# SUPPLIER COORDINATION AGREEMENT

1.0 This Supplier Coordination Agreement ("Agreement"), dated as of this day of, 2000 is entered into, by and between Potomac Electric Power Company (the
"Company") and ("Electricity Supplier"). The Company and Electricity Supplier are sometimes referred to herein as "the Parties."
2.0 The Company agrees to supply, and the Electricity Supplier ("Supplier") hereby requests and agrees to take all "Coordination Services" pursuant to the Company's Electricity Supplier Coordination Tariff ("Tariff"). Both Parties agree that such services are necessary to coordinate the delivery of Competitive Power Supply to Customers located within the Company's service territory.
3.0 Representations and Warranties.
a) The Electricity Supplier hereby represents, warrants and covenants as follows:
(i) The Electricity Supplier is a [corporation/limited liability company/partnership/] duly organized and validly existing under the laws of the State of, is duly registered and authorized to do business and is in good standing in the District of Columbia;
(ii) The Electricity Supplier is a member of the Pennsylvania-New Jersey-Maryland Interconnection Association ("PJM"), is a signatory to all applicable PJM Agreements, and is in compliance, and will continue to comply either directly or through its Scheduling Coordinator, with all obligations, rules and regulations, as established and interpreted by the PJM Office of Interconnection, or that will be established during the life of this Agreement, that are applicable to Electricity Companies as defined by the PJM Agreements;
(iii) The Electricity Supplier is licensed by the Public Service Commission of the District of Columbia ("Commission") to provide Competitive Energy Supply to Customers in the District of Columbia and has and will continue to satisfy all other DCPSC requirements applicable to supplier;
(iv) The Electricity Supplier's performance of its obligations hereunder has been duly authorized by all necessary action on the part of the supplier and does not and will not conflict with or result in a breach of the supplier's charter documents or bylaws or any indenture, mortgage, other agreement or instrument, or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the supplier is a party or by which the supplier or any of its properties is bound or subject;

- (v) There are no actions at law, suits in equity, proceedings or claims pending or, to the Electricity Supplier's knowledge, threatened against the supplier before any federal, state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the supplier's performance of its obligations hereunder; and
- b) The Electricity Supplier shall provide notice to the Company via facsimile, with the original delivered via overnight mail, at such time that the supplier learns that any of the representations, warranties, or covenants in Paragraph 3 (a) of this Agreement have been violated.
- 4.0 The Electricity Supplier and the Company will comply with any and all information and data transfer protocols that may be adopted by the DCPSC and set forth in the Electronic Data Interchange standards for electric deregulation in the District of Columbia.
- 5.0 This Agreement is a valid and binding obligation of the Company and the Electricity Supplier, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights generally.
- 6.0 As consideration for Coordination Services provided by the Company, the Electricity Supplier shall pay the Company those Coordination Services Charges billed to the supplier in accordance with the terms and conditions of the Company's Electricity Supplier Coordination Tariff.
- 7.0 Coordination Services between the Company and the Electricity Supplier will commence pursuant to Section 4.2 of the Company's Electricity Supplier Coordination Tariff.
- Indemnification. Each party (the Indemnitor) shall indemnify and hold harmless the other party (the Indemnitee), and its directors, officers, agents, employees, successors and permitted assigns, from any and all demands, claims, liabilities, expenses and costs, including reasonable attorney's fees, arising from any damage, loss or injury that Indemnitee may suffer as a result of claims, demands, costs or judgments against Indemnitee arising out of: (1) the gross negligence and/or willful act or omission of Indemnitor or its officers, directors, agents, employees, successors and permitted assigns, except to the extent that such damage, loss or injury was caused in whole or in part by the negligent or willful act or omission of indemnitee; (2) the failure of Indemnitor, its officers, employees or agents, to perform any of the obligations arising out of this agreement; or (3) the failure of Indemnitor its officers, employees or agents, to conform to or obey the statutes, regulations or requirements of federal and District of Columbia law. Indemnitee shall provide Indemnitor prompt notice of any such suit, demand or claim and cooperate fully in the defense of such suit. This indemnity shall survive the termination or expiration of this Agreement.
- 9.0 <u>Assignment</u>. The Supplier Coordination Agreement hereunder may not be assigned by

either the Company or the Electricity Supplier without first obtaining (a) any and all necessary regulatory approvals and (b) the consent of the other party, which consent shall not be unreasonably withheld. Any assignment occurring in accordance with this provision shall be binding upon, and oblige and inure to the benefit of, the successors and assigns of the Parties to the Agreement.

- 10.0 Governing Law. To the extent not subject to the exclusive jurisdiction of the Federal Energy Regulatory Commission ("FERC"), the formation, validity, interpretation, execution, amendment and termination of this Supplier Coordination Agreement shall be governed by the laws of the District of Columbia.
- 11.0 <u>Third Party Beneficiaries</u>. The Supplier Coordination Agreement is intended solely for the benefit of the Parties hereto. Nothing in the Supplier Coordination Agreement shall be construed to create any duty, or standard of care with reference to, or any liability to, any person not a party to the Supplier Coordination Agreement.

## 12.0 General Miscellaneous Provisions.

- 12.1 The Supplier Coordination Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties, or to impose any partnership obligation or liability upon either party. Neither party shall have any right, power, or authority to enter into any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.
- 12.2 Cancellation, expiration or earlier termination of the Supplier Coordination Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including without limitation warranties, remedies, promises of indemnity and confidentiality.
- 12.3 Should any provision of this Tariff or the Supplier Coordination Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof unless it materially changes the Agreement of the Parties.
- 12.4 This Supplier Coordination Agreement is intended by the Parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. All prior written or oral understandings, offers or other communications or every kind pertaining to this Agreement are hereby abrogated and withdrawn.

- 13.0 Rights Upon Default. Notwithstanding anything stated herein, (1) upon the occurrence of a monetary Default by the Electricity Supplier, the Company may draw upon the supplier's Credit Resources to pay the amount of the monetary Default; and (2) upon the occurrence of any Default, the party not in Default shall be entitled to file a complaint with the Commission to require the party in Default to remedy such default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof. Monetary default includes, but is not limited to, the following:
  - (a) Special mailings by the Company to the Electricity Supplier's Customers to inform them of the discontinuance of service and their options;
  - (b) Non-standard/manual bill calculation and production performed by the Company
  - (c) Company performance of any of the Electricity Supplier's data transfer responsibilities
  - (d) Charges or penalties imposed on the Company by third parties resulting from the Electricity Supplier's non-performance;
  - (e) Unplanned replacement capacity and/or energy obligations: and
  - (f) Other expenses associated with any such failure by the Electricity Supplier.
- 14.0 Any notice or request made to or by either party regarding this Agreement shall be made to the representative of the other party as indicated below.

Γo the Com	pany _		 
(Add	dress)		
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10 the Electricity Sur	oplier:
(Address)	
(City & State)	
Attn:	
Title:	
Telephone:	
Facsimile:	
signing below, the Electricity Supplier and will strictly comply with the terms this Agreement that are not otherwise Tariff.  IN WITNESS WHEREOF, as	applier Coordination Tariff and the PJM/AP Transmission or porated herein by reference and made a part hereof. By a acknowledges that it has read and understands the Tariffs and conditions contained in the Tariffs. All terms used in the defined shall have the meaning provided in the Supplier and intending to be legally bound thereby, Company and the ave caused this Coordination Agreement to be executed by
Potomac Electric Power Company	Electricity Supplier
By:	By:
Name	Name
Title	Title
Date	Date

Date \_\_\_\_