

**ELECTRIC DISTRIBUTION COMPANY/  
COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER AGREEMENT  
FOR OHIO POWER COMPANY'S  
OHIO RETAIL ACCESS PROGRAM**

**THIS AGREEMENT** is made and entered into effective as of \_\_\_\_\_, 20\_\_, (the "Effective Date") between Ohio Power Company, an Ohio Corporation ("Company") and \_\_\_\_\_, a/an \_\_\_\_\_(state) \_\_\_\_\_(type of entity) ("CRES Provider"). The Company and the CRES Provider are sometimes herein referred to singularly as a "Party" or collectively as the "Parties."

**WITNESSETH:**

**WHEREAS**, the Company is a public utility, subject to the jurisdiction of the Public Utilities Commission of Ohio ("PUCO") as to retail electric service provided within its Ohio service territory; and

**WHEREAS**, the CRES Provider intends to offer and sell one or more competitive retail electric services approved as part of the Company's Choice Program ("Competitive Retail Electric Services"); and

**WHEREAS**, an agreement between the Company and the CRES Provider is needed as part of the Company's CRES Provider registration process to establish and govern the business relationship between the Parties under the Company's Choice Program.

**NOW THEREFORE**, in consideration of the promises and mutual covenants herein contained, and subject to the terms and conditions herein contained, the Parties hereby agree as follows:

**Article 1. Definitions.**

1.1 Whenever used herein, the following terms shall have the respective meanings set forth below, unless a different meaning is plainly required by the context:

- A. "Agreement" shall mean this Electric Distribution Company/Competitive Retail Electric Service Provider Agreement for Ohio Power Company's Ohio Retail Access Program.
- B. "Business Day" shall mean any calendar day or computer processing day in the Eastern U.S. time zone, on which the general office of the Company is open for business with the public.

- C. "Choice Program" shall mean the program implemented by the Public Utilities Commission of Ohio to provide electric utility customers with choice pursuant to Am. Sub. S. B. No. 3.
  - D. "Company's Retail Tariff" shall mean the Company's tariff on file with the PUCO, including all standard terms and conditions of service, terms and conditions of service for Choice Program participants, and open access distribution rate schedules.
  - E. "AEPCH" shall mean the Clearing House operated by the Company's service company or designee, which coordinates and communicates data related to such things as, but not limited to, enrollment and switching, estimation and reconciliation, settlement, and billing and reporting.
  - F. "CRES" shall mean Competitive Retail Electric Service.
  - G. "EBT" shall mean electronic business transactions.
  - H. "EDI" shall mean electronic data interchange.
  - I. "FERC" shall mean the Federal Energy Regulatory Commission or any successor thereto.
  - J. "PJM" shall mean PJM Interconnection LLC
  - K. "PJM OATT" shall mean The Open Access Transmission Tariff of the PJM Interconnection LLC or any successor thereto, on file with the FERC.
  - L. "PUCO" or "Commission" shall mean Public Utilities Commission of Ohio.
  - M. "VAN" or "VANS" shall mean a value added network used for electronic data interchange.
- 1.2 Additional definitions controlling this Agreement are contained in the PUCO rules and orders and/or the Company's Retail Tariff, or appear in subsequent parts of this Agreement, as required.
- 1.3 Unless the context plainly indicates otherwise, words imparting the singular number shall be deemed to include the plural number (and vice versa); terms such as "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Agreement rather than any particular part of the same.

## **Article 2. Scope of Agreement.**

- 2.1 The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference.
- 2.2 This Agreement shall govern the business relationship between the Parties and constitutes a part of the Company's registration process, the successful completion of which is necessary before the CRES Provider is authorized to begin providing one or more Competitive Retail Electric Services in the Company's Ohio service territory.
- 2.3 This Agreement does not cover any transmission or ancillary services that are necessary to provide any Competitive Retail Electric Service. Any such services shall be obtained, either by the CRES Provider or its customer, in accordance with PJM's OATT, as required by the Company's Retail Tariff.
- 2.4 The Company's Retail Tariff is incorporated herein by reference and made a part hereof.
- 2.5 The Company's Electronic Data Interchange Standards as set forth in Appendix A is incorporated herein and made a part hereof.

## **Article 3. Representations and Warranties.**

- 3.1 The CRES Provider represents and warrants that it is a \_\_\_\_\_, duly organized, validly existing and in good standing under the laws of the State of \_\_\_\_\_, and that it is authorized to do business, and is in good standing, in the State of Ohio.
- 3.2 The CRES Provider represents and warrants that it has completed all required actions relative to membership in PJM and is authorized by PJM to transact business with regard to transmission service.
- 3.3 Each person executing this Agreement for the respective Parties expressly represents and warrants that he or she has authority to bind the entity on whose behalf this Agreement is executed.
- 3.4 Each Party represents and warrants that (a) it has the full power and authority to execute this Agreement and to fulfill its terms and conditions; (b) the execution and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes such Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.

- 3.5 Each Party represents and warrants that there are no actions at law, suits in equity, proceedings or claims pending or threatened against it before any federal, state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the performance of its obligations hereunder.
- 3.6 Each Party represents and warrants that it is and shall remain in compliance with all applicable laws and tariffs, including, without limitation, applicable rules and regulations of the Commission.
- 3.7 The CRES Provider represents and warrants that it has obtained a certification from the PUCO to provide one or more Competitive Retail Electric Services to retail customers located within the Company's service territory under the Choice Program, and that it will maintain that certification in good standing throughout the life of this Agreement.
- 3.8 The CRES Provider represents and warrants that the information provided by the CRES Provider in the Provider Registration Application is true and accurate. The CRES Provider further represents and warrants that, within 21 days of becoming aware of such facts, it will notify the Company in writing, in accordance with Article 18 hereof, if there are any changes in the financial or credit information supplied to the Company on the CRES Provider's Registration Application, or if there are any material changes to any other information supplied on that Application.
- 3.9 The CRES Provider represents and warrants that it will obtain and maintain written authorization from each of its customers or prospective customers before it seeks to obtain from the Company that customer's historical demand and energy usage data.
- 3.10 If either Party learns that any of the representations and/or warranties contained in this Agreement has been violated or are false or misleading in any material respect when made or deemed made or repeated, such Party shall immediately notify the other Party in writing.
- 3.11 All representations and warranties contained in this Article shall continue for the term of this Agreement.

#### **Article 4. Obligations of the Parties.**

- 4.1 The Company and the CRES Provider shall cooperate in order to ensure the provision of any Competitive Retail Electric Services by the CRES Provider to customers in accordance with PUCO orders, the Company's Retail Tariff, and PJM's OATT, as applicable. Each Party shall (a) exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement; and (b) carry out its duties in accordance with applicable recognized professional standards in accordance with the requirements of this Agreement.
- 4.2 The CRES Provider and the Company shall supply to each other all data, materials or other information specified in this Agreement, or that may otherwise be reasonably required by the CRES Provider, the Company, or the PUCO in connection with their obligations under this Agreement, in a thorough and timely manner. The CRES Provider will comply with any and all information and data transfer protocols (including EBT and EDI standards) that may be adopted, and modified from time to time, by either the Company, the AEPCH, or the PUCO. The CRES Provider will also comply with any requirements of both the AEPCH or the PUCO regarding the coordination and communication of information and/or data transfers.
- 4.3 CRES Provider agrees, at all times, to comply with the CRES Provider Credit Requirements contained in the Company's Retail Tariff. If CRES Provider's participation in the Company's Choice Program terminates for any reason, CRES Provider shall maintain any and all financial security instruments that CRES Provider was required to provide pursuant to Company's Retail Tariff, until such time as the Company has determined that the CRES Provider has fully satisfied and discharged all of its obligations to Company.
- 4.4 The CRES Provider shall (a) obtain and maintain a certification from the Commission and any licenses, permits or other authorizations from any other federal, state or local agencies required to offer and/or sell Competitive Retail Electric Service in the Company's Choice Program; (b) complete PJM membership requirements and remain a member in good standing with PJM; (c) complete all applications and/or forms including renewal applications, and execute any agreements required for the CRES Provider's participation in the Company's Choice Program; (d) demonstrate to the Company, prior to enrolling any customers, that the CRES Provider has the requisite technical

competence (*e.g.*, communication capabilities) to comply with EBT and EDI standards for the exchange of information, as set, and modified from time to time, by either the Company or the AEPCH; (e) if required, provide to the Company, and maintain during the term of this Agreement, the type (in the format and amount specified by the Company) of financial security (*i.e.* collateral) required by the Company to safeguard the Company and its customers from losses or additional costs incurred due to any non-performance on the part of the CRES Provider; and, pursuant to settlement processes defined in Article 10, (f) agree to remit payments for capacity, energy, unaccounted for energy or other PJM calculated ancillary charges for PJM initial settlement, the final 60-day load reconciliation or any other adjustments set forth in Article 10. The foregoing requirements represent conditions precedent to the Company's obligations hereunder.

- 4.5 To address continuity of service if the Company learns that any Schedule OAD GS-1, GS-2, GS-3 or GS-4 customer is Bankrupt (as defined below), the Company shall email and seek the CRES Provider's instructions regarding the CRES Provider's intent or decision to retain or terminate the applicable CRES customer contract. If the CRES Provider fails to respond to the Company's email inquiry regarding the OAD GS-1, GS-2, GS-3 or GS-4 customer within seven calendar (7) days, or any CRES Provider customer is Bankrupt and is on Schedule OAD RS, the Company shall drop any such customer's electric service account to the Company's standard service on behalf of the CRES Provider. Neither the OAD Tariff nor this Agreement requires the Company to be responsible for notifying CRES Providers of their customers' bankruptcies or be liable to the CRES Provider as a result of such bankruptcies. "Bankrupt" means with respect to the customer, such customer files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy.

## **Article 5. Load Profiles.**

- 5.1 During the term of this Agreement, the Company intends to post average customer load profile information, for classes that will utilize load profiling to its AEP Ohio website, Customer Choice web page, Load Profile link. These profiles are for informational purposes only and the Company makes no representations or warranties of any kind regarding either the availability or use of such load profiles.

## **Article 6. Confidentiality of Information.**

- 6.1 Customer-specific information will not be provided to the CRES Provider without a customer's affirmative authorization via the AEP Ohio Letter of Authorization, and the CRES Provider shall keep confidential all customer-specific information supplied by the Company, unless the CRES Provider has the customer's affirmative authorization to do otherwise.
- 6.2 All Company information made available by the Company to the CRES Provider pursuant to this Agreement, including, without limitation, class load profile data and information regarding the Company's computer systems or communications systems, shall not be disclosed to third parties without the prior written consent from the Company.
- 6.3 If the CRES Provider becomes legally compelled to disclose any of the information required to be kept confidential pursuant to Sections 6.1 and 6.2, the CRES Provider shall immediately notify the Company of the requirement to disclose. In such case, the CRES Provider shall cooperate with the Company to enable it to obtain protective treatment of the information. If the CRES Provider is nonetheless required to disclose information the CRES Provider shall furnish only that portion of the information, which is legally required.

## **Article 7. Billing Options Offered to the CRES Provider's Customers.**

- 7.1 The following billing options are available to the CRES Provider's customers under the Company's Choice Program: CRES Provider consolidated billing (limited pilot), separate Company and CRES Provider bills (Dual Billing); Company consolidated Rate Ready billing, and Company consolidated Bill Ready billing.
- a. The CRES Provider will not send to the Company any CRES Provider messages of any type to present on any Company Rate Ready billing. The Company will take reasonable efforts to display any messages on the Company's Rate Ready billing pertaining to CRES Provider charges and those messages which are required by the regulatory or governmental agencies.
- b. The CRES Provider may provide the Company with the CRES Provider Logo ("Logo") to display on the Company's consolidated customer bill. The Company will take reasonable efforts to display the Logo provided that the Logo meets these criteria: 1) black and white only; 2) at least 600 dpi (dots per inch); 3) in jpg or gif file format only (other file formats will not be

utilized); 4) logo image should be horizontal/rectangular in shape (rather than vertical or stacked) and no greater than 5/16 inch height by 1 1/8 inches in width. If the CRES Provider does not provide a Logo, a blank space will display on the consolidated bill.

**7.2 Company Reimbursement to Certified Supplier for Customer Payments**

Where the Company acts as the billing agent for the CRES Provider, the Company shall reimburse the CRES Provider for all energy charges, sales taxes, and other charges collected on behalf of the CRES Provider . The Company will strive to reimburse the CRES Provider within five (5) business days, following receipt of the customer's payment, when possible, but will not take more than 10 business days.

**Article 8. Metering Service Options Offered to the CRES Provider's Customers.**

- 8.1 The following retail metering service options will be available to some or all of the CRES Provider's customers under the Company's Choice Program: the provision by a meter service provider ("MSP") of an electric meter, including meter sale or rental, and/or physical metering service, including meter installation, removal, maintenance, repair, calibration, and testing; and the provision by a meter data management agent ("MDMA") of meter information service, including data collection, processing (validation, editing, and estimation), storage, and communication. Before the CRES Provider may offer any of these types of services to any of its customers, the CRES Provider shall execute the appropriate addendum to this Agreement that specifies the terms under which the option may be offered to the CRES Provider's customers.

**Article 9. Electronic Data Interchange**

- 9.1 Each Party may electronically transmit to or receive from the other Party any transaction set listed in the materials referenced in Appendix A. All EDI transactions shall be transmitted in accordance with the terms of the Electronic Data Interchange provisions of this Agreement and the standards set forth in Appendix A.
- 9.2 EDI Transactions will be transmitted electronically to each Party, and the terms and conditions listed in Appendix A, either directly or through any third party service provider ("Provider") with which either Party may contract. For purposes of this Agreement, a "third party service provider" includes, but is not limited to, VANS, clearinghouses, and any key token security provider. Either Party may



modify its election to use, not use, or change a Provider upon thirty (30) days prior written notice. A Level 2 connectivity test, as described in the Ohio EDI Implementation Guidelines, must be completed at least ten (10) Business Days in advance of the change to a new Provider. The applicable third party service Providers for the Company and the CRES Provider shall be listed in Appendix A.

- 9.2.1 Each Party shall be responsible for the costs and performance of any Provider with which it contracts.
- 9.2.2 Each Party shall be liable for the acts or omissions of its Provider while transmitting, receiving, storing, or handling EDI transactions, or performing related activities for such Party; provided that, if both Parties use the same Provider to effect the transmission and receipt of an EDI transaction, the originating Party shall be liable for the acts or omissions of such Provider as to such EDI transaction.
- 9.3 Each Party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive EDI transactions.
- 9.4 Each Party shall properly use those security procedures, including those set forth in Appendix A, which are reasonably sufficient to ensure that all transmissions of EDI transactions are authorized and to protect its business records and data from improper access.
- 9.5 Each Party shall adopt as its signature, electronic identification consisting of symbol(s) or code(s) that are to be affixed to or contained in each EDI transaction or EDI transaction envelope transmitted by such Party ("Signatures"). Each Party agrees that any Signature of such Party affixed to or contained in any transmitted EDI transaction shall be sufficient to verify that such Party originated such EDI transaction. Neither Party shall disclose to any unauthorized person the Signatures of the other Party.
- 9.6 Level 2 testing certifications, as detailed in the Ohio Electric Implementation Guidelines, along with any added Company requirements, are prerequisites to Electronic Transactions. The Company reserves the right to add requirements as it deems necessary. The Company may require additional testing in response to a change in the system environments including, but not limited to: installation

- of a new application system, installation of a new EDI translator or implementation of a new EDI version. Additional testing shall adhere to the testing procedures as determined by the Company.
- 9.7 EDI transactions shall not be deemed to have been properly received, and no EDI transaction shall give rise to any obligation, until accessible to the receiving Party at such Party's electronic mailbox designated in Appendix A.
- 9.8 Upon proper receipt of any EDI transaction, the receiving Party shall promptly and properly transmit a functional acknowledgment in return. A functional acknowledgement shall constitute conclusive evidence that an EDI transaction has been properly received.
- 9.9 If acceptance of an EDI transaction is required, any such EDI transaction which has been properly received shall not give rise to any obligation unless and until the Party initially transmitting such EDI transaction has properly received in return the agreed acceptance EDI transaction.
- 9.10 If any properly transmitted EDI transaction is received in an unintelligible or garbled form, the receiving Party shall promptly notify the originating Party (if identifiable from the received EDI transaction) in a reasonable manner. In the absence of such a notice, the originating Party's records of the contents of such EDI transaction shall control, unless the identity of the originating Party cannot be determined from the received EDI transaction.
- 9.11 EDI transactions and communications related to Electronic Transactions under this Agreement shall maintain the same degree of confidentiality, as they would have in the form of paper records.
- 9.12 Any EDI transaction properly transmitted pursuant to this Agreement shall be considered, in connection with any EDI transaction, to be a "writing" or "in writing"; and any such EDI transaction when containing, or to which there is affixed, a Signature ("Signed Document") shall be deemed for all purposes (a) to have been "signed" and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

- 9.13 The conduct of the Parties pursuant to this Agreement, including the use of Signed Documents properly transmitted pursuant to the Agreement, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the Parties in furtherance of this Agreement.
- 9.14 The Parties agree not to contest the validity or enforceability of Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the Party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall contest the admissibility of copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.
- 9.15 Each Party agrees to maintain either a paper copy or the electronic data required to create a paper copy of each Electronic Transaction which it initiates during the term of this Agreement and for at least two (2) years thereafter.
- 9.16 Upon the reasonable request of either Party, the other Party shall make all of its Electronic Transactions relating to the performance of this Agreement available to the requesting Party for inspection during the term of this Agreement and for two (2) years thereafter.
- 9.17 In the event that the Party to whom a request is made fails to maintain an appropriate record of any Electronic Transaction or fails to make such record available to the requesting Party upon reasonable request therefore, the requesting Party's record, if any, of such Electronic Transaction shall be conclusive in any dispute regarding such Electronic Transaction.

**Article 10. Settlement Procedure.**

- 10.1 PJM performs settlements for transmission, capacity and energy obligations for CRES provider market participation on predefined intervals using metered customer load obligations and daily CRES Provider customer enrollment obligation data provided by AEP Ohio. AEP Ohio will make a best effort providing accurate load and customer obligation data. Energy is initially settled by PJM day-after load for CRES Providers, called "Settlement A." After final meter readings are available to AEP Ohio, supplier load obligation variances are reported to PJM, and PJM performs

a final 60-Day energy settlement for the market, called “Settlement B.” Until such time PJM establishes processes outside of the 60-day final settlement process, AEP Ohio will resettle adjustments that are identified outside of the 60-day period and only adjustments affecting billing for a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy and limited to 12 months following the 60-day settlement B. Such adjustments shall be credited or assessed against each LSE in the AEP Ohio zone as applicable based upon corrected load shares during the adjustment period and as a condition of doing business in the Company’s service territory all CRES Providers will be deemed to have consented to and agreed to permit any such resettlements to be completed by and through AEP Ohio and/or PJM. Except for a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy within the 12 months following the 60-Day energy settlement any errors identified outside of the 60-day process are considered closed and no corrected settlement shall be performed by AEP Ohio. For a GS-2 customer or above with a total adjustment amount equal to or greater than 36,000 MWH or more in energy within 12 months following the 60-Day energy settlement any errors identified outside of the twelve month period following the 60-Day energy settlement are considered closed and no corrected billing shall be performed by the CRES Provider, or on behalf of the CRES Provider by AEP Ohio for their assigned customers.

**Article 11. Effective Date and Termination of Agreement.**

11.1 The term of this Agreement shall commence as of the Effective Date and shall continue for a period of one year, unless sooner terminated as provided in Section 11.2. Notwithstanding the Effective Date, the CRES Provider acknowledges that it may not begin supplying any Competitive Retail Electric Services prior to the time it is in compliance with the provisions of this Agreement, PUCO orders and rules, and the Company's Retail Tariff.

11.2 This Agreement shall or may be terminated as follows:

11.2.1 In the event the CRES Provider ceases to provide Competitive Retail Electric Service to all customers in the Company's service territory or otherwise withdraws from the Choice Program, and so notifies the Company in writing in accordance with the notice

requirements of Article 18, this Agreement shall terminate thirty (30) days following the date on which the CRES Provider ceases to have any active customers.

11.2.2 In the event of a Default (as defined in Section 12.1 of Article 12) by either Party ("Defaulting Party"), the other Party ("Non-Defaulting Party") may terminate this Agreement by providing written notice to the Defaulting Party, without prejudice to any remedies at law or in equity available to the Non-Defaulting Party by reason of the event of Default.

11.2.3 In the event that the Company elects in its sole discretion to terminate the Agreement by providing not less than thirty (30) days prior written notice to the CRES Provider.

11.3 Upon termination of this Agreement, the CRES Provider shall no longer be registered with the Company or authorized to provide Competitive Retail Electric Services in the Company's Choice Program.

11.4 The termination of this Agreement for any reason shall not relieve the Company or the CRES Provider of any obligation accrued or accruing prior to such termination.

11.5 Unless either party gives notice of termination thirty (30) days prior to October 31 ("Anniversary Date") of each renewal year, the Agreement shall automatically renew for successive one- year terms, provided there is no Event of Default hereunder.

## **Article 12. Events of Default and Remedies.**

12.1 A CRES Provider is in default of its obligations under the Company's Choice Program if any one or more of the following "Events of Default" occurs:

12.1.1 The CRES Provider fails to perform any material obligation under this Agreement or the Company's Retail Tariff, the PUCO orders and rules, or PJM's OATT, within the requisite time frames, including, without limitation, any credit or security requirements;

12.1.2 The CRES Provider fails to fully pay an invoice from the Company within three Business Days following the due date of the invoice;

- 12.1.3 The CRES Provider is decertified by the PUCO or is otherwise declared ineligible to participate in the Ohio Customer Choice Program or the Company's Customer Choice Program;
- 12.1.4 The CRES Provider's action or inaction has or will jeopardize the operational integrity, safety, or reliability of the Company's transmission or distribution system;
- 12.1.5 The CRES Provider or its agent performing services on behalf of the CRES Provider is in default of any agreement with or requirement of PJM, is no longer member of PJM or any other required authorization of the CRES Provider is actually revoked;
- 12.1.6 The CRES Provider misuses the Company Consolidated and Bill-Ready Billing option by incorrectly using the name of the Company or the name of one of the Company's affiliates in a charge description or otherwise using this billing option in a misleading or defamatory manner;
- 12.1.7 The CRES Provider voluntarily withdraws from the Company's Customer Choice Program without providing at least ninety calendar days notice to the Company;
- 12.1.8 With respect to, if any, a CRES Provider's guarantor or issuer of a Letter of Credit or issuer of a Surety Bond: (i) if any representation or warranty made by such guarantor or issuer of a Letter of Credit or issuer of a Surety Bond in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated; (ii) the failure of such guarantor, issuer of a Letter of Credit or issuer of a Surety Bond to make any payment required or to perform any other material covenant or obligation in any guaranty, Letter of Credit or Surety Bond made in connection with this Agreement and such failure shall not be remedied within three (3) business days after written notice; (iii) such guarantor or issuer shall repudiate, disaffirm disclaim or reject, in whole or in part, or challenge the validity of, as applicable any guaranty, Letter of Credit or Surety Bond; or (iv) the failure of a guarantor's guaranty, the issuer's Letter of Credit or the issuer of a Surety Bond to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of the CRES Provider

to which such guaranty Letter of Credit or Surety Bond shall relate without the written consent of the Company.

- 12.1.9 The CRES Provider or, if applicable, its guarantor the issuer of a Letter of Credit or the issuer of a Surety Bond files a voluntary petition in bankruptcy or otherwise commences, authorizes or acquiesces in the commence of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it; has an involuntary petition in bankruptcy filed against it; is insolvent; has a receiver, liquidator, administrator, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets; or is generally unable to pay its debts as they fall due.
- 12.2 If an Event of Default with respect to a CRES Provider shall have occurred, the Non-Defaulting Party shall be entitled to, without limitation, (a) suspend enrolling any new CRES Provider customers and the CRES Provider shall not be permitted to enroll any new customers in the Company's Choice Program unless it re-registers in the Company's Customer Choice Program, pursuant to the requirements of Section # of the Company's Retail Tariff; (b) pursue any and all available legal and equitable remedies available to it, including proceeding against the financial security and collateral provided by the CRES Provider to the Company; and/or (c) terminate this Agreement by written notice to the CRES Provider, without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination and the CRES Provider's customers shall be returned to the Company's Standard Offer Rate effective on each customer's next Meter Read Date after the date of termination.

**Article 13. Dispute Resolution.**

- 13.1 Any disputes involving transmission service shall be handled in accordance with PJM's OATT.
- 13.2 Disputes between a CRES Provider's customer and the CRES Provider shall be the sole responsibility of the CRES Provider. At the request of the PUCO, the Company may provide input to customer rate dispute processes to the extent necessary as determined by the PUCO.
- 13.3 Disputes between a customer of the Company and the Company shall be subject to the Company's existing customer dispute resolution procedures.

**Article 14. Force Majeure.**

- 14.1 Neither party shall be liable for any delay in performing or for failing to perform its respective obligations under this Agreement due to any event of Force Majeure including a catastrophic weather condition (but not fluctuations in temperature no matter how extreme), flood, fire, lightning, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, walkout, lockout or other labor dispute, work stoppage caused by jurisdictional and/or similar disputes, restraint by court order or public authority, or action or non-action by, or inability to obtain authorization or approval from, any governmental authority, or any combination of these causes, which by the exercise of due diligence and foresight such Party could not reasonably have been expected to avoid and which by the exercise of due diligence is unable to overcome. Financial loss or other economic hardship of either Party shall not constitute an event of Force Majeure under this Agreement.
- 14.2 The obligations of either Party, so far as they are affected by the Force Majeure event, shall be suspended during the continuation of such inability and circumstance and shall, so far as possible, be remedied within a reasonable period of time. During such Force Majeure event, both Parties shall take all reasonable steps to comply with this Agreement notwithstanding the occurrence of the event. This section shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the Party involved in the strike, walkout, lockout or other labor dispute.

**Article 15. Regulatory Authorizations and Jurisdiction.**

- 15.1 The Company and the CRES Provider are subject to, and shall comply with, all existing or future applicable federal, state and local laws, and all existing or future duly promulgated orders or other duly authorized actions of governmental authorities having jurisdiction over the matters covered by this Agreement.
- 15.2 This Agreement is subject to change in the future to reflect any relevant changes required by the PUCO or other Ohio state agency having jurisdiction, or by virtue of any federal or state law or



regulation, and such changes shall be deemed to be binding upon the Parties, except where the right to terminate is exercised in accordance with the terms of this Agreement.

- 15.3 Any references to FERC-jurisdictional matters in this Agreement are intended solely for informational purposes and are not intended to accord any jurisdictional authority over such matters to the Commission. If anything stated herein is found by the FERC to conflict with or to be inconsistent with any provision of the Federal Power Act ("FPA"), or any rule, regulation, order or determination of the FERC under the FPA, the applicable FERC rule, regulation, order or determination of the FERC shall control.

**Article 16. Limitation of Liability.**

- 16.1 The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the applicable Company rate zone.
- 16.2 The Company does not guarantee continuous, regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control. The Company shall have no duty or liability with respect to Competitive Retail Electric Service before it is delivered by a CRES Provider to an interconnection point with the applicable Company rate zone. After its receipt of Competitive Retail Electric Service at the point of delivery, the Company shall have the same duty and liability for transmission and distribution service to its customers receiving electric energy and capacity from the Company.
- 16.3 Except as expressly provided in the Company's Retail Tariff, the Company shall have no duty or liability to a CRES Provider providing Competitive Retail Electric Services arising out of or related to a contract or other relationship between a CRES Provider and a customer of the CRES Provider.

- 16.4 The Company shall have no liability to the CRES Provider or customer for supplier charge billing errors presented to the customer through Rate Ready or Bill Ready utility consolidated billing resulting from errors in EDI submission of billing determinants from the CRES Provider, or Rate Ready set-up of billing determinants by the CRES Provider.
- 16.5 The Company shall switch customers to the CRES Provider consistent with the PUCO orders and rules and the Company's Retail Tariff, and shall have no liability to the CRES Provider arising out of or related to a customer's decision to switch among competitive service providers and/or the Company, unless the Company is grossly negligent in switching or failing to switch a customer.
- 16.6 The Company shall not have any duties or liabilities other than those specifically set forth in this Agreement. The Company shall have no liability to the CRES Provider for any consequential, indirect, incidental, special, ancillary, punitive, exemplary, or other damages, including lost profits, lost revenues, or other monetary losses arising out of any errors or omissions.

**Article 17. Indemnification.**

- 17.1 To the fullest extent permitted by law, the CRES Provider shall defend, indemnify and hold harmless the Company from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including the Company's employees or any third parties, or any other liability incurred by the Company, including reasonable attorneys' fees, relating to performance under this Agreement, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any grossly negligent or willful act or omission of the Company.
- 17.2 The CRES Provider's obligation to defend, indemnify and hold harmless under this Article shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CRES Provider under any statutory scheme, including any workers compensation acts, disability benefit acts or other employee benefit acts.

**Article 18. Notices.**

- 18.1 Any written notice required or appropriate hereunder shall be deemed properly made, given to, or served on the Party to which it is directed, when sent by overnight mail or United States mail, postage prepaid, and addressed as follows:

If to the CRES Provider:

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If to the Company:

Ohio Choice Operations  
AEP Ohio  
700 Morrison Road  
Gahanna, Ohio 43230

- 18.2 Notice of any change in any of the above addresses shall be given in writing in the manner specified in this Article.
- 18.3 Notices received after the close of a Business Day shall be deemed received on the next Business Day.

**Article 19. Not a Joint Venture.**

- 19.1 Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be separate and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be liable individually and severally for its own obligations under this Agreement.

**Article 20. Conflicts Between this Agreement and the Company's Retail Tariff or PJM's OATT.**

- 20.1 Should a conflict exist or develop between the provisions of this Agreement and the relevant provisions of the Company's Retail Tariff or PJM's OATT, as approved by the PUCO and the FERC, respectively, the provisions of the Company's Retail Tariff and/or PJM's OATT shall prevail.

**Article 21. Amendments or Modifications.**

- 21.1 Except as provided in Section 13.2 of Article 13 of this Agreement, no amendment or modification shall be made to this Agreement, in whole or in part, except by an instrument in writing executed by authorized representatives of the Parties, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.

**Article 22. Taxes.**

- 22.1 All present or future federal, state, municipal or other taxes imposed on the CRES Provider by any taxing authority shall be the liability of the CRES Provider. The CRES Provider shall pay all such taxes to the applicable taxing authority to the extent required or permitted by law. If the Company is required to remit any taxes imposed upon customers directly to any applicable taxing authority, other than taxes collected by the Company directly from the CRES Provider's customers, then the CRES Provider shall indemnify the Company against, and will pay the Company for, all such tax amounts upon demand.

**Article 23. Waiver of Rights.**

- 23.1 No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to such excuse. The failure of either Party to insist in any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect.

**Article 24. General Provisions.**

- 24.1 The Parties agree that the normal rule of construction, to the effect that any ambiguities are to be resolved against the drafting Party, shall not be employed in the interpretation of this Agreement.

- 24.2 To the extent not subject to the exclusive jurisdiction of the FERC, the formation, validity, interpretation, execution, amendment and termination of this Agreement shall be governed by the laws of the State of Ohio.
- 24.3 The headings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of this Agreement.
- 24.4 This Agreement is intended solely for the benefit of the Parties hereto. Nothing in this Agreement shall be construed to create any duty, or standard of care with reference to, or any liability to, any person not a Party to this Agreement.
- 24.5 Neither Party shall have any right, power, or authority to enter any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 24.6 Cancellation, expiration or early termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including, without limitation, payment of any amounts due, warranties, remedies, promises of indemnity and confidentiality.
- 24.7 Should any provision of this Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof, unless it materially changes the Agreement of the Parties.
- 24.8 Each of the Parties hereto acknowledges that it has read this Agreement, and the Company's Retail Supplier Terms and Conditions of Service, understands them, and agrees to be bound by their terms. This Agreement is intended by the Parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. All prior written or oral understandings or offers pertaining to this Agreement are hereby abrogated and withdrawn.

**Article 25. Assignment and Delegation.**

- 25.1 This Agreement may not be assigned by either the Company or the CRES Provider without the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. However, the Company may assign any or all of its rights and obligations under this Agreement, without the CRES Provider's consent, to any entity succeeding to all or substantially all of the transmission and/or distribution facilities of the Company.
- 25.2 When duly assigned in accordance with the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the assignee. Any assignment in violation of this Article shall be void.

**\*\*\* Signatures on following page. \*\*\***

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their respective authorized officials on the dates written below, to be effective as of the Effective Date.

**Ohio Power Company**  
**(the "Company")**

\_\_\_\_\_  
**(the "CRES Provider")**

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

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

**Printed**  
**Name: Marc Reitter**

**Printed**  
**Name:** \_\_\_\_\_

**Title: President & COO**

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **ELECTRONIC DATA INTERCHANGE STANDARDS**

### **Standards**

Ohio Electric Implementation Guidelines for the Customer Choice Program in the State of Ohio by the Ohio EDI Working Group, and their associated data dictionaries (documents may be found at <http://www.puc.state.oh.us/ohioutil/Energy/ERIndustry/erospodata.html>)

Rules Governing Electronic Data Exchange Standards and Uniform Business Practices for the Electric Utility Industry – Case No. 00-813-EL-EDI

Company's Tariffs and Terms and Conditions

The following are the Exceptions to the Ohio EDI Working Group Electric Implementation Guidelines:

### **Exceptions**

1. The following EDI transaction is not supported by the EDU:

- 650: Meter Site Profile / Maintenance Service Order.

2. The following term as used in the tables below is defined as follows:

a. "SDI" shall mean Service Delivery Identifier Number. The SDI is assigned first to a specific premise (physical location), and second at the tariff level. The relationship of the SDI to the customer account number is a "many to one" relationship. It is possible that multiple SDIs belong to one customer account number. All SDIs associated with the same premise and customer will be billed on one monthly billing when the bill is presented by the EDU. The SDI will be used in lieu of a customer account number for all EDI transactions in Ohio.

The customer can select a different provider for each SDI. The SDI will always stay with the premise location. The SDI does not stay with the customer after moving to another location.



3. The following table lists those processes or transactions, not currently supported by the EDU:

Ref	Position
1.	The EDU does not accept an inbound “814 Enrollment request” for a SDI that is not already known to the EDU.
2.	An inbound request by the CRES for change of customer contact information is not supported.
3.	The EDU uses the SDI instead of the EDU account number as the point at which enrollments and switches occur. EDU account number will be ignored in any incoming messages and will not be passed in any outgoing messages. The REFQ5 segment must be populated with the SDI in all EDU inbound transactions.
4.	If billing data on the 810 transaction is not received by the EDU within the required time window, the EDU will not reject the 810. These charges will be held and presented on the next billing.
5.	The EDU does distinguish between a request for Historical Interval Usage and a request for Historical Cumulative Usage. However, the meter type dictates the type of data returned. If the requested usage type does not agree with the meter type present, the EDU will not reject it.
6.	The EDU does not support initiation of Budget Billing arrangements for the CRES Provider charges. Budget Billing arrangements must be arranged between the CRES Provider and the customer.
7.	The EDU does not support special meter reading requests. Special meter readings must be requested through the Customer Operations Center.
8.	Switches are effective, within the pending meter read window that consists of 2 days before the scheduled meter read date or up to 3 days after.
9.	Customer Rescission – the customer may object only once within the 7 day customer objection period.
10.	The EDU does not store different customer names for the customer service address and customer billing address. The same name will be used for both addresses.
11.	The EDI transactions define a scheduling coordinator. Scheduling coordinators are only considered on inbound 814 Enrollment Requests, and are not provided in any outbound transactions.
12.	The data element N103/N104, containing the customer identification, is not supported.

4. This following table lists those field level details where the EDU diverges from the published standards:

Ref	Transaction	EDI requirement
1.	814E	An inbound EDI transaction 814 Enrollment Request allows meters on a SDI to be specified. The EDU does not support this and will only accept the request if it contains "ALL".
2.	814E	The EDU only supports "DUAL" as the bill calculation party. (REF PC )
3.	814E	An inbound 814 E – Historical Usage request can ask for a "summary" or "detail" report. The EDU always returns detailed Historical Usage data, regardless of the type requested. Historical usage is provided in kWh only.
4.	814E	An inbound 814 Enrollment – Historical Usage request can ask for a report on a specific meter. The EDU returns usage for all meters at the specified SDI on an individual meter basis.
5.	814ER	The outbound EDI 814 Enrollment Response - accept transaction contains a data element REF*NR (Customer is on budget billing) this data element will always be set to "No budget billing".
6.	867MU	An 867 Monthly Usage requires the estimate type be provided for both start and end meter readings. Usage is considered to be estimated if either of the start OR end reads are estimates.
7.	867	Monthly interval usage data is provided at 15 minute intervals; historical interval usage is provided at 60 minute intervals.

5. The following tables clarify the EDU's transaction set headers. The conditions cover all billing arrangements although some conditions may only be applicable to some billing arrangements. Note the distinction between the 820 Payment and the 820 Remittance Details:

5.1 Transaction Set Header
<p>ISA /GS EDI transaction set header for <b><u>all transactions EXCEPT the 820 Payment:</u></b></p> <p><u>Inbound transactions to EDU:</u></p> <p>The ISA segment of the EDI transaction determines the sender and receiver ID. The Receiver ID for AEP System Operating Companies will be the same for all transactions.</p> <p>The GS segment of the EDI transaction determines a sender and receiver ID. The Receiver ID for AEP System Operating Companies will be unique by AEP operating company. The ID will be the individual operating company's Dun and Bradstreet number.</p> <p>The EDU identifying segment within the transaction (N104 = EDU) will contain a different DUNS number for each operating company which will be the same as the GS Receiver ID.</p> <p><u>Outbound transactions from EDU (excluding the 820 Payment transaction for EDU Consolidated Billing):</u></p> <p>The ISA segment of the EDI transaction determines the sender and receiver ID. The Sender ID for AEP System Operating Companies will be the same for all transactions, with the exception of the 820 payment transaction.</p> <p>The GS segment of the EDI transaction determines a sender and receiver ID. The Sender ID for AEP System Operating Companies will be unique by AEP operating company. The ID will be the individual operating company's Dun and Bradstreet number.</p> <p>The EDU identifying segment within the transaction (N104 = EDU) will contain a different DUNS number for each operating company which will be the same as the GS Sender ID.</p>

**5.2 Transaction Set Header**

ISA /GS EDI transaction set header for **the 820 Payment transaction ONLY:**

**Outbound transactions from EDU (EDU Consolidated Billing):**

The ISA segment of the EDI transaction determines the sender and receiver ID. The Sender ID for AEP Systems Operating Companies is a unique number provided in the partner profile agreement.

The GS segment of the EDI transaction determines a sender and receiver ID. The Sender ID for AEP System Operating Companies will be same for all states served by AEP.

The EDU identifying segment within the transaction (N104 = EDU) will be the same number as the ISA segment Sender ID.

**Third Party Service Providers**

**For the Company:**

None

**For the CRES PROVIDER:**

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**Electronic Mailboxes**

**For the Company:**

None

**For the CRES PROVIDER:**

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