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**COGENERATION  
SCHEDULE 85**

AVAILABILITY

This Schedule is applicable to purchase of electricity by Company from such qualifying facilities (QF) as cogenerators or small power producers as defined in 52 Pa. Code, Chapter 57, Subchapter C of the Pennsylvania Public Utility Commission regulations. This subchapter, entitled Purchase and Sale of Energy and Capacity - Qualifying Facilities, governs this Schedule, and the definitions in Section 57.31 of this subchapter apply. The Company may require proof that the QF meets the qualifications of a qualifying facility under these terms.

This Schedule may be used in conjunction with the Company's filed Alternative Generation Rider presently in effect and applicable to the supply of service to a Customer with an alternative generation source.

ENERGY OPTION - Qualifying facilities of less than 50 Kw selecting the energy only option may elect a net energy billing option. Under this option, the energy which the QF sells to the Company is subtracted from that energy supplied by West Penn to the QF. The QF's payment to West Penn for the net energy difference will then be calculated on the applicable existing rate schedule. Net energy billing shall not reduce the QF's minimum bill on the rate schedule covering energy received. Separate meters for the sale and for the purchase of energy are required, and appropriate interconnection costs are the responsibility of the QF. The Company will provide the additional meter and will include its cost and installation in the interconnection costs to be paid by the QF. If in any month the QF supplies more energy than it receives, the Company will pay for the KWh at the energy rate of 1.568 ¢/kWh. Election of the net energy billing option by the QF shall be for a minimum term of one year and shall then remain in effect on a month-to-month basis unless terminated in writing by the QF at least 30 days prior to the effective date of the termination.

CUSTOMER CHARGE - A monthly charge will be assessed on all connections to cover the Company's administrative costs. The monthly charge for a QF selecting the net energy billing option is \$4.42. (I)

INTERCONNECTION COSTS

All interconnection costs including interconnection costs incurred by the Company which are necessary to purchase energy or energy and capacity from the QF or to supply backup or maintenance power are the responsibility of the QF. The Company will provide a non-binding estimate of all interconnection costs to be incurred by the Company.

The QF is responsible for providing, installing, owning, and maintaining at its expense all equipment on the QF's side of the interconnection point. The QF must submit its interconnection plans and specifications to the Company, and the Company shall accept or reject those plans within 60 days of receipt of all required documents. The Company will inspect and approve the installation prior to making the interconnection. The inspection will be conducted by the Company within 20 days of the notice by the QF that the installation has been completed, and the results of the inspection will be provided to the QF within five working days after the inspection. The QF is also responsible for obtaining Company approval for equipment and material specifications prior to making any modifications.

The Company installs, owns, and maintains at the QF's expense all metering equipment needed to measure separately the electricity delivered to the Company.

(I) Indicates Increase

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WEST PENN POWER COMPANY

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**COGENERATION  
SCHEDULE 85—(Continued)**

**SAFETY AND RELIABILITY**

The Company has established standards to insure safety and reliability of interconnected operations. These standards are set forth in APS Engineering Manual Section 35, Subject Index 1.0, 2.0 and 3.0, and are titled "Nonutility Generators, Interconnection Policy and Guidelines." These standards have been filed with the Pa. PUC. They are incorporated herein by reference and will be enforced and must be satisfied before the Company will interconnect with the QF. A copy of these standards will be provided to a prospective QF upon request.

The QF assumes sole responsibility to design and install its system for protection against faults or disturbances on the Company system.

Interconnection with the Company's system requires the installation of protective equipment which, in the Company's judgment, provides safety for personnel, affords adequate protection against damage to the Company's system or to its Customer's property, and prevents interference with the Company's supply of service to others. After installation and at any time this rate is in effect, the Company shall have the right to inspect the facilities and their operation, and to inspect and test all protective equipment.

Parallel operation must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the Company. The QF must cease parallel operation upon notification by the Company if such operation is determined to be unsafe, interferes with the supply of service to others, or interferes with system maintenance or operation. The Company is not liable for and accepts no responsibility whatsoever for any loss, cost, expense, damage or injury to any person or property resulting from the use or presence of electric current or potential which originates from a QF's generation facilities, or is caused by failure of the QF to operate in compliance with Company requirements.

The QF generation equipment must be equipped with a Company-controlled manually operable disconnecting device capable of being locked in the open position. This device will allow isolation of the QF's generator from the Company system and may be located at the interconnection point or at the QF's generator. Interlocks must be provided to preclude paralleling the generator through any point other than the designated interconnection point.

Automatic reclosing shall not be installed on the interconnection disconnecting device.

Customer equipment must be equipped with a Company-approved overcurrent protective device and necessary relaying to interrupt generator fault current due to faults on the Company system.

The Customer may be required to install current limiting reactors to limit the magnitude of Customer-owned generator fault current.

Customer generation must be automatically isolated from the Company system upon loss of Company supply by a combination of the following to be supplied by the Customer and subject to Company approval:

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WEST PENN POWER COMPANY

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**COGENERATION  
SCHEDULE 85 (Concluded)**

- (a) Use of equipment and designs inherently incapable of self-excitation.
- (b) Over-current, frequency, and voltage relaying.
- (c) Phase current imbalance relaying.
- (d) Over-speed protection.
- (e) Reverse power relaying.

Customer generation must not adversely affect voltage, frequency, or wave shape of power supplied to interconnected Company Customers.

For parallel operation, Customer generation must conform with the following:

- (a) Synchronous generators require automatic synchronizing equipment and appropriate protective relaying.
- (b) Induction generators do not require automatic synchronizing equipment provided the generator is not capable of independent operation.

**PERIODS DURING WHICH PURCHASES ARE NOT REQUIRED**

The Company will not be required to purchase energy or capacity during a system emergency or during periods of maintenance when safety considerations would require the de-energizing of facilities. Whenever possible, the Company will notify the QF by telephone, followed by written confirmation, of such circumstances. The QF may request the Company to justify its refusal to purchase from the QF.

**GENERAL**

The QF is solely responsible for the proper installation, operation, and maintenance of any equipment used to interconnect with the Company system, and is liable for any claims, demands, suits, actions, any judgments and all costs, expenses, pecuniary, or other loss which may arise directly or indirectly from any act or omission of the QF, its agents, servants, or employees.

Maintenance and operation of the generator and associated equipment will be the responsibility of the QF.

Failure of the QF to comply with any of the Company's provisions or requirements shall result in disconnection from the Company's system and the Company will be under no obligation to make subsequent purchases of electricity.