECTION AGREEMENT BETWEEN  
~~MID-ATLANTIC INTERSTATE TRANSMISSION, LLC PENNSYLVANIA ELECTRIC COMPANY~~ AND  
PENNSYLVANIA POWER & LIGHT COMPANY  
DATED AS OF NOVEMBER 20, 1978**

SUPPLEMENTAL AGREEMENT made as of the 30 day of March, 1993 by and between ~~Mid-Atlantic Interstate Transmission, LLC Pennsylvania Electric Company~~ ("MAITPenelee") and Pennsylvania Power & Light Company ("PP&L"), both parties being corporations organized and existing under the laws of the Commonwealth of Pennsylvania.

WHEREAS, PP&L and ~~MAITPenelee~~ ("Companies"), are parties to an Interconnection Agreement ("Agreement") dated November 20, 1978; and

WHEREAS, the Agreement defines the rights and responsibilities of PP&L and ~~MAITPenelee~~ concerning interconnection facilities and is necessary to permit interconnected operations between the Companies; and

WHEREAS, periodically, it is expected that either party may perform work and incur costs on behalf of the other party, related to the interconnection facilities; and

WHEREAS, Article 5 of the Agreement provides for carrying charge payments as defined therein when either Company performs operational or construction activities related to interconnected facilities at the request of and for the other Company; and

WHEREAS, PP&L and ~~MAITPenelee~~ would each like to have the option to make either lump-sum payments in full after work is completed, or monthly payments to reimburse the other Company for actual costs incurred as work is performed, in lieu of the carrying charges addressed in Article 5.

NOW THEREFORE, in view of the mutual promises and covenants contained herein, the Companies hereby agree to amend the Agreement as follows:

1. New Section 5.5 shall be added to the Agreement.

"5.5 Either party, upon the request of the other party, may perform design, installation, construction, operation, or maintenance work for the other party on facilities and points of interconnection described in Appendix A or on other facilities which may affect these points of interconnection, and shall be reimbursed for the costs thereof by the other party. For such work, as an alternative to and in lieu of the revisions that could otherwise apply to the monthly payments set forth in Appendix C, if mutually agreed upon by both parties, reimbursement may be made for the actual costs incurred either by a one-time lump sum payment in full after the work is completed or by monthly payments for costs incurred as the work is performed."

2. In all other respects, all other provisions of the Agreement, as supplemented, shall remain in full force and effect, and this Supplement shall not be deemed to change or affect the Agreement unless specifically set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their respective names each by duly authorized officers, and have further caused their respective corporate seals to be hereunto affixed and attested, on the day and year first above written.

SERVICE AGREEMENT NO. 5050


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~~MID-ATLANTIC INTERSTATE  
TRANSMISSION, LLC PENNSYLVANIA  
ELECTRIC COMPANY~~

ATTEST:

BY:

  
\_\_\_\_\_  
Assistant Secretary

  
\_\_\_\_\_  
G. R. Repko  
Vice President

MAITPN-PL INTERCONNECTION AGREEMENT

Comparison of Present and Proposed Monthly Payments (\$)

Statement A

	Present Payments <u>MAITPN</u> to PL					Present Payments PL to		
	C-1	C-2	C-3	C-4	C-6	Total	C-5	Total
September 1978	762	395	1,542	2,083	-	4,782	180	180
October	762	395	1,542	2,083	-	4,782	180	180
November	762	395	1,542	2,083	-	4,782	180	180
December	762	395	1,542	2,083	-	4,782	180	180
January 1979	728	383	1,499	2,034	-	4,644	175	175
February	728	383	1,499	2,034	-	4,644	175	175
March	728	383	1,499	2,034	-	4,644	175	175
April	728	383	1,499	2,034	-	4,644	175	175
May	728	383	1,499	2,034	-	4,644	175	175
June	728	383	1,499	2,034	-	4,644	175	175
July	728	383	1,499	2,034	-	4,644	175	175
August	728	383	1,499	2,034	-	4,644	175	175
<b>Total</b>	<b>8,872</b>	<b>4,644</b>	<b>18,160</b>	<b>24,604</b>		<b>56,280</b>	<b>2,120</b>	<b>2,120</b>

	Proposed Payments <u>MAITPN</u> to					Proposed Payments PL to		
	C-1	C-2	C-3	C-4	C-6	Total	C-5	Total
September 1979	-	-	-	3,028	3,472	6,500	229	229
October	-	-	-	3,028	3,472	6,500	229	229
November	-	-	-	3,028	3,472	6,500	229	229
December	-	-	-	3,028	3,472	6,500	229	229
January 1980	-	-	-	3,028	3,472	6,500	229	229
February	-	-	-	3,028	3,472	6,500	229	229
March	-	-	-	3,028	3,472	6,500	229	229
April	-	-	-	3,028	3,472	6,500	229	229
May	-	-	-	3,028	3,472	6,500	229	229
June	-	-	-	3,028	3,472	6,500	229	229
July	-	-	-	2,958	3,402	6,360	224	224
August	-	-	-	2,958	3,402	6,360	224	224
<b>Total</b>				<b>36,196</b>	<b>41,524</b>	<b>77,720</b>	<b>2,738</b>	<b>2,738</b>

Net Payments PN to PL (12 months ending August 1979) = \$54,160

Net Payments PN to PL (12 months ending August 1980) = \$74,982