

First Revised Service Agreement No. 3452

Effective Date: August 8, 2013

(PJM Queue #Y1-020)

WHOLESALE MARKET PARTICIPATION AGREEMENT

Among

PJM INTERCONNECTION, L.L.C.

And

BEAVER RUN SOLAR FARM, LLC

And

JERSEY CENTRAL POWER & LIGHT COMPANY

WHOLESALE MARKET PARTICIPATION AGREEMENT

By and Among
PJM Interconnection, L.L.C.
And
Beaver Run Solar Farm, LLC
And
Jersey Central Power & Light Company
(PJM Queue Position #Y1-020)

This Wholesale Market Participation Agreement (“WMPA”) including the Specifications, and Schedules attached hereto and incorporated herein, is entered into in order to effectuate sales of energy and/or capacity into PJM’s wholesale markets, by and between PJM Interconnection, L.L.C., the Regional Transmission Organization for the PJM Region (“Transmission Provider”), Beaver Run Solar Farm, LLC (“Wholesale Market Participant”) and Jersey Central Power & Light Company, a FirstEnergy Company (“Transmission Owner” or “JCPL”).

WITNESSETH

WHEREAS, Wholesale Market Participant is developing generation that it intends to use to engage in Wholesale Transactions in PJM’s markets and desires to maintain its proposed generation in the queue that PJM studies for potential reliability impacts to the Transmission System;

WHEREAS, Wholesale Market Participant is seeking to interconnect at a local distribution or sub-transmission facility, which at this time is not subject to FERC jurisdiction; and

WHEREAS, Wholesale Market Participant and Sussex Rural Electric Cooperative or its affiliate must enter into a separate two-party interconnection agreement (“Interconnection Agreement”) in order to address issues of physical interconnection and local charges that may be presented by the interconnection of Wholesale Market Participant’s generation to the distribution facility.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, together with other good and valuable consideration, the receipt and sufficiency is hereby mutually acknowledged by Transmission Provider, Transmission Owner and Wholesale Market Participant and the parties agree to assume all of the rights and obligations consistent with the rights and obligations relating to Network Upgrades, Local Upgrades and metering requirements set forth in Part VI of the Tariff, as of the effective date of this WMPA, required for Wholesale Market Participant to make Wholesale Transactions in PJM’s markets. The Parties mutually covenant and agree as follows:

Article 1 – DEFINITIONS and OTHER DOCUMENTS

- 1.0 Defined Terms.** All capitalized terms herein shall have the meanings as set forth in the definitions of such terms as stated in Part I or Part VI, Article 1 of the PJM Open Access Transmission Tariff (“Tariff”), except Wholesale Market Participant which shall be defined in this WMPA as a participant in a Wholesale Transaction.
- 1.1 Effective Date.** This WMPA shall become effective on the date it is executed by all Parties, or, if this WMPA is filed with FERC unexecuted, upon the date specified by FERC. This WMPA shall terminate on such date as mutually agreed upon by the parties, unless earlier terminated consistent with Section 1 in Attachment O, Appendix 2, Part VI of the Tariff.
- 1.2 Assumption of Tariff Obligations.** Wholesale Market Participant agrees to abide by all rules and procedures pertaining to generation and transmission in the PJM Region, including but not limited to the rules and procedures concerning the dispatch of generation or scheduling transmission set forth in the Tariff, the Operating Agreement and the PJM Manuals.
- 1.3 Incorporation Of Other Documents.** All portions of the Tariff and the Operating Agreement pertinent to the subject matter of this WMPA and not otherwise made a part hereof are hereby incorporated herein and made a part hereof.

Article 2 - NOTICES and MISCELLANEOUS

- 2.0 Notices.** Any notice or request made by any party regarding this WMPA shall be made, consistent with the terms of Subpart B of the Tariff, to the representatives of the other parties.

Transmission Provider:

PJM Interconnection, L.L.C.
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403-2497

Wholesale Market Participant:
Beaver Run Solar Farm, LLC
10 Wagaraw Road
Hawthorne, NJ 07507
Attn: Charles Shotmeyer

Transmission Owner:
Jersey Central Power & Light Company
76 South Main Street
Akron, OH 44308
Attn: Mike Thorn, Agreements Support Manager

With copies to:
FE Legal
FirstEnergy Legal Department
76 South Main Street
A-GO-15
Akron, OH 44308
Attn: Randy Palmer

- 2.1 Construction With Other Parts Of The Tariff.** This WMPA shall not be construed as an application for service under Part II or Part III of the Tariff.
- 2.2 Warranty for Facilities Study.** In analyzing and preparing the System Impact Study, and in designing and constructing the Local Upgrades and/or Network Upgrades described in Part II of the Tariff and in the Specifications attached to this WMPA, Transmission Provider, the Transmission Owner(s), and any other subcontractors employed by Transmission Provider have had to, and shall have to, rely on information provided by Wholesale Market Participant and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER TRANSMISSION PROVIDER, THE TRANSMISSION OWNER(s), NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY TRANSMISSION PROVIDER OR TRANSMISSION OWNER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE FACILITIES STUDY OR THE SYSTEM IMPACT STUDY IF A FACILITIES STUDY WAS NOT REQUIRED OR OF THE LOCAL UPGRADES AND/OR THE NETWORK UPGRADES, PROVIDED, HOWEVER, that Transmission Provider warrants that the Transmission Owner Facilities described in the Specifications will be designed and constructed (to the extent that Transmission Owner is responsible for design and construction thereof) and operated in accordance with Good Utility Practice, as such term is defined in the Operating Agreement. Wholesale Market Participant acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 2.3 Waiver.** No waiver by any party of one or more defaults by the other in performance of any of the provisions of this WMPA shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.

2.4 Amendment. This WMPA or any part thereof, may not be amended, modified, or waived other than by a written document signed by all parties hereto.

2.5 Addendum of Wholesale Market Participant's Agreement to Conform with IRS Safe Harbor Provisions for Non-Taxable Status. To the extent required, in accordance with Section 20.1.2 in Attachment O-1 in Part VI of the Tariff, Schedule E to this WMPA shall set forth the Wholesale Market Participant's agreement to conform with the IRS safe harbor provisions for non-taxable status.

ARTICLE 3 – Responsibility for Network or Local Upgrades

- 3.0 Security for Network or Local Upgrades.** Consistent with Section 212.4 in Part VI of the Tariff, Wholesale Market Participant, on or before the effective date of this WMPA, shall provide the Transmission Provider (for the benefit of the Transmission Owner) with a letter of credit from an agreed provider or other form of security reasonably acceptable to the Transmission Provider and that names the Transmission Provider as beneficiary (“Security”) in the amount of \$0. This amount represents the sum of the estimated Costs, determined consistent with Section 217 in Part VI of the Tariff, of (i) the Local Upgrades and/or Network Upgrades described in Section 3.4 of this WMPA less any Costs already paid by the Wholesale Market Participant. Should Wholesale Market Participant fail to provide Security in the amount or form required in the first sentence of this Section, this WMPA shall be terminated. Wholesale Market Participant acknowledges that its ultimate cost responsibility consistent with Section 217 in Part VI of the Tariff will be based upon the actual Costs of the facilities described in the Specifications to this WMPA, whether greater or lesser than the amount of the Security provided under this Section.
- 3.1 Project Specific Milestones.** During the term of this WMPA, Wholesale Market Participant shall ensure that it meets each of the following milestones:
- 3.1.1 Interconnection Agreement.** Prior to the execution of this WMPA, the Wholesale Market Participant must enter into a two-party interconnection agreement with the Sussex REC in order to effectuate the WMPA. This WMPA will terminate with the termination of the two-party interconnection agreement between the Wholesale Market Participant and [name of co-op or muni].
- 3.1.2 Commercial Operation.** (i) On or before September 30, 2015, Wholesale Market Participant must demonstrate commercial operation of all generating units; (ii) On or before September 30, 2015, Wholesale Market Participant must demonstrate commercial sale or use of energy and, if applicable obtain capacity qualification consistent with the requirements of the Reliability Assurance Agreement Among Load Service Entities in the PJM Region..
- 3.1.3 Documentation.** Within one (1) month following commercial operation of generating unit(s), Wholesale Market Participant must provide certified documentation demonstrating that “as-built” Participant Facility are consistent with applicable PJM studies and agreements. Wholesale Market Participant must also provide PJM with “as-built” electrical modeling data or confirm that previously submitted data remains valid.

Wholesale Market Participant shall demonstrate the occurrence of each of the foregoing milestones to Transmission Provider’s reasonable satisfaction. Transmission Provider may reasonably extend any such milestone dates, in the event of delays that Wholesale Market Participant (i) did not cause and (ii) could not have remedied through the exercise of due diligence.

Wholesale Market Participant may be permitted to suspend under its Interconnection Agreement with the Transmission Owner, or the Transmission Owner may extend the date by which Wholesale Market Participant must enter into the Interconnection Agreement with it. If such suspension or extension occurs, and at any time before the Wholesale Market Participant makes the first wholesale sale under this WMPA, the Wholesale Market Participant may suspend this WMPA by informing the Transmission Provider and the Transmission Owner in writing that it wishes to suspend under the WMPA, with the condition that, notwithstanding such suspension, the Transmission/Distribution System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. Wholesale Market Participant's notice of suspension shall include an estimated duration of the suspension and other information related to the suspension. The suspension period may last up to a maximum of three (3) years from the commencement of suspension, provided, however, if the suspension will result in a Material Modification as defined in Section 1.18A.02 of the Tariff, then such suspension period shall be no greater than one (1) year. In the event Wholesale Market Participant suspended pursuant to this Section 3.1 and has not requested to exit such suspension on or before the expiration of the suspension period described herein, the Wholesale Market Participation Agreement for the Interconnection Request for which Wholesale Market Participant suspended work shall be deemed terminated as of the end of such suspension period. The suspension period shall begin on the date the suspension commences. Milestone dates stated in the Wholesale Market Participation Agreement Section 3.1 shall be deemed to be extended coextensively with any suspension period.

IN WITNESS WHEREOF, Transmission Provider, Wholesale Market Participant and Transmission Owner have caused this WMPA to be executed by their respective authorized officials.

(PJM Queue #Y1-020)

Transmission Provider: PJM Interconnection, L.L.C.

By: /s/ Steven Herling V.P., Planning 8/8/13
Name Title Date

Printed name of signer: Steven Herling

Wholesale Market Participant: **Beaver Run Solar Farm, LLC**

By: /s/ Charles H. Shutmeyer Member 4-24-2013
Name Title Date

Printed name of signer: Charles H. Shutmeyer

Transmission Owner: **Jersey Central Power & Light Company**

By: /s/ James V. Fakult President 7/12/13
Name Title Date

Printed name of signer: James V. Fakult

**SPECIFICATIONS FOR
WHOLESALE MARKET PARTICIPATION AGREEMENT
By and Among
PJM INTERCONNECTION, L.L.C.
And
BEAVER RUN SOLAR FARM, LLC
And
JERSEY CENTRAL POWER & LIGHT COMPANY
(PJM Queue Position # Y1-020)**

1.0 Description of generating unit(s) (the “Participant Facility”) to be used for the provision of wholesale sales into the PJM markets:

a. Name of Participant Facility:

Beaver Run Solar Farm

b. Location of Participant Facility:

283 Beaver Run Road, Lafayette, New Jersey

c. Size in megawatts of Participant Facility:

Maximum Facility Output of 9.9 MW

d. Description of the equipment configuration:

A ground mounted, inverter based, solar photovoltaic generating facility consisting of solar arrays and a 34 kV collector system.

2.0 Rights for Generation Wholesale Market Participant

2.1 Capacity Interconnection Rights:

Pursuant to and subject to the applicable terms of the Tariff, the Wholesale Market Participant shall have Capacity Interconnection Rights at the Point(s) of Interconnection specified in this Wholesale Market Participation Agreement in the amount of 3.72 MW commencing June 1, 2015. During the time period from the effective date of this WMPA until May 31, 2015 (the “interim time period”), the Wholesale Market Participant may be awarded interim Capacity Interconnection Rights in an amount not to exceed 3.72 MW. The availability and amount of such interim Capacity Interconnection Rights shall be dependent upon completion and results of an interim deliverability study. Any interim Capacity Interconnection Rights awarded during the interim time period shall terminate on May 31, 2015.

To the extent that any portion of the Participant Facility described in Section 1.0 is not a Capacity Resource with Capacity Interconnection Rights, such portion of the Participant Facility shall be an Energy Resource. Pursuant to this WMPA, the Wholesale Market Participant may sell energy into PJM’s markets in an amount equal to the Participant Facility’s Maximum Facility Output indicated in Section 1.0c of the Specifications for this WMPA. PJM reserves the right to limit injections in the event reliability would be affected by output greater than such quantity.

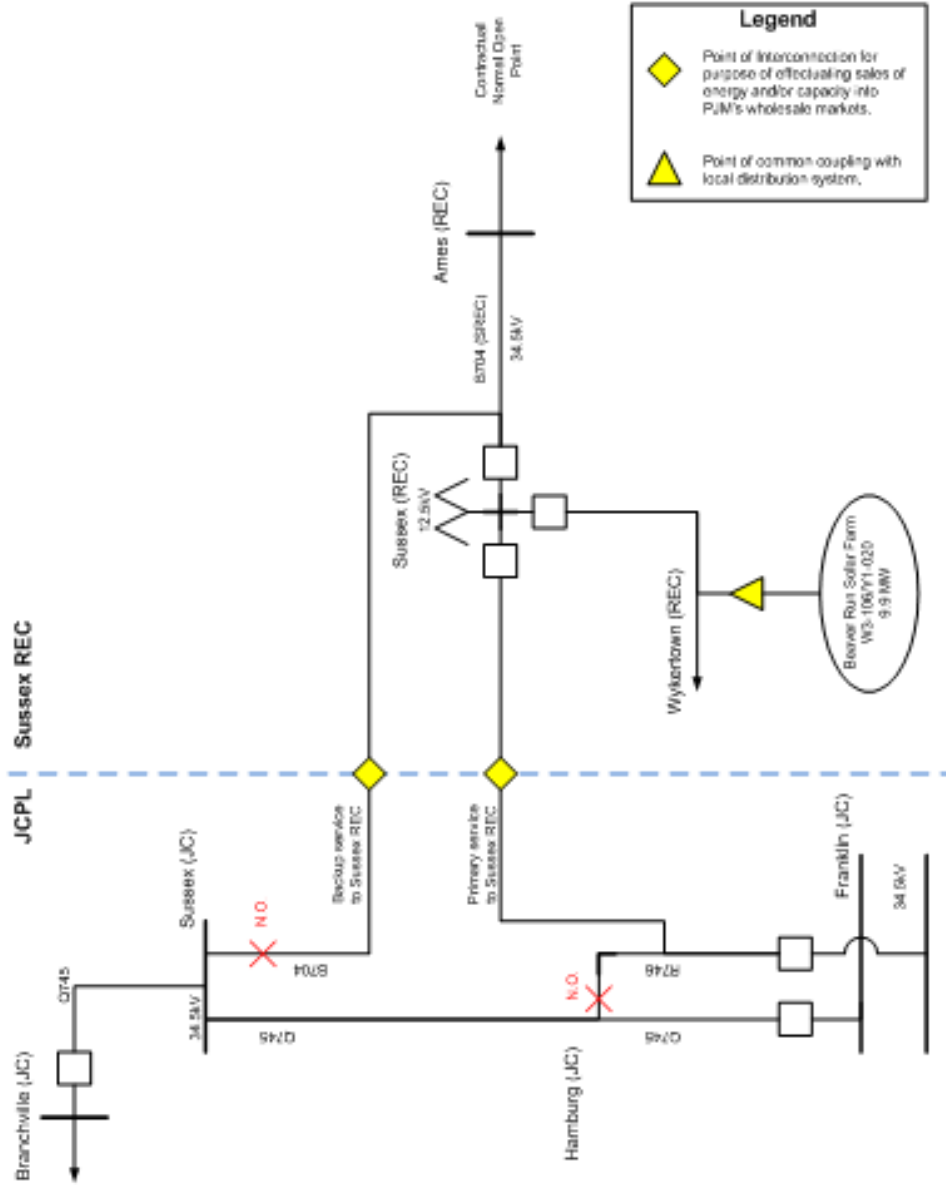
3.0 Ownership and Location of Metering Equipment. The metering equipment to be constructed, the capability of the metering equipment to be constructed, and the ownership thereof, as required for the Wholesale Transactions shall be identified on the attached Schedule B to this WMPA, and provided consistent with the PJM manuals.

SCHEDULES:

- **SCHEDULE A - SINGLE-LINE DIAGRAM (Showing point of interconnection)**
- **SCHEDULE B - LIST OF METERING EQUIPMENT**
- **SCHEDULE C - LIST OF LOCAL/NETWORK UPGRADES**
- **SCHEDULE D - APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS**
- **SCHEDULE E - WHOLESALE MARKET PARTICIPANT AGREEMENT TO CONFORM WITH IRS SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS**
- **SCHEDULE F –SCHEDULE OF NON-STANDARD TERMS & CONDITIONS**

SCHEDULE A

SINGLE-LINE DIAGRAM



SCHEDULE B

LIST OF METERING EQUIPMENT

Interconnection Customer shall either install metering and telemetry, or arrange for Sussex REC to install metering and telemetry, at the point of common coupling between the Wholesale Market Participant Facility and the Sussex REC feeder as required by PJM Manuals M-01 and M14D. Sussex REC and Wholesale Market Participant will collectively determine meter ownership.

Wholesale Market Participant shall make its metering data at the point of common coupling available to Sussex REC via telemetry for use by Sussex REC and Jersey Central Power & Light Company for balancing, settlement and audit purposes. Wholesale Market Participant may purchase and install its own backup metering equipment.

SCHEDULE C

LIST OF LOCAL/NETWORK UPGRADES

Not Required.

SCHEDULE D

APPLICABLE TECHNICAL REQUIREMENTS AND STANDARDS

The Wholesale Market Participant shall comply with all applicable standards posted at <https://www.firstenergycorp.com/feconnect/jcpl/wholesale.html>

SCHEDULE E
WHOLESALE MARKET PARTICIPANT’S AGREEMENT TO CONFORM WITH IRS
SAFE HARBOR PROVISIONS FOR NON-TAXABLE STATUS

As provided in Section 24.1 in Attachment O, Appendix 2 in Part VI of the Tariff and subject to the requirements thereof, Wholesale Market Participant represents that it meets all qualifications and requirements as set forth in Section 118(a) and 118(b) of the Internal Revenue Code of 1986, as amended and interpreted by Notice 88-129, 1988-2 C.B. 541, and as amplified and modified in Notices 90-60, 1990-2 C.B. 345, and 2001-82, 2001-2 C.B. 619 (the “IRS Notices”). Wholesale Market Participant agrees to conform with all requirements of the safe harbor provisions specified in the IRS Notices, as they may be amended, as required to confer non-taxable status on some or all of the transfer of property, including money, by Wholesale Market Participant to Transmission Owner with respect to the payment of the Costs of construction and installation of the Transmission Owner Interconnection Facilities specified in this WMPA.

Nothing in Wholesale Market Participant’s agreement pursuant to this Schedule E shall change the indemnification obligations under Section 24.2 in Attachment O, Appendix 2 in Part VI of the Tariff.

SCHEDULE F
SCHEDULE OF NON-STANDARD TERMS & CONDITIONS

Nothing in this WMPA provides any rights with regard to the use of the distribution facilities owned, operated, and maintained by the Sussex REC.

1. The Point of Interconnection (for the purpose of effectuating sales of energy and/or capacity into PJM's wholesale markets) under this WMPA is physically located at a point where the Interconnected Transmission Owner's facilities are connected to facilities owned by the Sussex Rural Electric Cooperative ("Sussex REC"), to which Interconnection Customer's facilities are or will be interconnected. Therefore, all Interconnection Parties acknowledge and agree that Interconnection Service under this WMPA depends upon the physical availability of, and Interconnection Customer's right to utilize, the Sussex REC facilities and the interconnection of the Sussex REC facilities with those of Interconnection Customer and the Interconnected Transmission Owner. Accordingly, the following shall apply:
 - 1.1 Interconnection Customer shall obtain Sussex REC's agreement allowing Interconnection Customer to utilize the Sussex REC facilities to transport energy produced by the Wholesale Market Participant to the Point of Interconnection as shown on Schedule A of this WMPA.
 - 1.2 Concurrent with execution of this WMPA, Interconnection Customer shall provide Transmission Provider with copies of any and all agreements pursuant to which Sussex REC agrees to grant to the Interconnection Customer rights as described in Section 1.1 of this Schedule F.
 - 1.3 In the event that any of the Sussex REC facilities used to provide Interconnection Service become unavailable for any reason to carry energy produced by the Wholesale Market Participant to and across the Point of Interconnection as shown on Schedule A, the Interconnection Customer's rights to Interconnection Service under this WMPA, and thus Interconnection Customer's rights to inject energy into the Transmission Provider's Transmission System as set forth in Section 2 of the Specifications above, will be suspended for the duration of such unavailability, and Transmission Provider and Interconnected Transmission Owner shall incur no liability to Interconnection Customer in connection with such suspension: and
 - 1.4 In the event that Sussex REC ceases operations at its facility where the Wholesale Market Participant is located, or removes from service any of the electrical facilities on which Interconnection Service hereunder depends, it shall be Interconnection Customer's responsibility to acquire and install, or to obtain rights to utilize, any facilities necessary to enable Interconnection Customer to deliver energy produced by the Wholesale Market Participant to and across the Point of Interconnection.