August 20, 2014

Via Electronic Filing

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

Re: American Transmission Systems, Incorporated (“ATSI”) – Filing of New and Revised Service Agreements in Docket No. ER14-___-000

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act (“FPA”)1 and Part 35 of the Federal Energy Regulatory Commission’s (“Commission’s”) Rules of Practice and Procedure,2 ATSI, a transmission owning member of the PJM Interconnection, L.L.C. (“PJM”) (the “Applicant”) hereby submits for filing an Operating and Interconnection Agreement for Wholesale Load (“SA No. 2853”) and two Construction Agreements (“CAs”) designated as Service Agreement No. 3926 (“SA No. 3926”) and Service Agreement No. 3927 (“SA No. 3927”) described in detail herein.3

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1 16 U.S.C. § 824d.
2 18 C.F.R. Part 35.
3 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 SA No. 2853, SA No. 3926 and SA No. 3927 in the eTariff system as part of PJM’s electronic Service Agreements Tariff.
I. Description of Applicant and Background

ATSI is a transmission-only public utility, which owns, operates and maintains transmission facilities in Ohio and western Pennsylvania. 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. Buckeye Power, Inc. ("Buckeye") is a generation and transmission cooperative that produces, procures, and provides at wholesale all of the electric capacity and energy required by its 25 member electric distribution cooperatives operating in Ohio. Buckeye is interconnected to the ATSI transmission system as well as certain other distribution companies affiliated with ATSI.4

II. Description of the Agreements

SA No. 2853

SA No. 2853 is an operating and interconnection agreement by and between Buckeye and FirstEnergy Service Company on behalf of ATSI and the Distribution Companies. SA No. 2853 sets forth the rates, terms and conditions for the interconnection and coordinated operation of the parties’ systems and for Buckeye’s use of certain transmission and distribution facilities to enable it to serve its wholesale loads. SA No. 2853 was first dated June 1, 2011 and filed in Docket No. ER11-3266-000. The instant filing contains a revised version of SA No. 2853, dated August 15, 2014, which has been primarily amended to update the delivery points listed in Appendix I. More specifically, the revised SA No. 2853 adds the following delivery points:

<table>
<thead>
<tr>
<th>Delivery Point</th>
<th>In-Service Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Stacy</td>
<td>Estimated as December 2014</td>
</tr>
<tr>
<td>South Scioto</td>
<td>December 2012</td>
</tr>
<tr>
<td>Troy (Lorain-Medina)</td>
<td>January 2006</td>
</tr>
</tbody>
</table>

As noted in the table above, the New Stacy delivery point has not yet entered into service. The South Scioto delivery point entered into service in December of 2012. In preparation of the

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4 The “Distribution Companies” are The Cleveland Electric Illuminating Company, Ohio Edison Company, Pennsylvania Power Company and The Toledo Edison Company.
instant filing, it was discovered that the Troy (Lorain-Medina) delivery point was not listed in SA No. 2853 even though it was in-service at the time of SA No. 2853’s original filing. Further, one delivery point, Uncapher was removed because it was transferred to another unaffiliated entity.

PJM is a signatory to SA No. 2853 for the limited purpose of acknowledging that it has read it and to ensure that, as the regional transmission operator, PJM is apprised of the matters addressed in SA No. 2853 for purposes of reliability and planning considerations.

SA No. 3926

SA No. 3926 is a construction agreement by and among ATSI, Buckeye, and Buckeye’s customer South Central Power that is dated October 28, 2013. Under SA No. 3926, the parties are undertaking construction in connection with the new New Stacy delivery point on ATSI’s 138 kV Burger-Knox line. The construction is estimated to be completed in December and the new delivery point is estimated to enter into service on December 15, 2014. The Contribution in Aid of Construction (“CIAC”) associated with this work is described in Article I of SA No. 3926.

SA No. 3927

SA No. 3927 is a construction agreement by and among ATSI, Buckeye, and Buckeye’s customer Holmes-Wayne Electric Cooperative, Inc. that is dated June 18, 2013. Under SA No. 3927, the parties undertook construction in connection with an upgrade to the existing West Salem Delivery point necessary to accommodate a new second feed to the Holmes-Wayne West Salem 69 kV substation. The construction was completed in December 2013 and the upgraded delivery point commenced service at that time. The CIAC associated with this work is described in Article I of SA No. 3927.

III. Prior Notice Requirements and Request for Effective Date

The Applicant is currently undertaking a comprehensive review of its Commission jurisdictional agreements. During this review, Applicant identified two in-service delivery points in SA No. 2853 that were not on file with the Commission. In addition, one delivery point was on file that was no longer in-service. Applicant also identified SA No. 3927 as being a CIAC agreement that was not previously on file with the Commission. As such, Applicant did not meet
applicable prior notice requirements. The Applicant hereby respectfully request that the Commission accept SA No. 2853, SA No. 3926 and SA No. 3927 for filing with an effective date of October 20, 2014 which is approximately 60 days from the date of this filing.

IV. Communications

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

P. Nikhil Rao
Attorney
FirstEnergy Corp.
76 South Main Street
Akron, Ohio 44308
Phone: (330) 384-2422
pnrao@firstenergycorp.com
Counsel for the Applicant

Nicholas A. Giannasca
Carlos E. Gutierrez
Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Phone: (212) 885-5000
ngiannasca@BlankRome.com
cgutierrez@BlankRome.com
Counsel for the Applicant

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;
- SA No. 2853, SA No. 3926 and SA No. 3927 with metadata attached for each;
- a marked and clean copy of SA No. 2853, a clean copy of SA No. 3926 and a clean copy SA No. 3927 in PDF format for publishing in eLibrary; and
- a PDF document with the signatures pages of SA No. 2853 and the CAs for publishing in eLibrary.

5 18 C.F.R. § 35.3.
VI. Conclusion

The Applicant hereby respectfully request that the Commission accept SA No. 2853, SA No. 3926 and SA No. 3927 for filing with an effective date of October 20, 2014. Applicant further requests any waivers of the Commission’s regulations necessary to give effect to such agreements as requested by the Applicant. Please direct any questions to the undersigned.

Respectfully submitted,

/s/ Carlos E. Gutierrez

Nicholas A. Giannasca
Carlos E. Gutierrez
Phone: (212) 885-5095
cgutierrez@BlankRome.com
Counsel for Applicant
Attachment A

Revisions to the
PJM Service Agreements

(Marked / Redline Format)
OPERATING AND INTERCONNECTION AGREEMENT FOR WHOLESALE LOAD

Between

BUCKEYE POWER INC.

And

FIRSTENERGY SERVICE COMPANY
Operating and Interconnection Agreement for Wholesale Load

This Agreement is entered into as of the 1\textsuperscript{st} day of June\textsuperscript{August}, 2014 by and between Buckeye Power Inc. ("Customer") and the FirstEnergy Service Company (on behalf of American Transmission Systems, Incorporated (\textquotedblleft ATSI\textquotedblright), The Cleveland Electric Illuminating Company (\textquotedblleft CEI\textquotedblright), Ohio Edison Company (\textquotedblleft OE\textquotedblright), Pennsylvania Power Company (\textquotedblleft PP\textquotedblright), and The Toledo Edison Company (\textquotedblleft TE\textquotedblright) (together, "FirstEnergy"), being sometimes herein referred to collectively as the "Parties" or singularly as a "Party." The term “Customer,” when used in reference to Customer’s electric system or its facilities or equipment on Customer’s side of the Delivery Point (defined herein), shall be deemed to include in addition to Buckeye Power, Inc. the applicable member(s) of Buckeye Power, Inc. In consideration of the mutual covenants and agreements herein, it is agreed as follows:

WITNESSETH:

WHEREAS, ATSI, CEI, OE, PP, and TE are subsidiaries of FirstEnergy Corp. that own and operate certain electric facilities used for the transmission and distribution of wholesale electric energy;

WHEREAS, FirstEnergy is entering into this Agreement on behalf of ATSI, CEI, OE, PP, and TE. CEI, OE, PP, and TE are also referred to as the “FirstEnergy Operating Companies”;

WHEREAS, Customer is an entity that serves or acts on behalf of others in arranging for the wholesale transmission and distribution of electric energy utilizing facilities owned by ATSI and the FirstEnergy Operating Companies to serve Customer load;

WHEREAS, PJM Interconnection, L.L.C. ("PJM") is a Regional Transmission Organization ("RTO") offering transmission service to eligible customers;
WHEREAS, PJM is 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. This Agreement does not provide for the purchase, sale or exchange of transmission or ancillary services. Throughout this Agreement, PJM refers to PJM or any other RTO having operational control over the ATSI service territory of the FirstEnergy transmission system under substantially similar terms; and

WHEREAS, the Parties wish to terminate and supersede the existing agreement between them related to Network Integration Transmission Service in the Midwest Independent Transmission System Operator, Inc. territory, and establish the rates, terms, and conditions for the interconnection and coordinated operation of the Parties’ systems and for the Customer’s use of certain facilities to enable the Customer to serve its wholesale loads, which are separate from the rates, terms and conditions of transmission service provided by PJM under the PJM Open Access Transmission Tariff (“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 rates, terms and conditions for the interconnection and coordinated operation of the Parties’ systems and for the Customer’s use of certain distribution facilities to enable the Customer to serve its wholesale loads.

1.2 Limitation of Scope: Nothing in this Agreement shall be deemed to impose on Customer any obligation or standard of care or performance with respect to facilities used
by Customer to serve its members other than those that are owned by Customer (or one or more of Customer’s members) and that are interconnected with FirstEnergy’s system in the ATSI service territory.

1.3 **Applicability of Tariffs:** During the term of this Agreement, as it may be amended from time to time, FirstEnergy agrees to provide Services for the Customer, and the Customer agrees to pay for such Services using the charges identified in Section 3.9 and Section 8.1 hereof, in accordance with this Agreement. The term “Services” means those services described herein which are subject to the jurisdiction of the Federal Energy Regulatory Commission (”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. FirstEnergy shall not provide any Services or levy any charges hereunder that are provided or charged by PJM under the PJM Tariff. FirstEnergy’s and the Customer’s rights and obligations with respect to Services are limited to the terms hereof.

1.4 **Governance Over Conflicts:** The terms and conditions of such Services provided by FirstEnergy 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.

ARTICLE 2: DELIVERY POINTS

2.1 **Location:** The location of existing facilities connecting the Customer's power delivery facilities to the FirstEnergy power delivery facilities ("Delivery Points") are listed in Appendix 1. Unless the Parties shall subsequently agree otherwise, the existing Delivery Points listed in Appendix 1 shall be continued in service. FirstEnergy and the Customer, 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 the Customer, and shall not be used to inject electric power or energy into the FirstEnergy system from electric generating facilities owned by the Customer, a municipal utility, a rural co-operative, or a third party unless the Customer has studied, planned, and coordinated the interconnection of the generation facility (i) with FirstEnergy prior to June 1, 2011, or (ii) with FirstEnergy after June 1, 2011 pursuant to the Application process set forth in Article 5, if required pursuant to subpart (b) of Section 5.2, or (iii) at any time, through the PJM Tariff generator.
interconnection process. The Customer and FirstEnergy 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. The Parties shall cooperate and exercise their best efforts to amend this Agreement by including one-line diagrams of existing Delivery Points in a new appendix to be filed with FERC by December 1, 2014.

ARTICLE 3: OPERATION AND MAINTENANCE

3.1 General: Customer 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 Corporation, and PJM or successor organizations; applicable manufacturer's equipment specifications; and the most current requirements specified by FirstEnergy and applicable to the Services, including but not limited to those set forth by FirstEnergy in the document entitled “Requirements for Transmission Connected Facilities” as it may be revised from time to time (“FirstEnergy Document”) and posted on its web site. FirstEnergy shall provide Customer with notice pursuant to Section 15.1 of any changes to the FirstEnergy Document as changes are made from time to time. FirstEnergy shall comply with Good Utility Practice; all applicable national, state, and local codes, standards, and regulations, including those promulgated by NERC,
ReliabilityFirst Corporation, and PJM or successor organizations; applicable manufacturer’s equipment specifications; and the most current requirements specified by FirstEnergy and applicable to the Services, including but not limited to those set forth in the FirstEnergy Document. FirstEnergy shall have the right to waive Customer’s compliance with the technical requirements provided in the FirstEnergy Document. In the event of a conflict between the provisions of this Agreement and the FirstEnergy Document, the provisions of this Agreement 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 Customer without the approval of FirstEnergy, which approval shall not be unreasonably withheld; provided that any such approval may be revoked if in FirstEnergy’s discretion such action is necessary to maintain or retain safe and reliable operation of the electric system or any of FirstEnergy’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 Customer shall not transfer loads from one Delivery Point to another without FirstEnergy’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 Customer shall not transfer loads from one Delivery Point to another without FirstEnergy’s approval, which timely approval shall not be unreasonably withheld. The Parties shall make any additional arrangements with respect to load transfers through the Operating Committee, as provided under Article 9.

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 Interconnection, LLC) 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 FirstEnergy and Customer, 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 FirstEnergy, in accordance with Good Utility Practice, shall be the determinant of whether the operation of the Customer loads or equipment adversely affects the quality of service or interferes with the safe and reliable operation of the FirstEnergy system. FirstEnergy may discontinue Service to such Customer until the power quality or interfering condition has been corrected; provided that, to the extent practicable, FirstEnergy will provide reasonable notice to Customer. To the extent practicable under Good Utility Practice and in FirstEnergy’s sole discretion, FirstEnergy will provide Customer with an opportunity to alleviate the condition to avoid 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, FirstEnergy may curtail Service under this Agreement to limit or prevent damage to its generating, transmission, or distribution facilities caused by the Customer's failure to maintain its facilities as directed by PJM or in accordance with Good Utility Practice; provided that, to the extent practicable, FirstEnergy will provide reasonable notice to Customer and an opportunity for Customer 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 FirstEnergy and Customer in accordance with FirstEnergy procedures.

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 FirstEnergy procedures. 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 Document 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 noticinig 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 costs and may include actual direct and
indirect labor and non-labor costs to the extent such costs are properly allocable to the
planning or installation of the subject facilities.
4.1 **Planning Data:** No later than December 15 of each year, the Customer shall provide FirstEnergy with: (i) copies of documents provided by Customer to PJM on an annual basis in accordance with provisions of the PJM Tariff that require Customer 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 Customer's existing and planned Delivery Points located or to be located in ATSI's service territory; 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 the Customer, which facilities are expected to affect the planning or operation of the transmission and distribution system within ATSI’s territory. Notwithstanding the foregoing, Customer shall not be required to provide FirstEnergy with information that Customer 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 FirstEnergy's representative on the Operating Committee, with a copy to FirstEnergy'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 consent or order of a court or regulatory agency, or (ii) within FirstEnergy or by FirstEnergy 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”), the Customer should discuss the proposed Delivery Point project with FirstEnergy to determine the need for an ILS and/or DLS as those terms are defined below as soon as practicable.

5.2 **Application:** Should it become necessary or desirable by the Customer 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 that results in Penetration of generation capacity at each Delivery Point in excess of 15%; (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, the Customer shall make
Application requests in writing to FirstEnergy using the then-effective Application forms made available by contacting FirstEnergy’s representative under Article 15. With regard to subpart (b), Penetration is defined as the total aggregate generation nameplate capacity from all sources, divided by the peak load at the Delivery Point, expressed as a percentage. Following an initial Application under this subpart (b), subsequent Applications shall be submitted each time the Penetration is increased by 2.5%. For example, an Application shall be submitted when the Penetration reaches 17.5%, and another shall be submitted when the Penetration reaches 20%. The requirement to submit an Application pursuant to this Section 5.2 shall not apply in situations in which load is temporarily transferred from one Delivery Point to another Delivery Point with FirstEnergy’s approval.

5.2.1 **Response to Application:** Upon receipt of an Application, FirstEnergy shall review the information and advise the Customer within five (5) business days that the Application is complete, or if additional information is needed to make the Application complete. FirstEnergy will attempt to remedy minor deficiencies in the Application through informal communications with the Customer. If FirstEnergy does not receive the required additional information to complete the Application within fifteen (15) business days, the application will be deemed withdrawn. As soon as practicable within thirty (30) calendar days after receipt of a completed Application, FirstEnergy will inform the Customer of the need for an ILS, and/or DLS as those terms are defined below, and provide the Customer with the appropriate agreement.
5.2.2 Application Modifications: If at any point in the process outlined in this Section 5.2 the Customer is considering modifying the information provided in the Application, any supporting information or the study scope, the Customer may first request that FirstEnergy evaluate whether such modification(s) will be treated as constituting a “Material Modification.” For purposes of this Section 5.2.2, a “Material Modification” shall be any change to an Application that FirstEnergy 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, 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 the Customer’s request and at the Customer’s cost, FirstEnergy shall evaluate the proposed modification(s) prior to making them and shall inform the Customer in writing whether FirstEnergy will treat the modification as a Material Modification. If the modification(s) is not treated as a Material Modification, FirstEnergy shall continue to meet all requirements set forth in Section 5.2.1 with respect to the original Application, as modified. If the modification(s) is treated as a Material Modification, FirstEnergy may, at its option, treat the original Application as void and consider the Application, as modified, a new Application, or FirstEnergy may continue to process the Application, as modified, in accordance with the requirements of this Section 5.2. The Customer may withdraw its Application at any time and without
cost provided that the Customer withdraws the Application prior to the Customer’s execution of an ILSA and/or DLSA (described below).

5.3 **Initial Load Study ("ILS"):** Should an ILS be required due to the complexity in evaluating the Customer’s Application caused by preceding projects, the Customer’s system configuration, or FirstEnergy’s system configuration in the vicinity of the Delivery Point, FirstEnergy shall provide the Customer with an ILS Agreement ("ILSA"). If an ILS is not required due to the lack of complexity in evaluating the Customer’s Application, then only a DLS shall be required. The ILSA shall include the scope of work and payment terms to complete the ILS. The Customer shall execute and deliver an executed ILSA within thirty (30) calendar days following receipt of the ILSA form. Upon receipt of the executed study agreement, FirstEnergy shall carry out the ILS. In the ILS, FirstEnergy 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. If the Customer fails to return an executed ILSA within thirty (30) calendar days of receipt, or at a later date as the Parties mutually agree, FirstEnergy will deem the study request to be withdrawn. The Customer may withdraw its study request at any time by written notice of such withdrawal to FirstEnergy. FirstEnergy shall issue a report to the Customer within sixty (60) calendar days of the receipt of an executed ILSA, or at a later date as the Parties may mutually
agree. If FirstEnergy is unable to complete such study in the allotted time, FirstEnergy shall provide an explanation to the Customer regarding the cause(s) of such delay and a revised completion date reflecting the exercise of diligence by FirstEnergy and a revised study cost estimate. Upon completion of the ILS, the Customer shall reimburse FirstEnergy for the cost of the ILS.

5.4 **Detailed Load Study ("DLS")**: Following the completion of the ILS, if needed, and Customer’s expressed desire to proceed with the project in writing within thirty (30) calendar days of receiving the ILS, FirstEnergy shall provide the Customer a DLS Agreement ("DLSA") within thirty (30) calendar days of receiving the Customer’s notification. The DLSA shall provide scope of work and the payment terms for the actual cost of the DLS. The Customer shall deliver an executed DLSA to FirstEnergy within thirty (30) calendar days following its receipt, together with required technical data. The DLS shall determine the details and estimated cost of FirstEnergy facilities necessary for establishing or modifying a Delivery Point, and any FirstEnergy system additions/upgrades and Customer additions/upgrades needed. FirstEnergy shall complete the study and issue a DLS report to the Customer within sixty (60) calendar days after receipt of an executed DLSA and necessary data, or at a later date as the Parties may mutually agree. If the Customer fails to return an executed DLSA within thirty (30) calendar days of receipt or at a later date as the Parties mutually agree, FirstEnergy will deem the study request to be withdrawn. The Customer may withdraw its study request at any time by written notice of such withdrawal to FirstEnergy. If FirstEnergy is unable to complete such study in the allotted time, FirstEnergy shall provide an explanation to the Customer regarding the cause(s) of such delay and a revised completion date
reflecting the exercise of diligence by FirstEnergy and a revised study cost estimate. Upon completion of the DLS, the Customer shall reimburse FirstEnergy for the cost of the DLS.

5.5 **Modifications to Study Request:** During the course of an ILS or DLS, either the Customer or FirstEnergy 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 FirstEnergy or Customer 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 will not be considered modifications that would void the Application. If the revised plan and study schedule are acceptable to both FirstEnergy and the Customer, FirstEnergy will proceed with any necessary restudy. The costs of any additional studies resulting from a modification proposed by FirstEnergy or Customer shall be borne by the Party that proposed the modification.

5.6 **Construction:** The Customer shall notify FirstEnergy, in writing, of its intent to proceed with the construction of the proposed facilities identified in the DLS within sixty (60) calendar days of receiving the DLS, or another mutually agreed upon date. Should Customer elect to proceed with construction, FirstEnergy shall provide the Customer with a Construction Service Agreement ("CSA") specifying the terms and conditions of construction within thirty (30) calendar days after receipt of the Customer’s written notice.

5.6.1 **Response to CSA:** Within sixty (60) calendar days of receipt thereof, the Customer shall either execute and return the CSA to FirstEnergy for filing with
FERC or, alternatively, shall request dispute resolution under Article 11 or request that the CSA be filed unexecuted with FERC. FirstEnergy shall file the CSA, in executed or unexecuted form, as applicable, with FERC within ten (10) calendar days following receipt of the executed CSA from Customer or Customer’s request that the CSA be filed unexecuted.

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

5.6.3 **Withdrawal of Application Through Customer’s Failure to Act:** If the Customer does not notify FirstEnergy of its intent to proceed with the construction of the facilities within the time period provided in Section 5.6.1, unless otherwise agreed to by the Parties, FirstEnergy may, at its option, elect to have the Application treated as having been withdrawn. In that event, any and all costs incurred by FirstEnergy in connection with the ILS and/or DLS for such Application shall be reimbursed by Customer to FirstEnergy to the extent not already paid by the Customer. Unless otherwise agreed by the Parties, the Customer shall not be responsible for any design, procurement, or construction costs incurred by FirstEnergy unless the Customer has executed a CSA.

5.6.4 **Withdrawal of Application Through FirstEnergy’s Failure to Act:** If FirstEnergy does not file the CSA with FERC in executed or unexecuted form within the time period set forth in Section 5.6.1, unless otherwise agreed to by the
Parties, Customer may, at its option, elect to have the Application treated as having been withdrawn. In that event, any and all costs incurred by Customer in connection with such Application shall be reimbursed by FirstEnergy to Customer.

5.7 **Responsibility for Delivery Point Costs:** The purpose of this Section 5.7 is to provide guiding principles regarding cost responsibility for services provided under a CSA under this Article 5.

5.7.1 **In-Line Facilities:** Except as provided by subsection 5.7.3 below, switches, conductors and associated equipment, including support structures for such facilities, that are operated in-line with the FirstEnergy system and are necessary to establish, support, or expand a Delivery Point under this Agreement shall be provided, owned, operated and maintained by FirstEnergy. In-line facilities are those facilities that provide network benefits to the FirstEnergy system and that are located on FirstEnergy’s side of the Delivery Point. The costs associated with such in-line and associated facilities will be “rolled-in” to FirstEnergy’s rates for wholesale service taken over transmission or distribution facilities and will not be directly assigned to Customer.

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

5.7.3 **Two-Way Supply:** When FirstEnergy system standards, including those set forth in the FirstEnergy Document, require the FirstEnergy system to loop through the Customer’s substation (two-way supply), all substation equipment that is part of the networked FirstEnergy system, including buss work, switches/breakers and other facilities located in the Customer’s substation shall be constructed and owned by the Customer in accordance with the FirstEnergy system standards, and the cost thereof shall be the Customer’s responsibility, unless such equipment provides network benefits to the FirstEnergy system, in which case the equipment will be owned by FirstEnergy and the cost thereof shall be FirstEnergy’s responsibility. FirstEnergy shall retain operational control, and any access required for such operation, of such facilities and, unless otherwise agreed, the Customer shall, in coordination with FirstEnergy, maintain the buss work, switching/breakers and other facilities that are part of the networked FirstEnergy system and located in the Customer’s substation, in accordance with the FirstEnergy system standards and practices, and the cost thereof shall be the Customer’s responsibility, unless the equipment provides network benefits to the FirstEnergy system, in which case the cost thereof shall be FirstEnergy’s responsibility.
5.7.4 **Load-Side Facilities:** Unless otherwise agreed, all tap lines and distribution substations and other facilities on the Customer's side of the Delivery Point (other than metering), not located in-line with the FirstEnergy system, shall be provided, owned, operated and maintained by the Customer, and the cost thereof shall be the responsibility of the Customer.

5.7.5 **Single-Owner Design Basis:** The location and design of the new Customer Delivery Point(s) shall be determined based upon a hypothetical single owner concept, i.e. as if the FirstEnergy system and the applicable Customer's facilities were all owned by either FirstEnergy or the Customer, but not both. Accordingly, the "single owner" solution shall be based upon the lowest aggregate construction cost to the Customer and FirstEnergy collectively, without regard to cost allocation principles set forth in this Section 5.7, but consistent with the FirstEnergy system standards and Good Utility Practice. FirstEnergy and the Customer shall mutually agree upon the location and design of new Customer Delivery Points consistent with the single owner concept.

5.7.6 **System Upgrades:** System upgrades on the FirstEnergy system necessary as a result of a Customer Delivery Point request shall be constructed, owned, operated and maintained by FirstEnergy, and the cost thereof shall be rolled into FirstEnergy’s wholesale transmission or distribution rates, and shall not be directly assigned to the Customer. System upgrades on the Customer’s system necessary as a result of FirstEnergy system upgrades shall be constructed, owned, operated and maintained by the Customer at the Customer’s cost. If service to an existing Delivery Point would be affected or discontinued by virtue of the
retirement, removal, or relocation of a FirstEnergy line, FirstEnergy will work with the Customer to provide comparable service based on the single-owner design basis set forth in Section 5.7.5, using reasonable efforts to provide similar service at a new or modified Delivery Point.

5.7.7 **Sunk Cost Recovery:** Customer shall reimburse FirstEnergy for costs incurred in planning or constructing facilities at Customer's request if Customer fails to take the service requested after execution by the Customer of the CSA. In such a case, Customer will reimburse FirstEnergy to the extent that FirstEnergy incurs the cost of construction and (a) Customer fails to construct a substation or other necessary and agreed upon facilities on the Customer side of the Delivery Point, or otherwise fails to perform under the applicable CSA, or (b) notwithstanding Customer's or Customer's member's full performance under the applicable CSA, 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). FirstEnergy shall have the right to require financial security (letter of credit or other liquid security) from Customer to support Customer's payment obligations under this paragraph if and to the extent that FirstEnergy determines the at-risk cost to exceed Customer's level of unencumbered credit under FirstEnergy’s normal credit review procedures and standards.

5.7.8 **Generator Interconnections:** The costs of facilities necessary to interconnect, and the application, agreement, process and other requirements for the
interconnection of the Customer’s generation or the generation of a third-party connected to the Customer’s system to FirstEnergy 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 and metering accuracy shall meet the required ANSI and PJM standards. The location of the meter shall be called the Metering Point. Based upon mutual agreement between the Parties, the Metering Point can be at a location different from the Delivery Point, such as at a location on the low voltage side of a substation voltage step-down transformer, in which event metered values shall be adjusted to the Delivery Point using mutually acceptable compensation factors. The Parties may use metering configurations that require the use of compensation factors unless it shall be commercially unreasonable to do so; provided that nothing herein shall be intended to require modification of existing metering configurations that are based on the use of compensation factors. The Customer'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, and in accordance with FirstEnergy’s then 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 FirstEnergy affecting the other Delivery Point, or planned maintenance of the Customer’s system conducted with FirstEnergy’s consent affecting the other Delivery Point. At points where power may flow to and from the Customer, 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 Customer, FirstEnergy or PJM in suitable electronic format.

6.2 **Metering Equipment:** FirstEnergy shall own, operate and maintain the revenue metering equipment as provided in the FirstEnergy Document or required by PJM related to each Delivery Point. The costs associated with such metering equipment, including meter operation and maintenance, and meter reading and billing, shall be recovered from the Customer through the Customer Charges provided under Section 8.1 or FirstEnergy transmission rates approved by FERC. Costs associated with additional metering or telecommunication equipment requested by the Customer shall be paid by the Customer.

6.3 **Real Time Data:** If FirstEnergy, Customer, or PJM requires real-time load or facility status information from any Delivery Point, the Parties shall cooperate, to the extent necessary, in order that such monitoring and telecommunications equipment, as shall be needed for such purpose may be installed and maintained during normal business hours common to FirstEnergy and Customer.

6.4 **Data Communications:** At the request of Customer, FirstEnergy will cooperate with Customer on the installation of any additional communication equipment to allow for connection of the metering to the Customer'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 FirstEnergy equipment or fulfillment of any statutory or contractual obligation. If the potential for such interference exists, FirstEnergy will work with the Customer, through reasonable measures, to resolve such metering and/or communications issues. FirstEnergy will make reasonable efforts to send Customer meter data at the Customer’s request in the event of a communication failure and provided FirstEnergy is in possession of the data at the time of the request.

6.5 **Meter Security:** All meters and test switches, whether provided by FirstEnergy or Customer, 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:** FirstEnergy 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 Customer, a special test shall be made, but if less than two percent inaccuracy is found, the requesting party shall pay for 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, not exceeding nine (9) months, during which such
inaccuracy is estimated to have existed. Should any metering equipment fail to register, the amounts of energy delivered shall be estimated from the best available data.

**ARTICLE 7: RTO OBLIGATIONS**

**7.1 General:** Each Load Serving Entity ("LSE"), as that term is defined under the PJM Tariff and used by PJM, is responsible for complying with all RTO requirements. Unless otherwise agreed, FirstEnergy shall have only such responsibilities to assist Customer in meeting its obligations to the RTO, as shall be required pursuant to the PJM Tariff and this Agreement. FirstEnergy shall cooperate with PJM and Customer (or Customer-designated Scheduling Agent) to the extent necessary and appropriate to ensure that data is available to PJM for Customer's hourly energy assignment, and peak load contributions for use in calculating transmission charges and generation capacity obligations as discussed below. Hourly energy obligations, peak load contribution and network service peak load values as described further in this Article 7 will be derived using methods referenced in Attachment M to the PJM Tariff. FirstEnergy will also provide Customer the information provided to PJM annually under Sections 7.2 and 7.3.

**7.2 Network Service Peak Load ("NSPL"):** In December of each calendar year, FirstEnergy shall provide to PJM the zonal coincident peak ("1CP" or "NSPL") of each LSE within the FirstEnergy pricing zone in the hour of the FirstEnergy/ATSI peak load for the twelve (12) consecutive months ending on October 31 of the year prior to the calendar year during which the NSPL will be used. The network service peak load ratio share shall be used by PJM as the transmission service billing
determinant for transmission service charges and annual FTR allocations. If the basis of NSPL and FTR allocation determinations is changed by PJM, FirstEnergy shall cooperate with PJM and the Customer to the extent necessary and appropriate to make available such data as is needed. In order to verify the data, FirstEnergy shall provide the data to the Customer prior to the annual submission to PJM, and Customer and FirstEnergy shall work in good faith to resolve any disagreement about the data (with any unresolved dispute being subject to dispute resolution under Article 11).

7.3 **Peak Load Contribution (“PLC”):** FirstEnergy shall provide to PJM the PLC of each LSE in the FirstEnergy pricing zone on a forecasted annual and on a day-ahead basis for the purpose of calculating the LSE’s capacity obligation to serve its load. Each year PJM will inform FirstEnergy of the day and hour of the five highest PJM unrestricted daily peaks (“5CP”) for the period described in the PJM Tariff. FirstEnergy will then determine each LSE's contribution to the 5CP loads of the FirstEnergy control zone. This load ratio will be applied to the forecasted FirstEnergy control zone load, adjusted for weather normalization and forecasted load growth, to determine each LSE's peak load contribution. PJM will utilize this information in the development of each LSE's capacity obligation. In order to verify the data, FirstEnergy shall provide the PLC information to the Customer prior to submission to PJM, and Customer and FirstEnergy shall work in good faith to resolve any disagreement about the data (with any unresolved dispute being subject to dispute resolution under Article 11). If the basis used by PJM for PLC and relative determinations of Customer load obligations is changed by PJM,
FirstEnergy shall cooperate with PJM and the Customer to the extent necessary and appropriate to make available such data as is needed.

7.4 **Hourly Energy Requirements:** FirstEnergy will also provide to PJM each working day, via PJM's eSchedule system, the initial hourly energy assignment (load plus losses) for each LSE in the FirstEnergy zone. The data will be provided per PJM protocols and timelines which subsequently will also be available for the Customer to view through PJM web-based applications. PJM will use this data to calculate each LSE's obligation for each hour for the next day. Unless PJM has recognized a transfer of load obligation from or to the Customer (LSE) to or from another Customer (LSE), the obligation will not change daily. Within two months of the end of each settlement month, FirstEnergy shall validate the LSE's hourly load and submit the changes via the eSchedule system, as appropriate, for PJM to resettle the respective LSE's account. If the basis used by PJM to receive hourly energy assignments for the LSE, or to calculate each LSE's obligation for each hour for the next day, is changed by PJM, FirstEnergy shall cooperate with PJM and the Customer to the extent necessary and appropriate to make available such data as needed. The Customer may submit hourly load data to FirstEnergy to replace estimated load data determined by FirstEnergy, and FirstEnergy shall use the Customer’s data when practicable.

7.5 **Behind the Meter Generation:** FirstEnergy shall cooperate with PJM and the Customer to ensure that PJM receives generator output meter information it requires for the following two categories of behind-the-meter generators operating within the combined service territories of the FirstEnergy operating companies.
7.5.1 **Generators that do not participate in the PJM Markets:** The generating party shall comply with the PJM generator data requirements for generators that do not participate in the PJM Markets.

7.5.2 **Generators that do participate in the PJM Markets:** The generating party shall comply with the PJM interconnected generator data requirements for the generators that participate in the PJM Markets.

7.6 **LMP Node/Zone Aggregator:** LSEs in PJM may choose to have PJM use the zonal average load weighted LMP used as the basis for energy delivery pricing or request a specific load bus aggregate prior to the annual FTR allocation processes. It is the responsibility of the LSE to contact PJM in a timely manner if a specific load aggregation is desired. PJM may in turn request FirstEnergy to work with the LSE to determine the appropriate configuration of the load bus aggregate. FirstEnergy will cooperate with Customer in order to derive an LMP load bus aggregate, using existing transmission planning case studies to determine the percent of the load at each load bus that is served by the LSE. If FirstEnergy determines that existing studies are not sufficient and additional study development is needed to satisfy the Customer's request, the Customer may be asked to execute a study agreement and reimburse FirstEnergy for the study-related costs. The LSE may provide such data to PJM and, based on results from PJM, the LSE will choose whether to utilize the aggregate or the FirstEnergy zonal weighted average LMP price.

**ARTICLE 8: COMPENSATION**
8.1 Compensation for Wholesale Service: The Customer shall pay FirstEnergy 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 FirstEnergy to the Customer pursuant to this Agreement.

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

8.1.2 Customer Charge: The Customer shall pay the following monthly Customer Charges for each Delivery Point, as applicable.

8.1.2.1 For Delivery Points at 69 kV and above: No charge.

8.1.2.2 For Delivery Points below 69 kV and at 23 kV or above:

$116.47/Delivery Point per month.

8.1.2.3 For Delivery Points below 23 kV: $51.69/Delivery Point per month

8.2 Losses: The Customer's load shall be adjusted for settlement purposes under Section 8.1.1 for wholesale distribution charges to include both FirstEnergy's transmission and distribution losses. Distribution loss factors are specified in Appendix 1. Transmission loss factors are the loss factors for Transmission Service and Network Integration Transmission Service as defined by the PJM Tariff, and they shall be provided in Attachment H-21 to the PJM Tariff for the ATSI zone. To the extent Customer's load at any Delivery Point is supplied from behind-the-meter generation, losses shall be assessed only for the net load delivered to such Delivery Points by FirstEnergy.

8.3 Billing and Payments: Bills shall be rendered as soon as practicable in the month following the calendar month in which Service was provided or expenses incurred, and
shall be due and payable, unless otherwise agreed upon, within thirty (30) days of receipt of such invoices. Payment to FirstEnergy shall be made by electronic transfer or such other means as shall cause such payment to be available for the use of the payee. Interest on unpaid amounts shall accrue daily at the then current prime interest rate (the base corporate loan interest rate) published in the Wall Street Journal, or, if no longer so published, in any mutually agreeable publication, plus 2% per annum, but will in no event exceed the maximum interest rate allowed pursuant to Ohio law, and shall be payable from the due date of such unpaid amount and until the date paid.

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 disbursal 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), 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.

8.6 **Contribution In-Aid of Construction:** When the Customer funds the construction of FirstEnergy-owned facilities pursuant to a contribution in-aid of construction (“CIAC”), the Customer also shall reimburse FirstEnergy for the tax effect of such CIAC (a “Tax Effect Recovery Factor” or “TERF”), where such payment is considered taxable income
and subject to income tax under the Internal Revenue Service ("IRS") and/or state department of revenue (State) requirements. The TERF shall be computed consistent with the methodology set forth in Ozark Gas Transmission Corp., 56 FERC ¶ 61,349 as reflected in the following formula: TERF = (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1 – Current Tax Rate). The Present Value Depreciation Amount shall be computed by discounting FirstEnergy’s anticipated tax depreciation deductions with respect to constructed property by FirstEnergy’s current weighted average cost of capital. If, based on current law, FirstEnergy determines such contribution by Customer shall not be taxable, FirstEnergy will not charge a TERF; however, in the event that such contribution is later determined by the IRS and/or State tax authority to be taxable, the Customer shall reimburse FirstEnergy the amount of the TERF, including any interest and penalty charged to FirstEnergy by the IRS and/or State. Such reimbursement is due within 30 days of the date upon which FirstEnergy notifies Customer of such determination. At Customer’s request and expense, FirstEnergy shall file with the IRS and/or State a request for a private letter ruling as to whether any CIAC paid, or to be paid, by Customer to FirstEnergy is subject to federal and/or state income taxation. Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalty of perjury that all facts represented in such request are true and accurate to the best of Customer’s knowledge. FirstEnergy and Customer shall cooperate in good faith with respect to the submission of such request. FirstEnergy shall keep Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS and/or the State, that authorizes Customer to participate in all
discussions with the IRS and/or the State regarding such request for a private letter ruling. FirstEnergy shall allow Customer to attend all meetings with IRS and/or State officials about the request and shall permit Customer to prepare the initial drafts of any follow-up letters in connection with the request. If Customer shall have reimbursed FirstEnergy for the TERF, upon request by Customer and at Customer’s expense, FirstEnergy shall contest the taxability of such CIAC; provided, however, that FirstEnergy shall not be required to contest such taxability if FirstEnergy waives payment by Customer of any amount that might otherwise by payable by Customer under this Agreement in respect of such determination.

ARTICLE 9: OPERATING COMMITTEE

9.1 Purpose: An Operating Committee consisting of a representative and alternate from each Party familiar with the day-to-day operations of their respective systems shall be established to coordinate and implement, on an ongoing basis, the terms and conditions of this Agreement, including planning, operating, scheduling, redispatching, curtailments, control requirements, technical and operating provisions, integration of equipment, hardware and software, and other considerations. Each Party shall evidence its appointments to the Operating Committee by written notice to the other Party and, by similar notice, each Party may change its representative and/or alternate to the Operating Committee.

9.2 Membership: Each member and alternate shall be a responsible person working with the day-to-day operations of their respective system. The Operating Committee shall
represent FirstEnergy and Customer in all matters arising under this Operating Agreement and which may be delegated to it by mutual agreement of the Parties hereto.

9.3 **Meetings:** The Operating Committee shall meet or otherwise conference at the request of either Party upon reasonable notice and each Party may place items on the meeting agenda. All proceedings of the Operating Committee shall be conducted by its members taking into account the exercise of Good Utility Practice.

9.4 **Operating Committee Disputes:** If the Operating Committee is unable to agree on any matter coming under its jurisdiction within 30 days after it is presented, that matter shall be submitted for settlement under the procedures specified in Article 11, or otherwise, as mutually agreed by the Customer and FirstEnergy.

**ARTICLE 10 – FINANCIAL RESPONSIBILITY**

10.1 **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 agrees
to 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 Customer and FirstEnergy 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.

10.2 **Consequential Damages:** 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 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 11: ARBITRATION**

11.1 **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 will 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.

11.2 **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.

11.3 **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 Ohio 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.

11.4 **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 Customer under Section 201(f) of the Federal Power Act.

**ARTICLE 12: TERM AND TERMINATION OF AGREEMENT**

12.1 **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 (10th)
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.

12.2 **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.

12.3 **Other Permitted Termination:** Notwithstanding Sections 12.1 and 12.2, 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 13: REGULATORY AUTHORITIES**

13.1 **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.
13.2 **Adverse Regulatory Change:** Following execution of this Agreement, FirstEnergy shall file it with FERC. The Customer shall not protest the filing and FirstEnergy may represent in its filing that the Customer supports the filing. Each Party hereby agrees to 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 14: OTHER**

14.1 **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.

14.2 **Replacement of Prior Agreement:** Customer and FirstEnergy agree to take all actions required to terminate the 1st Revised Service Agreement No. 337 for Network Integration Transmission Service between Buckeye Power, Inc. and ATSI, as assigned to
the Midwest ISO, as filed in Docket ER03-1411 and enter into all agreements necessary for the Customer to receive Network Integration Transmission Service from PJM, including but not limited to a Network Integration Transmission Service Agreement between the Customer and PJM. This Agreement and these additional PJM agreements shall replace and supersede the 1st Revised Service Agreement No. 337 for Network Integration Transmission Service between ATSI, as assigned to the Midwest ISO, and Buckeye Power, Inc. as filed in docket ER03-1411. It is the intent of the Parties that there will be continuity of service between the existing Network Service and Network Operations Agreement No. 337 and this Agreement and any PJM Network Integration Transmission Service Agreement. If FERC’s orders effectively prevent the continuity of service, the Parties will continue to recognize and perform under the existing agreement.

14.3 **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.

14.4 **Liability:** 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 representatives of the PJM have read the terms of this Agreement. The Parties and PJM further state that they understand that FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and
planning issues that may arise under this Agreement, and that the signature of the PJM officer shall not in any way be deemed to imply that 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.

14.5 **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 State of Ohio.

14.6 **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.

14.7 **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, RFC, 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 information relating to a Party's technology, research and development, business affairs, and pricing, and customer-
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).

14.8 **Regulatory Reporting:** Each Party shall provide information reasonably requested by the other Party to satisfy regulatory reporting requirements, subject to Section 14.7.

**ARTICLE 15: NOTICES**

15.1 Any notice given pursuant to this Agreement shall be in writing as follows:

If to FirstEnergy:

<table>
<thead>
<tr>
<th>Agreements Support Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>FirstEnergy Service Company</td>
</tr>
<tr>
<td>Manager, Agreements Support</td>
</tr>
<tr>
<td>76 South Main Street—10th Floor, A-GO-10</td>
</tr>
<tr>
<td>Akron, Ohio 44308</td>
</tr>
<tr>
<td>Attn: Michael J. Thorn</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Legal Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>FirstEnergy Service Company</td>
</tr>
<tr>
<td>76 South Main Street, A-GO-15</td>
</tr>
<tr>
<td>Akron, Ohio 44308</td>
</tr>
<tr>
<td>Attn: Attorney for Agreements Support</td>
</tr>
</tbody>
</table>

If to Customer:

<table>
<thead>
<tr>
<th>Attn: Vice President, Engineering and Power Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>6677 Busch Boulevard</td>
</tr>
<tr>
<td>Columbus, Ohio 43229</td>
</tr>
<tr>
<td>Attn: Pat O’Loughlin</td>
</tr>
</tbody>
</table>

15.2 The above names and addresses of any Party may be changed at any time by notice to the other Party.
IN WITNESS WHEREOF, the hands and seals of the Parties and the PJM hereto, four (4) copies, each to be considered an original, executed by their respective officers lawfully authorized so to do, this ___15th day of ________, August, 2014.

BUCKEYE POWER, INC.

By:_______________________________________
Name:_____________________________________
Title:______________________________________

FIRSTENERGY SERVICE COMPANY

By:________________________________________
Name:______________________________________
Title:_______________________________________

The signature below of the authorized officer of PJM is for the limited purpose of acknowledging that an authorized officer of PJM has read this Agreement as of the ___4th__ day of June/August, 2014.

PJM INTERCONNECTION, L.L.C.

By:________________________________________
Name:_____________________________________
Title:______________________________________
## APPENDIX 1

**Delivery Points, Wholesale Distribution Rates, Losses**

<table>
<thead>
<tr>
<th>Name</th>
<th>Nominal Voltage (kV)</th>
<th>Monthly Distribution Charge ($/kW)*</th>
<th>Losses (%)** 69 kV Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashland</td>
<td>69</td>
<td>N/A</td>
<td>Yes N/A</td>
</tr>
<tr>
<td>Baird</td>
<td>69</td>
<td>N/A</td>
<td>Yes N/A</td>
</tr>
<tr>
<td>Bradner</td>
<td>12.5</td>
<td>$0.35</td>
<td>Yes 3.9%</td>
</tr>
<tr>
<td>Brighton</td>
<td>138</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Brownstown</td>
<td>34</td>
<td>$0.53</td>
<td>No 3.9%</td>
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<tr>
<td>Burbank</td>
<td>69</td>
<td>N/A</td>
<td>Yes N/A</td>
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<tr>
<td>Burlington</td>
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<td>$0.86</td>
<td>NoYes 3.9%</td>
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<tr>
<td>Camden</td>
<td>138</td>
<td>N/A</td>
<td>N/A N/A</td>
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<tr>
<td>Central</td>
<td>69</td>
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</tr>
<tr>
<td>Columbia Gas a)</td>
<td>69</td>
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</tr>
<tr>
<td>Columbia Gas b)</td>
<td>69</td>
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<tr>
<td>Coulter</td>
<td>69</td>
<td>N/A</td>
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<td>Debolt</td>
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<td>Delaware Bus. Park</td>
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<td>Delta North</td>
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<tr>
<td>Edison</td>
<td>69</td>
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<td>Fayette</td>
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<td>$1.45</td>
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<td>Fitchville</td>
<td>69</td>
<td>N/A</td>
<td>Yes N/A</td>
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<tr>
<td>Flatrock</td>
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<td>Hancock-Wood (Bowling Green)</td>
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<td>Harmony</td>
<td>69</td>
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<td>Hartford</td>
<td>69</td>
<td>N/A</td>
<td>Yes N/A</td>
</tr>
<tr>
<td>Harvey</td>
<td>34</td>
<td>$1.31</td>
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<tr>
<td>Homerville</td>
<td>69</td>
<td>N/A</td>
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<td>Jeromesville</td>
<td>69</td>
<td>N/A</td>
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</tr>
<tr>
<td>Lakeside</td>
<td>34.5</td>
<td>$1.34</td>
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## APPENDIX 1
### Delivery Points, Wholesale Distribution Rates, Losses

<table>
<thead>
<tr>
<th>Name</th>
<th>Nominal Voltage (kV)</th>
<th>Monthly Distribution Charge ($/kW)*</th>
<th>Losses (%)**</th>
<th>69 kV Distribution</th>
<th>69 kV Distribution</th>
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<tbody>
<tr>
<td>Liberty</td>
<td>69</td>
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<tr>
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<td>Malinta</td>
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<tr>
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<tr>
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<tr>
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<tr>
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<td>New Stacy</td>
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<td>Nova</td>
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<tr>
<td>Oxford</td>
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<tr>
<td>Repp</td>
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<tr>
<td>Robson Rd.</td>
<td>69</td>
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<tr>
<td>Route 20</td>
<td>12.5</td>
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<tr>
<td>Scioto</td>
<td>69</td>
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<tr>
<td>South Scioto</td>
<td>138</td>
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<tr>
<td>Snyder</td>
<td>69</td>
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<tr>
<td>Spencer</td>
<td>69</td>
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<td>Steuben</td>
<td>69</td>
<td>N/A</td>
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<tr>
<td>Sullivan</td>
<td>69</td>
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<tr>
<td>Troy</td>
<td>69</td>
<td>N/A</td>
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<td>Yes</td>
<td>N/A</td>
</tr>
<tr>
<td>Uneapher</td>
<td>34</td>
<td>$1.31</td>
<td></td>
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<td>3.9%</td>
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<tr>
<td>Washington</td>
<td>138</td>
<td>N/A</td>
<td></td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Carroll County)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### APPENDIX 1

**Delivery Points, Wholesale Distribution Rates, Losses**

<table>
<thead>
<tr>
<th>Name</th>
<th>Nominal Voltage (kV)</th>
<th>Monthly Distribution Charge ($/kW)*</th>
<th>Losses (%)**</th>
<th>69 kV Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Troy</td>
<td>138</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>(Lorain-Medina)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Washington</td>
<td>138</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>(Carroll County)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Webster Rd.</td>
<td>69</td>
<td>N/A</td>
<td>Yes</td>
<td>N/A</td>
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<tr>
<td>West Salem</td>
<td>69</td>
<td>N/A</td>
<td>Yes</td>
<td>N/A</td>
</tr>
<tr>
<td>White City</td>
<td>12.5</td>
<td>$1.18</td>
<td>No</td>
<td>3.9%</td>
</tr>
<tr>
<td>Yankee</td>
<td>69</td>
<td>N/A</td>
<td>Yes</td>
<td>N/A</td>
</tr>
</tbody>
</table>

* kW shall be the non-coincident monthly peak load as metered at each delivery point, and increased for losses as applicable to include losses at the 138 kV voltage level.

** The loss factors provided in this Appendix represent losses on facilities used for wholesale distribution service as referenced in Section 8.2.
Attachment B

Revisions to the
PJM Service Agreements

(Clean Format)
Service Agreement No. 2853
OPERATING AND INTERCONNECTION AGREEMENT FOR WHOLESALE LOAD

Between

BUCKEYE POWER INC.

And

FIRSTENERGY SERVICE COMPANY
Operating and Interconnection Agreement for Wholesale Load

This Agreement is entered into as of the 15th day of August, 2014 by and between Buckeye Power Inc. ("Customer") and the FirstEnergy Service Company (on behalf of American Transmission Systems, Incorporated ("ATSI"), The Cleveland Electric Illuminating Company ("CEI"), Ohio Edison Company ("OE"), Pennsylvania Power Company ("PP"), and The Toledo Edison Company ("TE") (together, "FirstEnergy"), being sometimes herein referred to collectively as the "Parties" or singularly as a "Party." The term “Customer,” when used in reference to Customer’s electric system or its facilities or equipment on Customer’s side of the Delivery Point (defined herein), shall be deemed to include in addition to Buckeye Power, Inc. the applicable member(s) of Buckeye Power, Inc. In consideration of the mutual covenants and agreements herein, it is agreed as follows:

WITNESSETH:

WHEREAS, ATSI, CEI, OE, PP, and TE are subsidiaries of FirstEnergy Corp. that own and operate certain electric facilities used for the transmission and distribution of wholesale electric energy;

WHEREAS, FirstEnergy is entering into this Agreement on behalf of ATSI, CEI, OE, PP, and TE. CEI, OE, PP, and TE are also referred to as the “FirstEnergy Operating Companies”;

WHEREAS, Customer is an entity that serves or acts on behalf of others in arranging for the wholesale transmission and distribution of electric energy utilizing facilities owned by ATSI and the FirstEnergy Operating Companies to serve Customer load;

WHEREAS, PJM Interconnection, L.L.C. ("PJM") is a Regional Transmission Organization ("RTO") offering transmission service to eligible customers;
WHEREAS, PJM is 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. This Agreement does not provide for the purchase, sale or exchange of transmission or ancillary services. Throughout this Agreement, PJM refers to PJM or any other RTO having operational control over the ATSI service territory of the FirstEnergy transmission system under substantially similar terms; and

WHEREAS, the Parties wish to terminate and supersede the existing agreement between them related to Network Integration Transmission Service in the Midwest Independent Transmission System Operator, Inc. territory, and establish the rates, terms, and conditions for the interconnection and coordinated operation of the Parties’ systems and for the Customer’s use of certain facilities to enable the Customer to serve its wholesale loads, which are separate from the rates, terms and conditions of transmission service provided by PJM under the PJM Open Access Transmission Tariff (“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 rates, terms and conditions for the interconnection and coordinated operation of the Parties’ systems and for the Customer’s use of certain distribution facilities to enable the Customer to serve its wholesale loads.

1.2 Limitation of Scope: Nothing in this Agreement shall be deemed to impose on Customer any obligation or standard of care or performance with respect to facilities used by
Customer to serve its members other than those that are owned by Customer (or one or more of Customer’s members) and that are interconnected with FirstEnergy’s system in the ATSI service territory.

1.3 Applicability of Tariffs: During the term of this Agreement, as it may be amended from time to time, FirstEnergy agrees to provide Services for the Customer, and the Customer agrees to pay for such Services using the charges identified in Section 3.9 and Section 8.1 hereeto, in accordance with this Agreement. The term “Services” means those services described herein which are subject to the jurisdiction of the Federal Energy Regulatory Commission (“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. FirstEnergy shall not provide any Services or levy any charges hereunder that are provided or charged by PJM under the PJM Tariff. FirstEnergy’s and the Customer’s rights and obligations with respect to Services are limited to the terms hereof.

1.4 Governance Over Conflicts: The terms and conditions of such Services provided by FirstEnergy 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.

ARTICLE 2: DELIVERY POINTS

2.1 Location: The location of existing facilities connecting the Customer's power delivery facilities to the FirstEnergy power delivery facilities ("Delivery Points") are listed in Appendix 1. Unless the Parties shall subsequently agree otherwise, the existing Delivery Points listed in Appendix 1 shall be continued in service. FirstEnergy and the Customer, 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 the Customer, and shall not be used to inject electric power or energy into the FirstEnergy system from electric generating facilities owned by the Customer, a municipal utility, a rural co-operative, or a third party unless the Customer has studied, planned, and coordinated the interconnection of the generation facility (i) with FirstEnergy prior to June 1, 2011, or (ii) with FirstEnergy after June 1, 2011 pursuant to the Application process set forth in Article 5, if required pursuant to subpart (b) of Section 5.2, or (iii) at any time, through the PJM Tariff generator.
interconnection process. The Customer and FirstEnergy 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. The Parties shall cooperate and exercise their best efforts to amend this Agreement by including one-line diagrams of existing Delivery Points in a new appendix to be filed with FERC by December 1, 2016.

ARTICLE 3: OPERATION AND MAINTENANCE

3.1 General: Customer 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 Corporation, and PJM or successor organizations; applicable manufacturer's equipment specifications; and the most current requirements specified by FirstEnergy and applicable to the Services, including but not limited to those set forth by FirstEnergy in the document entitled “Requirements for Transmission Connected Facilities” as it may be revised from time to time (“FirstEnergy Document”) and posted on its web site. FirstEnergy shall provide Customer with notice pursuant to Section 15.1 of any changes to the FirstEnergy Document as changes are made from time to time. FirstEnergy shall comply with Good Utility Practice; all applicable national, state, and local codes, standards, and regulations, including those promulgated by NERC,
ReliabilityFirst Corporation, and PJM or successor organizations; applicable manufacturer’s equipment specifications; and the most current requirements specified by FirstEnergy and applicable to the Services, including but not limited to those set forth in the FirstEnergy Document. FirstEnergy shall have the right to waive Customer’s compliance with the technical requirements provided in the FirstEnergy Document. In the event of a conflict between the provisions of this Agreement and the FirstEnergy Document, the provisions of this Agreement 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 Customer without the approval of FirstEnergy, which approval shall not be unreasonably withheld; provided that any such approval may be revoked if in FirstEnergy’s discretion such action is necessary to maintain or retain safe and reliable operation of the electric system or any of FirstEnergy’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 Customer shall not transfer loads from one Delivery Point to another without FirstEnergy’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 Customer shall not transfer loads from one Delivery Point to another without FirstEnergy’s approval, which timely approval shall not be unreasonably withheld. The Parties shall make any additional arrangements with respect to load transfers through the Operating Committee, as provided under Article 9.

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 Interconnection, LLC) 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 FirstEnergy and Customer, 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 FirstEnergy, in accordance with Good Utility Practice, shall be the determinant of whether the operation of the Customer loads or equipment adversely affects the quality of service or interferes with the safe and reliable operation of the FirstEnergy system. FirstEnergy may discontinue Service to such Customer until the power quality or interfering condition has been corrected; provided that, to the extent practicable, FirstEnergy will provide reasonable notice to Customer. To the extent practicable under Good Utility Practice and in FirstEnergy’s sole discretion, FirstEnergy will provide Customer with an opportunity to alleviate the condition to avoid 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, FirstEnergy may curtail Service under this Agreement to limit or prevent damage to its generating, transmission, or distribution facilities caused by the Customer's failure to maintain its facilities as directed by PJM or in accordance with Good Utility Practice; provided that, to the extent practicable, FirstEnergy will provide reasonable notice to Customer and an opportunity for Customer 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 FirstEnergy and Customer in accordance with FirstEnergy procedures.

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 FirstEnergy procedures. 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 Document 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 costs and may include actual direct and indirect labor and non-labor costs to the extent such costs are 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, the Customer shall provide FirstEnergy with: (i) copies of documents provided by Customer to PJM on an annual basis in accordance with provisions of the PJM Tariff that require Customer 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 Customer's existing and planned Delivery Points located or to be located in ATSI's service territory; 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 the Customer, which facilities are expected to affect the planning or operation of the transmission and distribution system within ATSI’s territory. Notwithstanding the foregoing, Customer shall not be required to provide FirstEnergy with information that Customer 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 FirstEnergy's representative on the Operating Committee, with a copy to FirstEnergy'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 consent or order of a court or regulatory agency, or (ii) within FirstEnergy or by FirstEnergy 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”), the Customer should discuss the proposed Delivery Point project with FirstEnergy to determine the need for an ILS and/or DLS as those terms are defined below as soon as practicable.

5.2 Application: Should it become necessary or desirable by the Customer 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 that results in Penetration of generation capacity at each Delivery Point in excess of 15%; (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, the Customer shall make
Application requests in writing to FirstEnergy using the then-effective Application forms made available by contacting FirstEnergy’s representative under Article 15. With regard to subpart (b), Penetration is defined as the total aggregate generation nameplate capacity from all sources, divided by the peak load at the Delivery Point, expressed as a percentage. Following an initial Application under this subpart (b), subsequent Applications shall be submitted each time the Penetration is increased by 2.5%. For example, an Application shall be submitted when the Penetration reaches 17.5%, and another shall be submitted when the Penetration reaches 20%. The requirement to submit an Application pursuant to this Section 5.2 shall not apply in situations in which load is temporarily transferred from one Delivery Point to another Delivery Point with FirstEnergy’s approval.

5.2.1 Response to Application: Upon receipt of an Application, FirstEnergy shall review the information and advise the Customer within five (5) business days that the Application is complete, or if additional information is needed to make the Application complete. FirstEnergy will attempt to remedy minor deficiencies in the Application through informal communications with the Customer. If FirstEnergy does not receive the required additional information to complete the Application within fifteen (15) business days, the application will be deemed withdrawn. As soon as practicable within thirty (30) calendar days after receipt of a completed Application, FirstEnergy will inform the Customer of the need for an ILS, and/or DLS as those terms are defined below, and provide the Customer with the appropriate agreement.
5.2.2 Application Modifications: If at any point in the process outlined in this Section 5.2 the Customer is considering modifying the information provided in the Application, any supporting information or the study scope, the Customer may first request that FirstEnergy evaluate whether such modification(s) will be treated as constituting a “Material Modification.” For purposes of this Section 5.2.2, a “Material Modification” shall be any change to an Application that FirstEnergy 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, 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 the Customer’s request and at the Customer’s cost, FirstEnergy shall evaluate the proposed modification(s) prior to making them and shall inform the Customer in writing whether FirstEnergy will treat the modification as a Material Modification. If the modification(s) is not treated as a Material Modification, FirstEnergy shall continue to meet all requirements set forth in Section 5.2.1 with respect to the original Application, as modified. If the modification(s) is treated as a Material Modification, FirstEnergy may, at its option, treat the original Application as void and consider the Application, as modified, a new Application, or FirstEnergy may continue to process the Application, as modified, in accordance with the requirements of this Section 5.2. The Customer may withdraw its Application at any time and without
cost provided that the Customer withdraws the Application prior to the
Customer’s execution of an ILSA and/or DLSA (described below).

5.3 Initial Load Study (“ILS”): Should an ILS be required due to the complexity in
evaluating the Customer’s Application caused by preceding projects, the Customer’s
system configuration, or FirstEnergy’s system configuration in the vicinity of the
Delivery Point, FirstEnergy shall provide the Customer with an ILS Agreement
(“ILSA”). If an ILS is not required due to the lack of complexity in evaluating the
Customer’s Application, then only a DLS shall be required. The ILSA shall include the
scope of work and payment terms to complete the ILS. The Customer shall execute and
deliver an executed ILSA within thirty (30) calendar days following receipt of the ILSA
form. Upon receipt of the executed study agreement, FirstEnergy shall carry out the ILS.
In the ILS, FirstEnergy 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. If the Customer fails to return an
executed ILSA within thirty (30) calendar days of receipt, or at a later date as the Parties
mutually agree, FirstEnergy will deem the study request to be withdrawn. The Customer
may withdraw its study request at any time by written notice of such withdrawal to
FirstEnergy. FirstEnergy shall issue a report to the Customer within sixty (60) calendar
days of the receipt of an executed ILSA, or at a later date as the Parties may mutually
agree. If FirstEnergy is unable to complete such study in the allotted time, FirstEnergy shall provide an explanation to the Customer regarding the cause(s) of such delay and a revised completion date reflecting the exercise of diligence by FirstEnergy and a revised study cost estimate. Upon completion of the ILS, the Customer shall reimburse FirstEnergy for the cost of the ILS.

5.4 Detailed Load Study (“DLS”): Following the completion of the ILS, if needed, and Customer’s expressed desire to proceed with the project in writing within thirty (30) calendar days of receiving the ILS, FirstEnergy shall provide the Customer a DLS Agreement (“DLSA”) within thirty (30) calendar days of receiving the Customer’s notification. The DLSA shall provide scope of work and the payment terms for the actual cost of the DLS. The Customer shall deliver an executed DLSA to FirstEnergy within thirty (30) calendar days following its receipt, together with required technical data. The DLS shall determine the details and estimated cost of FirstEnergy facilities necessary for establishing or modifying a Delivery Point, and any FirstEnergy system additions/upgrades and Customer additions/upgrades needed. FirstEnergy shall complete the study and issue a DLS report to the Customer within sixty (60) calendar days after receipt of an executed DLSA and necessary data, or at a later date as the Parties may mutually agree. If the Customer fails to return an executed DLSA within thirty (30) calendar days of receipt or at a later date as the Parties mutually agree, FirstEnergy will deem the study request to be withdrawn. The Customer may withdraw its study request at any time by written notice of such withdrawal to FirstEnergy. If FirstEnergy is unable to complete such study in the allotted time, FirstEnergy shall provide an explanation to the Customer regarding the cause(s) of such delay and a revised completion date.
reflecting the exercise of diligence by FirstEnergy and a revised study cost estimate. Upon completion of the DLS, the Customer shall reimburse FirstEnergy for the cost of the DLS.

5.5 Modifications to Study Request: During the course of an ILS or DLS, either the Customer or FirstEnergy 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 FirstEnergy or Customer 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 will not be considered modifications that would void the Application. If the revised plan and study schedule are acceptable to both FirstEnergy and the Customer, FirstEnergy will proceed with any necessary restudy. The costs of any additional studies resulting from a modification proposed by FirstEnergy or Customer shall be borne by the Party that proposed the modification.

5.6 Construction: The Customer shall notify FirstEnergy, in writing, of its intent to proceed with the construction of the proposed facilities identified in the DLS within sixty (60) calendar days of receiving the DLS, or another mutually agreed upon date. Should Customer elect to proceed with construction, FirstEnergy shall provide the Customer with a Construction Service Agreement (“CSA”) specifying the terms and conditions of construction within thirty (30) calendar days after receipt of the Customer’s written notice.

5.6.1 Response to CSA: Within sixty (60) calendar days of receipt thereof, the Customer shall either execute and return the CSA to FirstEnergy for filing with
FERC or, alternatively, shall request dispute resolution under Article 11 or request that the CSA be filed unexecuted with FERC. FirstEnergy shall file the CSA, in executed or unexecuted form, as applicable, with FERC within ten (10) calendar days following receipt of the executed CSA from Customer or Customer’s request that the CSA be filed unexecuted.

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

5.6.3 Withdrawal of Application Through Customer’s Failure to Act: If the Customer does not notify FirstEnergy of its intent to proceed with the construction of the facilities within the time period provided in Section 5.6.1, unless otherwise agreed to by the Parties, FirstEnergy may, at its option, elect to have the Application treated as having been withdrawn. In that event, any and all costs incurred by FirstEnergy in connection with the ILS and/or DLS for such Application shall be reimbursed by Customer to FirstEnergy to the extent not already paid by the Customer. Unless otherwise agreed by the Parties, the Customer shall not be responsible for any design, procurement, or construction costs incurred by FirstEnergy unless the Customer has executed a CSA.

5.6.4 Withdrawal of Application Through FirstEnergy’s Failure to Act: If FirstEnergy does not file the CSA with FERC in executed or unexecuted form within the time period set forth in Section 5.6.1, unless otherwise agreed to by the Parties,
Customer may, at its option, elect to have the Application treated as having been withdrawn. In that event, any and all costs incurred by Customer in connection with such Application shall be reimbursed by FirstEnergy to Customer.

5.7 Responsibility for Delivery Point Costs: The purpose of this Section 5.7 is to provide guiding principles regarding cost responsibility for services provided under a CSA under this Article 5.

5.7.1 In-Line Facilities: Except as provided by subsection 5.7.3 below, switches, conductors and associated equipment, including support structures for such facilities, that are operated in-line with the FirstEnergy system and are necessary to establish, support, or expand a Delivery Point under this Agreement shall be provided, owned, operated and maintained by FirstEnergy. In-line facilities are those facilities that provide network benefits to the FirstEnergy system and that are located on FirstEnergy’s side of the Delivery Point. The costs associated with such in-line and associated facilities will be “rolled-in” to FirstEnergy’s rates for wholesale service taken over transmission or distribution facilities and will not be directly assigned to Customer.

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

5.7.3 Two-Way Supply: When FirstEnergy system standards, including those set forth in the FirstEnergy Document, require the FirstEnergy system to loop through the Customer’s substation (two-way supply), all substation equipment that is part of the networked FirstEnergy system, including buss work, switches/breakers and other facilities located in the Customer’s substation shall be constructed and owned by the Customer in accordance with the FirstEnergy system standards, and the cost thereof shall be the Customer’s responsibility, unless such equipment provides network benefits to the FirstEnergy system, in which case the equipment will be owned by FirstEnergy and the cost thereof shall be FirstEnergy’s responsibility. FirstEnergy shall retain operational control, and any access required for such operation, of such facilities and, unless otherwise agreed, the Customer shall, in coordination with FirstEnergy, maintain the buss work, switching/breakers and other facilities that are part of the networked FirstEnergy system and located in the Customer’s substation, in accordance with the FirstEnergy system standards and practices, and the cost thereof shall be the Customer’s responsibility, unless the equipment provides network benefits to the FirstEnergy system, in which case the cost thereof shall be FirstEnergy’s responsibility.
5.7.4 Load-Side Facilities: Unless otherwise agreed, all tap lines and distribution substations and other facilities on the Customer's side of the Delivery Point (other than metering), not located in-line with the FirstEnergy system, shall be provided, owned, operated and maintained by the Customer, and the cost thereof shall be the responsibility of the Customer.

5.7.5 Single-Owner Design Basis: The location and design of the new Customer Delivery Point(s) shall be determined based upon a hypothetical single owner concept, i.e. as if the FirstEnergy system and the applicable Customer's facilities were all owned by either FirstEnergy or the Customer, but not both. Accordingly, the "single owner" solution shall be based upon the lowest aggregate construction cost to the Customer and FirstEnergy collectively, without regard to cost allocation principles set forth in this Section 5.7, but consistent with the FirstEnergy system standards and Good Utility Practice. FirstEnergy and the Customer shall mutually agree upon the location and design of new Customer Delivery Points consistent with the single owner concept.

5.7.6 System Upgrades: System upgrades on the FirstEnergy system necessary as a result of a Customer Delivery Point request shall be constructed, owned, operated and maintained by FirstEnergy, and the cost thereof shall be rolled into FirstEnergy’s wholesale transmission or distribution rates, and shall not be directly assigned to the Customer. System upgrades on the Customer’s system necessary as a result of FirstEnergy system upgrades shall be constructed, owned, operated and maintained by the Customer at the Customer’s cost. If service to an existing Delivery Point would be affected or discontinued by virtue of the
retirement, removal, or relocation of a FirstEnergy line, FirstEnergy will work with the Customer to provide comparable service based on the single-owner design basis set forth in Section 5.7.5, using reasonable efforts to provide similar service at a new or modified Delivery Point.

5.7.7 Sunk Cost Recovery: Customer shall reimburse FirstEnergy for costs incurred in planning or constructing facilities at Customer's request if Customer fails to take the service requested after execution by the Customer of the CSA. In such a case, Customer will reimburse FirstEnergy to the extent that FirstEnergy incurs the cost of construction and (a) Customer fails to construct a substation or other necessary and agreed upon facilities on the Customer side of the Delivery Point, or otherwise fails to perform under the applicable CSA, or (b) notwithstanding Customer's or Customer's member's full performance under the applicable CSA, 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). FirstEnergy shall have the right to require financial security (letter of credit or other liquid security) from Customer to support Customer's payment obligations under this paragraph if and to the extent that FirstEnergy determines the at-risk cost to exceed Customer's level of unencumbered credit under FirstEnergy’s normal credit review procedures and standards.

5.7.8 Generator Interconnections: The costs of facilities necessary to interconnect, and the application, agreement, process and other requirements for the interconnection
of the Customer’s generation or the generation of a third-party connected to the Customer’s system to FirstEnergy 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 and metering accuracy shall meet the required ANSI and PJM standards. The location of the meter shall be called the Metering Point. Based upon mutual agreement between the Parties, the Metering Point can be at a location different from the Delivery Point, such as at a location on the low voltage side of a substation voltage step-down transformer, in which event metered values shall be adjusted to the Delivery Point using mutually acceptable compensation factors. The Parties may use metering configurations that require the use of compensation factors unless it shall be commercially unreasonable to do so; provided that nothing herein shall be intended to require modification of existing metering configurations that are based on the use of compensation factors. The Customer'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, and in accordance with FirstEnergy’s then 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 FirstEnergy affecting the other Delivery Point, or planned maintenance of the Customer’s system conducted with FirstEnergy’s consent affecting the other Delivery Point. At points where power may flow to and from the Customer, 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 Customer, FirstEnergy or PJM in suitable electronic format.

6.2 Metering Equipment: FirstEnergy shall own, operate and maintain the revenue metering equipment as provided in the FirstEnergy Document or required by PJM related to each Delivery Point. The costs associated with such metering equipment, including meter operation and maintenance, and meter reading and billing, shall be recovered from the Customer through the Customer Charges provided under Section 8.1 or FirstEnergy transmission rates approved by FERC. Costs associated with additional metering or telecommunication equipment requested by the Customer shall be paid by the Customer.

6.3 Real Time Data: If FirstEnergy, Customer, or PJM requires real-time load or facility status information from any Delivery Point, the Parties shall cooperate, to the extent necessary, in order that such monitoring and telecommunications equipment, as shall be needed for such purpose may be installed and maintained during normal business hours common to FirstEnergy and Customer.

6.4 Data Communications: At the request of Customer, FirstEnergy will cooperate with Customer on the installation of any additional communication equipment to allow for connection of the metering to the Customer'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 FirstEnergy equipment or fulfillment of any statutory or contractual obligation. If the potential for such interference exists, FirstEnergy will work with the Customer, through reasonable measures, to resolve such metering and/or communications issues. FirstEnergy will make reasonable efforts to send Customer meter data at the Customer’s request in the event of a communication failure and provided FirstEnergy is in possession of the data at the time of the request.

6.5 Meter Security: All meters and test switches, whether provided by FirstEnergy or Customer, 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: FirstEnergy 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 Customer, a special test shall be made, but if less than two percent inaccuracy is found, the requesting party shall pay for 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, not exceeding nine (9) months, during which such
inaccuracy is estimated to have existed. Should any metering equipment fail to register, the amounts of energy delivered shall be estimated from the best available data.

ARTICLE 7: RTO OBLIGATIONS

7.1 General: Each Load Serving Entity ("LSE"), as that term is defined under the PJM Tariff and used by PJM, is responsible for complying with all RTO requirements. Unless otherwise agreed, FirstEnergy shall have only such responsibilities to assist Customer in meeting its obligations to the RTO, as shall be required pursuant to the PJM Tariff and this Agreement. FirstEnergy shall cooperate with PJM and Customer (or Customer-designated Scheduling Agent) to the extent necessary and appropriate to ensure that data is available to PJM for Customer's hourly energy assignment, and peak load contributions for use in calculating transmission charges and generation capacity obligations as discussed below. Hourly energy obligations, peak load contribution and network service peak load values as described further in this Article 7 will be derived using methods referenced in Attachment M to the PJM Tariff. FirstEnergy will also provide Customer the information provided to PJM annually under Sections 7.2 and 7.3.

7.2 Network Service Peak Load ("NSPL"): In December of each calendar year, FirstEnergy shall provide to PJM the zonal coincident peak ("1CP" or "NSPL") of each LSE within the FirstEnergy pricing zone in the hour of the FirstEnergy/ATSI peak load for the twelve (12) consecutive months ending on October 31 of the year prior to the calendar year during which the NSPL will be used. The network service peak load ratio share shall be used by PJM as the transmission service billing determinant for transmission service charges and annual FTR allocations. If the basis of NSPL and FTR allocation
determinations is changed by PJM, FirstEnergy shall cooperate with PJM and the Customer to the extent necessary and appropriate to make available such data as is needed. In order to verify the data, FirstEnergy shall provide the data to the Customer prior to the annual submission to PJM, and Customer and FirstEnergy shall work in good faith to resolve any disagreement about the data (with any unresolved dispute being subject to dispute resolution under Article 11).

7.3 Peak Load Contribution (“PLC”): FirstEnergy shall provide to PJM the PLC of each LSE in the FirstEnergy pricing zone on a forecasted annual and on a day-ahead basis for the purpose of calculating the LSE's capacity obligation to serve its load. Each year PJM will inform FirstEnergy of the day and hour of the five highest PJM unrestricted daily peaks (“5CP”) for the period described in the PJM Tariff. FirstEnergy will then determine each LSE’s contribution to the 5CP loads of the FirstEnergy control zone. This load ratio will be applied to the forecasted FirstEnergy control zone load, adjusted for weather normalization and forecasted load growth, to determine each LSE’s peak load contribution. PJM will utilize this information in the development of each LSE's capacity obligation. In order to verify the data, FirstEnergy shall provide the PLC information to the Customer prior to submission to PJM, and Customer and FirstEnergy shall work in good faith to resolve any disagreement about the data (with any unresolved dispute being subject to dispute resolution under Article 11). If the basis used by PJM for PLC and relative determinations of Customer load obligations is changed by PJM, FirstEnergy shall cooperate with PJM and the Customer to the extent necessary and appropriate to make available such data as is needed.
7.4 Hourly Energy Requirements: FirstEnergy will also provide to PJM each working day, via PJM's eSchedule system, the initial hourly energy assignment (load plus losses) for each LSE in the FirstEnergy zone. The data will be provided per PJM protocols and timelines which subsequently will also be available for the Customer to view through PJM web-based applications. PJM will use this data to calculate each LSE's obligation for each hour for the next day. Unless PJM has recognized a transfer of load obligation from or to the Customer (LSE) to or from another Customer (LSE), the obligation will not change daily. Within two months of the end of each settlement month, FirstEnergy shall validate the LSE's hourly load and submit the changes via the eSchedule system, as appropriate, for PJM to resettle the respective LSE's account. If the basis used by PJM to receive hourly energy assignments for the LSE, or to calculate each LSE's obligation for each hour for the next day, is changed by PJM, FirstEnergy shall cooperate with PJM and the Customer to the extent necessary and appropriate to make available such data as needed. The Customer may submit hourly load data to FirstEnergy to replace estimated load data determined by FirstEnergy, and FirstEnergy shall use the Customer's data when practicable.

7.5 Behind the Meter Generation: FirstEnergy shall cooperate with PJM and the Customer to ensure that PJM receives generator output meter information it requires for the following two categories of behind-the-meter generators operating within the combined service territories of the FirstEnergy operating companies.

7.5.1 Generators that do not participate in the PJM Markets: The generating party shall comply with the PJM generator data requirements for generators that do not participate in the PJM Markets.
7.5.2 Generators that do participate in the PJM Markets: The generating party shall comply with the PJM interconnected generator data requirements for the generators that participate in the PJM Markets.

7.6 LMP Node/Zone Aggregator: LSEs in PJM may choose to have PJM use the zonal average load weighted LMP used as the basis for energy delivery pricing or request a specific load bus aggregate prior to the annual FTR allocation processes. It is the responsibility of the LSE to contact PJM in a timely manner if a specific load aggregation is desired. PJM may in turn request FirstEnergy to work with the LSE to determine the appropriate configuration of the load bus aggregate. FirstEnergy will cooperate with Customer in order to derive an LMP load bus aggregate, using existing transmission planning case studies to determine the percent of the load at each load bus that is served by the LSE. If FirstEnergy determines that existing studies are not sufficient and additional study development is needed to satisfy the Customer's request, the Customer may be asked to execute a study agreement and reimburse FirstEnergy for the study-related costs. The LSE may provide such data to PJM and, based on results from PJM, the LSE will choose whether to utilize the aggregate or the FirstEnergy zonal weighted average LMP price.

ARTICLE 8: COMPENSATION

8.1 Compensation for Wholesale Service: The Customer shall pay FirstEnergy 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 FirstEnergy to the Customer pursuant to this Agreement.

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

8.1.2 Customer Charge: The Customer shall pay the following monthly Customer Charges for each Delivery Point, as applicable.

8.1.2.1 For Delivery Points at 69 kV and above: No charge.

8.1.2.2 For Delivery Points below 69 kV and at 23 kV or above: $116.47/Delivery Point per month.

8.1.2.3 For Delivery Points below 23 kV: $51.69/Delivery Point per month.

8.2 Losses: The Customer's load shall be adjusted for settlement purposes under Section 8.1.1 for wholesale distribution charges to include both FirstEnergy’s transmission and distribution losses. Distribution loss factors are specified in Appendix 1. Transmission loss factors are the loss factors for Transmission Service and Network Integration Transmission Service as defined by the PJM Tariff, and they shall be provided in Attachment H-21 to the PJM Tariff for the ATSI zone. To the extent Customer's load at any Delivery Point is supplied from behind-the-meter generation, losses shall be assessed only for the net load delivered to such Delivery Points by FirstEnergy.

8.3 Billing and Payments: Bills shall be rendered as soon as practicable in the month following the calendar month in which Service was provided or expenses incurred, and shall be due and payable, unless otherwise agreed upon, within thirty (30) days of receipt of such invoices. Payment to FirstEnergy shall be made by electronic transfer or such
other means as shall cause such payment to be available for the use of the payee. Interest on unpaid amounts shall accrue daily at the then current prime interest rate (the base corporate loan interest rate) published in the Wall Street Journal, or, if no longer so published, in any mutually agreeable publication, plus 2% per annum, but will in no event exceed the maximum interest rate allowed pursuant to Ohio law, and shall be payable from the due date of such unpaid amount and until the date paid.

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 disbursal 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), 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.

8.6 Contribution In-Aid of Construction: When the Customer funds the construction of
FirstEnergy-owned facilities pursuant to a contribution in-aid of construction (“CIAC”),
the Customer also shall reimburse FirstEnergy for the tax effect of such CIAC (a “Tax
Effect Recovery Factor” or “TERF”), where such payment is considered taxable income
and subject to income tax under the Internal Revenue Service (“IRS”) and/or state
department of revenue (State) requirements. The TERF shall be computed consistent
with the methodology set forth in Ozark Gas Transmission Corp., 56 FERC ¶ 61,349 as reflected in the following formula: \[ \text{TERF} = \frac{(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation}))}{(1 - \text{Current Tax Rate})}. \] The Present Value Depreciation Amount shall be computed by discounting FirstEnergy’s anticipated tax depreciation deductions with respect to constructed property by FirstEnergy’s current weighted average cost of capital. If, based on current law, FirstEnergy determines such contribution by Customer shall not be taxable, FirstEnergy will not charge a TERF; however, in the event that such contribution is later determined by the IRS and/or State tax authority to be taxable, the Customer shall reimburse FirstEnergy the amount of the TERF, including any interest and penalty charged to FirstEnergy by the IRS and/or State. Such reimbursement is due within 30 days of the date upon which FirstEnergy notifies Customer of such determination. At Customer’s request and expense, FirstEnergy shall file with the IRS and/or State a request for a private letter ruling as to whether any CIAC paid, or to be paid, by Customer to FirstEnergy is subject to federal and/or state income taxation. Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalty of perjury that all facts represented in such request are true and accurate to the best of Customer’s knowledge. FirstEnergy and Customer shall cooperate in good faith with respect to the submission of such request. FirstEnergy shall keep Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS and/or the State, that authorizes Customer to participate in all discussions with the IRS and/or the State regarding such request for a private letter ruling. FirstEnergy shall allow Customer to attend all meetings with IRS and/or State
officials about the request and shall permit Customer to prepare the initial drafts of any follow-up letters in connection with the request. If Customer shall have reimbursed FirstEnergy for the TERF, upon request by Customer and at Customer’s expense, FirstEnergy shall contest the taxability of such CIAC; provided, however, that FirstEnergy shall not be required to contest such taxability if FirstEnergy waives payment by Customer of any amount that might otherwise by payable by Customer under this Agreement in respect of such determination.

ARTICLE 9: OPERATING COMMITTEE

9.1 Purpose: An Operating Committee consisting of a representative and alternate from each Party familiar with the day-to-day operations of their respective systems shall be established to coordinate and implement, on an ongoing basis, the terms and conditions of this Agreement, including planning, operating, scheduling, redispatching, curtailments, control requirements, technical and operating provisions, integration of equipment, hardware and software, and other considerations. Each Party shall evidence its appointments to the Operating Committee by written notice to the other Party and, by similar notice, each Party may change its representative and/or alternate to the Operating Committee.

9.2 Membership: Each member and alternate shall be a responsible person working with the day-to-day operations of their respective system. The Operating Committee shall represent FirstEnergy and Customer in all matters arising under this Operating Agreement and which may be delegated to it by mutual agreement of the Parties hereto.
9.3 Meetings: The Operating Committee shall meet or otherwise conference at the request of either Party upon reasonable notice and each Party may place items on the meeting agenda. All proceedings of the Operating Committee shall be conducted by its members taking into account the exercise of Good Utility Practice.

9.4 Operating Committee Disputes: If the Operating Committee is unable to agree on any matter coming under its jurisdiction within 30 days after it is presented, that matter shall be submitted for settlement under the procedures specified in Article 11, or otherwise, as mutually agreed by the Customer and FirstEnergy.

ARTICLE 10 – FINANCIAL RESPONSIBILITY

10.1 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 agrees to 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 Customer and FirstEnergy 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.

10.2 Consequential Damages: 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 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 11: ARBITRATION

11.1 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 will 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.

11.2 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.

11.3 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 Ohio 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.

11.4 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 Customer under Section 201(f) of the Federal Power Act.

ARTICLE 12: TERM AND TERMINATION OF AGREEMENT

12.1 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 (10th)
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.

12.2 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.

12.3 Other Permitted Termination: Notwithstanding Sections 12.1 and 12.2, 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 13: REGULATORY AUTHORITIES

13.1 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.
13.2 Adverse Regulatory Change: Following execution of this Agreement, FirstEnergy shall file it with FERC. The Customer shall not protest the filing and FirstEnergy may represent in its filing that the Customer supports the filing. Each Party hereby agrees to 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 14: OTHER

14.1 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.

14.2 Replacement of Prior Agreement: Customer and FirstEnergy agree to take all actions required to terminate the 1st Revised Service Agreement No. 337 for Network Integration Transmission Service between Buckeye Power, Inc. and ATSI, as assigned to
the Midwest ISO, as filed in Docket ER03-1411 and enter into all agreements necessary for the Customer to receive Network Integration Transmission Service from PJM, including but not limited to a Network Integration Transmission Service Agreement between the Customer and PJM. This Agreement and these additional PJM agreements shall replace and supersede the 1st Revised Service Agreement No. 337 for Network Integration Transmission Service between ATSI, as assigned to the Midwest ISO, and Buckeye Power, Inc. as filed in docket ER03-1411. It is the intent of the Parties that there will be continuity of service between the existing Network Service and Network Operations Agreement No. 337 and this Agreement and any PJM Network Integration Transmission Service Agreement. If FERC’s orders effectively prevent the continuity of service, the Parties will continue to recognize and perform under the existing agreement.

14.3 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.

14.4 Liability: 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 representatives of the PJM have read the terms of this Agreement. The Parties and PJM further state that they understand that FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and
planning issues that may arise under this Agreement, and that the signature of the PJM officer shall not in any way be deemed to imply that 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.

14.5 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 State of Ohio.

14.6 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.

14.7 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, RFC, 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 information relating to a Party's technology, research and development, business affairs, and pricing, and customer-
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).

14.8 Regulatory Reporting: Each Party shall provide information reasonably requested by the other Party to satisfy regulatory reporting requirements, subject to Section 14.7.

ARTICLE 15: NOTICES

15.1 Any notice given pursuant to this Agreement shall be in writing as follows:

If to FirstEnergy:

Agreements Support Manager
FirstEnergy Service Company
76 South Main Street, A-GO-10
Akron, Ohio 44308
Attn: Michael J. Thorn

Legal Department
FirstEnergy Service Company
76 South Main Street, A-GO-15
Akron, Ohio 44308
Attn: Attorney for Agreements Support

If to Customer:

Buckeye Power, Inc.
6677 Busch Boulevard
Columbus, Ohio 43229
Attn: Pat O’Loughlin

15.2 The above names and addresses of any Party may be changed at any time by notice to the other Party.
IN WITNESS WHEREOF, the hands and seals of the Parties and the PJM hereto, four (4) copies, each to be considered an original, executed by their respective officers lawfully authorized so to do, this 15th day of August, 2014.

BUCKEYE POWER, INC.

By:_______________________________________
Name:_____________________________________
Title:______________________________________

FIRSTENERGY SERVICE COMPANY

By:________________________________________
Name:______________________________________
Title:________________________________________

The signature below of the authorized officer of PJM is for the limited purpose of acknowledging that an authorized officer of PJM has read this Agreement as of the ______ day of August, 2014.

PJM INTERCONNECTION, L.L.C.

By:_________________________________________
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Title:_________________________________________
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## APPENDIX 1

### Delivery Points, Wholesale Distribution Rates, Losses

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<tr>
<th>Name</th>
<th>Nominal Voltage (kV)</th>
<th>Monthly Distribution Charge ($/kW)*</th>
<th>Losses (%)**</th>
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<tr>
<td>Name</td>
<td>Nominal Voltage (kV)</td>
<td>Monthly Distribution Charge ($/kW)*</td>
<td>Losses (%)**</td>
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</tr>
<tr>
<td>----------------------</td>
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<td>-------------------------------------</td>
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* kW shall be the non-coincident monthly peak load as metered at each delivery point, and increased for losses as applicable to include losses at the 138 kV voltage level.

** The loss factors provided in this Appendix represent losses on facilities used for wholesale distribution service as referenced in Section 8.2.
Service Agreement No. 3926
CONSTRUCTION SERVICE AGREEMENT

This Construction Service Agreement (the “Agreement”) is made this 28th day of October, 2013, by American Transmission Systems, Incorporated, a FirstEnergy Company (“ATSI”), Buckeye Power, Inc. (“Buckeye”), and South Central Power (“SCP”), each a “Party” and together the “Parties.”

WHEREAS, Buckeye is the wholesale power supplier to its members, including SCP, and arranges for the transmission and delivery of wholesale power and energy to its members at points of interconnection between the electric distribution systems of its members and the electric transmission systems of Buckeye’s transmission providers; and

WHEREAS, Buckeye obtains network integration transmission service from PJM Interconnection, L.L.C. (“PJM”) pursuant to the terms of PJM’s Open Access Transmission Tariff (“OATT”) as accepted by the Federal Energy Regulatory Commission (“FERC” or “Commission”), and an Operating and Interconnection Agreement for Wholesale Load (“Wholesale Delivery Point Agreement”) between Buckeye and FirstEnergy Service Company (“FESC”) on behalf of ATSI and certain other FirstEnergy operating companies; and

WHEREAS, ATSI is interconnected with SCP by delivery points between ATSI’s transmission system and SCP’s electric distribution system under the Wholesale Delivery Point Agreement between Buckeye and FESC; and

WHEREAS, on November 8, 2012, Buckeye notified ATSI that it will be adding a new 138kV substation of New Stacy near 40150 Lower Clearfork Road in Cadiz, Ohio; and

WHEREAS, on May 22, 2013, ATSI submitted an Initial Load Study Report to Buckeye; and

WHEREAS, on August 19, 2013, ATSI submitted a Detailed Load Study Report to Buckeye, attached hereto as Exhibit A; and

WHEREAS, on August 26, 2013, Buckeye requested that ATSI proceed with the work necessary to support the new 138kV New Stacy substation per Exhibit A; and

WHEREAS, the new 138kV Delivery Point of New Stacy will be served from a tapped connection connected to the Burger-Knox 138kV line; and

WHEREAS, ATSI, Buckeye, and SCP agree to construct and pay for the delivery point upgrade as provided below; and

NOW, THEREFORE, ATSI, Buckeye, and SCP agree to the following terms and conditions:
ARTICLE I – DESIGN AND CONSTRUCTION

1.1 ATSI, or its agents, will provide substation checkout, functional testing, protection engineering, line work, disconnectable taps (vacuum bottles and whips), switching, replace carrier set and revenue metering for the new 138kV New Stacy substation (“Work”) per Exhibit A.

1.2 Reserved.

1.3 The Parties intend that all payments made by Buckeye to ATSI for the Work constitutes a taxable contribution in aid of construction (“CIAC”) under the Internal Revenue Code and any applicable state tax laws. Buckeye shall reimburse ATSI for the tax effect of such CIAC pursuant to Section 8.6 of the Wholesale Delivery Point Agreement.

1.4 ATSI will own, operate and maintain the 138 kV tap facilities (at ATSI’s expense) on the Burger-Knox 138kV line transmission line, and ATSI will own, operate and maintain the necessary span(s) of circuit to the determination of the point of interconnect, and SCP will own, operate and maintain the radial 138 kV line extension to the New Stacy Substation (at SCP’s expense), and construction of the radial 138 kV line extension past the determination of the point of interconnect towards the New Stacy Substation can be constructed either by SCP or ATSI (at SCP’s expense), which would be determined during construction coordination.

1.5 Pursuant to Section 5.7.4 of the Wholesale Delivery Point Agreement, SCP shall, at its own cost, be responsible for the operation, maintenance and ownership of the New Stacy Substation, which shall include transformers and facilities necessary for voltage step-down from 138 kV to local distribution voltage for delivery of power from Buckeye to SCP through the New Stacy Point. As part of this agreement, SCP shall, at its own cost, perform the Work described in Exhibit A.

1.6 ATSI shall, as part of this agreement, and at its own cost, perform the Work described in Exhibit A.

1.7 During the period of time that the New Stacy Delivery Point is added, an outage will need to occur with coordination to the ATSI control center, all as described in Exhibit A or discussed at the commencement of construction.

1.8 Buckeye shall reimburse ATSI for the line work, install tap to New Stacy Substation, install SCADA indication and control on line switches (optional), and engineering oversight and commissioning (substation checkout, functional testing, protection engineering), as described in Exhibit A. The Work is estimated to cost $1,094,900 (including $207,900 of taxable CIAC) with a total of 12 months to implement from a signed Construction Agreement.

1.9 ATSI will specify the maximum protective coordination characteristics acceptable at the New Stacy Delivery Point.

1.10 SCP will provide certified test documents. SCP will give ATSI employees the necessary permission to enter onto the New Stacy Substation at reasonable times and on reasonable notice for inspections of the facilities.
1.11 The Parties agree to meet as necessary to coordinate the Work necessary at the New Stacy Delivery Point.

1.12 After FERC acceptance of this Agreement, ATSI shall undertake the Work in conformance with the conditions set forth in Exhibit A, and this Agreement. ATSI shall complete the Work as soon as reasonably practicable considering ATSI’s workload and Buckeye’s timetable for the new New Stacy Delivery Point.

ARTICLE II – OPERATION

2.1 The Parties shall operate and maintain the new New Stacy Delivery Point in accordance with the Wholesale Delivery Point Agreement.

ARTICLE III – RATES, BILLING AND PAYMENT

3.1 To the extent set forth in this Agreement and Exhibit A, Buckeye will reimburse ATSI for the costs of providing certain facilities and services as estimated in Exhibit A.

3.2 ATSI will submit invoices to Buckeye for the Work performed under this Agreement in accordance with the payment schedule set forth in Exhibit B. The invoice will describe the nature and timing of the Work performed. All invoices are due and payable within 30 days of the date of the invoice. If Buckeye fails to make full payment of an invoice by the due date, ATSI will serve notice of the delinquency on Buckeye by certified mail. If Buckeye fails to make payment in full (including interest accrued at the rate below) within 15 days of receipt of the notice, Buckeye will be considered in default.

a) Amounts not paid on or before the due date will be payable with interest accrued daily from the due date until the date upon which payment is made. Interest will be computed at the then current prime rate of interest per annum established by Chase Manhattan Bank, or its successor, on the last business day of the month in which the invoice was rendered, plus two percent per annum, but in no event greater than the maximum interest rate permitted by law.

b) All invoices must be paid in full regardless of any dispute as to such invoices. Disputes will be discussed and resolved using best efforts to amicably and promptly resolve the disputes. Upon determination of the correct invoice amount, the proper adjustment will be paid or refunded promptly with interest calculated in accordance with Section 3.2(a) and computed from the date payment was due to the date the adjustment or refund is made.

c) Requests for adjustments or refunds regarding any transaction must be made by the requesting Party in writing no later than six months after the date that the invoice was initially rendered.

3.3 ATSI will file this Agreement with the FERC. Buckeye will cooperate with ATSI in obtaining approval of this filing.
3.4 Terms, conditions and monthly charges of wholesale distribution and transmission service associated with the new 138kV delivery point will be specified in the Wholesale Delivery Point Agreement and the PJM OATT.

**ARTICLE IV – GENERAL PROVISIONS**

4.1 Notices. With the exception of invoices pursuant to Article III, all written notices under this Agreement must be sent by certified mail, return receipt requested, to the persons specified below:

Agreements Support Manager  
FirstEnergy Service Company  
76 South Main St.  
Akron, Ohio 44308  
Attn: Michael J. Thorn

FirstEnergy Legal  
FirstEnergy Service Company  
76 South Main Street  
Akron, OH 44308  
Attn: Randall Palmer

Buckeye Power, Inc.  
6677 Busch Blvd.  
P. O. Box 26036  
Columbus, Ohio 43226-0036  
Attn: Pat O’Loughlin
4.2 Default. Default shall mean the failure of Buckeye or ATSI to make any payment or perform any obligation in the time and manner specified in this Agreement. Except as provided in Section 3.2, the Party in Default shall have 30 days from the date of receipt of notice of Default in which to cure the Default. If the Default is cured within this period, the Default specified in the notice shall cease to exist. A Default that is not so cured, or a Default which is not capable of being cured, shall entitle the Party not in Default to suspend performance under this Agreement, and to file a notice of cancellation of this Agreement with the FERC.

4.3 Allocation of Responsibility. SCP agrees to be responsible for any and all liability, loss, claim, judgment, demand, cost or expense (including attorneys’ fees), for damage or injury to person(s) or property, or death of any person(s) (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 SCP under this Agreement, except where the Covered Claim is shown to have been caused by the sole negligence or willful misconduct of ATSI, its employees, or any of its contractors or suppliers; provided, however, that such exception shall not exclude any Covered Claim based upon an act of ATSI, its employees or any of its contractors or suppliers, which was, at the time it was performed, consistent with Good Utility Practice. ATSI agrees to provide SCP with notice of any claim made against ATSI for which SCP may be responsible under this paragraph 4.3.

ATSI agrees to be responsible for any and all liability, loss, claim, judgment, demand, cost or expense (including attorneys’ fees), for damage or injury to person(s) or property, or death of any person(s) (each a “Covered Claim”), in any manner directly or indirectly arising from or contributed to by the provision of service or construction of facilities by ATSI under this Agreement, except where the Covered Claim is shown to have been caused by the sole negligence or willful misconduct of SCP, its employees or any of its contractors or suppliers; provided, however, that such exception shall not exclude any Covered Claim based upon an act of SCP, its employees or any of its contractors or suppliers, which was, at the time it was performed, consistent with Good Utility Practice. SCP agrees to provide ATSI with notice of any claim made against SCP which ATSI may be responsible under this paragraph 4.3.
To the extent a Covered Claim arises from the joint or combined fault of SCP and ATSI, then liability for such Covered Claim shall be allocated between the parties in accordance with applicable laws of comparative fault and joint liability in effect at the time liability under a Covered Claim arises.

4.4 Liability. No Party will be liable to any other for any indirect, incidental, consequential, punitive or other special damages under this Agreement.

4.5 Force Majeure. The term “Force Majeure” shall be deemed for the purpose of this Agreement to mean any cause or event beyond the reasonable control of, and without the fault of negligence of, the Party claiming Force Majeure. It will include, without limitation, strike, stoppage in labor, inability to obtain necessary materials or equipment, transportation delays, riot, vandalism, natural disasters, earthquakes, fire, flood, ice, lightning, storms, snow, rain, hurricanes, wind, invasion, civil disturbances, war, insurrection, sabotage, blockages, embargoes, epidemics, explosions, military or usurped power, changes in federal, state, or local law or regulation or ordinance or interpretation thereof or resulting change in any permit, license or approval requirement if such changes affect the provision of services under this Agreement, or changes in order of any court granted in any bona fide adverse legal proceeding or action, order of any civil or military authority either de facto or de jure and including orders of governmental and administrative agencies which conflict with the terms of this Agreement, acts of God or public enemies, failure or malfunction of system facilities and unscheduled outage of generating units or transmission facilities. Under no circumstances will lack of finances be construed or constitute Force Majeure. Nothing contained herein shall be construed to require a Party to settle any strike, lockout, work stoppage or other industrial disturbance or dispute in which it may be involved or to take an appeal from any judicial, regulatory or administrative action. Any Party rendered unable to fulfill any of its obligations under this Agreement by reason of Force Majeure will exercise due diligence to remove such inability with reasonable dispatch. If any Party is unable to perform any of its obligations by reason of Force Majeure, the obligations affected by the Force Majeure, are suspended during the continuance thereof. The Party invoking Force Majeure must give prompt notice and shall specifically state the full particulars of the Force Majeure and the time and date when the Force Majeure occurred. Notices given by telephone shall be in confirmed in writing as required by Section 4.1 as soon as reasonably possible. When the Force Majeure ceases, the Party relying thereon must give prompt notice thereof to the other Parties. No Party is in default of any obligation hereunder, or is liable to the other Parties for any damages, if prevented from fulfilling its obligation by reason of Force Majeure. But nothing in this Section excuses Buckeye from paying for services or facilities provided by ATSI hereunder.

4.6 Non-Waiver of Defaults. No waiver by any Party of any default of another Party under this Agreement will operate as a waiver of a future default whether of a like or different character.

4.7 Written Amendments. No modification of the terms and provisions of this Agreement will be made or become effective except by written amendment executed by the undersigned parties and accepted by FERC. Nothing contained herein shall be construed as affecting in any way the right of ATSI, the party furnishing service under this rate schedule, to unilaterally make application to FERC for a change in rates under section 205 of the Federal Power Act and pursuant to the Commission’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 and pursuant to the Commission’s Rules and Regulations promulgated thereunder.

4.8 Choice of Laws. Except to the extent that this Agreement is subject to the Federal Power Act, the Agreement shall be governed by and construed in accordance with the laws of the state of Ohio.

4.9 Assignment and Succession. No Party shall assign this Agreement or its rights hereunder without a prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed. Upon any assignment made in compliance with this Section 4.9, this Agreement shall inure to and be binding upon the successors and assigns of the assigning Parties. Notwithstanding the foregoing, any Party may, without the need for consent from the other Parties, and without relieving itself from liability hereunder: (a) transfer, pledge, or assign this Agreement as security for any financing with financial institutions; (b) transfer or assign this Agreement to an affiliate of such Party provided that all the persons obligated to fulfill the assigning Party’s obligations under this Agreement after the assignment have substantially equivalent financial capability to that of all the persons obligated to fulfill the assigning Party’s obligations under this Agreement before the assignment; or (c) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of such Party; provided, however, that any such assignee shall agree to be bound by the terms and conditions hereof and shall have the financial capability to perform the same.

4.10 Governance over Conflicts. This Agreement, established under Section 5.6 of the Wholesale Delivery Point Agreement, governs the terms and conditions of the Work and payment related to the Delivery Point referenced herein. All other aspects of the Delivery Point, such as operation and maintenance responsibilities, metering, modifications to the Delivery Point, coordination with the PJM OATT, and compensation for wholesale distribution service, shall be governed by the Wholesale Delivery Point Agreement. In the case of any conflict between this Agreement and the Wholesale Delivery Point Agreement or the PJM OATT, the Wholesale Delivery Point Agreement or the PJM OATT shall control, as the case may be. In the event of any conflict between the Wholesale Delivery Point Agreement and the PJM OATT, the PJM OATT shall control.
AMERICAN TRANSMISSION SYSTEMS, INCORPORATED

By:        By:

Title:        Title:

Date:        Date:

BUCKEYE POWER, INC.

SOUTH CENTRAL POWER

By:

Title:

Date:
Exhibit A

Detailed Load Study Report

DETAIL LOAD STUDY REPORT

For New 138kV Interconnection to the
FirstEnergy Transmission System for

Buckeye Power/South Central Power
at New Stacy Substation (32-35)

(Fe Application No. 1348)

Issued: August 19, 2013

Prepared by:

Energy Delivery Planning and Protection Department
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Figure 3 – One-Line Provided by South Central Power Co
Figure 4 – Assumed Tap Route
1.0 Executive Summary

This report completes the Detail Load Study (DLS) requested by Buckeye Power on behalf of South Central Power to evaluate a load connection request to American Transmission Systems Inc. (ATSI), a subsidiary of FirstEnergy Corporation (FE). The purpose of this Detail Load Study is to determine the ability of the ATSI transmission system to accommodate a new 138kV delivery point for Buckeye Power/South Central Power at the New Stacy substation located near 40150 Lower Clearfork Road in Cadiz, Ohio (shown in Figure 1 of the Appendix). An application has been submitted by Buckeye Power/South Central Power with a requested in-service date of 6/1/2014. The application had indicated an initial load of 7MVA at a 98% power factor (pf) with an anticipated 5 year load of 11MVA at a 98% pf. However, in subsequent communication with Buckeye Power/South Central Power it was indicated that a revised load estimate of an initial 17MVA at a 98% pf and a 5 year load of 21MVA at a 98% pf should be studied.

Buckeye Power/South Central Power has indicated that the New Stacy substation will not be networked to an adjacent substation sourced from another transmission system. If Buckeye Power/South Central Power requires multiple transmission sources to supply their facilities, then the electrical facilities at Buckeye Power/South Central Power must be served by delivery points that will be independent of each other.

The DLS was performed by FE’s Energy Delivery Planning & Protection (EDPP) group, with assistance from Substation Design, Transmission Line Design, Metering Technical Support, and Ohio Edison. Please note that if Buckeye Power/South Central Power should significantly change their substation configuration or electrical load before their requested in-service date, then additional study may need to be performed by FE.

The results of this study report are subject to change. This study is based upon the current configuration of the FE System and includes only those proposed Delivery Point projects with signed Delivery Point agreements. Delivery Point agreements executed subsequent to the completion of this study may impact the study results and cause the study to be performed again at the Applicant’s cost. FE will use best efforts to inform Applicants should this occur.
2.0 Scope

The DLS is an engineering study conducted by FE to determine: 1) the scope, cost, and schedule of ATSI facilities required to connect Buckeye Power/South Central Power; 2) the ability of the ATSI system to accommodate the load request and maintain system reliability; 3) requirements at the New Stacy facility to connect to the ATSI system. The DLS report includes the following information, as applicable: load flow analysis; short circuit level at the Point of Interconnection (POI); revenue and operational metering specifications; statement of any operational limitations; refined cost estimates for direct connection facilities and system upgrades; an engineering and construction schedule; and a written report of the results.

Buckeye Power/South Central Power is responsible for the design, purchase, installation, and cost of the equipment leading up to the defined POI at their facility (see Figure 2 of the Appendix). Since Buckeye Power/South Central Power is responsible for this portion of the project, the associated cost estimates and schedules are not included within this report.

Requirements for Transmission Connected Facilities

Buckeye Power/South Central Power is solely responsible for protecting its own equipment in such a manner that electrical faults or other disturbances on the ATSI system do not damage its equipment. All proposed load-serving delivery points must comply with the technical requirements detailed in the FE document, "Requirements for Transmission Connected Facilities", which can be found on the FE website at:


This document can also be requested from FE FERC Policy and Compliance Agreement Support. The customer and/or consultant is encouraged to become thoroughly familiar with the contents of this document to ensure compliance with FE’s interconnection requirements. The “Requirements” address customer substation equipment specifications, connection standards, system protection, and SCADA, among other topics.

Revenue metering and protection requirements and costs were determined based on the assumptions included in the following sections. These are minimum requirements for estimating purposes only. For additional metering requirements refer to Attachment D in the FE Requirements for Transmission Connected Facilities document.
The study assumed an initial load in 2013 at the proposed Buckeye Power/South Central Power 138kV substation of 17MVA at a 98% pf and a 2017 year load of 21MVA at a 98% pf. Any additional capacity increase greater than 1MW will need to be approved through an additional load study.

3.0 Methodology

Load flow analysis is used to determine if the proposed load addition can be adequately served without causing adverse effects on the ATSI system. This could include problems such as: thermal overloads of equipment, under- or over-voltages at nearby facilities, and large voltage sags on the transmission system that violate FE Planning Criteria. The electrical system in the area is evaluated before and after the addition of the new load at the specified connection option. If criteria violations are found, then the optimal system modifications are determined that would mitigate the identified issues. This includes fixing pre-existing problems in the area and new violations due to the proposed load addition.

3.1 Case Description

Load flow models developed from the North American Electric Reliability Corporation (NERC)/Multi-regional Modeling Working Group (MMWG) that include added detail of the ATSI system were used to perform the analysis. This includes ATSI loads raised to projected load levels based on the official load growth forecast (depending on the type of case) and any planned system reinforcements. Load flow models that represent summer peak loading conditions were analyzed for the years 2013 peak (ATSI load plus losses at 13,270MW) and 2017 (ATSI load plus losses at 13,984MW). The summer peak is when the electric grid is stressed the most due to warm-weather and the associated increased loads. The cases were analyzed before and after the proposed load addition was added to the system at the proposed connection option.

3.2 Analysis Performed / Tools Used

The load flow analysis was performed using GE’s Positive Sequence Load Flow (PSLF) software application, which has the capability to model the details of transmission and distribution systems and simulate power flows and electrical bus voltages under various system conditions and configurations. From a transmission perspective, the load flow models were tested against a large series of system
contingencies from NERC Categories B (N-1) and C (N-2) in order to discover any thermal overloads or voltage criteria violations. EDPP has specific criteria for the range of acceptable values for thermal loading and bus voltages during normal and contingency conditions (see the FE Planning Criteria for full details; internet location available in the “Resources” section at the end of the report). This ensures that the ATSI system can reliably operate the transmission system with the proposed load addition.

3.3 Design Description

The general geographic area of the proposed facilities are shown in Figure 1 of the Appendix.

The Buckeye Power/South Central Power 138kV Substation is to be served from a tapped connection (see Figure 2 of the Appendix) connected to the Burger-Knox 138kV line.

If authorization to begin engineering for a tapped service is provided before 12/1/2013, an in-service date of 12/31/2014 is anticipated. The 'exact' substation pull-off rack location is needed in order for line engineering to begin. This in-service date is challenging as the proposed substation site is situated such that acquiring the required right-of-way and permits for the tap may be difficult. This schedule assumes that there are no outage or siting / permitting issues, and that no appropriations are needed to secure the right-of-way. The proposed route for the tap is shown in Figure 4 of the Appendix

The schedule assumes no outage, siting or right-of-way acquisition conflicts. The transmission line siting assumes the following: that minimal wetlands, streams or ecological features are in the project area and will not be significantly impacted, and that the project will be submitted to the OPSB in a Letter of Notification which will be approved with no significant conditions.

The customer has the option to request SCADA control of the line sectionalizing switches on the Burger-Knox 138kV line. This option is available at the cost of the customer and may improve the customer restoration time should a fault on the Burger-Knox 138kV occur. The SCADA control of the switches would potentially provide a reliability benefit to The Buckeye Power/South Central Power by allowing the switches to be operated remotely by the FE Control Center. For example, if the 138kV line was to trip and lock out for an electrical fault, then the FE system operator could attempt to sectionalize the affected circuit, isolating the fault location, and restore service to Buckeye Power/South Central Power from one of the remote terminal ends of the transmission line.
4.0 Results

4.1 Load Flow Study Results

The results of the study conclude that the proposed load addition will cause no new thermal or voltage violations on the ATSI system for single contingency (N-1) conditions in 2013 or 2017.

However, for multiple contingency conditions (NERC Category C / N-2 conditions), EDPP has identified a voltage limitation that would effect the ability to serve the initial requested load of 17MVA at New Stacy. The tower-line loss of the Barberton-Cloverdale and Cloverdale-Star 138kV lines causes voltage criteria violations in the Cloverdale substation area of ATSI. Aside from this particular contingency, no thermal or voltage criteria violations were identified for the initial requested load of 17MVA at a 98% pf. Please note that if this contingency were to occur, then the New Stacy load may be subject to curtailment until the appropriate facilities can be restored. This limitation will exist until Harmon 345/138/69kV substation (PJM RTEP #b1925) is built south of the Cloverdale substation, or the AEP Holloway 345/138kV substation (PJM RTEP #b2019) is built near the existing ATSI Burger substation. Both of these projects can be found at the following location on the PJM website and have an anticipated in-service date of 6/1/2015:


After these upgrades are implemented in 2015, there are no new thermal or voltage violations caused by the addition of the New Stacy load for either N-1 or N-2 contingencies (total load request of 21MVA at a 98% pf).

4.2 System Operation and Protection Requirements

The Buckeye Power/South Central Power New Stacy 138kV substation shall consist of, at a minimum, the following:

One transformer with a 138kV delta or wye ungrounded connected high-side and a grounded wye low-side.
One 138kV circuit breaker on the high-side of the 138kV transformation.

- The circuit breaker shall be fully rated to interrupt available fault current when calculated according to the latest ANSI standard.
- Bypass switches shall NOT be installed across the breaker. If the customer desires the added reliability benefit of being able to keep the substation energized while performing breaker maintenance, a ring bus or dedicated sparing circuit breaker is required.
- If the circuit breaker uses gas as an interrupting medium, the device shall be equipped with a low gas pressure alarming/tripping/lockout scheme (as appropriate for the particular device) in order to minimize the possibility of a transmission fault resulting from a loss of insulating gas.

The circuit breaker should have a high-side motor operator air-break switch and spring operated ground switch.

A wavetrap tuned to 140 kHz on phase 2 is required within the New Stacy substation.

All 138kV Current Transformers (CTs) shall be 600:5 MR, C800 class.

The low side of the transformer shall have either a dedicated circuit breaker or be connected to a bus where each feeder exiting the bus has a dedicated circuit breaker.

Protection schemes as outlined below.

All relays, relay schemes, and relay settings that include 138kV voltages or currents, or trip any 138kV interrupting device(s) shall require the review and approval of FirstEnergy. This includes the tripping of any 138kV interrupting devices at the customer station. All 138kV faults on the customer’s side of customer’s side of the Point of Interconnection must be cleared high speed (1 cycle relay plus 3 cycles breaker) and isolated from the FE transmission system.

Buckeye Power/South Central Power is solely responsible for protecting its own equipment in such a manner that electrical faults or other disturbances on the FE/OE system do not damage the customer’s equipment.

The 138kV transformer shall have the following minimum protection installed:
All protective functions listed below shall trip, at minimum, the transformer high-side circuit breaker. A separate tripping path for primary and backup relaying is required. All required relays shall be utility grade devices. The relaying system shall have a reliable source of power independent from the AC system or immune to AC system disturbances or loss (for example - DC battery and charger) to ensure proper operation of the protection scheme.

The FE recommended protective relaying for this installation include:

- **Primary Transformer Differential Protective Relay** - minimum functions: 87T. (FE standard device is SEL-587)
- **Backup Transformer Protective Relay** - minimum functions: High-side - 50, 51, 50N and 51N: Low side - 51G. (FE standard device is SEL-551)
- **Breaker Failure (BF) Relay** - BF with associated hand-reset lock out relay (LOR). Also required are an automatic motor-operated disconnect switch and a ground switch in order to trip the breakers at Burger and Knox to isolate the failed breaker from the transmission system if there is a breaker failure operation. (FE standard device is SEL-501)

The 138kV source for primary transformer differential protection shall be CTs on the line side of the transformer breaker. The low side source for primary differential protection shall be the summation of the exit side of the 12.4kV reclosers. Stand-alone CTs will be required on the exit side of the VSA recloser/bypass fuse junction point to allow for keeping primary differential protection in service when the bypass fuses are being utilized.

The source for the high-side backup transformer protection shall be separate CTs from the primary CTs on the line side of the transformer breaker closest to the line.

The source for the low side backup protection shall be a CT connected to the low side transformer neutral and shall utilize a separate 51G input into the backup relay.

FirstEnergy shall review the settings for all customer-owned relays on the 138kV system in order to establish coordination between New Stacy protective equipment and the FE transmission system relays. FE personnel shall witness functional testing of the relays and tripped devices.

The protection requirements for the New Stacy 138kV substation are detailed in Section 10, Distribution Power Transformers, of the FirstEnergy Protection Philosophy Manual (see Appendix 3 of this document).
All proposed load serving delivery points must comply with the technical requirements detailed in the FirstEnergy document, "Requirements for Transmission Connected Facilities", which can be found on the link provided in the ‘Resources’ section of this report.

All customer substation equipment must adhere to the requirements in Section 8 of FE’s “Requirements for Transmission Connected Facilities” document. This covers topics such as: overhead wire, BIL issues, surge protection, electrical clearances, station grounding, etc. It is expected that the substation will be built using good utility practice and all necessary safety codes are adhered to. After installation, the equipment is expected to be maintained properly according to Section 18 of FE’s “Requirements for Transmission Connected Facilities” document. FE will reserve the right to approve all work performed on equipment that protects the FE transmission system, including the 138kV circuit breaker and associated relaying. In addition, prior to energization, the substation must be inspected and pass a final checkout by FE personnel, in accordance with Section 17 of the FE “Requirements for Transmission Connected Facilities” document. The cost for the substation checkout will be the responsibility of Buckeye Power/South Central Power.

4.3 Short Circuit Data

Normal System:
\[
Z_1 = (3.67 + j13.94) \%
\]
\[
Z_0 = (7.12 + j19.97) \%
\]
3 phase Amps = 2.90 kA
SLG Amps = 2.51 kA

Knox Open:
\[
Z_1 = (13.55 + j51.45) \%
\]
\[
Z_0 = (11.44 + j37.72) \%
\]
3 phase Amps = 0.79 kA
SLG Amps = 0.86 kA
4.4 Revenue Metering

Current Meter Engineering practice is to install the Revenue Metering on the primary side of the Buckeye Power/South Central Power 138/12 kV transformer, on the load side of the fault-interrupting device and within the local zone of fault protection for the facility.

Pending agreement by the FE Metering and FE Regulated Settlements departments (and will be confirmed during Construction Kick-Off Meeting), revenue metering may be installed on the secondary side of the Buckeye Power/South Central Power 138kV step-down transformer on the load side of the fault-interrupting device and within the local zone of fault protection for the facility. SCP must provide test report of the 138/12 kV transformer so that ATSI can determine the loss compensation to the delivery point.

FE will provide the following equipment for the revenue metering installation:

- Three (3) 12kV CT's
• Three (3) 12kV VT’s (single bushing)
• CT/VT secondary cable
• 9S meter socket enclosure with test switch
• Electronic interval meter

FE will pull and terminate the secondary cable between the instrument transformers and the meter. The customer is responsible for installing the CT’s, VT’s, and socket enclosure. Buckeye Power/South Central Power must also provide and install the associated conduits and a VT secondary junction box with circuit breaker and disconnect switch. Refer to the attached FirstEnergy Revenue Metering Installation Requirements for Transmission Connected Retail and Wholesale Load Customer Facilities for details, including requirements for a dial-up telephone line.

5.0 Cost Analysis

The estimated cost to provide service to Buckeye Power/South Central Power is:

<table>
<thead>
<tr>
<th>Cost Responsibility</th>
<th>Est. #</th>
<th>Description</th>
<th>Estimated Cost (in 2013 dollars)</th>
<th>Federal Income Tax Gross Up</th>
<th>Total Estimated Cost (in 2013 dollars)</th>
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</thead>
<tbody>
<tr>
<td>Buckeye Power/SCP</td>
<td>OE-T-422-1.1</td>
<td>Install tap to New Stacy sub</td>
<td>$808,100</td>
<td>$188,700</td>
<td>$996,800</td>
</tr>
<tr>
<td>Buckeye Power/SCP</td>
<td>- -</td>
<td>SCADA Indication and Control on Line Switches (optional)</td>
<td>$57,300</td>
<td>$13,900</td>
<td>$71,200</td>
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<tr>
<td>Buckeye</td>
<td>- -</td>
<td>Engineering Oversight</td>
<td>$21,600</td>
<td>$5,300</td>
<td>$26,900</td>
</tr>
</tbody>
</table>
6.0 Conclusion and Recommendation(s)

Prior to 2015, the load at New Stacy is subject to curtailment for the loss of the Barberton-Cloverdale 138kV and Cloverdale-Star 138kV lines. Please note that the requested in-service date is also challenging due to possible issues with right-of-way and permits for a tapped service.

Beyond 2015, and assuming that the Harmon 345/138/69kV substation (PJM RTEP #b1925) project or the AEP Holloway 345/138kV substation (PJM RTEP #b2019) is constructed on schedule by June of 2015, there are no planning or operational issues to serve the requested load.

It is also required that the low voltage side of Buckeye Power’s substation not be networked in any way that would cause fault current to flow on the FE system other than motor load contribution.

The total cost for a tapped connection is $1,094,900 with a total of 12 months to implement from a signed Construction Agreement (including $207,900 of Federal Income Tax Gross Up). The addition of
SCADA control on the two in-line 138kV switches is $71,200 (as noted above). This is an optional cost for Buckeye Power/South Central Power if they chose to accept.

Karl D. Roberts   Fred J. Weiss
Transmission Planning   Transmission Protection
330-384-2471   330-761-4477

7.0 Resources

FirstEnergy, Energy Delivery Planning & Protection “Requirements For Transmission Connected Facilities” – describes in detail the full requirements for customers connecting to the FE transmission and sub-transmission systems.

- available online at https://www.firstenergycorp.com/content/dam/feconnect/files/Requirements-for-Transmission-Connected-Facilities.pdf

FirstEnergy “Transmission Planning Criteria” – describes in detail the system thermal and voltage criteria, planning process, conditions for various contingencies, and some equipment standards.

- available online at https://www.firstenergycorp.com/content/dam/feconnect/files/FEC-Planning-Criteria.pdf
8.0 Additional Information

The New Stacy 138kV substation location being West of an existing substation site will somewhat reduce the overall scope of work and cost associated with the 138kV line extension. FirstEnergy recommends construction of the new substation as far West on the available property (toward the existing ATSI 138kV transmission line) as possible. Once a final substation site location is confirmed, reduction of costs can be discussed and recorded via scope change documentation separate from this DLS.

The secondary 138kV tap location (shown as a yellow star on the aerial view provided as Figure 4 below) may be feasible depending on the following: 1) the new 138kV facilities do NOT overbuild the existing non-FE distribution facilities along the road, 2) there is enough space for the 138kV line next to the existing road and distribution right-of-way, 3) 138kV right-of-way is not required to the South of the house property on the aerial view provided. Please note that wetlands could be involved with either 138kV tap location and could extend the time frame associated with the project in order to obtain the appropriate permits for construction.

Construction of the 138kV line extension past the point of determination of the point of interconnection towards the New Stacy substation can be constructed either by SCP or ATSI (at SCP’s expense).
APPENDIX

to the

DETAIL LOAD STUDY REPORT

For New 138kV Interconnection to the FirstEnergy Transmission System for

Buckeye Power/South Central Power

at New Stacy Substation (32-35)

Figure 1 – Geographic Location of Facilities
Figure 2 – Tapped Service to Buckeye Power/South Central Power Co.

* Per customer request, SCADA control can be added on these switches at customers expense.
This document is intended to address detailed revenue metering installation requirements for transmission connected retail and wholesale load customer facilities. These requirements are in addition to the revenue metering requirements outlined in the FirstEnergy (FE) “Requirements for Transmission Connected Facilities” and the detailed load study reports.

After applying for connection to the FE transmission system, the customer shall consult with the FE Transmission Planning engineer and the FE Central Electric Lab to determine the appropriate revenue metering installation design. The customer must provide FE with detailed facility information including the proposed substation one line, substation layout, expected loads (initial and future), and required in-service date to ensure proper specification of metering equipment. It is critical for this information to be provided as early in the customer facility design phase as possible so that FE has a reasonable period of time to purchase and install the metering equipment prior to the in-service date.

The local FE Operating Company (FEOC) will furnish and maintain the revenue metering equipment for each transmission connected retail or wholesale customer facility as specified in the electric service tariff or service agreement. The metering equipment furnished and maintained by the FEOC includes, but is not limited to, the instrument transformers, secondary wires, meter(s), and meter socket(s). The customer shall provide at its own expense the space, structures, enclosures, and conduits necessary for the metering installation. The customer is responsible for mounting the instrument transformers, conduits, enclosures, and meter socket(s).
The FEOC will provide and install the secondary wiring between the instrument transformers and the meter socket(s). The customer may pull the wiring through the conduit if requested by the FEOC.

If the metering will be connected to a system voltage rated 69kV or higher, then the customer shall provide, install, and maintain a padlockable weatherproof enclosure containing a three-pole circuit breaker and a three-pole potential disconnect switch for connection to the voltage transformer secondary wires. The enclosure shall include a 12-point terminal block with 10-32 studs for termination of voltage and/or current transformer secondary wires. See the figure below for device details and general arrangement. The enclosure shall be mounted in a readily accessible location below the instrument transformers and shall be used for FE wiring only. The enclosure shall be secured with a FE-owned padlock. This enclosure may in some cases be required for metering connected to a system voltage rated 34.5kV or 46kV.

Instrument transformers must be readily accessible to authorized FEOC representatives for secondary wiring installation. Location of transformers shall be such that the heights of transformer bases do not exceed 20 feet above grade.
Conduit shall be 1-1/2 inch galvanized rigid steel conduit. Flexible galvanized steel (liquid tight) conduit may be used between instrument transformers.

Meter sockets shall be installed in readily accessible locations approved by the FEOC Meter Services section. This includes locations inside the substation if authorized FEOC representatives can gain access by use of a standard FEOC lock or, if the FEOC will permit, by contacting a customer representative who is capable of providing access within a reasonable time period.

The meter socket(s) shall be installed by the customer generally within 50 feet of the instrument transformers unless an alternate design has been approved by the FEOC Meter Services section.

A meter socket shall be mounted such that the centerline of the meter is approximately five feet above final grade.

When applicable, the customer shall provide, at its sole cost and expense, the installation, operation, and maintenance of the required communication link(s) for the FE billing meter data collection system (MV-90). The specifications for the typical telephone communication link are as follows:

Standard voice grade (analog) with dial tone. No digital telephone line(s) permitted.

Two-pair or four-conductor with RJ-11 / Male termination. FEOC will make final connection to the meter.

Must be able to receive in-coming calls.

Must be direct line to meter, with no operator interception or operation required.

Install telephone line and associated conduit between telephone company source and meter socket or enclosure.

Telephone line must be tagged with phone number, including area code.

Telephone line must be installed and operational prior to the customer’s service being energized.

Where vehicle traffic may interfere with or damage metering equipment, the customer must install concrete filled steel barrier posts to protect such equipment.

Before the metering equipment installation is started, the customer/contractor must contact the FE Central Electric Lab to coordinate installation details, material delivery, and construction schedule.
Exhibit B

Payment Schedule

Total Estimated Project Cost - $1,094,900 (including $207,900 of taxable CIAC).

Timing of this Payment Schedule is subject to reconciliation of estimated project costs and actual project costs.

<table>
<thead>
<tr>
<th>No. of Payments</th>
<th>Amount</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment #1</td>
<td>$200,000</td>
<td>Due with Executed Construction Agreement</td>
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<tr>
<td>Payment #2</td>
<td>$500,000</td>
<td>Due at the end of the second calendar quarter after the Executed Construction Agreement</td>
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<td>Payment #3</td>
<td>$394,900</td>
<td>Due at the end of the forth calendar quarter after the Executed Construction Agreement</td>
</tr>
<tr>
<td>Payment #4</td>
<td>&quot;True-Up&quot; Costs</td>
<td>After Project Completion</td>
</tr>
</tbody>
</table>

For invoiced amounts owed, payment shall be due 30 days from issue of invoice.
Service Agreement No. 3927
CONSTRUCTION SERVICE AGREEMENT

This Construction Service Agreement (the “Agreement”) is made this 18th day of June, 2013, by American Transmission Systems, Incorporated, a FirstEnergy Company (“ATSI”), Buckeye Power, Inc. (“Buckeye”), and Holmes-Wayne Electric Cooperative, Inc. (“Holmes-Wayne”), each a “Party” and together the “Parties.”

WHEREAS, Buckeye is the wholesale power supplier to its members, including Holmes-Wayne, and arranges for the transmission and delivery of wholesale power and energy to its members at points of interconnection between the electric distribution systems of its members and the electric transmission systems of Buckeye’s transmission providers; and

WHEREAS, Buckeye obtains network integration transmission service from PJM Interconnection, L.L.C. (“PJM”) pursuant to the terms of PJM’s Open Access Transmission Tariff (“OATT”) as accepted by the Federal Energy Regulatory Commission (“FERC” or “Commission”), and an Operating and Interconnection Agreement for Wholesale Load (“Wholesale Delivery Point Agreement”) between Buckeye and FirstEnergy Service Company (“FESC”) on behalf of ATSI and certain other FirstEnergy operating companies; and

WHEREAS, ATSI is interconnected with Holmes-Wayne by delivery points between ATSI’s transmission system and Holmes-Wayne’s electric distribution system under the Wholesale Delivery Point Agreement between Buckeye and FESC; and

WHEREAS, on March 6, 2012, Buckeye notified ATSI that it will be adding second feed to the existing West Salem 69kV substation on 43 Cherry St in West Salem, Ohio; and

WHEREAS, on May 8, 2013, ATSI submitted a Revised Detailed Load Study Report to Buckeye, attached hereto as Exhibit A; and

WHEREAS, on May 15, 2013, Buckeye requested that ATSI proceed with the work necessary to support the second feed to the existing West Salem 69kV substation per Exhibit A; and

WHEREAS, the West Salem Delivery Point is currently served as a single tap from ATSI’s Brookside – Homer 69 kV transmission to the 69 kV connection point at the West Salem Substation; and

WHEREAS, ATSI, Buckeye, and Holmes-Wayne agree to construct and pay for the delivery point upgrade as provided below; and
NOW, THEREFORE, ATSI, Buckeye, and Holmes-Wayne agree to the following terms and conditions:

ARTICLE I – DESIGN AND CONSTRUCTION

1.1 ATSI, or its agents, will provide substation checkout, functional testing, and protection engineering, line work, disconnectable taps, switching, and revenue metering for the second feed to the existing West Salem 69kV substation (“Work”) per Exhibit A.

1.2 The location of the West Salem Delivery Point will not change from its existing location.

1.3 The Parties intend that all payments made by Buckeye to ATSI for the Work constitutes a taxable contribution in aid of construction (“CIAC”) under the Internal Revenue Code and any applicable state tax laws. Buckeye shall reimburse ATSI for the tax effect of such CIAC pursuant to Section 8.6 of the Wholesale Delivery Point Agreement.

1.4 ATSI will continue to own, operate and maintain the 69 kV tap facilities (at ATSI’s expense) on the Brookside – Homer 69 kV transmission line and ATSI will continue to own, operate and maintain one span of circuit to the Holmes-Wayne owned deadend structures with disconnectable taps (the determination of the point of interconnect), and Holmes-Wayne will own, operate and maintain the radial 69 kV line extensions from the dead-end structures with disconnectable taps to the West Salem Substation (at Holmes-Wayne’s expense).

1.5 Pursuant to Section 5.7.4 of the Wholesale Delivery Point Agreement, Holmes-Wayne shall, at its own cost, continue to be responsible for the operation, maintenance and ownership of the West Salem Substation, which shall include transformers and facilities necessary for voltage step-down from 69 kV to local distribution voltage for delivery of power from Buckeye to Holmes-Wayne through the West Salem Delivery Point. As part of this agreement, Holmes-Wayne shall, at its own cost, perform the Work described in Exhibit A.

1.6 ATSI shall, as part of this agreement, shall, at its own cost, perform the Work described in Exhibit A

1.7 During the period of time that Holmes-Wayne is adding the second feed and transformer at the West Salem Substation, and an outage will need to occur with coordination to the ATSI control center, all as described in Exhibit A.

1.8 Buckeye shall reimburse ATSI for the substation checkout, functional testing, protection engineering, line work, switching and the additional revenue metering, as described in Exhibit A. The Work is estimated to cost $38,800 (which includes $7,600 of taxable contribution in aid of construction).
1.9 ATSI will specify the maximum protective coordination characteristics acceptable at the West Salem Delivery Point.

1.10 Holmes-Wayne will provide certified test documents. Holmes-Wayne will give ATSI employees the necessary permission to enter onto the West Salem Substation at reasonable times and on reasonable notice for inspections of the facilities.

1.11 The Parties agree to meet as necessary to coordinate the Work necessary at the West Salem Delivery Point.

1.12 After FERC acceptance of this Agreement, ATSI shall undertake the Work in conformance with the conditions set forth in Exhibit A, and this Agreement. ATSI shall complete the Work as soon as reasonably practicable considering ATSI’s workload and Buckeye’s timetable for the upgraded West Salem Delivery Point.

**ARTICLE II – OPERATION**

2.1 The Parties shall operate and maintain the upgraded West Salem Delivery Point in accordance with the Wholesale Delivery Point Agreement.

**ARTICLE III – RATES, BILLING AND PAYMENT**

3.1 To the extent set forth in this Agreement and Exhibit A, Buckeye will reimburse ATSI for the costs of providing certain facilities and services as estimated in Exhibit A.

3.2 ATSI will submit invoices to Buckeye for the Work performed under this Agreement in accordance with the payment schedule set forth in Exhibit B. The invoice will describe the nature and timing of the Work performed. All invoices are due and payable within 30 days of the date of the invoice. If Buckeye fails to make full payment of an invoice by the due date, ATSI will serve notice of the delinquency on Buckeye by certified mail. If Buckeye fails to make payment in full (including interest accrued at the rate below) within 15 days of receipt of the notice, Buckeye will be considered in default.

a) Amounts not paid on or before the due date will be payable with interest accrued daily from the due date until the date upon which payment is made. Interest will be computed at the then current prime rate of interest per annum established by Chase Manhattan Bank, or its successor, on the last business day of the month in which the invoice was rendered, plus two percent per annum, but in no event greater than the maximum interest rate permitted by law.

b) All invoices must be paid in full regardless of any dispute as to such invoices. Disputes will be discussed and resolved using best efforts to amicably and promptly resolve the disputes.
Upon determination of the correct invoice amount, the proper adjustment will be paid or refunded promptly with interest calculated in accordance with Section 3.2(a) and computed from the date payment was due to the date the adjustment or refund is made.

c) Requests for adjustments or refunds regarding any transaction must be made by the requesting Party in writing no later than six months after the date that the invoice was initially rendered.

3.3 ATSI will file this Agreement with the FERC. Buckeye will cooperate with ATSI in obtaining approval of this filing.

3.4 Terms, conditions and monthly charges of wholesale distribution and transmission service associated with the upgraded 69 kV delivery point will be specified in the Wholesale Delivery Point Agreement and the PJM OATT.

**ARTICLE IV – GENERAL PROVISIONS**

4.1 Notices. With the exception of invoices pursuant to Article III, all written notices under this Agreement must be sent by certified mail, return receipt requested, to the persons specified below:

Agreements Support Manager
FirstEnergy Service Company
76 South Main St.
Akron, Ohio 44308
Attn: Michael J. Thorn

FirstEnergy Legal
FirstEnergy Service Company
76 South Main Street
Akron, OH 44308
Attn: Randall Palmer
4.2 Default. Default shall mean the failure of Buckeye or ATSI to make any payment or perform any obligation in the time and manner specified in this Agreement. Except as provided in Section 3.2, the Party in Default shall have 30 days from the date of receipt of notice of Default in which to cure the Default. If the Default is cured within this period, the Default specified in the notice shall cease to exist. A Default that is not so cured, or a Default which is not capable of being cured, shall entitle the Party not in Default to suspend performance under this Agreement, and to file a notice of cancellation of this Agreement with the FERC.

4.3 Allocation of Responsibility. Holmes-Wayne agrees to be responsible for any and all liability, loss, claim, judgment, demand, cost or expense (including attorneys’ fees), for damage or injury to person(s) or property, or death of any person(s) (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 Holmes-Wayne under this Agreement, except where the Covered Claim is shown to have been caused by the sole negligence or willful misconduct of ATSI, its employees, or any of its contractors or suppliers; provided, however, that such exception shall not exclude any Covered
Claim based upon an act of ATSI, its employees or any of its contractors or suppliers, which was, at the time it was performed, consistent with Good Utility Practice. ATSI agrees to provide Holmes-Wayne with notice of any claim made against ATSI for which Holmes-Wayne may be responsible under this paragraph 4.3.

ATSI agrees to be responsible for any and all liability, loss, claim, judgment, demand, cost or expense (including attorneys’ fees), for damage or injury to person(s) or property, or death of any person(s) (each a “Covered Claim”), in any manner directly or indirectly arising from or contributed to by the provision of service or construction of facilities by ATSI under this Agreement, except where the Covered Claim is shown to have been caused by the sole negligence or willful misconduct of Holmes-Wayne, its employees or any of its contractors or suppliers; provided, however, that such exception shall not exclude any Covered Claim based upon an act of Holmes-Wayne, its employees or any of its contractors or suppliers, which was, at the time it was performed, consistent with Good Utility Practice. Holmes-Wayne agrees to provide ATSI with notice of any claim made against Holmes-Wayne which ATSI may be responsible under this paragraph 4.3.

To the extent a Covered Claim arises from the joint or combined fault of Holmes-Wayne and ATSI, then liability for such Covered Claim shall be allocated between the parties in accordance with applicable laws of comparative fault and joint liability in effect at the time liability under a Covered Claim arises.

4.4 Liability. No Party will be liable to any other for any indirect, incidental, consequential, punitive or other special damages under this Agreement.

4.5 Force Majeure. The term “Force Majeure” shall be deemed for the purpose of this Agreement to mean any cause or event beyond the reasonable control of, and without the fault of negligence of, the Party claiming Force Majeure. It will include, without limitation, strike, stoppage in labor, inability to obtain necessary materials or equipment, transportation delays, riot, vandalism, natural disasters, earthquakes, fire, flood, ice, lightning, storms, snow, rain, hurricanes, wind, invasion, civil disturbances, war, insurrection, sabotage, blockages, embargoes, epidemics, explosions, military or usurped power, changes in federal, state, or local law or regulation or ordinance or interpretation thereof or resulting change in any permit, license or approval requirement if such changes affect the provision of services under this Agreement, or changes in order of any court granted in any bone fide adverse legal proceeding or action, order of any civil or military authority either de facto or de jure and including orders of governmental and administrative agencies which conflict with the terms of this Agreement, acts of God or public enemies, failure or malfunction of system facilities and unscheduled outage of generating units or transmission facilities. Under no circumstances will lack of finances be construed or constitute Force Majeure. Nothing contained herein shall be construed to require a Party to settle any strike, lockout, work stoppage or other industrial disturbance or dispute in which it may be involved or to take an appeal from any judicial, regulatory or administrative action. Any Party rendered unable to
fulfill any of its obligations under this Agreement by reason of Force Majeure will exercise due
diligence to remove such inability with reasonable dispatch. If any Party is unable to perform any
of its obligations by reason of Force Majeure, the obligations affected by the Force Majeure, are
suspended during the continuance thereof. The Party invoking Force Majeure must give prompt
notice and shall specifically state the full particulars of the Force Majeure and the time and date
when the Force Majeure occurred. Notices given by telephone shall be in confirmed in writing as
required by Section 4.1 as soon as reasonably possible. When the Force Majeure ceases, the Party
relying thereon must give prompt notice thereof to the other Parties. No Party is in default of any
obligation hereunder, or is liable to the other Parties for any damages, if prevented from fulfilling
its obligation by reason of Force Majeure. But nothing in this Section excuses Buckeye from
paying for services or facilities provided by ATSI hereunder.

4.6 Non-Waiver of Defaults. No waiver by any Party of any default of another Party under this
Agreement will operate as a waiver of a future default whether of a like or different character.

4.7 Written Amendments. No modification of the terms and provisions of this Agreement will
be made or become effective except by written amendment executed by the undersigned parties
and accepted by FERC. Nothing contained herein shall be construed as affecting in any way the
right of ATSI, the party furnishing service under this rate schedule, to unilaterally make
application to FERC for a change in rates under section 205 of the Federal Power Act and pursuant
to the Commission’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 and pursuant to the Commission’s
Rules and Regulations promulgated thereunder.

4.8 Choice of Laws. Except to the extent that this Agreement is subject to the Federal Power
Act, the Agreement shall be governed by and construed in accordance with the laws of the state of
Ohio.

4.9 Assignment and Succession. No Party shall assign this Agreement or its rights hereunder
without a prior written consent of the other Parties, which consent shall not be unreasonably
withheld or delayed. Upon any assignment made in compliance with this Section 4.9, this
Agreement shall inure to and be binding upon the successors and assigns of the assigning Parties.
Notwithstanding the foregoing, any Party may, without the need for consent from the other Parties,
and without relieving itself from liability hereunder: (a) transfer, pledge, or assign this Agreement
as security for any financing with financial institutions; (b) transfer or assign this Agreement to an
affiliate of such Party provided that all the persons obligated to fulfill the assigning Party’s
obligations under this Agreement after the assignment have substantially equivalent financial
capability to that of all the persons obligated to fulfill the assigning Party’s obligations under this
Agreement before the assignment; or (c) transfer or assign this Agreement to any person or entity
succeeding to all or substantially all of the assets of such Party; provided, however, that any such
assignee shall agree to be bound by the terms and conditions hereof and shall have the financial capability to perform the same.

4.10 Governance over Conflicts. This Agreement, established under Section 5.6 of the Wholesale Delivery Point Agreement, governs the terms and conditions of the Work and payment related to the Delivery Point referenced herein. All other aspects of the Delivery Point, such as operation and maintenance responsibilities, metering, modifications to the Delivery Point, coordination with the PJM OATT, and compensation for wholesale distribution service, shall be governed by the Wholesale Delivery Point Agreement. In the case of any conflict between this Agreement and the Wholesale Delivery Point Agreement or the PJM OATT, the Wholesale Delivery Point Agreement or the PJM OATT shall control, as the case may be. In the event of any conflict between the Wholesale Delivery Point Agreement and the PJM OATT, the PJM OATT shall control.
AMERICAN TRANSMISSION SYSTEMS, INCORPORATED

By: 

Title: 

Date: 

BUCKEYE POWER, INC.

By: 

Title: 

Date: 

HOLMES-WAYNE ELECTRIC COOPERATIVE, INC.

By: 

Title: 

Date:
Exhibit A

Revised Detailed Load Study Report

DETAIL LOAD STUDY REPORT

For service to a 2nd 69 kV transformer

West Salem

For delivery to
Holmes-Wayne Electric Cooperative
West Salem 69kV Substation

Revised: May 8, 2013

Prepared by:

FirstEnergy Energy Delivery Planning and Protection Services Department
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1.0 Executive Summary

The purpose of this Detail Load Study is to determine the ability of the ATSI transmission system to accommodate the second feed to an existing wholesale customer substation. It is an existing 11 MVA transmission load and there is no proposed load addition with the expansion of the Holmes-Wayne Electric Cooperative West Salem 69kV substation on 43 Cherry Street in West Salem, Ohio. The West Salem facility is currently served from a single tap 69 kV transmission with a demand of 11 MVA. The facility is going to be fed by a tap which is then split to serve 2 transformers from the 69 kV transmission system. The second transformer is being added for the purpose of backup and to facilitate maintenance on the existing transformer.

There is no load study required at West Salem at the current time due to no load being added at the existing delivery point.

The revenue metering at the proposed second feed to the West Salem 69kV Substation will be located on the low side of the customer 69/13.09 kV transformer.

The FirstEnergy Energy Delivery Transmission Planning & Protection Department performed the study.

2.0 Scope

This study fulfills the Detail Load Study Agreement between Buckeye Power, on behalf of Holmes-Wayne Electric Cooperative, and American Transmission Systems Inc. (ATSI). The Detail Load Study provides a detailed cost estimate as well as a general cost explanation of the installation.

The study assumed no load increase at the West Salem 69 kV substation. The study was for the addition of a second 69 kV feed to a second transformer at the West Salem 69 kV substations.
This study will provide direct connection requirements, identification of network system upgrades, and short circuit levels at the point of interconnection.

3.0 Methodology

3.1 Case Description

No power flow cases were needed and no contingency analysis was performed due to no load addition to the transmission system. Pre-existing load flow analysis has determined that the existing load can be served and the transmission system is able to meet the planning criteria.

3.2 Analysis Performed / Tools Used

No analysis needed at the current time.
3.3 Design Description

The West Salem 69 kV Substation expansion is to be served from the existing tap to the West Salem 69 kV substation, which is a radial tap off of the Brookside – Homer 69 kV circuit. The customer is going to place a new pole between the existing tap point and their transformation. The existing radial tap of approximately 200’ will be then be shortened and reconnected to the new customer-owned pole structure. The new customer owned pole structure will then be used to provide two new customer owned lines to the existing and new transformation. This will fulfill the request from Holmes-Wayne Electric Cooperative Inc to create separate feeds to allow for high side Switch maintenance without removing both transformers from service. See Appendix 1a and Appendix 1b for the drawing of how the West Salem substation connects to the ATSI Brookside – Homer 69 kV circuit.

4.0 Results

4.1 Load Flow Study Results

No studies performed.

4.2 System Operation and Protection Requirements

The proposed West Salem 69kV substation will be served from the Brookside – Homer 69kV line. The one 69/13.09kV, 7.5/10 MVA transformer 69kV windings are required to be delta or ungrounded wye configuration.

This review was completed with the understanding that the customer will not have internal generation attached to this interconnection delivery point. A new interconnection application would be required through either PJM or FE in the event that customer site generation was to be installed.
Holmes-Wayne Electric Cooperative is solely responsible for protecting its own equipment in such a manner that electrical faults or other disturbances on the FirstEnergy system do not damage its equipment. All proposed load serving delivery points must comply with the technical requirements detailed in the FirstEnergy document, "Requirements for Transmission Connected Facilities", which can be found on the FirstEnergy website,


The proposed 80 E slow fuse for protection in this new work of the customer’s substation coordinates with the FE protection on the Brookside – Homer 69 kV circuit.
4.3 Short Circuit Data

The short circuit values and equivalent system impedances at the proposed 69 kV connection point are:

Three phase = 5,450 Amps
Line-ground = 3,870 Amps
Z1=6.94+j13.20%
Z0=13.92+j30.25%

Impedances are given on a 100 MVA base. At the maximum system voltage of 72.45 kV the short circuit currents will be 5% higher. The faults provided are bolted, symmetrical values for the present, normal FirstEnergy system conditions. Future increases in fault currents are possible and it is the customer’s responsibility to upgrade their equipment and/or protective equipment coordination when necessary.

4.4 FirstEnergy System Modifications

No modifications are required to any of FirstEnergy’s remote terminals for this facility.

4.5 Revenue Metering

FE Metering has reviewed and approved the installation location of the revenue metering on the secondary side of the customer's 67-13.09 kV transformer and compensated to the primary side. The customer must provide FE with a copy of the certified transformer test report, which contains the information required for programming compensation into the revenue meter.

FE will provide the following revenue metering equipment:
Three (3) 15 kV, outdoor-type metering CT's
Three (3) 15 kV, outdoor-type metering VT's (unfused)
CT/VT secondary cable
9S meter socket enclosure with test switch
Electronic interval meter

FE will pull and terminate the secondary cable between the CT's, VT's, and the meter. The customer is responsible for installing the CT's, VT's, and socket enclosure. The customer must also provide and install the associated conduits.

Additional revenue metering requirements and installation information can be found in Section 12.3.3 of the FE Requirements for Transmission Connected Facilities document. This includes the requirements for a dial-up telephone line.

5.0 Cost Analysis

The estimated cost to provide premium service to Holmes-Wayne Electric Cooperative’s West Salem substation. All costs are 100% the responsibility of Holmes-Wayne Electric Cooperative.

<table>
<thead>
<tr>
<th>Description</th>
<th>2013 Dollars</th>
<th>Tax</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switching to get line out of service to perform the required work.</td>
<td>$9,100</td>
<td>$2,200</td>
<td>$11,300</td>
</tr>
</tbody>
</table>
**Disconnect existing 69 kV tap from the transformer.**
Shorten the conductor and reconnect it to new customer-owned pole structure.

<table>
<thead>
<tr>
<th></th>
<th>$12,500</th>
<th>$3,100</th>
<th>$15,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Metering per Section 4.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering Oversight and Project Management</td>
<td>$9,600</td>
<td>$2,300</td>
<td>$11,900</td>
</tr>
<tr>
<td>Total Estimated Costs</td>
<td>$31,200</td>
<td>$7,600</td>
<td>$38,800</td>
</tr>
</tbody>
</table>

Please Note: Does not contain additional costs of permitting and/or right of way. If required, the estimated costs may need to be adjusted.

6.0 Conclusion and Recommendation(s)

There are no network system upgrade costs assigned to Holmes-Wayne Electric Cooperative for the proposed load addition. The direct connection cost are listed in section 5.0. The engineering and field work would take six (6) months after the signed agreement, assuming outages can be obtained at the requested/needed time.

James T. Kozlosky  James E. Huber

Transmission Planning  Transmission Protection
Appendix 1a
FE 69 kV Area One-Line
Holmes-Wayne Electric Cooperative’s West Salem 69kV Substation
Appendix 1b
Sketch of FE 69 kV proposed connection modification
Holmes-Wayne Electric Cooperative’s West Salem 69kV Substation

Proposed Connection

- Red: Point of Interconnection
- Blue: Owned by others
- Black: Owned by FirstEnergy

Point of Interconnection
Proposed structure
Proposed Substation/Transformer
Existing Substation
Appendix 2
Holmes-Wayne Electric Cooperative’s West Salem Substation One-Line
Appendix 3

Requirements for Transmission Connected Facilities – Attachment D

Exhibit B

Payment Schedule

Total Estimated Project Cost - $38,800 which includes $7,600 of taxable contribution in aid of construction ("CIAC").

<table>
<thead>
<tr>
<th>No. of Payments</th>
<th>Amount</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment #1</td>
<td>$38,800</td>
<td>Due with Executed Construction Agreement</td>
</tr>
<tr>
<td>Payment #2</td>
<td>“True-Up” Costs</td>
<td>After Project Completion</td>
</tr>
</tbody>
</table>

For invoiced amounts owed, payment shall be due 30 days from issue of invoice.
Attachment C
Copy of Original Signatures
IN WITNESS WHEREOF, the hands and seals of the Parties and the PJM hcreto, four copies, each to be considered an original, executed by their respective officers lawfully authorized so to do, this 15th day of August, 2014.

BUCKEYE POWER, INC.

By: [Signature]
Name: Patrick W. O'Loughlin
Title: COO & Sr. VP

FIRSTENERGY SERVICE COMPANY

By: [Signature]
Name: Carl J. Bridenbaugh
Title: VP Transmission

The signature below of the authorized officer of PJM is for the limited purpose of acknowledging that an authorized officer of PJM has read this Agreement as of the 19th day of August, 2014.

PJM INTERCONNECTION, L.L.C.

By: [Signature]
Name: Steven Herling
Title: V.P., Planning