

WELLSBORO ELECTRIC COMPANY

General Tariff of
Rates, Rules and Regulations Governing
the Provision of Electric Service
in
The Borough of Wellsboro
and the Townships of Charleston,
Delmar and Middlebury, Tioga County, Commonwealth of Pennsylvania

Issued May 29, 2009

Effective July 1, 2009

Issued by: Craig Eccher, President and Chief Executive Officer
Wellsboro Electric Company
33 Austin Street
Wellsboro, PA 16901

NOTICE

THIS TARIFF MAKES **}} INCREASES **}}** IN EXISTING RATES
See Page 2**

LIST OF CHANGES

Pages 35, 37, 38, 39A, 40, 41, 42, 43, 44, & 45:

Supplement No. 44 implements an increase to Wellsboro's Generation Supply Service Rate ("GSSR") from 7.6571 cents per kWh to 7.7516 cents per kWh as of July 1, 2009.

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DEFINITIONS

These definitions apply to the rates, rules and regulations contained in this tariff:

ANNUAL BILL: Sum of bills of regulated, competitive and Default Service charges rendered over a twelve-month period. The Annual Bill shall be calculated on the basis of the annual bill to the dwelling at which service is being requested over the prior twelve-month period, or, if unavailable, a similar dwelling in close proximity. (C)

APPLICANT: A natural person not currently receiving service who applies for residential service provided by the Company or any adult occupant whose name appears on the mortgage, deed or lease of the property for which residential service is requested.

AUXILIARY SERVICE: The service supplied to connected loads, the wiring for which is entirely separate and apart from the wiring for connected loads supplied from Customers private generating equipment or other sources.

BILLING MONTH: 1/12 of a year, or the period of approximately thirty days between two regular consecutive readings of Company's meter or meters installed on Customer's premises, but no less than 26 days and not more than 35 days.

COMPANY: Wellsboro Electric Company

CONNECTED LOAD: The sum of the KW input ratings as specified in the rate schedules, of all devices located on customer's premises which are connected to Company's service, or which can be connected simultaneously by the insertion of fuses or by the closing of a switch. The manufacturer's nameplate rating may be used to determine the input rating of a particular device. In the absence of such manufacturer's rating, or whenever a test by Company shall indicate improper rating of a device, the rating will be determined on the basis of the kilovolt-amperes required for its operation.

CUSTOMER'S INSTALLATION: All wires, cut-outs, switches, appliances and apparatus of every kind and nature used in connection with or forming a part of an installation for utilizing electric energy for any purpose, located on the Customer's side of point of delivery and including the service leads, whether such installation is owned outright by Customer or used by Customer under lease or otherwise.

CONTRACT DEMAND: The capacity required for operation of customer's equipment, as stated in the application for service.

CUSTOMER: Rate payer or occupant who is a person, partnership, association, corporation, or other entity in whose name a service account is listed, and who is primarily responsible for payment of bills. For residential accounts, Customer includes a natural person in whose name the account is listed and who is primarily responsible for payment of bills rendered for the service and any adult occupant whose name appears on the mortgage, deed or lease of the property.

DEFAULT SERVICE: The provision of energy, capacity and transmission service as the default service provider to customers that: (1) are not eligible to obtain service from an EGS, (2) choose not to obtain service from an EGS, (3) return to default service after having obtained service from an EGS or (4) who contract with an EGS and that EGS fails to deliver such energy. (C)

DEMAND: The rate of use of energy during a specified time interval, expressed in kilowatts.

DISTRIBUTION CHARGE: Basic service charge for delivering electricity over a distribution system to the home or business from the transmission system.

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DEFINITIONS (continued)

ELECTRIC DISTRIBUTION COMPANY (EDC): An entity owning and providing facilities for the distribution of electricity to retail customers, except building or facility owners or operators that manage the internal distribution system serving such building or facility and that supply electric power and other related electric power services to occupants of the building or facility. In this tariff, EDC refers to Wellsboro Electric Company.

ELECTRIC GENERATION SUPPLIERS (EGS): A person or corporation, including municipal corporation, which provides service outside its municipal limits except to the extent provided prior to the Competition Act. This includes brokers and marketers, aggregators or any other entities that sell to end-use customers electricity or related services utilizing the jurisdictional transmission or distribution facilities of an electric distribution company. The term excludes building or facility owner/operators that manage the internal distribution system for the building or facility and that supply electric power and other related power services to occupants of the building or facility. The term also excludes electric cooperative corporations except as provided in 15 Pa.C.S. § 74 (relating to generation choice for customers of electric cooperatives).

GENERATION CHARGE: Basic service charge for generation supply to retail customers. The elements of the Generation Charge are set forth in Rider C. (C)
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HOLIDAYS: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day.

HP, HORSEPOWER: Shall be computed as the equivalent of 750 watts.

KVA: Unit of measurement of electrical load; 1,000 volt-amperes.

KVAR, KILOVAR: Unit of measurement of reactive demand; 1,000 volt-amperes reactive.

KW, KILOWATT: Unit of measurement of active demand: 1,000 watts.

kWh, KILOWATT-HOUR: Unit of measurement of quantity of energy; an amount equivalent to the use of 1,000 watts for one hour.

LINE EXTENSION: The extension of the Company's distribution system from the nearest suitable and available distribution line to the service line which will provide service to the Customer.

NON-PROFIT SENIOR CITIZEN CENTER: A separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided. The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Department of Aging as an operator of a senior citizen center.

NON-PROFIT AMBULANCE SERVICE: Any nonprofit chartered corporation, association, or organization located in the Commonwealth of Pennsylvania that (i) is regularly engaged in the service of providing emergency medical care and transportation of patients, (ii) possesses all necessary legal authority in Pennsylvania to perform emergency medical care and transportation of patients and (iii) provides such services from a building or other structure located in the Company's service territory that constitutes a separately metered location for electric delivery purposes. The use of the electric service by the Non-Profit Ambulance Service shall be used primarily to support its service. In its sole discretion, the Company may request and the Customer shall provide all documentary and other evidence of its compliance with this provision.

(C) Indicates Change

DEFINITIONS (continued)

NON-PROFIT RESCUE SQUAD: Any nonprofit chartered corporation, association, or organization located in the Commonwealth of Pennsylvania that (i) is regularly engaged in providing rescue services, (ii) possesses all necessary legal authority in Pennsylvania to perform rescue services and (iii) provides such services from a building or other structure located in the Company's service territory that constitutes a separately metered location for electric delivery purposes. The use of the electric service by the Non-Profit Rescue Squad shall be used primarily to support its service. In its sole discretion, the Company may request and the Customer shall provide all documentary and other evidence of its compliance with this provision.

NONSPECULATIVE LINE EXTENSION: A line extension which does not impose an unreasonable investment risk upon the Company, taking into account factors including customer location, rate classification, projected revenues, permanency of use and prospect of use by future customers.

PERMANENT RESIDENTIAL CUSTOMER: A customer occupying a site erected dwelling or mobile home on a permanent foundation suitable for year-round occupancy for normal living purposes and including: (1) Electrical wiring conforming with the National Electrical Code and the Company's service installation policies; (2) A permanently installed heating system; and (3) Permanently installed plumbing and sewage systems.

POINT OF DELIVERY: The point at which the service connection of Company terminates and Customer's wiring and installation begins.

POWER FACTOR: In a single-phase circuit, it is the ratio of the watts to the volt-amperes; and in a polyphase circuit, it is the ratio of the total watts to the vector sum of the volt-amperes in the several phases. Where the rate schedule provides for power factor correction, the power factor unless otherwise specified shall be computed from the registration of the watt-hour meter and a reactive component watt-hour meter ratcheted to prevent reverse rotation. The power factor for correction shall be taken as the next highest whole per cent, unless otherwise provided in the rate schedule.

PRIMARY: That portion of the Company's distribution system with a working voltage greater than 600 volts (See Secondary).

SEASONAL SERVICE: Service of a permanent nature which is connected for the entire year and where electricity is utilized by the customer on a seasonal basis or only during a portion of the year.

SECONDARY: That portion of the Company's distribution system with a working voltage of 600 volts or less (See Primary).

SERVICE: The furnishing of service or the delivery of energy referred to in this Tariff and in contracts with Customers shall be construed to mean readiness and ability on the part of Company to maintain at the point of delivery the approximately agreed frequency and voltage sufficient to supply the maximum demand that at the time Company is obligated to supply.

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DEFINITIONS (continued)

SERVICE WIRES AND LEADS: Service wires are that portion of Company's equipment which is connected at the point of delivery to the service leads of Customer.

SPECULATIVE LINE EXTENSION: A line extension which imposes an unreasonable investment risk upon the Company, taking into account factors including customer location, rate classification, projected revenues, permanency of use and prospect of use by future customers.

TEMPORARY SERVICE: Service supplied for a temporary period of time, usually less than one year.

TRANSMISSION CHARGE: Basic service charge for the cost of transporting electricity over high voltage wires from the generator to the distribution system of an EDC.

VOLUNTEER FIRE COMPANY: A service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this service location shall be to support the activities of the volunteer fire company. Any fund raising activities at this service location must be used solely to support volunteer fire fighting operations. The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of fire fighting services.

(C) Indicates Change

RULES AND REGULATIONS**1. FILING AND INSPECTION**

A copy of this tariff containing the Company's rules and rate schedules for all electric service supplied by the Company in the territory covered by this tariff is on file with the Pennsylvania Public Utility Commission. A copy is available for inspection in each Company office in the territory covered by this tariff where payment for service is received. This tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Regulations of the Pennsylvania Public Utility Commission.

2. SUPPLY OF SERVICE

The supply of service referred to in these rules, rate schedules and in contracts with Customers means readiness and ability on Company's part to maintain standard service at the point of delivery, with a capacity sufficient to supply the estimated maximum requirements, based on Customer's advice to Company, whether or not customer makes any use of service.

Rates of the tariff apply only to the Company's Standard Service delivered from overhead supply lines except in certain areas where the Company has agreed to provide underground distribution. Standard Service is alternating current of sixty cycles frequency, conforming as to voltage and phase with the following list of standard nominal service voltages.

SINGLE-PHASE

120 volts, 2 wire
120/240 volts, 3 wire
240 volts, 2 wire

THREE-PHASE

120/208 volts, 4 wire
240 volts, 3 wire
277/480 volts, 4 wire
480 volts, 3 wire
2,400 volts, 3 wire
7,200/12,470 volts, 4 wire

(C) Indicates Change

RULES AND REGULATIONS (continued)

3. RESPONSIBILITY

Every Company employee is responsible for applying the provisions of this tariff without unlawful preference or advantage to any Customer. No Company employee is authorized to modify any provision of this tariff or to bind Company by any promise or statement contrary thereto. No promise of any company employee is binding unless made in writing over the signature of a duly authorized representative of Company.

4. CONTRACT AND SERVICE CHARGE

Application for electric service shall be made on prescribed standard form and when accepted by an officer or authorized agent of the Company shall constitute a contract between Customer and Company. The Company may require an Applicant or Customer to verify the identity of each adult occupant of the residential property, to establish creditworthiness and/or to pay a deposit in accordance with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service," and 66 Pa. C.S. Chapter 14, "Responsible Utility Customer Protection," and other Pennsylvania Public Utility Commission Orders. Receipt of service makes the receiver a Customer as contemplated by the Rules and Regulations whether based upon contract or otherwise. No promises, agreements, or representation of any agent or employee of the Company constituting a departure from the Rules and Regulations shall be binding unless incorporated in the contract.

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Any Customer who is about to vacate any premises supplied with Company service or who for any reason wishes to have service discontinued shall give at least 7 days' notice to the Company, specifying the date on which it is desired that service be discontinued. In the absence of such notice, the Customer shall be responsible for all service rendered.

Contracts for service shall be for a term of two years for private outdoor lighting service and one year for other contracts except as otherwise provided in the applicable rate schedules or under conditions involving construction of facilities or installation of special equipment that would warrant a longer term. This contract will not impact the ability of the Customer to obtain electricity from an EGS.

(C) Indicates Change

RULES AND REGULATIONS (continued)**5. SELECTION OF SCHEDULES**

When more than one rate schedule is applicable to a service, the Company applies the rate schedule which is most advantageous to Customer, based on Customer's advice to Company regarding customer's anticipated service conditions. Where a dwelling unit and a commercial enterprise with more than 2,000 watts connected load are serviced through the same meter, the appropriate commercial rate shall apply.

6. DEPOSITS

Company reserves the right to require a cash deposit from an Applicant or Customer as security for payment of bills before rendition of service in the following situations: (1) when Customer's creditworthiness has not been established; (2) when the Applicant previously received service and service was terminated for any of the following reasons—nonpayment of an undisputed delinquent account, failure to complete payment of a deposit or establish credit, failure to permit the Company to access meters under Rule 8, unauthorized use of the utility service delivered on or about the dwelling, failure to comply with the material terms of a settlement or payment agreement, fraud or material misrepresentation of identity for the purposes of obtaining service, equipment tampering under Rule 12, or violating other rules of this tariff so as to endanger the safety of a person or the integrity of the distribution system; and (3) failing to comply with a material term or condition of a settlement or payment arrangement. The deposit shall be in an amount equal to one-sixth of the Applicant's or Customer's estimated Annual Bill. In case service is to be taken for a period of less than thirty days, the deposit shall be in an amount equal to the estimated bill for regulated and/or Default Service for such temporary period. (C)

When a residential Customer or a residence is involved, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service," and 66 Pa. C.S. Chapter 14, "Responsible Utility Customer Protection," and other applicable Pennsylvania Public Utility Commission Orders.

Deposits shall be returned to residential customers after the earlier of 24 months or when undisputed bills have been paid over a period of 12 consecutive months without service having been terminated and without having paid bills after the due date, so long as the Customer is not currently delinquent or when other guarantees satisfactory to the Company are offered. Deposits of other classes of customers are subject to return, prior to discontinuance of service, solely at the option of the Company.

(C) Indicates Change

RULES AND REGULATIONS (continued)

6. DEPOSITS (continued)

The payment of any undisputed bill, within the meaning of the Public Utility Law, shall be payment of the bill for regulated and/or Default Service within thirty days following presentation of the bill, or the payment of any contested bill, payment of which is withheld beyond the period herein mentioned and the dispute is terminated substantially in favor of the customer and payment made by the Customer within ten days thereafter. (C)

The Company will allow simple interest on cash deposits. For residential Customers, the interest calculation will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service," and 66 Pa. C.S. Chapter 14, "Responsible Utility Customer Protection," and other applicable Pennsylvania Public Utility Commission Orders.

Deposits shall cease to bear interest upon discontinuance of service (or, if earlier, when the Company closes the account).

Upon discontinuance of service and payment in full of all service charges and guarantees, Company will refund deposit, or will deduct such unpaid accounts from the deposit and refund the difference, if any. Deposit shall cease to bear interest upon discontinuance of service.

7. REQUIREMENTS FOR SERVICE

Customers should directly, or through an electrical contractor, communicate with Company preferably in writing for the purpose of giving exact location of premises and details of all current-consuming devices which are to be installed. Company will thereupon designate point of delivery at which its service line will terminate. At or near that location customer must provide, without expense to Company, a suitable place for the installation of metering and all necessary transforming equipment and supplementary apparatus incident to fulfillment of contract.

The wiring on the premises for connection to service line shall be brought outside the building wall at a location designated by the Company and in such a manner that it will be easily accessible for attachment.

(C) Indicates Change

RULES AND REGULATIONS (continued)**7. REQUIREMENTS FOR SERVICE (continued)**

All wiring shall be installed and maintained in accordance with provisions of the latest edition of the National Electrical Code. The Company shall not be obligated to connect or remain connected with any customer's wiring or facilities unless and until certificate of compliance has been issued by a recognized inspection service. This covers new buildings and modifications involving a wiring change.

Company will run only one service lateral to a Customer's premises or install only one meter for each class of service to be supplied except where, in its judgment, special conditions may make more than one necessary. Service laterals normally will not be run from building to building. If special conditions warrant it, an exception may be made at Company's option.

Service connections will not be made until the wiring on the premises is actually in progress or completed.

Company will furnish, install and maintain the necessary meters, transformers and service line for secondary service requiring only a single span of wiring extending from its facilities to point of supply connections. All equipment supplied by Company shall remain its exclusive property and may be removed after termination of service from whatever cause.

Customer shall own, maintain and operate all substation and transforming equipment where voltage, phase or frequency of the supply is different from that specified in the applicable rate schedule. Also, Customer shall bear the cost of special installation that may be necessary to meet a particular requirement for service at other than standard voltages or if closer than allowable voltage and frequency variation is desired.

Where energy is desired at 2400 volts or higher, Company will extend its facilities to Customer's service connection as provided herein. Excepting the conditions for which provision may be made in a particular rate schedule, all other wiring, with the exception of meters, shall be installed and maintained by Customer.

RULES AND REGULATIONS (continued)

7. REQUIREMENTS FOR SERVICE (continued)

In the event Company may be required by any public authority to place underground any portion of its mains, wires or services or relocate any pole or feeders, the Customer at his own expense shall change the location of delivery point to that readily accessible to the new location.

8. ACCESS

Company employees shall have access at all reasonable hours to Customer's premises, without charge, for the purpose of inspecting installations, installing meters, reading, testing, removing, replacing or otherwise maintaining or disposing of any of Company's property.

9. SERVICE LIMITATIONS

Single-phase service for lighting will not be supplied where the connected load to be served exceeds 25 KVA of capacity unless previous arrangements have been made with Company. Customer must arrange the wiring of loads in excess of this amount to receive polyphase service.

Customer shall at all times take and use energy in such a manner that it will be taken equally between phases. Should this not be possible, and the unbalancing equals, or exceeds 10% of the lesser phase, then the charge therefor shall be computed on the assumption that the energy taken from each phase is equal to the amount taken from the greater phase.

RULES AND REGULATIONS (continued)

9. SERVICE LIMITATIONS (continued)

When the customer's load includes one or more motors rated at 5HP or above or several small motors aggregating 7HP or more, the appropriate three phase service and Service Schedule shall be utilized.

The Company is under no obligation to serve or to continue to serve fluctuating loads unless corrective equipment is installed. When Customer's use of equipment having operating characteristics which impose high instantaneous demand, such as welders, hoists, electric furnaces, x-rays, etc., causes undue fluctuation, customer shall install corrective equipment at his sole expense. The Company will not serve or continue to serve customer loads where acceptable voltage and phase characteristics with tolerable harmonic distortions are not maintained.

The Company's service connections, transformers, meters and appliances have a definite limited capacity and Customer shall notify Company of any additions to the Customer's connected load so that adequate facilities may be provided. Customer will be held responsible for any damage resulting from a violation of this rule.

Unless there is a tariff provision to the contrary, service shall not be used for any purpose or in any place other than that stipulated in the contract nor shall the energy supplied by Company be resold or used by any party other than the Customer contracting with Company, except in the case of service to the owner or lessor of a single property for the use of any or all of the tenants occupying such property and then only when service is supplied through one meter under the appropriate Service Schedule when the charge for electric service to the individual tenant is a fixed amount included in the rent and when the energy is not submetered.

10. COMPANY'S SERVICE EQUIPMENT

Company will supply and install at its expense an overhead service connection of one span of wire of one hundred feet or less on Customer's premises from the most suitable pole of its distribution line to the pole, building, or terminal connection provided by Customer.

Upon request, Company will supply and install at its expense an underground service connection of one hundred feet or less of underground service cable from the most suitable pole or underground pad of its distribution line to the pole, building or terminal connection provided by the Customer. Customer will be responsible for providing all trenching, excavating and backfilling that may be required. All excavating shall be done in accordance with the Company's specifications.

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Company will install and maintain its lines and equipment on its side of the point of delivery and shall not be required to install or maintain any lines, equipment or apparatus, except meters and meter accessories, beyond this point.

RULES AND REGULATIONS (continued)**11. CUSTOMER'S INSTALLATION**

The ordinary method of connection between Company's distribution system and Customer's service leads is by overhead wires. If Customer desires to have connection made in any other manner, special arrangements may be made between Customer and Company, and the Customer will be required to bear only the excess of the cost of installation and maintenance of the special connection over which would ordinarily be installed by the Company.

Customer's service and meter connections shall be installed in accordance with instructions of Company and shall be subject to Company's inspection and approval. However, the Customer assumes full responsibility for the energy at and from the point of delivery thereof, and for the wires, apparatus, devices and appurtenances thereon used in connection with the service.

The phase, voltage, size and type of all motors installed by Customer shall be subject to the approval of Company. Customer shall install motor starting devices, automatic circuit breakers, switches, fuses or overload devices of a type approved by Company, and shall adjust, renew or replace the same from time to time on request of Company. Representatives of Company, at all reasonable times, may regulate, or establish requirements concerning the method of starting motors in order to keep excess current required for such starting as low as practicable, without in any way rendering Company responsible for the control or operation of any such equipment.

RULES AND REGULATIONS (continued)**12. EQUIPMENT TAMPERING**

Company may discontinue its service for abuse, fraud or tampering with connections, meters or other equipment. When Company detects tampering with service wiring, switches or meters which would cause a diversion of current or loss of meter registration, it reserves the right to require such changes in the installation as necessary to prevent further loss. In addition to any necessary replacements or repairs the customer shall pay reasonable cost of investigation and a fair estimate of the energy used but unregistered on the meter.

13. METER TESTING

Company will make periodic inspections and tests of its meters in order to maintain them at a high standard of accuracy. It reserves the right to make a charge for customer requested tests in accordance with schedule of fees named in Electric Service Regulations of Pennsylvania Public Utility Commission.

14. CONTINUITY OF SERVICE

Company will use reasonable diligence to maintain uninterrupted service, but does not guarantee a constant or regular supply of electrical energy and shall not be liable for damages including loss of business or loss of production due to variations or cessations in such supply. Customer should give immediate notice at the office of the Company of any interruptions or irregularities in service or any known trouble, defect or accident to the supply. Due to the sensitive nature of computers and other electronically controlled equipment, the Customer should provide protection against variations in supply.

RULES AND REGULATIONS (continued)**14. CONTINUITY OF SERVICE (continued)**

Company will not be responsible for any damage or injury arising from the presence or the use of electric service supplied to the Customer by the Company after it passes from the Company's facilities to the point of delivery, unless such damage or injury is caused by the negligence of the Company. Any damage or injury arising from occurrences or circumstances beyond the Company's reasonable control or from its conformance with electric system design, operation practices or conditions common to the electric utility industry shall be conclusively deemed not to result from the negligence of the Company.

Company may, without liability therefor, interrupt service to any customer or customers in the event of emergency threatening the integrity of its system or integrated power pool if, in its sole judgment, such action will prevent or alleviate the emergency condition. Notice of the cause and the expected duration of the interruption will be given to affected customers as soon as possible.

Company may at any hour on Sundays and legal holidays, or at any other time that may be necessary, suspend the supply of electrical energy to any customer for the purpose of making repairs, changes or improvements on any part of its system. When such suspension is planned in advance, prior notice of the cause and expected duration of the suspension will be given to customers who may be affected.

RULES AND REGULATIONS (continued)**15. BILLING AND BILLS PAYABLE**

Meters will be read and bills for service will be rendered monthly except as otherwise provided. Bills are payable at the office of the Company during the regular hours of business. The due date for residential customers will be 20 days from the postmarked date of billing. The due date for all other customers will be 15 days from the postmarked date of billing. If paid on or before the due date, the net amount shall apply, otherwise the net amount plus a late payment charge will be due and payable. An account is considered delinquent when the charges have not been paid in full by the due date. The Company shall pursue monthly collections of outstanding balances of residential delinquent accounts. Any residential customer with both metered residential service and private outdoor lighting service may request to receive combined billing for the two services. When payments are mailed, the United States Post Office cancellation mark will be considered as the date of receipt. Failure to receive a bill will not be a waiver of any of these Rules and Regulations.

If a meter fails to register correctly the amount of electricity consumed in any period, the amount of the bill will be estimated, such estimate to be based either upon the results of a meter test or upon the consumption for preceding or subsequent billing periods, or both these methods.

Under Restructuring a customer may select one of two billing options: (1) Consolidated Electric Distribution Company Billing, and (2) Separate Electric Distribution Company/Electric Generation Supplier Billing. If the Customer does not make a selection, the customer will receive Consolidated EDC Billing.

When the Company is providing Consolidated EDC Billing, Default PLR Service or Separate EDC Billing, and the Customer remits a partial payment to the Company, the payment will be applied as follows:

1. Deposits.
2. Balance due or the installment amount for a payment agreement for Fixed and Variable Distribution Service Charges.
3. Current Fixed and Variable Distribution Service Charges.
4. Balance due for prior charges for Energy, if Wellsboro is providing Default Service.
5. Current charges for Default Service.
6. Non-basic service charges.

16. RETURNED PAYMENT CHARGE

If a payment on a Customer's account is returned to the Company unpaid by the Customer's bank or another entity responsible for processing payment and cannot be reprocessed by the Company for payment, a charge equal to the sum of all associated charges, if any, and a minimum of \$20.00 will be added to the Customer's account.

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RULES AND REGULATIONS (continued)

17. TERMINATION OF SERVICE FOR NON-PAYMENT OR OTHER CAUSE

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Company reserves the right to terminate service to any residential Customer (ratepayer, Applicant or occupant) for non-payment or other cause under conditions prescribed in the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service," and 66 Pa. C.S. Chapter 14, "Responsible Utility Customer Protection," and other applicable Pennsylvania Public Utility Commission Orders. Additional reasons that service to any Customer may be terminated include, but are not limited to, violating Rule 8 (access to meters and other equipment), violating Rule 12 (equipment tampering), failing to comply with a material term of a payment agreement, or failing to complete a payment of a deposit or establish credit.

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Where a residential customer has elected to receive combined billing for metered residential service and private outdoor lighting service, both services will be subject to the Pa. P.U.C.'s Standards and Billing Practices for Residential Utility Services, 52 Pa. Code, Chapter 56, §56.81 through §56.131 as a single residential account.

If service has been disconnected for non-payment or for violation of any rules or conditions for rendering service, as a prerequisite to its restoration the Company requires the payment of all arrearages in addition to reconnection charge of \$32.00. The same charge shall apply when restoring service discontinued at request of Customer. Where a Customer requests reconnection that requires extension of the regular work day, the reconnection charge shall be \$44.00. When such request requires the call-out of off-duty personnel, the reconnection charge shall be \$83.00. For residential Customers or Applicants, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service," and 66 Pa. C.S. Chapter 14, "Responsible Utility Customer Protection," and other applicable Pennsylvania Public Utility Commission Orders.

(C)

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(C)

Where service is to other than residential customers, the Company may discontinue service and remove its equipment after giving reasonable notice in case customer is in arrears in the payment of bills for service or has violated any of the terms of contract or the tariff Rules and Regulations or the regulations of Pennsylvania Public Utility Commission. Also Company may discontinue service on reasonable notice if entry to its meter or meters is refused or if access thereto is obstructed or hazardous. Company may require such correction of conditions or changes in the installation as may be deemed necessary in order to prevent a repetition of the cause for discontinuance.

In accordance with the Commission's guidelines, Wellsboro will not terminate a customer for non-payment of amounts owed to an EGS or condition the restoration of service to a customer after termination on payment of arrearages owed by the customer to an EGS.

(C) Indicates Change

RULES AND REGULATIONS (continued)

18. TEMPORARY DISCONTINUANCE OF SERVICE

If a customer requests a disconnection and reconnection of service at the same location within a twelve-month period, he shall be required to pay a charge for each of the intervening months of \$6.62 per month, plus a reconnection fee as specified under the previous rule.

(I)

19. METERING ADJUSTMENT

Where conditions warrant it the Company may, at its option, meter its service at primary voltage of Company-owned transformers or at the secondary voltage of customer-owned transformers. In such cases, the applicable demand charge will be decreased or increased by 2.5% to compensate for transformer losses.

20. LINE EXTENSION

The Company's overhead distribution system shall be extended to include new single phase non-speculative line extensions under the following terms and conditions. All speculative line extensions shall be constructed in accordance with the next Rule. For purposes of this Rule, the following definitions are applicable:

Contractor costs – The amounts paid by the Company to a contractor for work performed on a line extension.

Direct labor costs – The pay and expenses of Company employees directly attributable to work performed on a line extension, excluding construction overheads or payroll taxes, workmen's compensation expenses or similar expenses.

Direct material costs – The purchase price of materials used for a line extension, excluding related stores expenses. In computing direct material costs, proper allowance shall be made for unused materials, materials recovered from temporary structures, and for discounts allowed and realized in the purchase of materials.

(I) Indicates Increase

RULES AND REGULATIONS (continued)

20. LINE EXTENSION (continued)

1. The Company shall construct, own and maintain all line extensions and shall provide up to 250 feet of non-speculative primary line extension per customer at no charge.

2. Where the non-speculative primary line extension exceeds 250 feet per customer, the Customer shall be required to make a non-interest bearing cash advance equivalent to the Company's estimated contractor costs and/or direct labor and direct material costs for construction of that portion of the line extension which is in excess of 250 feet. The Company's engineering layout shall be used to determine the length of the line extension. All footage in excess of 250 feet is charged to the Customer at the Company's average direct cost per foot for constructing the line extension.

Upon completion of construction, the Company will determine the actual contractor costs and/or direct labor and direct material costs incurred (based on an average cost per foot) and either bill the Customer for all additional costs incurred or refund any overpayment.

In the event of a customer cash advance for construction costs of the line extensions, as set forth above, refunds shall be made to the initial line extension customer for each new customer added to the initial line extension. The refund shall be an amount calculated by multiplying 250 feet by the actual average cost per foot for the initial line extension. Refunds shall be made only for customer additions made within three (3) years from completion of the initial line extension and shall never exceed the initial line extension customer's cash advance. Any balance from the cash advance remaining after three (3) years shall be retained by the Company.

RULES AND REGULATIONS (continued)

20. LINE EXTENSION (continued)

3. If the Customer requests, and the Company approves, line extensions may be installed underground. In such case, the Customer shall provide all necessary excavation, back-filling and grading in accordance with Company specifications and bear all costs set forth in this Rule plus any additional costs associated with underground installations as prescribed in this Tariff. The Company shall construct, own and maintain all line extensions and shall provide up to 175 feet of non-speculative primary underground line extension per residential customer at no charge.

a. Where the non-speculative primary underground line extension exceeds 175 feet per customer, the Customer shall be required to make a non-interest bearing cash advance equivalent to the Company's estimated contractor costs and/or direct labor and direct material costs for construction of that portion of the line extension that is in excess of 175 feet. The Company's engineering layout shall be used to determine the length of the line extension. All footage in excess of 175 feet is charged to the Customer at the Company's average direct cost per foot for constructing the line extension.

b. Upon completion of construction, the Company will determine the actual contractor costs and/or direct labor and direct material costs incurred (based on average cost per foot) and either bill the customer for all additional costs incurred or refund any overpayment.

4. The Company will not commence construction of a line extension until completion of the following:

a. Receipt and acceptance of an application for electric service;

b. Complete execution of appropriate contracts for electric service and/or line extensions and payment of any and all associated costs or charges:
and

c. The applicant requesting the line extension shall furnish to the Company for the sum of One Dollar (\$1.00), satisfactory rights-of-way on the applicant's property that are acceptable to the Company and necessary for the construction, maintenance and operation of the line extension. The Company shall be under no obligation to construct the line extension in the event the Company is unable to acquire at a cost deemed reasonable by the Company and in satisfactory form any necessary rights-of-way and other consents.

(C)
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(C)

RULES AND REGULATIONS (continued)

20. LINE EXTENSION (continued)

The Customer shall provide, as may be required by the Company, rough grading in accordance with Company specifications. Any required tree trimming shall be provided by the Company; however, in those cases where excessive tree trimming is necessary, in the sole judgment of the Company, the Customer shall be required to pay the cost of excessive tree trimming.

Any deviations from Company construction standards requested by the Customer must be approved by the Company. The Customer will be required to make a non-refundable cash advance equivalent to the estimated contractor costs and/or direct labor and direct material costs associated with such deviations.

Applications for line extensions are subject to all other rules and regulations of this Tariff.

5. The contract for service associated with the Line Extension shall be for a term of not less than one year.

21. INCREASED CAPACITY OR EXTENSION OF FACILITIES

When the Company is requested to increase capacity or extend facilities, construct speculative line extension or three-phase line extension and in any other instance where last Rule is not applicable to the extension or addition of Company facilities to a customer, the Company will determine from the circumstances of each case the nature and level of financing and/or guarantee of revenue required of applicant/customer prior to construction or installation of Company facilities. Among other options, the Company may require the applicant/customer to make a refundable and/or non-refundable cash deposit with the Company equivalent to the Company's total estimated cost for construction of facilities necessary to render service. Such cash deposits shall bear no interest and may be refunded to the applicant/customer in accordance with the terms and conditions of the contractual relationship between the parties.

Applications for speculative or three-phase line extensions are subject to all other rules and regulations of this Tariff.

RULES AND REGULATIONS (continued)

22. POLE REMOVAL OR RELOCATION CHARGES

For purposes of this Rule, the following definitions are applicable:

Contractor costs - The amounts paid by a public utility to a contractor for work performed on a pole removal or relocation.

Direct labor costs - The pay and expenses of public utility employees directly attributable to work performed, on pole removals or relocation's, but does not include construction overheads or payroll taxes, workmen's compensation expenses or similar expenses.

Direct material costs - The purchase price of materials used in performing a pole removal or relocation, but does not include related stores expenses. In computing direct material costs, proper allowance shall be made for unused materials, materials recovered from temporary structures, and for discounts allowed and realized in the purchase of materials.

Pole removal or relocation - The removal or relocation of distribution line poles and their associated attachments made under the request of a residential property owner. The term does not include pole repairs or replacements necessitated by the intentional or negligent conduct of a party.

The removal or relocation of a pole when done at the request of others is done at the applicant's request and payment of the Company's estimated cost of the removal or relocation is required in advance of the construction. Charges are limited to Contractor costs, Direct Labor costs and Material costs less an amount equal to avoided maintenance costs.

RULES AND REGULATIONS (continued)

23. UNDERGROUND ELECTRIC SERVICE IN NEW RESIDENTIAL DEVELOPMENTS

A. For the purposes of this rule only, the following definitions are applicable:

Applicant for electric service - The developer of a recorded plot plan consisting of five or more lots, or of one or more five unit apartment houses.

Developer - The party responsible for constructing and providing improvements in a development, that is, streets, sidewalks and utility-ready lots.

Development - A planned project which is developed by a developer/applicant for electric service set out in a recorded plot plan of five or more adjoining unoccupied lots for the construction of single-family residences, detached or otherwise, mobile homes or apartment houses, all of which are intended for year-around occupancy, if electric service to the lots necessitates extending the utility's existing distribution lines.

Distribution line - An electric supply line of untransformed voltage from which energy is delivered to one or more service lines.

Service line - An electric supply line of untransformed voltage from which service is delivered to the residence.

Subdivider - The party responsible for dividing a tract of land into building lots which are not to be sold as utility-ready lots.

RULES AND REGULATIONS (continued)

**23. UNDERGROUND ELECTRIC SERVICE IN NEW RESIDENTIAL DEVELOPMENTS
(continued)**

A. (continued)

Subdivision - A tract of land divided by a subdivider into five or more adjoining unoccupied lots for the construction of single-family residences, detached or otherwise or apartment houses, all of which are intended for year-around occupancy, if electric service to the lots necessitates extending the utility's existing distribution lines.

B. Underground facilities in new residential developments are only required when a bona fide developer exists, i.e., only when utility-ready lots are provided by the developer. A mere subdivision is not required to have underground service.

C. All distribution and service lines installed pursuant to an application for electric service within a development shall be installed underground; shall conform to the Company's construction standards, 52 Pa. Code §57.26, the specifications set forth in the National Electric Safety Code (NESC), and shall be owned and maintained by the Company. Pad-mounted transformers may be installed by the Company. Excavating and back-filling shall be performed by the developer of the project or by such other agent as the developer may authorize. Installation of service-related utility facilities shall be performed by the Company or by such other agent as the Company may authorize. Any street-lighting lines installed then or thereafter within the same development shall also be installed underground, upon terms and conditions prescribed elsewhere in the tariff. The Company shall not be liable for injury or damage occasioned by the willful or negligent excavation, breakage or other interference with its underground lines occasioned by anyone other than its own employees or agents.

Nothing in this section shall prohibit the Company from performing its own excavating and back-filling for greater system design flexibility. However, no charges other than those specified in Section D, paragraph 4 of this rule shall be permitted.

RULES AND REGULATIONS (continued)

**23. UNDERGROUND ELECTRIC SERVICE IN NEW RESIDENTIAL DEVELOPMENTS
(continued)**

D. The applicant for electric service to a development shall:

(1) At its own cost, provide the utility with a copy of the recorded development plot plan identifying property boundaries, and with easements satisfactory to the utility for occupancy by distribution, service and street-lighting lines and related facilities.

(2) At its own cost, clear the ground in which the lines and related facilities are to be laid of trees, stumps and other obstructions, provide the excavating and back-filling subject to the inspection and approval of the utility, and rough grade it to within 6 inches of final grade, so that the utility's part of the installation shall consist only of laying of the lines and installing other service-related facilities. Excavating and back-filling performed or provided by the applicant shall follow the utility's underground construction standards and specifications set forth by the utility in written form and presented to the applicant at the time of application for service and presentation of the recorded plot plan to the utility. If the utility's specifications have not been met by the applicant's excavating and back-filling, the excavating and back-filling shall be corrected or redone by the applicant or its authorized agent. Failure to comply with the utility's construction standards and specifications permits the utility to refuse utility service until the standards and specifications are met.

RULES AND REGULATIONS (continued)

**23. UNDERGROUND ELECTRIC SERVICE IN NEW RESIDENTIAL DEVELOPMENTS
(continued)**

D. (continued)

(3) Request electric service at such time that the lines may be installed before curbs, pavements and sidewalks are laid; carefully coordinate scheduling of the utility's line and facility installation with the general project construction schedule, including coordination with other utilities sharing the same trench; keep the route of lines clear of machinery and other obstructions when the line installation crew is scheduled to appear; and otherwise cooperate with the utility to avoid unnecessary costs and delay.

(4) Pay to the utility necessary and additional costs incurred by the utility as a result of the following:

(i) Installation of underground facilities that deviate from the utility's underground construction standards and specifications if the deviation is requested by the applicant for electric service and is acceptable to the utility.

(ii) A change in the plot plan by the applicant for electric service after the utility has completed engineering for the project or has commenced installation of its facilities.

(iii) Physical characteristics, such as oversized lots or lots with extreme setback where under the utility's line extension policy contained in its tariff a charge is mandated for overhead service.

RULES AND REGULATIONS (continued)

**23. UNDERGROUND ELECTRIC SERVICE IN NEW RESIDENTIAL DEVELOPMENTS
(continued)**

D. (continued)

(5) No charges other than those described in paragraph (4) shall be borne by the applicant for electric service or by another utility sharing the same trench, even if the electric utility elects to perform its own excavating and back-filling.

E. Whenever the distance from the end of the Company's existing distribution line to the boundary of the development is 100 feet or more, the 100 feet of new distribution line nearest to, but outside such boundary, shall be installed underground if practicable; and whenever such distance is less than 100 feet from said boundary, all of the new distribution line nearest to, but outside such boundary, shall be installed underground if practicable. The installation required by this paragraph shall be provided by the Company, without cost to the Applicant.

24. UNDERGROUND ELECTRIC SERVICE TO INDIVIDUAL RESIDENTIAL CUSTOMERS

When Underground service is extended to residential customers not in a development as defined under the last Rule, the customer will be required to provide at no cost to the Company all necessary grading, trenching and back-filling as specified by the Company. The charge, in addition to any charges determined under the provisions of the Line Extension Rule, shall be:

Contractor Costs – the amounts paid by the Company to a contractor for work performed on an Underground Electric Service.

Direct Labor Costs – the pay and expenses of Company employees directly attributable to work performed on an underground electric service, excluding construction overheads or payroll taxes, workmen's compensation expenses or similar expenses.

Direct Material Costs – the purchase price of materials used for an underground electric service, excluding related stores expenses. In computing direct material costs, proper allowance shall be made for unused materials.

RULES AND REGULATIONS (continued)**25. TAXES ON CONTRIBUTIONS IN AID OF CONSTRUCTION & CUSTOMER ADVANCES**

Any contribution in aid of construction, customer advance, or other like amounts received from the customer which shall constitute taxable income as defined by the Internal Revenue Service shall be increased to include a payment equal to the applicable taxes. Such payment for taxes associated with a CIAC shall provide for the effect of current tax obligations offset by the present value of future tax deductions associated with the facility. The discount rate to be used for present value calculations is the AFUDC (Allowance for Funds used During Construction) rate on file with the PUC adjusted to a net of tax basis. Payments for taxes associated with customer advances will not be discounted since any refunds of customer advances shall include a prorated refund of amounts previously collected for applicable taxes.

26. EMERGENCY ENERGY CONSERVATION

Pursuant to order of the Pennsylvania Public Utility Commission, the following provision is incorporated in this tariff:

Whenever events occur which are actually resulting, or in the judgment of the Company threaten to result, in a restriction of the fuel supplies available to the Company or its energy vendors, such that the amount of electric energy which the Company is able to supply is or will be adversely affected, an emergency energy conservation situation exists.

In the event of an emergency energy conservation situation, the Company shall take such reasonable measures as it believes necessary and proper to conserve available fuel supplies. Such measures may include, but shall not be limited to reduction, interruption, or suspension of service to one or more of its customers or classes of customers in accordance with the Company's procedure for emergency energy conservation.

RULES AND REGULATIONS (continued)**26. EMERGENCY ENERGY CONSERVATION (continued)**

The Company shall establish procedures for emergency energy conservation, including, if it deems necessary, schedules of service interruption and suspension priorities to be followed as prescribed by the foregoing paragraph.

The Company may revise such procedures from time to time, and shall revise them if so required by the Pennsylvania Public Utility Commission. A copy of such procedures or of the revision thereof currently in effect shall be kept available for public inspection at the Company's office and another such copy shall be kept on file with the Pennsylvania Public Utility Commission.

27. EMERGENCY LOAD CONTROL

Pursuant to order of Pennsylvania Public Utility Commission, the following provision is incorporated into this tariff:

(a) Whenever the demands for power on all or part of the Company's system exceed or threaten to exceed the capacity then actually and lawfully available to supply such demands, or whenever system instability or cascading outages could result from actual or expected transmission overloads or other contingencies, or whenever such conditions exist in the system of another public utility or power pool with which the Company's system is interconnected and cause a reduction in the capacity available to the Company from that source or threaten the integrity of the Company's system, a load emergency situation exists. In such case, the Company shall take such reasonable steps as the time available permits to bring the demands within the then available capacity or otherwise control load. Such steps shall include but shall not be limited to reduction or interruption of service to one or more customers, in accordance with the Company's procedures for controlling load.

(b) The Company shall establish procedures for controlling load including schedules of load shedding priorities to be followed in compliance with the foregoing paragraph, may revise such procedures from time to time, and shall revise them if so required by Pennsylvania Public Utility Commission. A copy of such procedures or of the revision thereof currently in effect shall be kept available for public inspection at each office at which the Company maintains a copy of its tariff for public inspection, and another such copy shall be kept on file with Pennsylvania Public Utility Commission.

RULES AND REGULATIONS (continued)**28. ADVANCED METERING OR METER RELATED DEVICES**

To the extent an EGS and Customer desire to measure the Customer's service via an advanced meter, this transaction will be handled consistent with applicable and appropriate PUC regulations regarding advanced metering. Written notification from both EGS and Customer is necessary to proceed with acquisition and installation of advanced metering. All net incremental costs incurred by the EDC in the acquisition, installation, reading and maintenance of the advanced meter will be the sole responsibility of the EGS or the Customer. Any advanced meter must be installed by the Company and will remain the property of the Company, consistent with PUC regulations. The Company will comply with all applicable PUC regulations regarding advanced metering, including the use of said meter as the Billing Meter.

A list of the qualified advanced meters and meter-related devices available in the Company's service territory is included as Rider B to this Tariff. The net incremental costs for acquisition and installation of the equipment listed in Rider B are available in the Advanced Meter Catalog available from the PUC or at the Company's office.

29. [RESERVED]

(C)

30. ELECTRIC GENERATION SUPPLIER SWITCHING

(C)

The Company will accommodate requests by customers to switch Electric Generation Suppliers (EGS) in accordance with this Rule 30, and any applicable Commission Orders.

- (1) To switch to a new EGS, a Customer must inform the new EGS.
- (2) To enable a new EGS to complete a switch, a Customer must provide to the new EGS the Customer's Wellsboro account number as it appears on the Customer's Wellsboro electric monthly bill.
- (3) Upon receiving direct oral confirmation or written authorization from the Customer to change the EGS, the contacted EGS shall notify the EDC of the Customer's EGS selection by the end of the next business day following the Customer contact.
- (4) Upon receipt of this notification the EDC shall send the Customer a confirmation letter noting the proposed change of EGS. This letter shall include notice of a ten day waiting period in which the order may be canceled before the change of the EGS will begin unless the Customer contacts the EDC to cancel the change. The ten day waiting period shall begin on the day the letter is mailed. The letter must be mailed by the end of the next business day following the receipt of the notification of the Customer's selection of an EGS.

RULES AND REGULATIONS (continued)**30. ELECTRIC GENERATION SUPPLIER SWITCHING (continued)**

- (5) When a Customer or authorized party has provided the EGS with oral confirmation or written authorization to change EGS's, consistent with our electric data transfer and exchange standards the EDC must make the change at the beginning of the first feasible billing period following the ten day waiting period.
- (6) If and when a Customer's EGS discontinues its supply in the event of bankruptcy, loss of license, or similar occurrence, or if a Customer is dropped by its EGS for non-payment or other reason then the Customer may select a new EGS. The Customer will receive its energy supply from Default Service until the switch becomes effective. (C)
- (7) Nothing in this Rule 30 shall be interpreted to preclude EGS's from entering into agreements for supply with a term of service of one month. EGS's may enter into agreements for longer than one month. If a customer's service is switched to another EGS or to Default Service in accordance with this Rule, however, then the Company will make the switch regardless of any claims by the previous EGS that the Customer's agreement with the previous EGS precludes the switch. Nothing in this Rule, however, is intended to limit the previous EGS's contractual rights. (C)

31. LOAD DATA EXCHANGE

The Company will provide to a Customer or the Customer's designated EGS, all available usage data once each calendar year for no fee. The exchange of data among the Company, EGSs, and Customers shall be in accordance with Company Rules and the Final Consensus Plan for Electronic Data Exchange Standards for Electric Deregulation in the Commonwealth of Pennsylvania, as approved by the Commission. The EGS will execute a Supplier Agreement provided by the Company for this purpose, consistent with the Company's EGS coordination standard operating procedures.

(C) Indicates Change

SERVICE SCHEDULE NO. 1

RESIDENTIAL SERVICE (RS)

Application of Schedule

Service under Rate RS is available to: (1) An individual dwelling unit, either a house, a mobile home or an individually metered apartment, where there is no more than 2,000 watts connected load associated with any commercial enterprise served as part of the dwelling unit; (2) A residential farm where the metered service includes service to an occupied dwelling unit; and (3) A camp or cottage served in the name of an individual and intended for part-time occupancy as a dwelling by a family or an individual.

Specifically excluded is service to: (1) Any facility not including an occupied dwelling unit, such as a separately metered garage, barn, water pump, etc., and (2) Any facility served in the name of, or for the use of, a corporation, partnership, association, society, club, etc., not being used as a single dwelling unit.

Motors whose individual rating is in excess of 5 H.P. will not be served under this rate.

Character of Service

Continuous alternating current, approximately 60 cycles; 120 or 120/240 volts, single phase.

Net Monthly Rate

Fixed Distribution Service Charge: \$8.80

Variable Distribution Service Charge:

First 500 kWh	2.8803 cents per kWh
Over 500 kWh	2.1436 cents per kWh

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion. (l)

Net Monthly Minimum Charge

\$8.80 per month unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations.

(l) Indicates Increase

SERVICE SCHEDULE NO. 1 (continued)**RESIDENTIAL SERVICE (RS) (continued)****Terms of Payment**

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 20 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 20 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

Budget Billing

At the option of the Customer, Company will make an estimate subject to revisions when conditions warrant, of the total charge for electric service to be billed hereunder for a twelve-month period. A budget bill for approximately one-twelfth of such estimate will be (C) rendered monthly. Any adjustment necessary in applying for the full period the actual charges herein established will be made on the final bill for the period. If a budget bill is unpaid when the next monthly bill is rendered, the budget arrangements for billing may be terminated by the Company.

Two or More Separate Dwelling Units

Service to a maximum of five dwelling units in a single structure may be supplied through a single meter under this rate in which case the charge and size of the first block of the rate, the size of the remaining (C) blocks of the Rate and the customer charge are increased in direct proportion to the number of dwelling units served.

SERVICE SCHEDULE NO. 2

RESIDENTIAL SERVICE - ALL ELECTRIC (RSAE)

Restrictions:

This rate is in the process of elimination and is restricted solely to existing loads of customers at present locations who were receiving service hereunder on May 31, 1980.

Application of Schedule

Available to residential customers using the company's standard single phase service at secondary voltage through one meter for general lighting, appliance operation, and as the sole primary method of space heating and water heating.

Character of Service

Continuous alternating current, approximately 60 cycles: 120 or 120/240 volts, single phase.

Net Monthly Rate

Fixed Distribution Service Charge	\$8.80
Variable Distribution Service Charge	

All kWh	1.7897 cents per kWh
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Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion.

(I)

(I) Indicates Increase

SERVICE SCHEDULE NO. 2 (continued)

RESIDENTIAL SERVICE - ALL ELECTRIC (RSAE) (continued)

Net Monthly Minimum Charge

The minimum charge shall be \$8.80 per month.

(I)

Terms of Payment

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 20 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 20 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

Budget Billing

At the option of the Customer, Company will make an estimate subject to revisions when conditions warrant, of the total charge for electric service to be billed hereunder for a twelve-month period. A budget bill for approximately one-twelfth of such estimate will be rendered monthly. Any adjustment necessary in applying for the full period the actual charges herein established will be made on the final bill for the period. If a budget bill is unpaid when the next monthly bill is rendered, the budget arrangements for billing may be terminated by the Company.

(I) Indicates Increase

SERVICE SCHEDULE NO. 3

**GENERAL SERVICE - (NRS) – Non-residential Service
(NRH) – Non-residential Service Space Heating**

Application of Schedule

Applies to the supply from available facilities of single or three phase general light, heat or power service at secondary voltage for usages that do not qualify under Rate RS and only when all such service is supplied through one meter and the demand is 7 kilowatts or less.

Character of Service

Continuous, alternating current, approximately 60 cycles; 120 or 120/240 volts.

Net Monthly Rate

Fixed Distribution Service Charge \$8.34
Variable Distribution Service Charge

First 500 kWh	5.3408 cents per kWh
Over 500 kWh	4.6261 cents per kWh

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion. (I)

(I) Indicates Increase

SERVICE SCHEDULE NO. 3 (continued)

**GENERAL SERVICE - (NRS) – Non-residential Service
(NRH) – Non-residential Service Space Heating**

Net Monthly Minimum Charge

\$8.34 per month, unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations.

(I)

Terms of Payment

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

Contract Period

Not less than one year.

SPECIAL PROVISION

Upon application, pursuant to Act 103 of 1985 and Act No. 203 of 2002, Volunteer Fire Companies, Non-Profit Ambulance Services, Non-Profit Rescue Squads and Non-Profit Senior Citizens Centers may elect to have electric service rendered under the Residential Service (RS) rate schedule upon execution of a contract for a minimum term of one year.

SPACE HEATING SERVICE

Restrictions:

This rate is in the process of elimination and is restricted solely to existing loads of Customers at present locations who were receiving service hereunder on May 31, 1980.

Upon request, space heating service may be supplied through a separate metered circuit for customers utilizing electricity as the primary method of space heating. Air conditioning and cooking equipment may also be connected to the heating circuit.

(I) Indicates Increase

SERVICE SCHEDULE NO. 3 (continued)

**GENERAL SERVICE - (NRS) – Non-residential Service
(NRH) – Non-residential Service Space Heating**

SPACE HEATING SERVICE (continued)

Net Monthly Rate

Fixed Distribution Service Charge \$8.34
Variable Distribution Service Charge

All kWh 2.5383 cents per kWh

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion. (I)

**GENERAL SERVICE - (NRS) – Non-residential Service
(NRH) – Non-residential Service Space Heating**

Net Monthly Minimum Charge

\$8.34 per month, unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations.

(I) Indicates Increase

SERVICE SCHEDULE NO. 4

GENERAL SERVICE - 7 Kilowatts Minimum

- (CS) -- Commercial Service
- (CSH) - Commercial Service - Space Heaters

Application of Schedule

Applies to the supply from available facilities of single or three phase general light, heat or power service for a demand of not less than 7 kilowatts, at secondary voltage, only when all such service is supplied through one meter.

Net Monthly Rate

Variable Distribution Service Charge

All Billing KW	\$4.77 per KW
All kWh	2.0755 cents per kWh

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion. (I)

Net Monthly Minimum Charge

\$4.77 per Kilowatt of the Billing KW, but not less than \$33.39.

Determination of Billing KW

The Billing KW shall be the average kilowatts supplied during the 15 minute period of maximum use during the current month but not less than 80% of the highest during any of the preceding 11 months, no less than 7 kilowatts. For billing purposes the billing KW shall be taken to the nearest kilowatt.

The Billing KW may be determined by measurement by means of a demand meter installed by the Company whenever it deems it necessary.

(I) Indicates Increase

SERVICE SCHEDULE NO. 4 (continued)

Terms of Payment

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

Contract Period

Not less than one year.

SPACE HEATING SERVICE

Restrictions:

This rate is in the process of elimination and is restricted solely to existing loads of Customers at present locations who were receiving service hereunder on May 31, 1980.

Upon request, space heating service may be supplied through a separate metered circuit for customers utilizing electricity as the primary method of space heating. Air conditioning and cooking equipment may also be connected to the heating circuit.

Net Monthly Rate

Fixed Distribution Service Charge \$8.66
Variable Distribution Service Charge

All kWh 2.0755 cents per kWh

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion. (I)

Net Monthly Minimum Charge

\$8.66 per month, unless a higher minimum charge applies in accordance with the line extension rule of the Rules and Regulations.

(I) Indicates Increase

SERVICE SCHEDULE NO. 5

**GENERAL SERVICE - 2300 Volts or Higher - 50 Kilowatt Minimum
- (IS) -- Industrial Services**

Application of Schedule

Applies to the supply from available facilities of three phase general light and power service at primary voltage, for not less than 50 kilowatts at primary voltage when Customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

Variable Distribution Service Charge

First 100 KW	\$8.49 per KW
Over 100 KW	\$5.59 per KW
First 130 kWh	1.3216 cents per kWh
Over 130 kWh	0.0743 cents per kWh

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion.

(I)

(I) Indicates Increase

SERVICE SCHEDULE NO. 5 (continued)

**GENERAL SERVICE - 2300 Volts or Higher - 50 Kilowatt Minimum
- (IS) -- Industrial Services**

Net Monthly Minimum Charge

The minimum charge shall be \$424.50 per month.

(I)

Billing KW

The Billing KW shall be the average kilowatts supplied during the 15 minute period of maximum use during the current month but not less than 80% of the highest during any of the preceding 11 months. For billing purposes the billing KW shall be taken to the nearest kilowatt.

Power Factor

Power factor will be computed each month from the registration of a watt-hour meter, to record kilowatt-hours (kWh) and a reactive component watt-hour meter, ratcheted to prevent reverse rotation, to record reactive kilovolt amperehours (RKVAH), in accordance with Company's standard practice. Should the power factor be less than 90% (lagging), the demand for billing purposes shall be multiplied by a factor determined by dividing 0.90 by the computed power factor expressed as a decimal.

Term of Payments

Bill will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

Contract Period

Not less than one year.

(I) Indicates Increase

**SERVICE SCHEDULE NO. 6
MUNICIPAL STREET LIGHTING**

Application of Schedule

Applicable to Municipal Street Lighting.

Rate per lamp for a period of one year.

7,000 Lumens Lamp (mercury)	\$ 73.32 per year
20,000 Lumens Lamp (mercury)	\$ 129.60 per year
9,500 Lumens Lamp (Sodium)	\$ 89.64 per year
16,000 Lumens Lamp (Sodium)	\$ 91.20 per year

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion. (I)

Term of Contract:

Not less than two (2) years.

Terms of Payment

Payment of 1/12 the annual rate shall be made on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

Special Provisions

All the lights shall be kept burning from one-half hour after sunset to one-half hour before sunrise, Eastern Standard Time, during every night in the year.

All lamps to be replaced when necessary by the Wellsboro Electric Company.

Replacement Clause

When the Company is requested to convert presently installed Mercury Vapor lights to High Pressure Sodium Vapor Lights, and if the present installation is less than twenty years old, the Customer is required to pay the removal cost plus the remaining value of the present installation. If the Customer requests High Pressure Sodium service within 12 months after terminating an existing installation, the above condition of service will apply.

(I) Indicates Increase

**SERVICE SCHEDULE NO. 7
PRIVATE OUTDOOR LIGHTING SERVICE****Availability**

Available in the entire territory of the Company for dusk to dawn lighting of private areas and roadways.

Net Rate (Per Month)

7,000 Lumens Lamp (mercury)	\$ 6.41
20,000 Lumens Lamp (mercury)	\$11.16
9,500 Lumens Lamp (Sodium)	\$ 7.47
16,000 Lumens Lamp (Sodium)	\$ 7.60

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion.

(I)

(I) Indicates Increase

SERVICE SCHEDULE NO. 7 (continued)
PRIVATE OUTDOOR LIGHTING SERVICE

Terms of Payment

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 20 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 20 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

Terms

Two (2) years for standard installation. Three years where additional facilities are required.

Special Provisions

Additional Facilities: Where Company is required to set additional poles, extend its secondary circuits or make other additions to or rearrangements of existing facilities, there shall be an additional monthly charge of 1 1/2% of the cost of the additional facilities. All facilities shall be owned and maintained by Company.

General Provisions

- (a) Company shall furnish, install, operate, and maintain an automatically controlled lighting fixture and a 4-foot support on existing distribution lines where 120 volt of 6.6 ampere service is available.
- (b) Company will replace burned-out lamps during regular daytime working hours as soon as practicable following notification by customer.
- (c) Customer shall obtain proper approval for lights to be located on public thoroughfares.

Replacement Clause

When the Company is requested to convert presently installed Mercury Vapor lights to High Pressure Sodium Vapor Lights, and if the present installation is less than twenty years old, the Customer is required to pay the removal cost plus the remaining value of the present installation. If the Customer requests High Pressure Sodium service within 12 months after terminating an existing installation, the above condition of service will apply.

(C)

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(C) Indicates Change

**SERVICE SCHEDULE NO. 8
EXCHANGE OF SERVICE**

Application of Schedule

Application to an exchange of energy with other utilities.

Net Rate (per month)

For all energy delivered over the Company's switchboard to other utilities for emergency service 4.6399 cents per kWh.

For all energy delivered to other utilities at the Company's franchise limits, under "Borderline Agreements", 4.6399 cents per kWh, with guaranteed monthly return equal to 1 1/2% of "Construction Costs" for all new pole lines necessary to effect the delivery.

Generation and Transmission Charge

For customers purchasing generation supply service from Wellsboro Electric Company's Default Service, the generation charge is the GSSR determined under Rider C of this Tariff and will not apply to customers purchasing generation supply service from other PUC approved Electric Generation Suppliers. The current GSSR is 7.7516 cents per kWh. The GSSR includes energy, capacity, transmission, ancillary services and congestion. (I)

Terms of Payment

Bills will be calculated on the rates stated herein and this is the net amount due and payable on or before 15 days from the postmarked date of mailing of the bill to Customer. On amounts not paid within the 15 day period an interest charge shall be added of 1.5% of the unpaid balance. In subsequent months, balances in arrears will be subject to the monthly interest charge of 1.5%.

(I) Indicates Increase

RIDER A – STATE TAX ADJUSTMENT SURCHARGE

(Applicable to all rates except Service Schedule No. 8)

In addition to the charges provided in this tariff, a surcharge of 0.4629% will apply to all bills for service rendered on or after January 1, 2009.

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(C)

The above surcharge will be recomputed, using the elements prescribed by the Pennsylvania Public Utility Commission.

- (a) Whenever any of the tax rates used in the calculations of the surcharge are changed.
- (b) Whenever the Company makes effective increased or decreased rates.

The above recalculations will be submitted to the Commission within 10 days after the occurrence of the event or date which occasion such re-computation. If the recomputed surcharge is less than the one in effect the Company will, and if the recomputed surcharge is more than the one then in effect the company may submit with such re-computation a Tariff or supplement to reflect such recomputed surcharge; the effective date of which shall be ten days after filing.

(I) Indicates Increase (C) Indicates Change

RIDER B -- QUALIFIED ADVANCED METERS AND METER-RELATED DEVICES

Application: This Rider lists the advanced meters and meter-related devices that have been certified for use in the Company's service territory under the PUC's advanced meter procedures. To the extent a Customer and EGS fulfill the requirements of Rule 28 of this Tariff and the applicable PUC rules and procedures, the Company will install the advanced meters listed below upon request. Metering requirements for Customers with installed qualifying customer-owned generation using a net metering system are set forth in Rider D of this Tariff. (C)
|
(C)

Advanced Meter Procedures: To the extent an EGS and Customer desire to measure the Customer's service via an advanced meter, this transaction will be handled consistent with applicable and appropriate PUC regulations regarding advanced metering. Written notification from both EGS and Customer is necessary to proceed with acquisition and installation of advanced metering. All net incremental costs incurred by the EDC in the acquisition, installation, reading and maintenance of the advanced meter will be the sole responsibility of the EGS or the Customer. Any advanced meter must be installed by the Company and will remain the property of the Company, consistent with PUC regulations. The Company will comply with all applicable PUC regulations regarding advanced metering, including the use of said meter as the Billing Meter.

Net Incremental Cost: The net incremental costs for the acquisition and installation of the qualified advanced meters and meter-related devices approved for the Company's service territory are available in the Advanced Meter Catalog available from the PUC or at the Company's office.

(C) Indicates Change

RIDER B -- QUALIFIED ADVANCED METERS AND METER-RELATED DEVICES
 (continued)

Qualified Advanced Meters and Meter-Related Devices

NAME	Itron	Itron	G.E.	G.E.	Centron	Centron
MANUFACTURER	Vectron	Sentinel			Itron	Itron
MODEL NUMBER	SV		1-70-S	KV 2	C1S	CP1S
CAPABILITIES			Turtle AMR	Turtle AMR	Turtle AMR	
Load Profile	X	X		X		
Remote Communications	X	X	X	X	X	X
Pulse Output	X	X		X		X
Password Protected	X	X	X	X	X	X
Bi-Directional		X		X		X
Multiple Call-out	X	X		X		X
Outage Notification			X	X	X	
Power Quality	X	X		X		
Reactive	X	X		X		
Loss Compensation						
CUSTOMER CLASSES						
Residential			X		X	
Commercial	X	X		X		X
Industrial	X	X		X		

(C)

 (C)

GENERAL COMMENTS

1. Additional charges for services related to advanced capabilities may be charged to customers as appropriate.
2. Contact Name & Number for Meter Service questions: Robert S. McCarthy 570-724-3516.

(C) Indicates Change

RIDER C – GENERATION SUPPLY SERVICE RATE ("GSSR")

For customers purchasing generation supply from the Company's Default Service, a Generation Supply Service Rate ("GSSR") shall be applied to each kilowatt hour supplied. Generation Supply consists of the products included in Purchase Power Costs as defined below.

The GSSR shall be calculated for each computation quarter to the nearest one thousandths of one cent per kilowatt hour in accordance with the formula set forth below. The GSSR shall be applied on services rendered.

Formula: $GSSR = \left[\frac{F + A}{S} \right] \times \left[\frac{1}{1 - T} \right]$

F = The total estimated direct and indirect Purchased Power Costs incurred by the Company to acquire generation supply from any source on behalf of Default Service customers. Purchase Power Costs include costs of: wholesale energy; capacity; transmission; ancillary services; congestion losses; applicable RTO or ISO administrative activities; supply management, including supply bidding, contracting hedging, risk management, and any scheduling and forecasting services provided exclusively for default service; administration related to Default Service, including education, regulatory, litigation, tariff filings, working capital and information system costs; and alternative energy portfolio standard compliance.

E = Experienced net overcollections or undercollections of the Purchased Power Costs (F) as of the end of the computation quarter including interest. Interest shall be computed monthly at the appropriate rate as provided in Section 1308(d) of the Public Utility Code and applicable PUC regulations for the month the over or undercollection occurs to the effective month such overcollection is refunded and such undercollection is recouped.

S = The Company's projected total kilowatt hour Default Service sales to customers during the computation quarter.

T = The Pennsylvania Gross Receipts Tax rate in effect during the billing month expressed in decimal form.

(C)

(C)

(C) Indicates Change

RIDER C – GENERATION SUPPLY SERVICE RATE ("GSSR") (cont'd)

The GSSR shall be filed with the Commission by the beginning of the month prior to each calendar quarter. The F-factor rate shall become effective for Default Service bills issued on and after the calendar quarter unless otherwise ordered by the Commission, and shall remain in effect for a period of one quarter, unless revised on an interim basis subject to the approval of the Commission. Upon determination that the GSSR, if left unchanged, would result in a material over or undercollection of Purchased Power Costs incurred or expected to be incurred during the current 3-month period ending one month prior to the computation quarter, the Company may file with the Commission for an interim revision of the GSSR to become effective 30 days from the date of filing, unless otherwise ordered by the Commission.

The Company will file with the Commission by the beginning of the month prior to each calendar quarter, a quarterly reconciliation of the GSSR revenue recovery during the immediately preceding application period pursuant to 66 Pa. C.S. § 1307. The E-factor reconciliation shall become effective for bills issued on and after the calendar quarter and shall remain in effect for a period of one quarter, or until new GSSR rates are approved by the Commission. The reconciliation will be the difference between GSSR revenue produced by actual usage and GSSR revenue estimated on the basis of projected usage for that previous application period.

Minimum bills shall not be reduced by the reason of the GSSR, nor shall GSSR charges be a part of the monthly rate schedule minimum.

Application of the GSSR shall be subject to continuous review and audit by the Commission at intervals it shall determine. The Commission shall review the reasonableness and lawfulness of the level of charges produced by the GSSR and the costs included therein.

If from such audit it shall be determined, by final order entered after notice and hearing, that this clause has been erroneously or improperly utilized, the Company will rectify such error or impropriety, and in accordance with the terms of the order, apply adjustments against future GSSRs for such revenues as shall have been erroneously or improperly collected. The Commission's order shall be subject to the right to appeal.

(C)

(C)

(C) Indicates Change

RIDER D -- NET METERING RIDER

Purpose: This Rider sets forth the eligibility, terms and conditions applicable to Customers with installed qualifying renewable customer-owned generation using a net metering system. (C)

Application: This Rider applies to renewable customer-generators served under Service Schedules RS, RSAE, NRS, NRH, CS, CSH and IS who install a device or devices which are, in the Company's judgment, subject to Commission review, a bona fide technology for use in generating electricity from qualifying Tier I or Tier II alternative energy sources pursuant to Alternative Energy Portfolio Standards Act No. 2004-213 (Act 213) or Commission regulations and which will be operated in parallel with the Company's system. This Rider is available to installations where any portion of the electricity generated by the renewable energy generating system offsets part or all of the customer-generator's requirements for electricity. A renewable customer-generator is a non-utility owner or operator of a net metered generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service (Service Schedules RS or RSAE) or not larger than 3,000 kilowatts at other customer service locations (Service Schedules NRS, NRH, CS, CSH and IS), except for Customers whose systems are above 3 megawatts and up to 5 megawatts who make their systems available to operate in parallel with the Company during grid emergencies as defined by the regional transmission organization or where a micro-grid is in place for the purpose of maintaining critical infrastructure such as homeland security assignments, emergency services facilities, hospitals, traffic signals, wastewater treatment plants or telecommunications facilities provided that technical rules for operating generators interconnected with facilities of the Company have been promulgated by the Institute of Electrical and Electronic Engineers ("IEEE") and the Commission. (C)

Qualifying renewable energy installations are limited to Tier I and Tier II alternative energy sources as defined by Act 213 and Commission Regulations. The Customer's equipment must conform to the Commission's Interconnection Standards and Regulations pursuant to Act 213. This Rider is not applicable when the source of supply is service purchased from a neighboring electric utility under Borderline Service.

Service under this Rider is available upon request to renewable customer-generators on a first come, first served basis so long as the total rated generating capacity installed by renewable customer-generator facilities does not adversely impact service to other Customers and does not compromise the protection scheme(s) employed on the Company's electric distribution system. (C)

RIDER D – NET METERING
(continued)

Metering Provisions: A Customer may select one of the following metering options in conjunction with service under applicable Service Schedules RS, RSAE, NRS, NRH, CS, CSH or IS.

1. A customer-generator facility used for net metering shall be equipped with a single bi-directional meter that can measure and record the flow of electricity in both directions at the same rate. A dual meter arrangement may be substituted for a single bi-directional meter at the Company's expense.
2. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense.

Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The company shall, prior to taking title to any alternate energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis. (C)
(C)

RIDER D – NET METERING
(continued)

Billing Provisions: The following billing provisions apply to customer-generators in conjunction with service under applicable Service Schedules RS, RSAE, NRS, NRH, CS, CSH or IS.

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at full retail rate, consistent with Commission regulations. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the preceding year at the "full retail value for all energy produced" consistent with Commission regulations. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Service Schedule. (C)
2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Service Schedule. (C)
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Service Schedule. (C)

RIDER D – NET METERING

(continued)

Written Application: Customer-generators seeking to receive service under the provisions of this Rider must submit a written application to the Company demonstrating compliance with the Net Metering Rider provisions and quantifying the total rated generating capacity of the customer-generator facility.

Minimum Charge: The Minimum Charges under Service Schedules RS, RSAE, NRS, NRH, CS, CSH and IP apply for installations under this Rider.

Riders: Bills rendered by the Company under this Rider shall be subject to charges stated in any other applicable Service Schedule or Rider.