

INTERCONNECTION AGREEMENT

This Interconnection Agreement ("Agreement") is made and entered into this _____ day of _____, 200__, by the Jersey Central Power & Light, a FirstEnergy Company, ("Company"), and _____ ("Customer"), a _____ [specify whether corporation, and if so name state, municipal corporation, cooperative corporation, or other], each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement** -- This Agreement is applicable to conditions under which the Company and the Customer agree that one or more generating facility or facilities to be interconnected at 15 kV or less ("Facility or Facilities") may be interconnected to the Company's utility system. The facility may not be used for exporting retail electricity to the Company's distribution system. This Agreement is not applicable to wholesale transactions as defined by the Federal Energy Regulatory Commission (FERC).

2. **Establishment of Point(s) of Interconnection** -- Company and Customer agree to interconnect their Facility or Facilities at the locations specified in this Agreement and described in Attachment A. The Company and the Customer agree to follow those technical specifications included in the Company's Technical Specification Document, attached and referred to herein as Attachment B, as may be amended.

3. **Responsibilities of Company and Customer** -- Each Party will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for, Facility or Facilities which it now or hereafter may own unless otherwise specified on Attachment A. Customer shall conduct operations of its facility(s) in compliance with accepted industry practices, or as further described and mutually agreed to in the applicable Facility Schedule. The Customer shall, at its own expense, acquire and utilize the type of meter required by the Company for Interconnection. The Company shall install, operate and maintain such meter. Maintenance of Facilities or interconnection facilities shall be performed in accordance with industry standards. The Parties agree to cause their Facilities or systems to be constructed, as appropriate, in accordance with safety and performance standards established by the

National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories, in effect at the time of construction. The Company and the Customer shall maintain their facilities in compliance with the U.S. Environmental Protection Agency (EPA).

Each Party covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of, its distribution system and related Facilities and Units so as to reasonably minimize the likelihood of a disturbance, originating in the system of one Party, affecting or impairing the system of the other Party, or other systems with which a Party is interconnected. This Agreement does not constitute the availability of Transmission service for the Customer. Such Customer has the sole responsibility to apply and arrange for the availability of Transmission service.

This Agreement shall not alter the tariff under which the Customer is or shall be taking service unless otherwise agreed to by both Parties in writing as part of this Agreement.

The Customer shall provide the Company with proof of Insurance or other suitable financial instrument sufficient to meet its construction, operating and liability responsibilities pursuant to this Agreement.

Company will notify Customer if there is evidence that the Facility operation causes disruption or deterioration of service to other customers served from the same grid or if the Facility operation causes damage to Company's system. Notwithstanding Paragraph four (4) of this Agreement, the Customer shall reimburse the Company for any regulatory penalties assessed against the Company due to the negligence of the Customer or the failure of facilities for which the Customer has control and responsibility.

Customer will notify Company of any emergency or hazardous condition or occurrence with the Customer's Unit(s) which could affect safe operation of the system.

4. Limitation of Liability and Indemnification

- a. Neither Company nor Customer shall be liable to the other for damages for any act that is beyond such party's control, including any event that is

a result of an act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, a curtailment, order, or regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either party.

- b. Notwithstanding Paragraph 4.a of this Agreement, Company shall assume all liability for and shall indemnify Customer for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Company's negligence in connection with the design, construction, or operation of its facilities as described on Attachment A; provided, however, that Company shall have no obligation to indemnify Customer for claims brought by claimants who cannot recover directly from Company. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Customer's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c) damages related to the death or injury of a third person; (d) damages to the property of Customer; (e) damages to the property of a third person; (f) damages for the disruption of the business of a third person. In no event shall Company be liable for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Company does not assume liability for any costs for damages arising from the disruption of the business of the Customer or for the Customer's costs and expenses of prosecuting or defending an action or claim against the Company. This paragraph does not create a liability on the part of the Company to the Customer or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.
- c. Notwithstanding Paragraph 4.a of this Agreement, Customer shall assume all liability for and shall indemnify Company for any claims,

losses, costs, and expenses of any kind or character to the extent that they result from Customer's negligence in connection with the design, construction or operation of its facilities as described on Attachment A; provided, however, that Customer shall have no obligation to indemnify Company for claims brought by claimants who cannot recover directly from Customer. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Company's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c) damages related to the death or injury of a third person; (d) damages to the property of Company; (e) damages to the property of a third person; (f) damages for the disruption of the business of a third person. In no event shall Customer be liable for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Customer does not assume liability for any costs for damages arising from the disruption of the business of the Company or for the Company's costs and expenses of prosecuting or defending an action or claim against the Customer. This paragraph does not create a liability on the part of the Customer to the Company or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.

- d. Company and Customer shall each be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of delivery. The Company does not assume any duty of inspecting the Customer's lines, wires, switches or other equipment and will not be responsible therefor. Customer assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith at or beyond the point of delivery, the point of delivery being the point where the electric energy first leaves the wire or facilities provided and owned by Company and enters the wire or facilities provided by Customer.

- e. For the mutual protection of the Customer and the Company, only with Company prior authorization are the connections between the Company's service wires and the Customer's service entrance conductors to be energized.

5. **Right of Access, Equipment Installation, Removal & Inspection** - The Parties shall provide each other such easements and/or access rights as may be necessary for either Party's performance of their respective operational obligations under this Agreement; provided that, notwithstanding anything stated herein, a Party performing operational work within the boundaries of the other Party's facilities must abide by the rules applicable to that site.

6. **Disconnection of Unit** - Customer retains the option to disconnect from Company's utility system. Customer will notify the Company of its intent to disconnect by giving the Company at least thirty days' prior written notice. Such disconnection shall not be a termination of the agreement unless Customer exercises rights under Section 7.

Customer shall disconnect Facility from Company's system upon the effective date of any termination under Section 7.

Where the Company anticipates that routine maintenance and repair on the Company's utility system may result in a service interruption to the Customer, the Company will attempt to provide notice to the Customer of the anticipated service interruption.

Company shall have the right to suspend service in cases where continuance of service to Customer will endanger persons or property. During the forced outage of the Company's utility system serving customer, Company shall have the right to suspend service to effect immediate repairs on Company's utility system, but the Company shall use its best efforts to provide the Customer with reasonable prior notice.

7. **Effective Term and Termination Rights** -- This Agreement becomes effective when executed by both parties and shall continue in effect until terminated. The agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at

any time, by giving the Company sixty days' written notice; (b) Company may terminate upon failure by the Customer to generate energy from the Facility in parallel with the Company's system within twelve months after completion of the interconnection; (c) either party may terminate by giving the other party at least sixty days prior written notice that the other Party is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity to cure the default; or (d) Company may terminate by giving Customer at least sixty days notice in the event that there is a material change in an applicable rule or statute.

8. **Governing Law and Regulatory Authority** -- This Agreement was executed in the State of New Jersey and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.

9. **Amendment** -- This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

10. **Entirety of Agreement and Prior Agreements Superseded** -- This Agreement, including Attachments A and B, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, including without limitation _____ [specify any prior agreements being superseded], and all such agreement and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering

other services not expressly provided for herein, which agreements are unaffected by this Agreement.

11. **Notices** -- Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

- (a) If to Company:
 - Jersey Central Power & Light
 - 300 Madison Avenue
 - P.O. Box 1911
 - Morristown, NJ 07962-1911
 - Attn: Interconnection Coordinator

Chisel

With a Copy To:

Legal Department
 FirstEnergy Service Company
 2800 Pottsville Pike
 Reading, PA 19605

- (b) If to Customer:
 - _____
 - _____
 - _____
 - Attention: _____
 - Title: _____

The above-listed names, titles and addresses of either Party may be changed by written notification to the other, notwithstanding Section 10.

12. Invoicing and Payment –

- i) General. Within a reasonable time after the first day of each month, each Party shall prepare and deliver to the other Party an invoice for those reimbursable services provided to the other Party under this Agreement during the preceding

month.

- ii) Invoice. Each invoice shall delineate the month in which the services were provided, shall fully describe the services rendered, and shall be itemized to reflect the services performed or provided.
- iii) Payment. The invoice shall be paid within twenty (20) calendar days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party.
- iv) Disputes. Disputed amounts shall be paid on or before the invoice payment due date. In the event the dispute is resolved in favor of the Party disputing payment, the Party required to pay back disputed amounts shall, within thirty (30) days of resolution of the dispute, make payment with interest as calculated in accordance with Section 12.6.
- v) Waiver. Payment of an invoice shall not relieve the paying Party from any other responsibilities or obligations it has under this Agreement, nor shall such payment constitute a waiver of any claims arising hereunder.
- vi) Interest. Interest on any unpaid amounts shall be calculated in accordance with the methodology specified for interest on refunds by the Company's Rules and Regulations. Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment.
- vii) Payment During Dispute. In the event of a billing dispute between the Company and the Customer, each Party shall continue to provide services and pay all invoices.
- viii) Collection Expenses. Neither Party shall be responsible for the other Party's costs of collecting amounts due under this Agreement, including attorney fees and expenses and the expenses of arbitration.

13. **Assignment** -- Each Party may assign this Agreement to any affiliated corporation, person, partnership, or other entity under the control of or having controlling interest in the assigning Party with the written consent of the other Party. Such consent shall not be withheld without good cause shown and noticed to the assigning party in writing within thirty (30) days after the request for assignment.

14. **Confidentiality** -- Each Party recognizes and agrees that this Agreement, all attachments thereto, and all information relating to this Agreement marked by the other Party as confidential, constitutes proprietary confidential information. Each Party shall distribute such information only to those employees, or other persons under the control of the Party, on a need to know basis. Release of any confidential information shall constitute a material breach of this Agreement and the offended party may immediately terminate this Agreement. If a Court or Regulatory Agency of competent jurisdiction requires the release of any confidential information by either Party then such Party shall provide three (3) days written notice to the other party before making such release to allow the offended party to appear and challenge the release. If such release is required by a Court or Regulatory Agency within a period which does not permit three (3) days notice, the Party will provide such notice as is reasonable in the circumstances. A release pursuant to Court or Regulatory Agency order shall not constitute material breach except in the absence of the required notice.

15. **No Third-Party Beneficiaries** -- This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

16. **No Waiver** -- The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.

17. **Headings** -- The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.

18. **Multiple Counterparts** -- This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

Jersey Central Power & Light

[CUSTOMER NAME]

BY: _____

BY: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

FACILITY SCHEDULE NO ##

[The following information is to be specified for each Point of Interconnection, if applicable.]

- 1. Name:
- 2. Facility location:
- 3. Delivery voltage:
- 4. Metering (voltage, location, losses adjustment due to metering location, and other:
- 5. Normal Operation of Interconnection:
- 6. One line diagram attached (check one): ___ Yes ___ No
- 7. Facilities to be furnished by Company:
- 8. Facilities to be furnished by Customer:
- 9. Cost Responsibility:
- 10. RTO (PJM) interchange point (check one): ___ Yes ___ No
- 11. Supplemental terms and conditions attached (check one): ___ Yes ___ No

Jersey Central Power & Light

Customer Name

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____