

May 14, 2018

***Via Electronic Filing***The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426**Re: West Penn Power Company – Filing of Operating and Interconnection  
Agreement with Allegheny Electric Cooperative, Inc. in  
Docket No. ER18-1592-000**

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act (“FPA”)<sup>1</sup> and Part 35 of the Federal Energy Regulatory Commission’s (“Commission’s”) Rules of Practice and Procedure,<sup>2</sup> West Penn Power Company (“West Penn Power” or the “Applicant”), a transmission owning member of the PJM Interconnection, L.L.C. (“PJM”), hereby submits for filing one new Operating and Interconnection Agreement for wholesale load (the “Service Agreement”) described in more detail herein.<sup>3</sup>

**I. Description of the Applicant and Background**

West Penn Power is a Pennsylvania corporation that owns and operates electric facilities for the transmission and distribution of electric power and energy in the Commonwealth of Pennsylvania. The Applicant is a transmission-owning member of PJM, and its transmission facilities are subject to the functional control of PJM, which provides transmission service to customers pursuant to the PJM Open Access Transmission Tariff (“PJM Tariff”).

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<sup>1</sup> 16 U.S.C. § 824d.

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

<sup>3</sup> Pursuant to Order No. 714, this filing is submitted by PJM on behalf of the Applicant as part of an XML filing package that conforms to the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, the Applicant requested that PJM submit the Service Agreement in the eTariff system as part of PJM’s electronic Service Agreements Tariff.

## II. Description of the Service Agreement

### *Service Agreement No. 4976 ("SA No. 4976")*

SA No. 4976 is an updated Operating and Interconnection Agreement for wholesale load by and between West Penn Power and Allegheny Electric Cooperative, Inc. ("Allegheny") and is dated March 29, 2018. SA No. 4976 sets forth the rates, terms, and conditions for the interconnection and coordinated operation of the parties' systems. SA No. 4976 does not impose any charge on either party for the mutual interconnection, planning and operation services provided under SA No. 4976.

In addition to receiving interconnection service from West Penn Power (under SA No. 4976), Allegheny purchases transmission and wholesale distribution service. The terms and conditions for Allegheny's purchase of transmission and wholesale distribution service are set forth in a Network Integration Transmission Service Agreement ("NITSA") that is dated September 26, 2014.<sup>4</sup> Due to clerical error, the Service Agreement was not filed in accordance with the 60-day notice provision as required by 18 C.F.R. § 35.3.

## III. Request for Effective Date

The Applicant respectfully requests that the Commission grant an effective date for the SA No. 4976 of July 13, 2018, which is approximately sixty (60) days after the date of the instant filing.

## IV. Communications

Please direct any communications regarding this filing to the following individuals:

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<sup>4</sup> The current NITSA, which covers service until January 1, 2020, reflects a "wholesale distribution rate" formulated as an "Other Supporting Facilities Charge," which charge emanates from a settlement agreement between AEC and WPP approved by the Commission on August 5, 2008 in ER02-136-000.

## **V. Documents Submitted With This Filing**

In accordance with the Commission's eTariff regulations, PJM, on behalf of the Applicant, is submitting an eTariff XML filing package containing the following materials:

- this transmittal letter;
- the Service Agreement in eTariff format;
- a clean copy of the Service Agreement in PDF format for publishing in eLibrary; and
- a PDF document with the signatures pages of the parties to the Service Agreement for publishing in eLibrary.

## **VI. Service**

The Applicant has served copies of this filing upon all other parties to the Service Agreement, as well as the affected state utility commission(s) within the PJM region.

## **VII. Conclusion**

The Applicant hereby respectfully requests that the Commission accept for filing the Service Agreement, with an effective date of July 13, 2018. The Applicant further requests any waivers of the Commission's regulations necessary to give effect to such agreement as requested by the Applicant. Please direct any questions regarding the instant filing to the undersigned.

Respectfully submitted,

/s/ Nicholas A. Giannasca

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**OPERATING AND INTERCONNECTION AGREEMENT FOR WHOLESALE GENERATION  
AND LOAD**

**Between**

**ALLEGHENY ELECTRIC COOPERATIVE, INC.**

**And**

**WEST PENN POWER COMPANY**

## **Operating and Interconnection Agreement for Wholesale Generation and Load**

This Agreement is entered into as of the 29th day of March, 2018 by and between Allegheny Electric Cooperative, Inc. (“Allegheny”) and West Penn Power Company (“West Penn”), being sometimes herein referred to collectively as the “Parties” or singularly as a “Party.” For the avoidance of doubt, the term “Party” or “Parties” shall not include PJM Interconnection, L.L.C. (“PJM”). In consideration of the mutual covenants and agreements herein, it is agreed as follows:

### **WITNESSETH:**

**WHEREAS**, West Penn is a subsidiary of FirstEnergy Corp. (“First Energy”) that owns and operates certain electric facilities used for the generation, transmission and distribution of wholesale electric energy;

**WHEREAS**, Allegheny is a Generation and Transmission cooperative corporation and is an entity that serves its cooperative members’ loads (generation), in part, by arranging for the wholesale transmission and distribution of electric energy utilizing facilities owned by West Penn or Allegheny;

**WHEREAS**, PJM is a Regional Transmission Organization (“RTO”) offering transmission service to eligible customers;

**WHEREAS**, West Penn is both a Transmission Owner and an Electric Distribution Company (“EDC”) as defined by PJM’s Operating Agreement and Open Access Transmission Tariff (“OATT” or “Tariff”);

**WHEREAS**, Allegheny is a Transmission Owner as defined by PJM’s Operating Agreement and OATT);

**WHEREAS**, the Federal Energy Regulatory Commission (“FERC” or the “Commission”) has requested that the Parties include PJM as a signatory to this Agreement for the purpose of ensuring 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 arise;

**WHEREAS** This Agreement does not provide for the purchase, sale or exchange of transmission or ancillary services; and

**WHEREAS**, the Parties wish to establish the terms and conditions for the interconnection and coordinated operation of the Parties' systems and for Allegheny's use of certain facilities to enable Allegheny to serve its wholesale loads and/or interconnected generation, which are separate from the rates, terms and conditions of transmission service provided by PJM under the PJM Tariff.

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

#### **ARTICLE 1: AGREEMENT OBJECTIVE AND APPLICABLE TARIFFS**

- 1.1 Agreement Objective:** The objective of this Agreement is to establish the terms and conditions for the interconnection and coordinated operation of the Parties' systems and for Allegheny's use of certain distribution facilities to enable Allegheny to serve its wholesale loads and/or generation.
- 1.2 Limitation of Scope:** Nothing in this Agreement shall be deemed to impose on Allegheny any obligation or standard of care or performance with respect to facilities used by Allegheny to serve its members other than those that are owned by Allegheny (or one or more of Allegheny's members) and that are interconnected with West Penn's system.
- 1.3 Applicability of Tariffs:** During the term of this Agreement, as it may be amended from time to time, West Penn shall provide Services for Allegheny, and Allegheny shall pay for such Services under the terms and conditions of this Agreement. The term "Services" means those services described herein which are subject to the jurisdiction of the FERC but not provided by PJM under the PJM Tariff. In addition, the applicable provisions of the PJM Tariff, as such Tariff shall at any time during the term of this Agreement be on file and accepted by FERC, including any applicable Schedules and Attachments appended to such Tariff shall apply. West Penn shall

not provide any Services or levy any charges hereunder that are provided or charged by PJM under the PJM Tariff.

**1.4 Governance Over Conflicts:** The terms and conditions of such Services provided by West Penn shall be governed by this Agreement, or as hereafter amended. In the case of any conflict between this Agreement and the PJM Tariff, the PJM Tariff shall control.

**1.5 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 Section 215.

**1.6 Modelling:** The Parties understand that services provided under this Agreement shall be performed by West Penn with the understanding that Allegheny is modelled as a Wholesale LSE. As a Wholesale LSE under the PJM Tariff, the load of Allegheny shall be considered to be wholesale load attributed to West Penn. West Penn shall assign Allegheny’s wholesale load to West Penn’s PJM account in accordance with the PJM Tariff and Manuals.

## **ARTICLE 2: DELIVERY POINTS**

**2.1 Location:** The location of existing facilities connecting Allegheny's power delivery facilities to the West Penn power delivery facilities (“Delivery Points”) are listed in Appendix 1, which is attached hereto and made a part hereof. Unless the Parties shall subsequently agree otherwise, the existing Delivery Points listed in Appendix 1 shall be continued in service. West Penn and

Allegheny, to the extent practicable, shall each maintain, in accordance with Good Utility Practice, the facilities on their respective sides of such points, and future points of delivery as may be established from time to time in accordance with Article 3 and Article 5, in order that said facilities will operate in a reliable and satisfactory manner, and without material reduction in their intended capacity or purpose. Delivery Points shall be used only for the delivery of electric power and energy to Allegheny, and shall not be used to inject electric power or energy into the West Penn system from electric generating facilities owned by Allegheny, a municipal utility, a rural co-operative, or a third party unless Allegheny has studied, planned, and coordinated the interconnection of the generation facility with West Penn pursuant to the Application process set forth in Article 5, or through the PJM Tariff generator interconnection process. Allegheny and West Penn shall endeavor to operate their respective facilities in continuous synchronism through such Delivery Points as shall from time to time be established by mutual agreement between the Parties. The Parties may, from time to time by mutual agreement, add one or more additional Delivery Points or discontinue or modify one or more existing Delivery Points pursuant to the procedures set forth in Article 5 and shall amend Appendix 1 of this Agreement, including any one-line diagrams set forth therein, to reflect the same, and file the amended agreement with FERC.

### **ARTICLE 3: OPERATION AND MAINTENANCE**

- 3.1 General:** Allegheny must design, construct, maintain, and operate its system facilities safely and efficiently in accordance with Good Utility Practice; applicable national, state, and local codes, standards, and regulations, including those promulgated by NERC, ReliabilityFirst, and PJM or successor organizations; applicable manufacturer's equipment specifications; and the most current requirements specified by West Penn and applicable to the Services, including but



not limited to those set forth in the documents entitled “Requirements for Transmission Connected Facilities,” “Transmission Planning Criteria” and “Distribution Connection Requirements” as they as it may be revised from time to time (“FirstEnergy Documents”) and posted on its web site. West Penn shall provide Allegheny with notice pursuant to Section 14.1 of any changes to the FirstEnergy Documents as changes are made from time to time. West Penn shall comply with Good Utility Practice; all applicable national, state, and local codes, standards, and regulations, including those promulgated by NERC, ReliabilityFirst, and PJM or successor organizations; applicable manufacturer’s equipment specifications; and the most current requirements specified by West Penn and applicable to the Services, including but not limited to those set forth in the FirstEnergy Documents. West Penn shall have the right to waive Allegheny’s compliance with the technical requirements provided in the FirstEnergy Documents. In the event of a conflict between the provisions of this Agreement and the FirstEnergy Documents, the provisions of the FirstEnergy documents shall govern.

**3.2 Electric Service Characteristics:** Electric service, in the form of three phase, approximately sixty-hertz alternating current, shall be delivered at the designated Delivery Points and nominal voltage(s) listed in Appendix 1.

**3.2.1 Multiple Delivery Points:** When multiple Delivery Points are provided to a specific location identified in Appendix 1, they shall not be operated in parallel by the Allegheny without the approval of West Penn, which approval shall not be unreasonably withheld; provided that any such approval may be revoked if in West Penn’s discretion such action is necessary to maintain or retain safe and reliable operation of the electric system or any of West Penn’s facilities. The Operating Committee, as provided under Article 9, shall establish and monitor standards and operating rules and procedures to assure that system integrity and the safety of customers, the public and employees are maintained or enhanced when parallel operation is permitted either on a continuing basis or for

intermittent switching or other service needs. Each Party shall exercise due diligence and reasonable care in maintaining and operating its facilities so as to maintain continuity of service.

**3.2.2 Avoidance of Burdens and Control of System Disturbance:** 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. For planning purposes, the Allegheny shall not transfer loads from one Delivery Point to another without West Penn's approval, which timely approval shall not be unreasonably withheld. For normal operational purposes, the Parties shall coordinate transfers of load from one Delivery Point to another Delivery Point, and the Allegheny shall not transfer loads from one Delivery Point to another without West Penn's approval, which timely approval shall not be unreasonably withheld. The Parties shall make any additional arrangements with respect to load transfers through the Joint Operations/Engineering Review Committee.

**3.3 Impairment:** If the function of either Party's facilities is impaired or the capacity of any Delivery Point is reduced, or synchronous operation at any Delivery Point(s) becomes interrupted, either manually or automatically, as a result of *force majeure* (as such term *force majeure* is described in the Amended and Restated Operating Agreement of PJM) or maintenance coordinated by the Parties, the Parties will cooperate to remove the cause of such impairment, interruption or reduction, so as to restore normal operating conditions as expeditiously as practicable under Good Utility Practice and the circumstances.

**3.4 Emergencies:** Each Party reserves the right to take any action deemed necessary by PJM or itself during an actual or imminent emergency to preserve the reliability and integrity of the interconnected systems of West Penn and Allegheny, limit or prevent damage, expedite

restoration of service, ensure safe and reliable operation, avoid adverse effects on the quality of service, or preserve public safety.

**3.4.1 Emergency Curtailment:** In an emergency, the reasonable judgment of West Penn, in accordance with Good Utility Practice, shall be the determinant of whether the operation of the Allegheny loads or equipment adversely affects the quality of service or interferes with the safe and reliable operation of the West Penn system. West Penn may discontinue Service to such Allegheny loads or equipment until the power quality or interfering condition has been corrected; provided that, to the extent practicable, West Penn will provide reasonable notice to Allegheny. To the extent practicable under Good Utility Practice and in West Penn's sole, but reasonable discretion, West Penn will provide Allegheny with an opportunity to alleviate the condition to avoid or minimize the discontinuation of Service in an emergency. Any such curtailment of load, redispatching, or load shedding shall be effectuated on a nondiscriminatory basis and in accordance with PJM Manuals.

**3.5 Curtailment:** In non-emergencies, West Penn may curtail Service under this Agreement to limit or prevent damage to its generating, transmission, or distribution facilities caused by Allegheny's failure to maintain its facilities as directed by PJM or in accordance with Good Utility Practice; provided that, to the extent practicable, West Penn will provide reasonable notice to Allegheny and an opportunity for Allegheny to remedy the adverse condition in accordance with Section 3.9. Any such curtailment of load, redispatching, or load shedding shall be effectuated on a non-discriminatory basis and in accordance with PJM Manuals.

**3.6 Procedures:** The Operating Committee shall establish procedures to coordinate the maintenance schedules, and return to service of the generating resources, transmission and distribution facilities, to the greatest extent practicable, to ensure sufficient transmission and distribution resources are available to maintain system reliability and reliability of service to the integrated

facilities of West Penn and Allegheny in accordance with West Penn and the requirements of the PJM Tariff and/or PJM Manuals.

- 3.6.1 Scheduled Maintenance and Outages:** Each Party may, in accordance with Good Utility Practice, remove from service its facilities that may affect the other Party's system in order to perform maintenance or to install or replace equipment on such facilities. The Party proposing to remove such facilities from service shall provide prior notice of such activities to the other Party in accordance with the FirstEnergy Documents. The Party scheduling a facility outage shall coordinate its actions with the other Party with the goal of avoiding any disruptions of service on the system of either Party.
- 3.7 Control of Reactive Power Exchange:** No Party shall be obligated to deliver or receive reactive power for the benefit of any other Party under this Agreement. The Parties will maintain voltage and load power factor requirements at the Delivery Points in accordance with the latest version of the FirstEnergy Documents and/or the PJM Tariff.
- 3.8 Control of Energy:** Any deviations between actual and planned deliveries of power and energy between the systems of the respective Parties to serve their load will be managed and settled pursuant to the PJM Tariff and the PJM business practices.
- 3.9 Failure to Perform:** With respect to non-emergencies, in the event a Party fails to adhere to the provisions of this Article 3, the other Party will provide reasonable notice and an opportunity for the failing Party to remedy any adverse condition(s) on the notifying Party's system that are caused by the Party's failure to adhere to the provisions of this Article 3. Such notice shall be provided in writing, and shall provide at least 180 days for the Parties to develop a mutually agreeable plan to cure the adverse condition(s). If the Parties fail to develop a mutually agreeable plan to cure the adverse condition(s), or if the failing Party does not comply with the plan or meet the timelines included in the plan, the Parties shall first comply with the dispute resolution procedures under Article 11. If a plan for curing the adverse condition(s) is not

developed, or compliance with the plan or meeting the timelines included in the plan is not achieved as part of the dispute resolution process under Article 11, the noticing Party may take remedial action on its system as is reasonable and consistent with Good Utility Practice under the circumstances. Such remedial actions may include the installation of facilities on the notifying Party's system, at the other Party's expense, to remedy the adverse condition(s) on the notifying Party's system. Such remedial actions shall not include the curtailment of service unless the adverse condition(s) is likely to cause physical damage to the notifying Party's generating, transmission, or distribution facilities. Incurred charges for facilities planned for or installed pursuant to the immediately preceding sentence shall be limited to the planning or installing Party's actual and reasonable costs and may include actual direct and indirect labor and non-labor costs to the extent such costs are reasonably incurred and properly allocable to the planning or installation of the subject facilities.

#### **ARTICLE 4: PLANNING AND PROTECTION**

- 4.1 Planning Data:** No later than December 15 of each year, Allegheny shall provide West Penn with: (i) copies of documents provided by Allegheny to PJM on an annual basis in accordance with provisions of the PJM Tariff that require Allegheny to submit a ten (10) year forecast of load for each existing and planned new Delivery Point, and a ten (10) year projection of planned generating resources and committed transactions with third parties, insofar as such information pertains to the Allegheny's existing and planned Delivery Points located or to be located on West Penn's facilities; and (ii) a projection for each of the next ten (10) years of transmission and distribution facility additions to be owned and/or constructed by Allegheny, which facilities are expected to affect the planning or operation of the transmission and distribution system within West Penn's system. Notwithstanding the foregoing, Allegheny shall not be required to provide West Penn with information that Allegheny in good faith deems to be proprietary or commercially sensitive.

**4.2 Planning Data Communication:** The information in Section 4.1 shall be forwarded to West Penn's representative on the Operating Committee, with a copy to West Penn's representative identified under Article 15.

**4.2.1 Disclosure:** Information exchanged by the Parties under this Section will be used for system planning and protection only, and will not be disclosed (i) to third parties, absent mutual, written, consent or order of a court or regulatory agency, or (ii) within West Penn or by West Penn to one or more of its affiliates, except as permitted by FERC's Standards of Conduct.

**4.3 Coordination:** The Parties shall coordinate with each other regarding the technical and engineering arrangements for the Delivery Points, including one-line diagrams depicting the electrical facilities configuration and parallel generation, and shall arrange the facilities to avoid interruptions on either Party's system.

#### **ARTICLE 5: NEW DELIVERY POINTS AND MODIFICATIONS TO EXISTING DELIVERY POINTS**

**5.1 General:** Unless otherwise agreed upon, the procedures outlined in this Article 5 shall be followed for new Delivery Points; upgrades, retirements, replacements, relocations for existing Delivery Points; or additions, retirements, or modifications to behind-the-meter generation. Prior to submitting an application for any facility under this Article 5 ("Application/Agreement"), Allegheny should discuss the proposed Delivery Point project with West Penn to determine the need for an ILS /DLS as those terms are defined below as soon as practicable.

**5.2 Coordination:** The Parties shall coordinate with each other regarding the technical and engineering arrangements for the Delivery Points, including one-line diagrams depicting the electrical facilities configuration and parallel generation, and shall arrange the facilities to avoid interruptions on either Party's system.

**5.3 Application:** Should it become necessary or desirable for Allegheny to (a) upgrade, retire, replace, or relocate an existing Delivery Point, or establish a new Delivery Point, including

metering or other facilities at such location; (b) add, retire, or modify behind-the-meter generation at each Delivery Point; (c) for Delivery Points less than 69 kV, add 1 MW or more over any 12-month period above the most recent load forecast provided in Section 4.1; (d) for Delivery Points 69 kV and above but less than 138 kV, add 2 MW or more over any 12-month period above the most recent load forecasts provided in Section 4.1; or (e) for Delivery Points 138 kV and above, add 5 MW or more over any 12-month period above the most recent load forecasts provided in Section 4.1, Allegheny shall submit an Application for Wholesale Load Interconnection Service/Initial Load Study/Detailed Load Study Agreement along with a Customer Application – Request for Connection to FE Transmission System Retail/Wholesale (collectively referred to as the “Application/Agreement”), to West Penn for filing with the FERC and Wholesale Connection Support Lead responsible for Allegheny interconnections. The requirement to submit an Application/Agreement pursuant to this Section 4.3 shall not apply in situations in which load is temporarily transferred from one Delivery Point to another Delivery Point with West Penn’s approval.

**5.3.1 Response to Application:** Upon receipt of an Application/Agreement, West Penn shall review the information and either execute the Application/Agreement, or advise Allegheny in writing within ten (10) business days if additional information is needed to make the Application/Agreement complete. West Penn shall attempt to remedy minor deficiencies in the Application/Agreement through informal communications with Allegheny. If West Penn does not receive the required additional information to complete the Application/Agreement within fifteen (15) business days, or if the additional information cannot be supplied within fifteen (15) days and Allegheny has not taken prudent steps to acquire the additional information, the application shall be deemed withdrawn. Once the Application/Agreement is complete, West Penn shall sign the Application/Agreement and provide an electronic copy to Allegheny. As soon as

practicable within thirty (30) calendar days after receipt of a completed Application/Agreement, West Penn shall begin an Initial Load Study/Detailed Load Study (ILS/DLS).

**5.3.2 Application/Agreement Modifications:** If at any point in the process outlined in this Section 5.3.2 Allegheny is considering modifying the information provided in the Application/Agreement, any supporting information or the study scope, Allegheny may first request that West Penn evaluate whether such modification(s) will be treated as constituting a “Material Modification.” For purposes of this Section 5.3.2, a “Material Modification” shall be any change to an Application/Agreement that West Penn reasonably determines will materially increase the cost or the length of time required to complete an ILS and/or DLS for any facilities needed to accommodate the project that is the subject of the Application/Agreement, and may (depending on the specific relevant circumstances) include such changes as an increase in MW capacity, a change in electrical location of the proposed Delivery Point, a change in the study scope, or a delay in the in-service date of the proposed Delivery Point by three (3) or more years. In response to Allegheny’s request and at Allegheny’s cost, West Penn shall evaluate the proposed modification(s) prior to making them and shall inform Allegheny in writing whether West Penn will treat the modification as a Material Modification. If the modification(s) is not treated as a Material Modification, West Penn shall continue to meet all requirements set forth in Section 5.3.1 with respect to the original Application/Agreement, as modified. If the modification(s) is treated as a Material Modification, West Penn may, at its option, treat the original Application/Agreement as void and consider the Application/Agreement, as modified, a new Application/Agreement, or West Penn may continue to process the Application/Agreement, as modified, in accordance with the requirements of this Section



5.3.2. Allegheny may withdraw its Application/Agreement at any time and shall pay the costs that West Penn has expended to-date in the course of performing the ILS/DLS. If after Allegheny submits the Application/Agreement, West Penn requires a change that constitutes a Major Modification, Allegheny shall have the option to withdraw the Application/Agreement or to continue to process the Application/Agreement as modified, without West Penn considering the Application/Agreement as a new Application/Agreement.

**5.4 Initial Load Study (“ILS”):** Should an ILS be required due to the complexity in evaluating Allegheny’s Application caused by preceding projects, Allegheny’s system configuration, or West Penn’s system configuration in the vicinity of the Delivery Point, the ILS shall be performed upon full execution of the Application/Agreement. If an ILS is not required due to the lack of complexity in evaluating Allegheny’s Application, then only a DLS shall be required. Upon receipt of the executed Application/Agreement, West Penn shall carry out the ILS. In the ILS, West Penn shall assess the feasibility of modifying an existing Delivery Point or establishing the new Delivery Point, or assessing system impacts caused by changes to behind-the-meter generation. The study shall use power flow and short circuit analyses and any other analyses that may be appropriate to identify the facilities necessary to physically and electrically connect the Delivery Point, identify technical limitations, identify feasible mitigation alternatives, and provide a high level cost estimate to engineer and construct the Delivery Point. West Penn shall issue a report to Allegheny within sixty (60) calendar days of the receipt of an executed Application/Agreement, or at a later date as the Parties may mutually agree. If West Penn is unable to complete such study in the allotted time, West Penn shall provide an explanation to Allegheny regarding the cause(s) of such delay and a revised completion date reflecting the exercise of diligence by West Penn. Allegheny may withdraw its study request at any time by written notice of such withdrawal to West Penn, and shall pay the costs that West

Penn has expended to-date in the course of performing the ILS. Upon completion of the ILS, West Penn will send an invoice to Allegheny within 120 days of submission of the study report to Allegheny. Payment of the study costs will be due to West Penn within thirty (30) days of Allegheny's receipt of the invoice.

**5.5 Detailed Load Study ("DLS"):** Following the completion of the ILS, if needed, and Allegheny's expressed desire to proceed with the project in writing within thirty (30) calendar days of receiving the ILS, West Penn shall carry out the DLS upon receipt of the executed Application/Agreement. The DLS shall determine the details and estimated cost of West Penn facilities necessary for establishing or modifying a Delivery Point, and any West Penn system additions/upgrades and Allegheny additions/upgrades needed. West Penn shall complete the study and issue a DLS report to Allegheny within sixty (60) calendar days after receipt of an executed Application/Agreement and necessary data, or at a later date as the Parties may mutually agree. If West Penn is unable to complete such study in the allotted time, West Penn shall provide an explanation to Allegheny regarding the cause(s) of such delay and a revised completion date reflecting the exercise of diligence by West Penn. Allegheny may withdraw its study request at any time by written notice of such withdrawal to West Penn, and shall pay the costs that West Penn has expended to-date in the course of performing the DLS. Upon completion of the DLS, West Penn will send an invoice to Allegheny within 120 days of submission of the study report to Allegheny. Payment of the study costs will be due to West Penn within thirty (30) days of Allegheny's receipt of the invoice.

**5.6 Initial Load Study/Detailed Load Study ("ILS/DLS"):** If the Parties decide to complete both studies at once, West Penn shall perform an ILS/DLS upon full execution of the Application/Agreement. In the ILS/DLS, West Penn shall assess the feasibility of modifying an existing Delivery Point or establishing the new Delivery Point, or assessing system impacts

caused by changes to behind-the-meter generation. The study shall use power flow and short circuit analyses and any other analyses that may be appropriate to identify the facilities necessary to physically and electrically connect the Delivery Point, identify technical limitations, identify feasible mitigation alternatives, and provide a high level cost estimate to engineer and construct the Delivery Point. The ILS/DLS shall determine the details and estimated cost of West Penn facilities necessary for establishing or modifying a Delivery Point, and any West Penn system additions/upgrades, and any Allegheny additions/upgrades needed. West Penn shall issue a report to Allegheny within ninety (90) calendar days of the receipt of an executed Application/Agreement, or at a later date as the Parties may mutually agree. If West Penn is unable to complete such study in the allotted time, West Penn shall provide an explanation to Allegheny regarding the cause(s) of such delay and a revised completion date reflecting the exercise of diligence by West Penn. Allegheny may withdraw its study request at any time by written notice of such withdrawal to West Penn, and shall pay the costs that West Penn has expended to-date in the course of performing the ILS/DLS. Upon completion of the ILS/DLS, West Penn will send an invoice to Allegheny within 120 days of submission of the study report to Allegheny. Payment of the study costs will be due to West Penn within thirty (30) days of Allegheny's receipt of the invoice.

**5.7 Modifications to Study Request:** During the course of an ILS/DLS, either Allegheny or West Penn may identify desirable changes in the planned facilities that may lower the costs and/or increase the benefits (including reliability) of the planned facilities. Changes proposed by West Penn or Allegheny must be accepted by the other Party; provided, however, that (i) such acceptance may not be unreasonably withheld, and (ii) changes which are intended to lower the costs and/or increase the benefits (including reliability) of the planned facilities shall not be considered modifications that would void the Application/Agreement. If the revised plan and study schedule are acceptable to both West Penn and Allegheny, West Penn shall proceed with

any necessary restudy. The costs of any additional studies resulting from a modification proposed by West Penn or Allegheny shall be borne by the Party that proposed the modification.

**5.8 Construction:** Allegheny shall notify West Penn, in writing, of its intent to proceed with the construction of the proposed facilities identified in the ILS/DLS within sixty (60) calendar days of receiving the ILS/DLS report, or another mutually agreed upon date. Should Allegheny elect to proceed with construction, West Penn shall provide Allegheny with a Construction Agreement (“CA”) specifying the terms and conditions of construction within sixty (60) calendar days after receipt of Allegheny’s written notice.

**5.8.1 Response to CA:** Within sixty (60) calendar days of receipt thereof, Allegheny shall either execute and return the CA to West Penn for filing with FERC or, alternatively, shall request dispute resolution under Article 11 or request that the CA be filed unexecuted with FERC. West Penn shall file the CA, in executed or unexecuted form, as applicable, with FERC within thirty (30) calendar days following receipt of the executed CA from Allegheny or Allegheny’s request that the CA be filed unexecuted.

**5.8.2 Deferral of Construction:** In the event that Allegheny has requested dispute resolution under Article 11 or that the CA be filed with FERC unexecuted, and unless otherwise agreed by Allegheny and West Penn, West Penn shall defer the initiation of design, procurement and construction of any facilities subject to the CA until all pending disputes are resolved.

**5.8.3 Withdrawal of Application Through Allegheny’s Failure to Act:** If Allegheny does not notify West Penn of its intent to proceed with the construction of the facilities within the time period provided in Section 4.6.1, unless otherwise agreed to by the Parties, West Penn may, at its option, elect to have the Application treated as having been withdrawn. In that event, any and all costs reasonably incurred by West Penn in connection with the IL/S/DLS for such Application shall be reimbursed by Allegheny to West Penn to the

extent not already paid by Allegheny. Unless otherwise agreed by the Parties, Allegheny shall not be responsible for any design, procurement, or construction costs incurred by West Penn unless Allegheny has executed a CA.

**5.8.4 Withdrawal of Application Through West Penn’s Failure to Act:** If West Penn does not file the CA with FERC in executed or unexecuted form within the time period set forth in Section 4.6.1, unless otherwise agreed to by the Parties, Allegheny may, at its option, elect to have the Application treated as having been withdrawn. In that event, any and all costs incurred by Allegheny in connection with such Application shall be reimbursed by West Penn to Allegheny.

**5.9 Responsibility for Delivery Point Costs:** The purpose of this Section 5.9 is to provide guiding principles regarding cost responsibility for services provided under a CA under this Article 5.

**5.9.1 In-Line Facilities:** Except as provided by subsection 5.9.3 below, switches, conductors and associated equipment, including support structures for such facilities, that are operated in-line with the West Penn system and are necessary to establish, support, or expand a Delivery Point under this Agreement shall be provided, owned, operated and maintained by West Penn. In-line facilities are those facilities that provide network benefits to the West Penn system and that are located on West Penn’s side of the Delivery Point. The costs associated with such in-line and associated facilities shall be “rolled-in” to West Penn’s rates for wholesale service taken over transmission or distribution facilities and shall not be directly assigned to Allegheny.

**5.9.2 In-Line Facility Design:** All in-line Delivery Point facilities to be rolled into West Penn rates shall be designed and installed in accordance with the standards applicable to West Penn and its affiliates, and to West Penn’s non-affiliate customers, including those set forth in the FirstEnergy Documents. If Allegheny requests in-line facilities different from those required by the West Penn system standards, Allegheny shall be required to

pay the incremental installed cost, if any, of those facilities above the cost of the facilities that would have been required by the West Penn system standards, including taxes applicable on contributions-in-aid of construction (“CIAC”). All in-line facilities shall provide at least the capacity and system protective capabilities of those required by the West Penn system standards.

**5.9.3 Two-Way Supply:** When West Penn system standards, including those set forth in the FirstEnergy Documents, require the West Penn system to loop through Allegheny’s substation (two-way supply), all substation equipment that is part of the networked West Penn system, including bus work, switches/breakers and other facilities located in Allegheny’s substation shall be constructed and owned by Allegheny in accordance with the West Penn system standards, and the cost thereof shall be Allegheny’s responsibility, unless such equipment provides network benefits to the West Penn system, in which case the equipment shall be owned by West Penn and the cost thereof shall be West Penn’s responsibility. West Penn shall retain operational control, and any access required for such operation, of such facilities and, unless otherwise agreed, Allegheny shall, in coordination with West Penn, maintain the bus work, switching/breakers and other facilities that are part of the networked West Penn system and located in Allegheny’s substation, in accordance with the West Penn system standards and practices, and the cost thereof shall be Allegheny’s responsibility, unless the equipment provides network benefits to the West Penn system, in which case the cost thereof shall be West Penn’s responsibility.

**5.9.4 Load-Side Facilities:** Unless otherwise agreed, all tap lines and distribution substations and other facilities on Allegheny's side of the Delivery Point (other than metering), not located in-line with the West Penn system, shall be provided, owned, operated and maintained by Allegheny and the cost thereof shall be the responsibility of Allegheny.

**5.9.5 Single-Owner Design Basis:** The location and design of the new Allegheny Delivery Point(s) shall be determined based upon a hypothetical single owner concept, i.e. as if the West Penn system and the applicable Allegheny's facilities were all owned by either West Penn or Allegheny, but not both. Accordingly, the “single owner” solution shall be based upon the lowest aggregate construction cost to Allegheny and West Penn collectively, without regard to cost allocation principles set forth in this Section 5.9, but consistent with the West Penn system standards and Good Utility Practice. West Penn and Allegheny shall mutually agree upon the location and design of new Allegheny Delivery Points consistent with the single owner concept.

**5.9.6 System Upgrades:** System upgrades on the West Penn system necessary as a result of an Allegheny Delivery Point request shall be constructed, owned, operated and maintained by West Penn, and the cost thereof shall be rolled into West Penn’s wholesale transmission or distribution rates, and shall not be directly assigned to Allegheny. System upgrades on Allegheny’s system necessary as a result of West Penn system upgrades shall be constructed, owned, operated and maintained by Allegheny at Allegheny’s cost. If service to an existing Delivery Point would be affected or discontinued by virtue of the retirement, removal, or relocation of a West Penn line, West Penn will work with Allegheny to provide comparable service based on the single-owner design basis set forth in Section 5.9.5, using reasonable efforts to provide similar service at a new or modified Delivery Point.

**5.9.7 Sunk Cost Recovery:** Allegheny shall reimburse West Penn for costs incurred in planning or constructing facilities at Allegheny's request if Allegheny fails to take the service requested after execution by Allegheny of the CA. In such a case, Allegheny shall reimburse West Penn to the extent that West Penn incurs the costs of construction and (a) Allegheny fails to construct a substation or other necessary and agreed upon

facilities on the Allegheny side of the Delivery Point, or otherwise fails to perform under the applicable CA, or (b) notwithstanding Allegheny's or Allegheny's member's full performance under the applicable CA, all or substantially all of any proposed new or additional load greater than 5 MW of a single retail customer for which the Delivery Point was specifically requested, fails to be added, such that the requested new or expanded Delivery Point is no longer required (Sunk Costs). West Penn shall have the right to require financial security (letter of credit or other liquid security) from Allegheny to support Allegheny's payment obligations under this paragraph if and to the extent that West Penn determines the at-risk cost to exceed Allegheny's level of unencumbered credit under West Penn's normal credit review procedures and standards.

**5.9.8 Generator Interconnections:** The costs of facilities necessary to interconnect, and the application, agreement, process and other requirements for the interconnection of Allegheny's generation or the generation of a third-party connected to Allegheny's system to West Penn facilities is beyond the scope of this Agreement and shall be addressed in accordance with the rules applicable to generator interconnections.

## **ARTICLE 6: METERING**

**6.1 Measurement of Load at Each Delivery Point:** Electric power and energy delivered under this Agreement shall be measured by suitable metering equipment as described below. All metering quantities shall be measured at the Delivery Point. As set forth in Section 1.6 of this Agreement, Allegheny's interconnection shall be modelled as a Wholesale LSE. As such, the accuracy and measurement standards shall meet the standards set forth in West Penn's state tariffs. The location of each meter shall be referred to herein as the Metering Point. The Allegheny's load, kW, kWh and kVAR at each Delivery Point shall be measured on an integrated hourly basis, by revenue grade metering equipment. The metering equipment and all measurements by such



equipment shall be as needed for all settlement purposes under this Agreement, the PJM Tariff, the PJM Manuals, and in accordance with West Penn's effective standards and practices. Peak load measurements at a Delivery Point shall be adjusted to eliminate the incremental effects of any load transfers to such Delivery Point from another Delivery Point resulting from supply outages or planned maintenance by West Penn affecting the other Delivery Point, or planned maintenance of the Allegheny's system conducted with West Penn's consent affecting the other Delivery Point. At points where power may flow to and from the Allegheny, separate measurements shall be obtained for each direction of flow. Any necessary metered data shall be made available with such frequency and at such times as may be reasonably required by the Allegheny, West Penn or the PJM Tariff and/or Manuals in suitable electronic format.

**6.2 Metering Equipment:** West Penn shall own, operate and maintain the revenue metering equipment as provided in the FirstEnergy Documents or required by the PJM Tariff and/or Manuals related to each Delivery Point. The costs associated with such metering equipment, including meter operation and maintenance, and meter data collection and processing, shall be recovered from the Allegheny through the Distribution Charges provided under Section 8.1 or West Penn transmission rates approved by FERC. Costs associated with additional metering or telecommunication equipment requested by the Allegheny shall be paid by the Allegheny.

**6.3 Real Time Data:** The Transmission Owner is responsible for providing all operational SCADA data originating from FirstEnergy owned facilities required by the PJM Tariff and/or Manuals via the Transmission Owner's existing ICCP data links to PJM. Should the PJM Tariff and/or Manuals require additional information from non-FirstEnergy owned facilities, the Allegheny is responsible for supplying such information.

**6.4 Data Communications:** At the request of Allegheny, West Penn will cooperate with Allegheny on the installation of any additional communication equipment to allow for connection of the metering to the Allegheny's real time SCADA system equipment or other monitoring equipment,

provided that such equipment connections and communications can be accomplished in a manner that does not interfere with the operation of West Penn equipment or fulfillment of any statutory or contractual obligation. If the potential for such interference exists, West Penn will work with the Allegheny, through reasonable measures, to resolve such metering and/or communications issues. West Penn will make reasonable efforts to send Allegheny meter data at the Allegheny's request in the event of a communication failure and provided West Penn is in possession of the data at the time of the request.

**6.5 Meter Security:** All meters and test switches, whether provided by West Penn or Allegheny, shall be sealed and the seals shall be broken only when the meters are to be tested, adjusted, repaired or replaced. The other Party shall be provided as much advance notice as is practicable in the circumstances when the facilities of that Party are to be entered or the seals of any meter are to be broken, and such Party shall be afforded the opportunity to be present during such test, adjustment, repair, or replacement.

**6.6 Meter Testing:** West Penn shall test the metering equipment at suitable intervals and its accuracy of registration shall be maintained in accordance with Good Utility Practice. At the request of the Allegheny, West Penn will perform a special meter test. If less than two percent inaccuracy is found as the result of such test, the Allegheny shall pay for the costs West Penn incurs in conducting the test. Representatives of the Parties may be present at all routine or special tests and whenever any readings for purposes of settlement are taken from meters not having an automatic record. If any test of metering equipment discloses an inaccuracy exceeding two percent, the accounts of the Parties shall be adjusted for the period that is mutually agreed to however limited to (i) nine (9) months where the timeframe of the error is unknown or (ii), not exceeding twenty-four (24) months where the timeframe of the error is known, or as PJM Tariff or Operating Agreement allows, whichever is greater. Should any metering equipment fail to register, the amounts of energy delivered shall be estimated from the best available data.

**6.7 Meter Failure:** Under Section 1.6, the Allegheny is considered a Wholesale LSE and provisions governing the process for estimating meter data in situations where the meter or associated communications equipment are unable to provide data back to West Penn for processing are governed by PJM OATT Attachments M-1 and M-2.

## **ARTICLE 7: COMPLIANCE WITH PJM TARIFF AND PJM MANUALS**

**7.0 Definitions.** Capitalized terms in this Article 7 not defined herein shall have the meaning ascribed to them by the PJM Tariff and/or the applicable PJM Manuals.

**7.1 General:**

- a) Allegheny is responsible for complying with all applicable PJM Tariff and PJM Manual requirements. Unless otherwise agreed, FirstEnergy shall have only such responsibilities to assist Allegheny in meeting its obligations, as shall be required pursuant to the PJM Tariff and/or PJM Manuals and this Agreement including those agreed to under provisions of Appendix 1.
- b) West Penn shall perform all calculations as it relates to the determination of Hourly Energy Obligations, Peak Load Share and Network Service Peak Load under PJM OATT Attachments M-1 and M-2 (FirstEnergy Zones) based on metering equipment at the point of interconnection
  1. Calculations requiring information beyond the interconnection meter values may be subject to fees as agreed to under Appendix 1 and billed subject to provisions of Article 8 of this agreement..
- c) Allegheny may be responsible for all fees due to West Penn for services other than those outlined under Section 7.1.b.1 as per Appendix 1 and billed subject to provisions of Article 8 of this agreement.

- d) The Parties agree to enter into a separate agreement, if necessary, for any additional metering equipment and/or services provided to the Allegheny by West Penn, not contained in Appendix 1 of this Agreement.

## ARTICLE 8: COMPENSATION

**8.1 Compensation for Wholesale Service:** The Allegheny shall pay West Penn only the rates and charges specified in this Section 8.1, and accepted or approved by FERC, and for charges pursuant to Section 3.9 as compensation for Services provided by West Penn to the Allegheny pursuant to this Agreement.

**8.1.1 Wholesale Distribution Rates:** The Allegheny shall pay wholesale distribution charges using the rates for Services taken over distribution facilities as specified in Appendix 1.

**8.2 Losses:** The losses to be used to gross-up readings of the Delivery Point are specified in Appendix 1.

**8.3 Billing and Payments:** Wholesale distribution charges contained in Appendix 1 will be billed to Allegheny as set forth under the PJM OATT. The PJM OATT tariff billing and payment rules and regulations will apply to such billing and payments to be made by the Allegheny.

**8.4 Disputes:** All invoices (whether or not disputed) shall be paid in full under the conditions specified in this Article 8. Disputes will be submitted for settlement under the procedures specified under Article 11. Any portion of the invoice in dispute shall be paid into an independently administered escrow account to be established with a qualified depository institution, where the funds will be held pending resolution of the dispute. Within thirty (30) calendar days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount determined to be due, by full or partial disbursement of the funds held in escrow, together with interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19(a)(2)(iii). Any amounts remaining in the escrow account

following such disbursement shall be made available to the Party that made the payments into the escrow account.

**8.5 Taxes:** It is expressly agreed by the Parties that, as part of any compensation to be paid under this Agreement, if any, during the term hereof there should be levied and/or assessed against either Party any direct tax, including, but not limited to sales, excise or similar taxes (other than taxes based on or measured by net income), as applicable, 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. Upon the timely request by (and at the sole expense of) the other Party, the supplying Party shall appeal, protest, seek abatement or, or otherwise contest any tax imposed by any taxing authority for which the other Party may be required to reimburse the supplying Party. The other Party shall pay to the supplying Party on a periodic basis, as invoiced by the supplying Party, the documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. The supplying Party reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including settlement of claim, provided the supplying Party shall cooperate and consult in good faith with the other Party regarding the conduct of such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by the other Party to the supplying Party for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, the other Party will be responsible for all taxes, interest, and penalties, other than any penalties attributable to any delay caused by the supplying Party.

## **ARTICLE 9– LIABILITY**

**9.1 Allocation of Responsibility:** Except to the extent otherwise required by law, each Party (the “Indemnifying Party”) shall defend, indemnify and hold harmless the other Party (the “Indemnified Party”), and the Indemnified Party’s officers, shareholders, members, managers, representatives, directors, agents and employees, from and against any and all claims and/or liabilities for losses, costs or expenses (including to third parties), damage to property, injury to or death of any person, or any other liability incurred by the Indemnified Party, including reasonable attorneys’ fees (each a “Covered Claim”), in any manner directly or indirectly arising from or contributed to by the provision of service or the construction of facilities by the Indemnifying Party under this Agreement, except to the extent that the losses, expenses or damage were caused wholly or in part by any negligence or willful misconduct of the Indemnified Party. The Indemnified Party shall provide the Indemnifying Party with notice of any claim made against the Indemnified Party for which the Indemnifying Party may be responsible under this Section. To the extent that Allegheny and West Penn are jointly liable for a Covered Claim, then liability for such Covered Claim shall be allocated between them in accordance with applicable laws of comparative fault or joint liability in effect at the time liability under a Covered Claim arises.

**9.2 Consequential Damages:** Except as provided in Section 9, no Party nor any of its affiliates, members, shareholders, officers, directors, employees, agents, successors or assigns shall be liable under this Agreement, whether in contract, tort (including negligence and strict liability) or otherwise, to the other Party or any of its affiliates, members, shareholders, officers, directors, employees, agents, successors or assigns for incidental, punitive, special, indirect, multiple, exemplary or consequential damages (including without limitation, reasonable, attorneys’ fees,

litigation costs, lost profits or revenues, or loss of good will) connected with or resulting from performance or non-performance of this Agreement.

## **ARTICLE 10: ARBITRATION**

**10.1 Submission to Arbitration:** No dispute arising under this Agreement may be submitted to arbitration unless the Parties have made a good faith attempt to resolve such dispute by referral to the Operating Committee. The Operating Committee shall seek to resolve the dispute within 30 days unless otherwise agreed by the Parties. In the event the dispute is not resolved by the Operating Committee, the dispute may, if both Parties agree, be submitted to binding arbitration in the manner hereinafter provided. Arbitration is limited to disputes 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. In the event the matter is not submitted to binding arbitration, either Party may invoke other dispute resolution procedures to the full extent permitted by law.

**10.2 Appointment of Arbitrators:** In the event that the Parties determine that a disagreement should be resolved through binding arbitration, the Parties shall set forth in writing 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 on an arbitrator within a period of fifteen (15) business days from the receipt of the original notice, either Party may call for 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) business days after the receipt of such call, appoint a second arbitrator, and the two arbitrators so appointed shall choose and appoint a third arbitrator. In case such other Party fails to appoint an

arbitrator within said ten (10) business days, or in case the two so appointed fail for ten (10) business days to agree upon and appoint a third, the Party calling for the arbitration, upon five (5) business days' written notice delivered to the other Party, shall apply to the person who at the time shall be the most senior Judge of a United States District Court having jurisdiction for appointment of the second or third arbitrator, as the case may be.

**10.3 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, and may be challenged only in the manner and to the extent permitted by Pennsylvania law. If there is a single arbitrator, the Parties shall split evenly the costs of a single arbitrator, unless the award shall specify a different division of the costs. If there is a board of arbitrators, each Party shall pay for the services and expenses of the arbitrator appointed on its behalf, and they shall split evenly the costs of the neutral arbitrator, unless the award shall specify a different division of the costs. All other costs incurred in connection with the arbitration shall be paid by the Party incurring them.

**10.4 FERC Jurisdiction:** The determination of a matter in dispute pursuant to arbitration hereunder shall not operate to limit or displace FERC's statutory jurisdiction over any such matter. Accordingly, following the completion of arbitration procedures, either Party may seek FERC review of the arbitration decision, but only to the extent the arbitration decision affects matters subject to FERC's statutory jurisdiction. Nothing herein shall affect the statutory exemption from FERC jurisdiction available to Allegheny, if applicable, under Section 201(f) of the Federal Power Act.



## ARTICLE 11: TERM AND TERMINATION OF AGREEMENT

- 11.1 Effective Date, Terms and Termination:** This Agreement shall be effective as of the date first written above, 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 the date falling on the tenth (10<sup>th</sup>) anniversary of the date hereof (the “Initial Term”). The Agreement will remain in effect thereafter for successive twelve (12) month periods (“Renewal Terms”) unless it is terminated in whole pursuant to Section 12.2.
- 11.2 Notice of Termination:** Either Party may terminate this Agreement effective after the Initial Term or the end of a Renewal Term by providing to the other Party at least twelve (12) month’s advance written notice of its intent to terminate this Agreement.
- 11.3 Other Permitted Termination:** Notwithstanding Sections 11.1 and 11.2, this Agreement may be terminated earlier (a) if the Parties mutually agree or (b) as otherwise expressly provided for in this Agreement following the expiration of any required notice and opportunity to cure. Both Parties reserve their right to seek relief from FERC or a court of competent jurisdiction with respect to any such termination.

## ARTICLE 12 REGULATORY AUTHORITIES

- 12.1 Regulatory Authorities:** This Agreement is made subject to the jurisdiction of any governmental authority or authorities having jurisdiction over the Parties, the systems of the Parties, this Agreement and the subject matter hereof. Nothing contained in this Agreement shall be construed as affecting in any way, the right of a Party furnishing service under this Agreement to unilaterally make application to FERC for a change in the rates and charges or other terms and conditions of this Agreement under Section 205 of the Federal Power Act and pursuant to the FERC’s Rules and Regulations promulgated thereunder or any Party receiving service to file a complaint seeking changes in rates and charges or other terms and conditions of this Agreement under Section 206 of the Federal Power Act. Nothing contained in this Agreement shall be

construed as affecting in any way, the right of any Party to oppose any such application or complaint.

- 12.2 Adverse Regulatory Change:** Following execution of this Agreement, West Penn shall file it with FERC. Allegheny shall not protest the filing and West Penn may represent in its filing that Allegheny supports the filing. Each Party hereby shall not, directly or indirectly, aid or support any person or entity that protests or intervenes in such filing before FERC. Any material changes or conditions imposed by the FERC or any other governmental authority with competent jurisdiction 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 Parties hereto.

### **ARTICLE 13: OTHER**

- 13.1 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 herein applicable to PJM. This Agreement shall not be assigned by any Party without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed, except that consent shall not be required if the assignment is 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.
- 13.2 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.

- 13.3 Liability Exclusion:** 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. 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 the 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 authorized officer shall not in any way be deemed to imply that the 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.
- 13.4 Choice of 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, by the applicable laws of the Commonwealth of Pennsylvania.
- 13.5 Counterparts:** This Agreement may be executed in two or more counterparts and each such counterpart shall be deemed an original and all such counterparts together shall constitute one and the same instrument.
- 13.6 Confidentiality:** Except as otherwise provided by law, no Party shall disclose to third parties (which term does not include attorneys and consultants, who shall be required to comply with this Section) Confidential Information obtained from the other Party pursuant to this Agreement except in order to comply with the requirements of FERC, NERC, PJM, or other governmental authority. Each Party shall use reasonable efforts to prevent or limit the disclosure required to third parties under this Section. For the purpose of this Section, “Confidential Information” shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern,

procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection or otherwise. Confidential Information shall include, without limitation, all such designated information relating to a Party's technology, research and development, business affairs, and pricing, and Allegheny-specific load data that constitutes a trade secret. Confidential Information shall also include any other information that is provided and identified by a Party as "Critical Energy Infrastructure Information," as that term is defined in 18 C.F.R. Section 388.113(c).

- 13.7 Regulatory Reporting:** Each Party shall provide information reasonably requested by the other Party to satisfy regulatory reporting requirements, subject to Section 13.6.
- 13.8** Definitions of terms included in this Agreement are set forth in Appendix 2, which is attached hereto and made a part hereof.

#### **ARTICLE 14: NOTICES**

- 14.1** Any notice given pursuant to this Agreement shall be in writing as follows:

If to West Penn:

FirstEnergy Service Company  
Manager, FERC & Wholesale Connection Support  
76 South Main Street – 10<sup>th</sup> Floor  
Akron, Ohio 44308

If to Allegheny:

Allegheny Electric Cooperative, Inc.  
212 Locust Street  
PO Box 1266  
Harrisburg, PA 17108-1266  
Attn: Todd Sallade

If to PJM:

Vice President – Government Policy  
PJM Interconnection, L.L.C.  
1200 G Street, NW, Suite 600

Washington, D.C. 20005

And

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

**14.2** The above names and addresses of any Party and/or PJM may be changed at any time by notice to the other Party.

**IN WITNESS WHEREOF**, the Parties executed by their respective officers lawfully authorized so to do.

Service Agreement No. 4976

**ALLEGHENY ELECTRIC COOPERATIVE, INC.**

By: \_\_\_\_\_/s/ Todd Sallade

Name: Todd Sallade

Title: Vice President – Power Supply and Engineering

**WEST PENN POWER COMPANY**

By: \_\_\_\_\_/s/ Richard A. Ziegler

Name: Richard A. Ziegler

Title: Director, FERC & RTO Technical Support

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 5th day of April, 2018.

Service Agreement No. 4976

**PJM INTERCONNECTION, L.L.C.**

By:       /s/ Steven R. Herling      

Name:       Steven R. Herling      

Title:       Vice President, Planning

## APPENDIX 1

### Delivery Points, Wholesale Distribution Rates

**1. The respective Parties shall be interconnected at the Delivery Point(s) described below:**

	Delivery Point	Voltage (kV)	Member Cooperative	Wholesale Distribution Rate
1.1	Seven Springs	138 kV	Somerset REC	\$28,000/month
1.2	Clay Run	25kV	Somerset REC	
1.3	Austin	46 kV	Tri-County REC	
1.4	Coneville	46 kV	Tri-County REC	
1.5	Frank Lent	46 kV	Tri-County REC	
1.6	Lobo	46 kV	Tri-County REC	
1.7	Elk Lick	12.47 kV	Tri-County REC	
1.8	Munn Farm	46 kV	United REC	
1.9	Route 30	34.5 kV	Valley REC	
1.10	Tuscarora	7.2 kV	Valley REC	
1.11	Boyers	25 kV	Central EC	
1.12	Clearfield	25 kV	Central EC	
1.13	Coaltown	25 kV	Central EC	
1.14	Cowansville	25 kV	Central EC	
1.15	Petrolia	25 kV	Central EC	
1.16	Prospect	25 kV	Central EC	
1.17	Rimersburg	25 kV	Central EC	
1.18	Saxonburg	25 kV	Central EC	
1.19	Latimer	25 kV	REA Energy Cooperative	

\* The Wholesale Distribution Rate applicable to Allegheny's Delivery Points is an Other Supporting Facilities Charge set forth in the currently effective Settlement Agreement on file with the FERC in Docket ER02-136, filed May 16, 2008 and approved by FERC by Letter Order filed August 5, 2008.

**1.1 a) Delivery Point:** The point hereby designated and hereinafter called "Seven Springs Delivery Point".

**b) Delivery Point Description:** The delivery point is located where Allegheny's lines terminate on West Penn's substation dead-end structure.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

1.2 **a) Delivery Point:** The point hereby designated and hereinafter called “Clay Run Delivery Point”.

**b) Delivery Point Description:** The delivery point is located where Allegheny’s lines terminate on West Penn’s structure 710835-WP22

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

1.3 **a) Delivery Point:** The point hereby designated and hereinafter called “Austin Delivery Point”.

**b) Delivery Point Description:** The delivery point is located where West Penn’s lines terminate on Allegheny’s substation dead-end structure.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**



- 1.4 **a) Delivery Point:** The point hereby designated and hereinafter called “Coneville Delivery Point”.
- b) Delivery Point Description:** The delivery point is located where Allegheny’s lines terminate on West Penn’s structure CNVB.07-WP46, outside the substation
- c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.
- d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.
- e) Revenue Meter Data Submission:**
- 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)? If Yes, revenue metering and revenue equipment are required**
- 1.5 **a) Delivery Point:** The point hereby designated and hereinafter called “Frank Lent Delivery Point”.
- b) Delivery Point Description:** The delivery point is located where Allegheny’s lines terminate on West Penn’s 3 pole structure 734681, 82, 83-WP46 outside the substation.
- c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.
- d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.
- e) Revenue Meter Data Submission:**
- 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)? If Yes, revenue metering and revenue equipment are required**
- 1.6 **a) Delivery Point:** The point hereby designated and hereinafter called “Lobo Delivery Point”.
- b) Delivery Point Description:** The delivery point is located where Allegheny’s line terminates on steel structure inside West Penn substation.
- c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.
- d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.
- e) Revenue Meter Data Submission:**
- 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)? If Yes, revenue metering and revenue equipment are required**

**1.7 a) Delivery Point:** The point hereby designated and hereinafter called “Elk Lick Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn’s in-line structure 343059-WP46.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.8 a) Delivery Point:** The point hereby designated and hereinafter called “Munn Farm Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at just outside of the West Penn owned Quehanna substation on structure #184711C68804.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.9 a) Delivery Point:** The point hereby designated and hereinafter called “Route 30 Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn’s dead-end structure 720655-WP47.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.10 a) Delivery Point:** The point hereby designated and hereinafter called “Tuscarora Delivery Point”.

**b) Delivery Point Description:** The delivery point is located on West Penn owned dead-end structure 1061286-WP47.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.11 a) Delivery Point:** The point hereby designated and hereinafter called “Boyers Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn’s dead-end structure BYRB0.01-WP42.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.12 a) Delivery Point:** The point hereby designated and hereinafter called “Clearfield Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn's dead-end structure CFB0.04-WP42.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.13** **a) Delivery Point:** The point hereby designated and hereinafter called "Coaltown Delivery Point".

**b) Delivery Point Description:** The delivery point is located at West Penn's dead-end structure CLTB0.02-WP42.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.14** **a) Delivery Point:** The point hereby designated and hereinafter called "Cowansville Delivery Point".

**b) Delivery Point Description:** The delivery point is located at West Penn's dead-end structure CWNB5.12-WP43.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.15 a) Delivery Point:** The point hereby designated and hereinafter called “Petrolia Delivery Point”.

**b) Delivery Point Description:** The delivery point is located just outside the Karns City substation on West Penn’s structure 710388-WP42.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.16 a) Delivery Point:** The point hereby designated and hereinafter called “Prospect Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn’s dead-end structure MTCB0.02-WP42.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.17 a) Delivery Point:** The point hereby designated and hereinafter called “Rimersburg Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn’s dead-end structure WLTB0.01-WP48.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.18 a) Delivery Point:** The point hereby designated and hereinafter called “Saxonburg Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn’s dead-end structure 1085789-WP42.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

**1.19 a) Delivery Point:** The point hereby designated and hereinafter called “Latimer Delivery Point”.

**b) Delivery Point Description:** The delivery point is located at West Penn’s dead-end structure 724900-WP23.

**c) Revenue Metering Description:** Revenue metering is owned, operated, and maintained by WPP.

**d) Revenue Meter Loss Compensation:** If meter is at the POI loss compensation is not needed.

**e) Revenue Meter Data Submission:**

**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)? If Yes, revenue metering and revenue equipment are required**

## APPENDIX 1 - One-Lines

## APPENDIX 2

### 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.

“Allegheny” – shall mean Allegheny Electric Cooperative, Inc and shall include, as the context shall require, one of its member cooperatives.

“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 Construction” – shall mean construction to establish the initial Interconnection Point between the Parties, construction to establish any subsequent Interconnection Points between the Parties, and the modification of facilities by one Party materially affecting the facilities of the other Party at an existing Interconnection Point.

“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 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 and Appendix II to this Agreement.

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

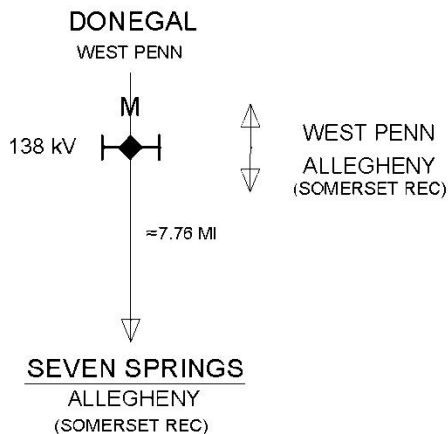
“PJM Requirement” – shall mean any rule, charge, procedure, or other requirements of PJM, including the PJM Tariff, applicable to FERC-jurisdictional service provided over the Transmission System of either Party.

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

“Reasonable Efforts” – shall mean, with respect to an action required to be attempted or taken by a Party under this Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

“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.



◆ = SEVEN SPRINGS DELIVERY POINT LOCATED WHERE ALLEGHENY'S LINES TERMINATE ON WEST PENN'S SUBSTATION DEAD-END STRUCTURE

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN



Energy Delivery Technical Services

TITLE

**WEST PENN - ALLEGHENY (SOMERSET REC) SEVEN SPRINGS  
DELIVERY POINT ON THE DONEGAL-SEVEN SPRINGS 138 kV LINE**

BY: J L M	DATE: 03/27/2018
APP: -	ISSUE: FINAL

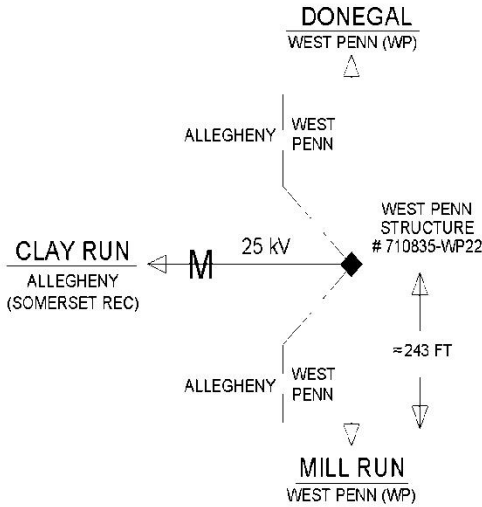
AGREEMENT

DOC. ID

REV.

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◆ = CLAY RUN DELIVERY POINT LOCATED WHERE ALLEGHENY'S LINES TERMINATE ON WEST PENN'S STRUCTURE #710835-WP22

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

**FirstEnergy**

Energy Delivery Technical Services

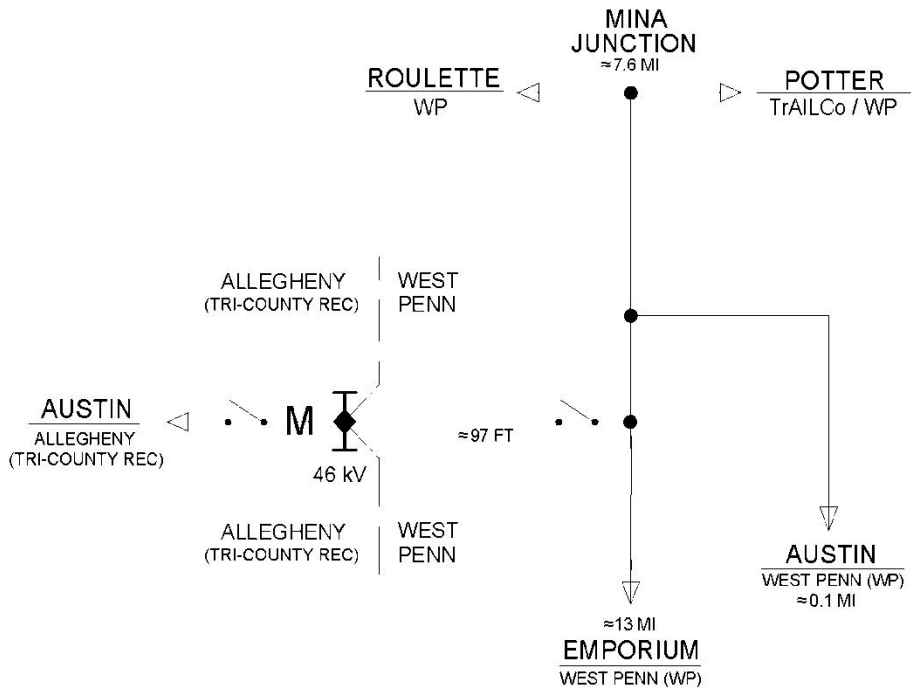
TITLE  
**WEST PENN - ALLEGHENY (SOMERSET REC) CLAY RUN  
 DELIVERY POINT ON THE SOMERSET REA JCT TO MILL RUN 25 kV LINE**

ET: J L M    DATE: 03/27/2016  
 APP: -    ISSUE: FINAL

AGREEMENT

DOC ID    REV.

POI-WP-AEC-0002.dwg    1



◆ = AUSTIN DELIVERY POINT LOCATED WHERE WEST PENN'S LINES TERMINATE ON ALLEGHENY'S SUBSTATION DEAD-END STRUCTURE

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

**FirstEnergy**<sup>®</sup>

Energy Delivery Technical Services

TITLE  
**WEST PENN - ALLEGHENY (TRI-COUNTY REC) AUSTIN DELIVERY POINT ON THE MINA JCT (EMPORIUM-POTTER-ROULETTE) 46 kV LINE**

BY: J. L. M. DATE: 03/27/2018  
 APP: - ISSUE: FINAL

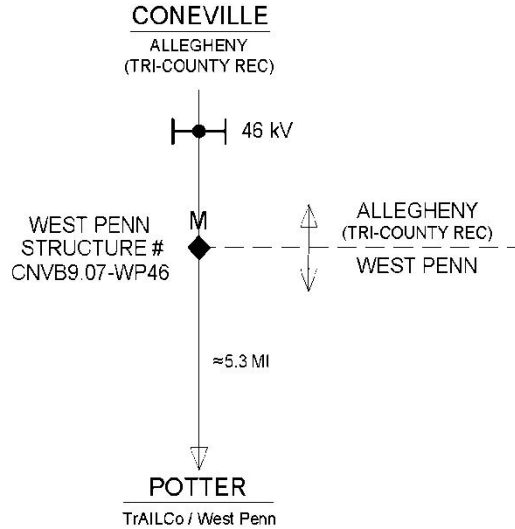
AGREEMENT

DWG. ID

REV.

POI-WP-AEC-0003.dwg

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◆ = CONEVILLE DELIVERY POINT LOCATED WHERE ALLEGHENY'S LINES TERMINATE ON WEST PENN'S STRUCTURE CNVB9.07-WP46, OUTSIDE THE SUBSTATION

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN



Energy Delivery Technical Services

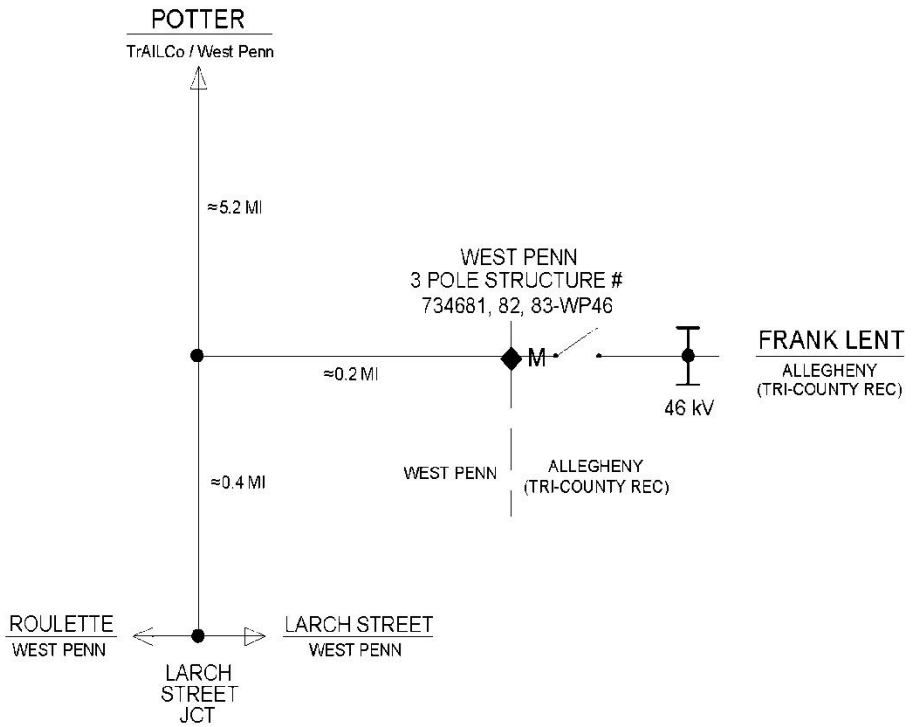
TITLE  
**WEST PENN - ALLEGHENY (TRI-COUNTY REC) CONEVILLE  
 DELIVERY POINT ON THE CONEVILLE - POTTER 46 kV LINE**

BY: J L M      DATE: 03/27/2008  
 APP: -      ISSUE: FINAL

AGREEMENT

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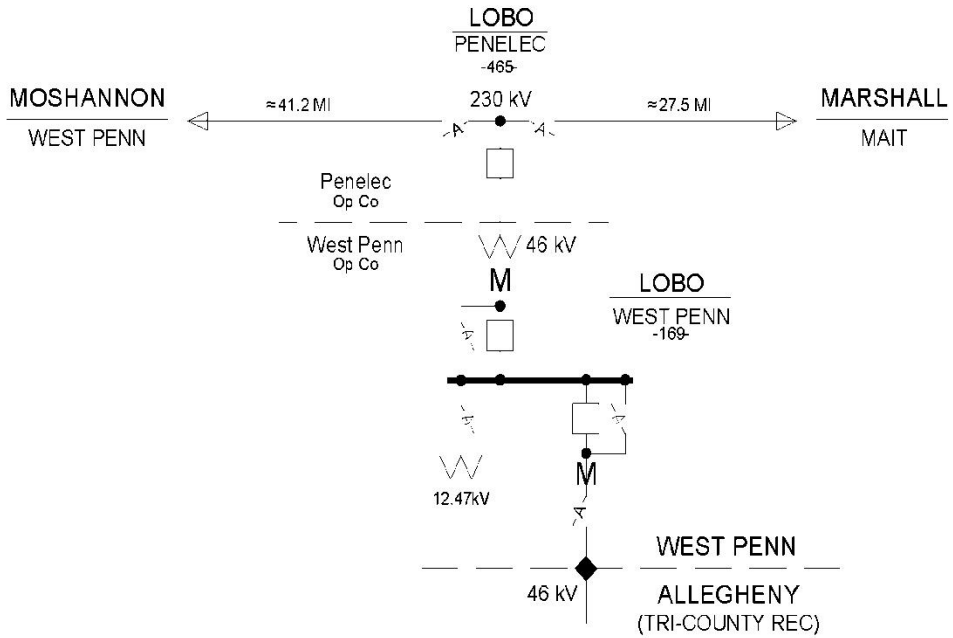
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◆ = FRANK LENT DELIVERY POINT LOCATED WHERE ALLEGHENY'S LINES TERMINATE ON WEST PENN'S 3 POLE STRUCTURE 734681, 82, 83-WP46, OUTSIDE THE SUBSTATION

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

<b>FirstEnergy</b> Energy Delivery Technical Services		TITLE <b>WEST PENN - ALLEGHENY (TRI-COUNTY REC) FRANK LENT DELIVERY POINT ON THE MINA JCT (EMPORIUM - POTTER-ROULETTE) 46 kV LINE</b>	
By: J L M	DATE: 03/27/2018	AGREEMENT	DOC. ID: REV: <b>1</b>
Issue: FINAL		<b>POI-WP-AEC-0005.dwg</b>	



◆ = DELIVERY POINT IS WHERE ALLEGHENY'S LINE TERMINATES ON STEEL STRUCTURE INSIDE WEST PENN

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

**FirstEnergy**

Energy Delivery Technical Services

TITLE  
**WEST PENN - ALLEGHENY (TRI-COUNTY REC) LOBO DELIVERY POINT  
 ON THE MARSHALL - MOSHANNON 230 kV LINE**

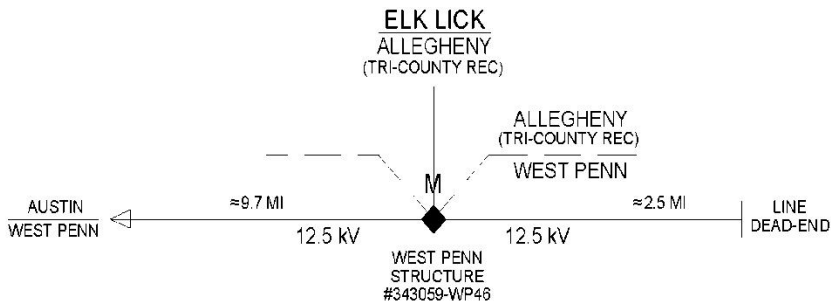
By: J. M. DATE: 03/27/2018  
 APP: - ISSUE: FINAL

AGREEMENT

DOC. ID REV.

POI-WP-AEC-0006.dwg **1**





◆ = ELK LICK DELIVERY POINT LOCATED AT WEST PENN'S IN-LINE STRUCTURE #343059-WP46

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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TITLE  
**WEST PENN - ALLEGHENY (TRI-COUNTY REC) ELK LICK  
 DELIVERY POINT ON THE AUSTIN 12.5 kV LINE**

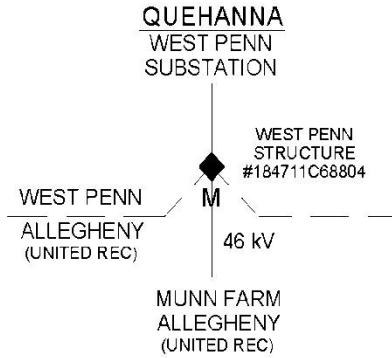
BY: J L M    DATE: 03/27/2018  
 APP: -    ISSUE: FINAL

AGREEMENT

DOC. ID

REV.

POI-WP-AEC-0015.dwg    1



◆ = MUNN FARM DELIVERY POINT LOCATED AT JUST OUTSIDE OF THE WEST PENN OWNED QUEHANNA SUBSTATION ON STRUCTURE #184711C68804

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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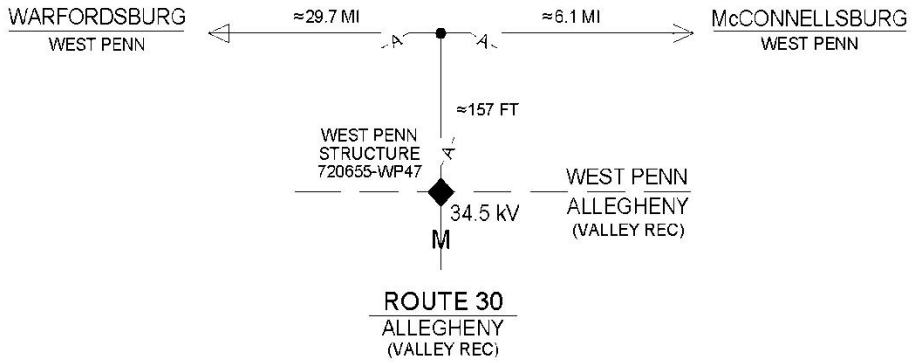
TITLE  
**WEST PENN - ALLEGHENY (UNITED REC) MUNN FARM  
 DELIVERY POINT AT QUEHANNA SUBSTATION**

BY: J L M      DATE: 03/27/2018  
 APP: -      ISSUE: FINAL

AGREEMENT

DOC. ID      REV.

**POI-WP-AEC-0016.dwg      1**



◆ = ROUTE 30 DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #720655-WP47

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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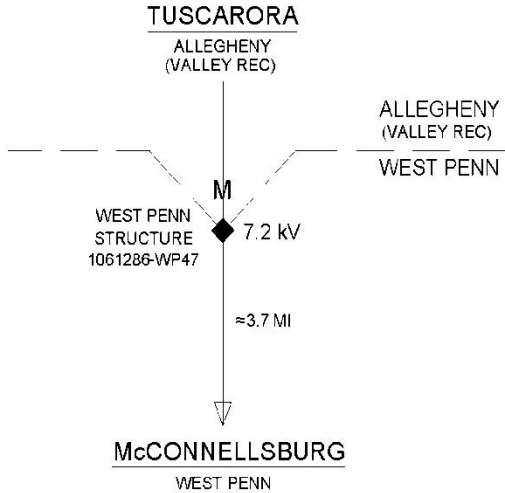
energy Delivery Technical Services

TITLE  
**WEST PENN - ALLEGHENY (VALLEY REC) ROUTE 30 DELIVERY POINT  
 ON THE WARFORDSBURG-McCONNELLSBURG 34.5 kV LINE**

By: J L M      DATE: 03/27/2016  
 APP: -      ISS: JE: FINAL

AGREEMENT

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**POI-WP-AEC-0018.dwg      1**



◆ = TUSCARORA DELIVERY POINT LOCATED ON WEST PENN OWNED DEAD-END STRUCTURE 1061286-WP47

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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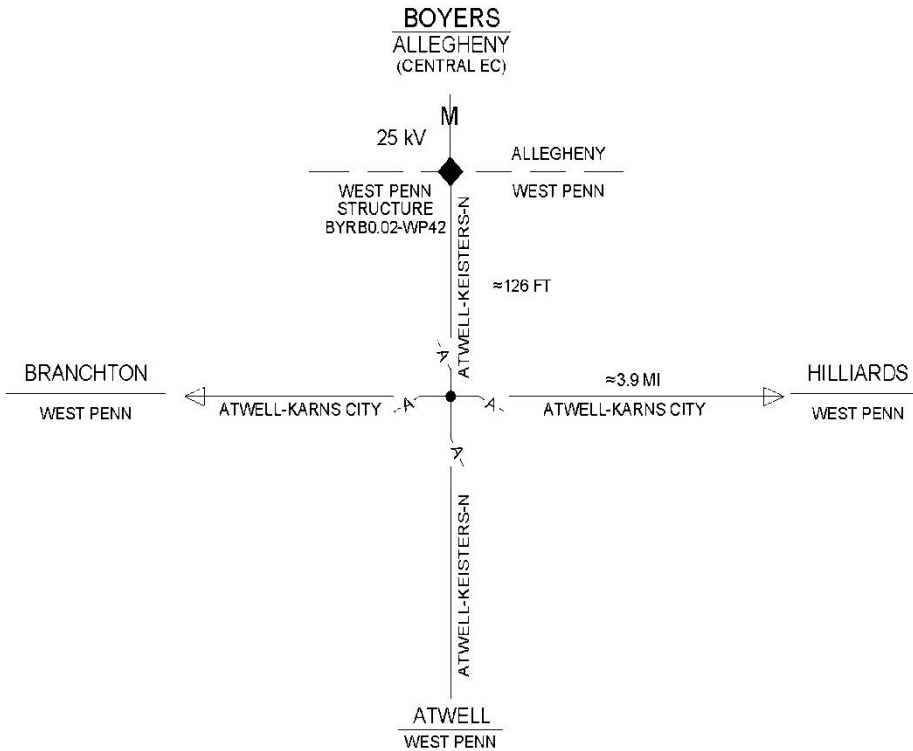
TITLE  
**WEST PENN - ALLEGHENY (VALLEY REC) TUSCARORA  
 DELIVERY POINT ON THE TOWN 7.2 kV LINE**

BY: J L M      DATE: 03/27/2018  
 APP: -      ISSUE: FINAL

AGREEMENT

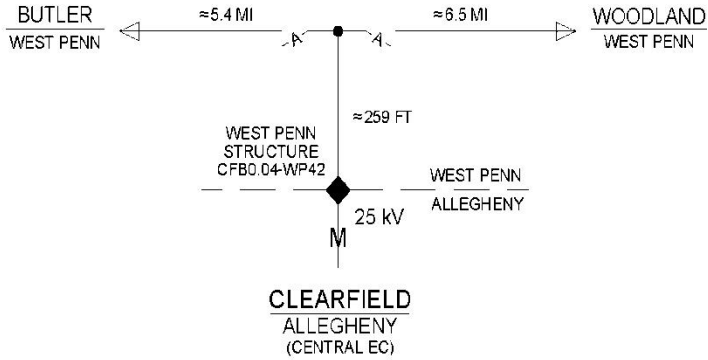
DOC. ID      REV

POI-WP-AEC-0017.dwg      **1**



◆ = BOYERS DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #BYRB0.01-WP42

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN



◆ = CLEARFIELD DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #CFB0.04-WP42

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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Energy Delivery Technical Services

TITLE  
**WEST PENN - ALLEGHENY (CENTRAL EC) CLEARFIELD  
 DELIVERY POINT ON THE BUTLER-WOODLAND 25 kV LINE**

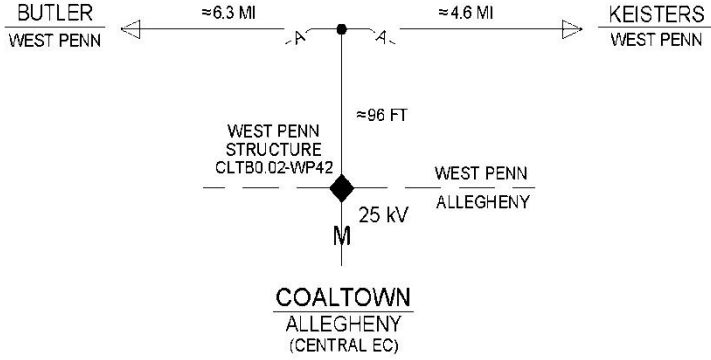
B:	J L M	DATE:	03/27/2008
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AGREEMENT

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**POI-WP-AEC-0008.dwg 1**



◆ = COALTOWN DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #CLTB0.02-WP42

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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TITLE

**WEST PENN - ALLEGHENY (CENTRAL EC) COALTOWN DELIVERY POINT ON THE BUTLER-KEISTERS 25 kV LINE**

By	J. M.	DATE:	03/27/2018
App:	-	ISSUE:	FINAL

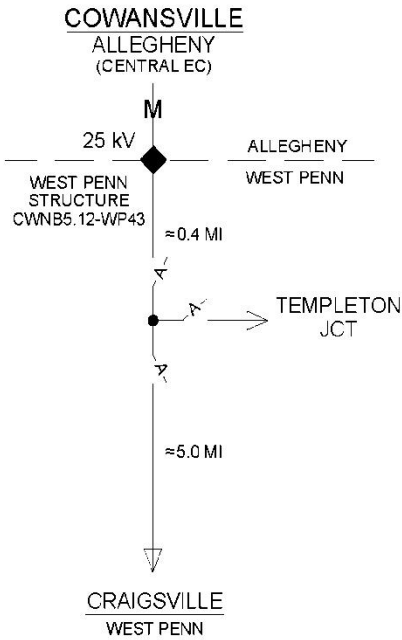
AGREEMENT

DOC. ID

REV.

POI-WP-AEC-0009.dwg

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◆ = COWANSVILLE DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #CWNB5.12-WP43

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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TITLE  
**WEST PENN - ALLEGHENY (CENTRAL EC) COWANSVILLE  
 DELIVERY POINT ON THE CRAIGSVILLE JCT - TEMPLETON JCT 25 kV LINE**

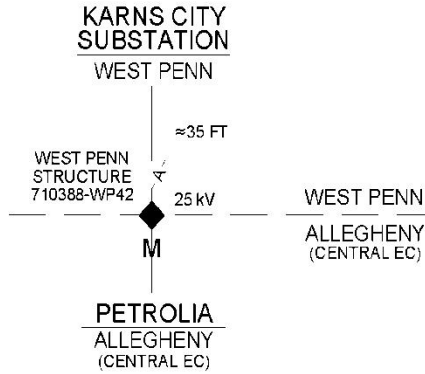
BY: J L M      DATE: 03/27/2018  
 APP: -      TCSUB: FINAL

AGREEMENT

DOC. ID      REV.

POI-WP-AEC-0010.dwg      1





◆ = PETROLIA DELIVERY POINT LOCATED JUST OUTSIDE THE KARNS CITY SUBSTATION ON WEST PENN'S STRUCTURE #710388-WP42

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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Energy Delivery Technical Services

TITLE  
**WEST PENN - ALLEGHENY (CENTRAL EC) PETROLIA DELIVERY POINT  
 AT THE WEST PENN KARNS CITY SUBSTATION**

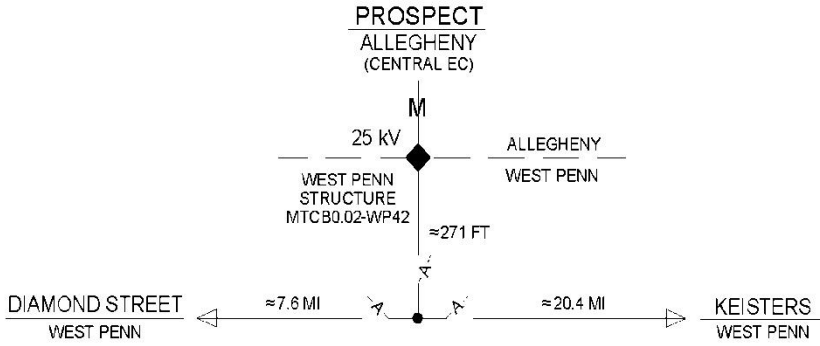
BY: J L M      DATE: 03/27/2018

APP: -      ISSUE: FINAL

AGREEMENT

DOC. ID      REV.

POI-WP-AEC-0019.dwg      1



◆ = PROSPECT DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #MTCB0.02-WP42

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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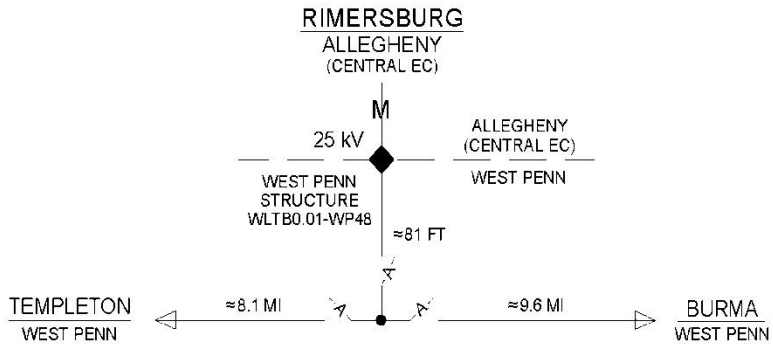
Energy Delivery Technical Services

TITLE  
**WEST PENN - ALLEGHENY (CENTRAL EC) PROSPECT  
 DELIVERY POINT ON THE KEISTERS - DIAMOND STREET 25 kV LINE**

EI:	J. L. H.	DATE:	03/27/2018
APP:	-	ISSUE:	FINAL

AGREEMENT

DOC. ID:	POI-WP-AEC-0011.dwg	REV.:	1
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◆ = RIMERSBURG DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #WLTB0.01-WP48

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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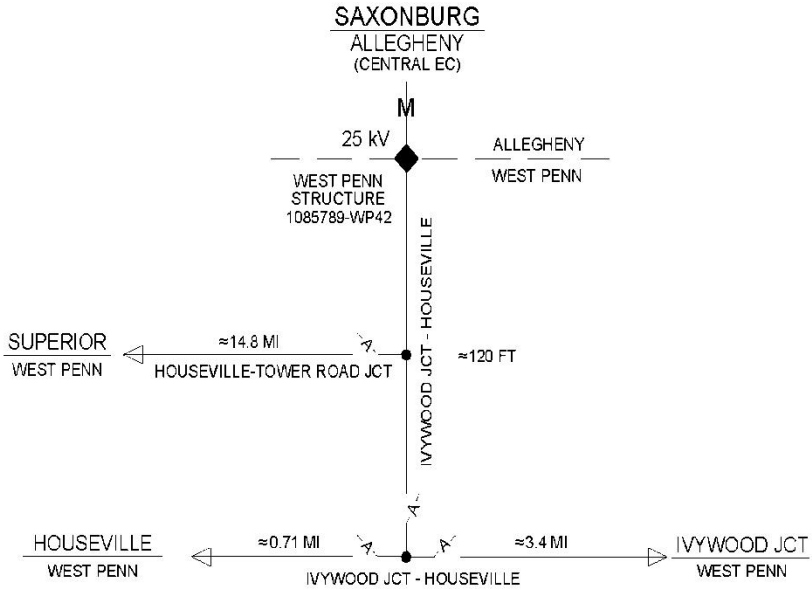
TITLE  
**WEST PENN - ALLEGHENY (CENTRAL EC) RIMERSBURG  
 DELIVERY POINT ON THE TEMPLETON-BURMA-W 25 kV LINE**

BY: J.L.M. DATE: 03/27/2018  
 APP: - ISSUE: FINAL

AGREEMENT

DOC. ID REV.

POI-WP-AEC-0012.dwg 1



◆ = SAXONBURG DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #1085789-WP42

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

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ET: J L M DATE 03/27/2016  
APP: - ISSUE: FINAL

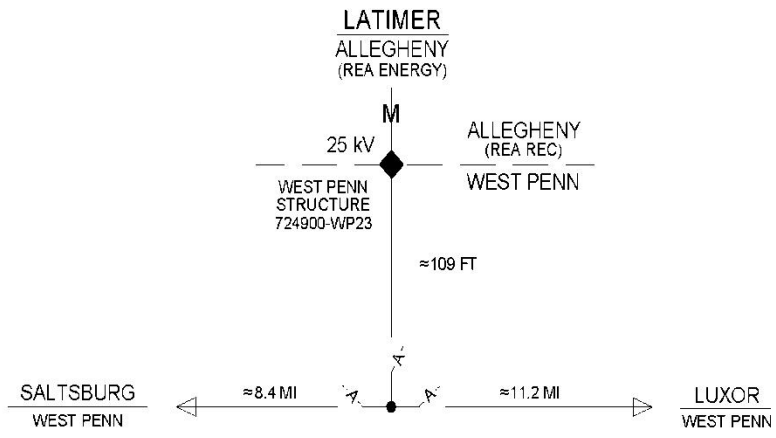
TITLE

**WEST PENN - ALLEGHENY (CENTRAL EC) SAXONBURG  
DELIVERY POINT ON THE IVYWOOD JCT-HOUSEVILLE 25 kV LINE**

AGREEMENT


DOC ID REV.

POI-WP-AEC-0013.dwg 1



◆ = LATIMER DELIVERY POINT LOCATED AT WEST PENN'S DEAD-END STRUCTURE #724900-WP23

M = REVENUE METERING OWNED, OPERATED, AND MAINTAINED BY WEST PENN

 Energy Delivery Technical Services		TITLE	
		<b>WEST PENN - ALLEGHENY (REA ENERGY) LATIMER          DELIVERY POINT ON THE LUXOR-SALTSBURG 2, 25 kV LINE</b>	
E1: J. L. M. APP: -	DATE: 03/27/2016 ISSUE: FINAL	AGREEMENT	DOC ID: POI-WP-AEC-0014.dwg REV: 1

**ALLEGHENY ELECTRIC COOPERATIVE, INC.**

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

Name: Todd Sallade

Title: Vice President – Power Supply and Engineering

**WEST PENN POWER COMPANY**

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

Name: Richard A. Ziegler

Title: Director, FERC & RTO Technical Support

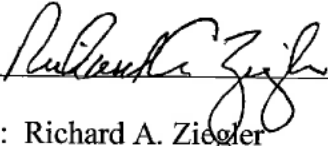
**ALLEGHENY ELECTRIC COOPERATIVE, INC.**

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

Name: Todd Sallade

Title: Vice President – Power Supply and Engineering

**WEST PENN POWER COMPANY**

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

Name: Richard A. Ziegler

Title: Director, FERC & RTO Technical Support

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 5<sup>th</sup> day of APRIL, 2018.

Service Agreement No. 4976

**PJM INTERCONNECTION, L.L.C.**

By: 

Name: STEVEN R. HERLING

Title: VICE PRESIDENT, PLANNING