RULES AND REGULATIONS

6. Load Forecasting

6.1 Customer Load Forecasting. The Company, in conjunction with an EGS, shall perform a Customer load forecasting process for each EGS's load requirements which shall approximate EGS's anticipated aggregate hourly Customer load. The aggregate hourly load forecast shall define the hourly energy requirements for an EGS. Energy will be delivered to the Company's electric distribution system using the PJM power scheduling policies and procedures.

6.2 Forecasting Methodology.

6.2.1 Monthly Metered Customer Forecasts. For each EGS, the Company will provide hourly load profiles by rate class for Customers with monthly metering equipment, which will establish the hourly supply obligations of the EGS for serving such Customers. The Company has developed and will maintain, based on load survey data, load forecast categories corresponding to the Company's current rate class load profile identified in the EDC Tariff. The load curves of these rate classes will be the basis for the forecasts prepared by the EGS for the aggregate of monthly metered Customers' load in each rate class load profile.

6.2.2 Hourly Metered Customer Forecasts. An EGS shall provide hourly load forecasts for their Customers with Hourly or Sub-Hourly Metering Equipment.

6.2.3 Typical Load Curve Data. On or before the day of energy scheduling, the Company will make available to EGSs the typical load and all algorithms and data necessary to calculate the hourly forecast for monthly metered Customers. This information will be available on an ongoing basis for an EGS to download from the web-site and will permit an EGS to develop forecasts for any future period using the same methodology as the Company will use.

6.2.3.1 Updates to Typical Load Profile Data. The Company shall review annually its methodology, algorithms and load forecasting results and shall perform additional load studies to update the load curve data as required.

6.2.4 Right to Aggregate. EGSs may aggregate their Customers' loads. Such right to aggregate shall not mean that if a Customer of an EGS has multiple PPL accounts, the Customer's PPL charges may be billed conjunctively. Such right also shall not mean that the PPL charges of an EGS's aggregated Customers may be billed conjunctively.

6.3 Customer Loads.

6.3.1 Determination of Customers for Pro-rata Share of Load. The Company will consider the Rate Schedules of LP-4, LP-5, LP-6, IS-P, LPEP, and IS-T as large Commercial and Industrial Customers and, if over-subscribed, will receive a 'pro-rata' share of the available rate schedule class load for competitive supply during phase-in. All other customers will be able to have all of their load served by competitive supply if they are so chosen under the provisions of enrollment in their rate class. These customers shall be enrolled on a first come-first served basis pursuant to the Commission's procedures for customer enrollment.

6.3.2 Process Description for Forecasting. Except as provided in Rule 6.2.5 and 6.2.6, a customer at a single metered location purchasing Competitive Energy Supply from an EGS may not simultaneously purchase energy or capacity from the Company.

6.3.2.1 Partial Purchase from Company during Phase-In. The Company shall allow partial competitive supply for large commercial and industrial customers for the duration of the phase-in (January 1, 1999 through January 1, 2000). The partial load from a competitive supplier will be first through the meter on a percent share for any given hour. The percent share shall be at a minimum of 61 percent (in the event of full participation in a rate class with full participation of pilot participating customers continuing their 5 percent of class load into phase-in). The pro-rata percent figure for industrial and large commercial rate classes will be released beginning on August 28, 1998 or as modified by Commission directive. All requirements and responsibilities based upon load and capacity share whether by the Company, PJM or the FERC will be applicable to the amount of the partial load being served by the EGS. Multiple suppliers are prohibited under partial load conditions.

6.3.3 Purchase of Energy and Capacity from More Than One EGS. Customers may choose to be supplied with energy and/or capacity from more than one EGS. Customers or their EGSs will be responsible to the Company for any additional costs the Company incurs that result from a Customer purchasing energy and/or capacity from more than one EGS. Where one or more of the EGSs serving the customer fails to fulfill its obligation to supply energy or capacity, the customer may receive service from the Company. However, in order for the customer to continue to receive service from the customer's other EGS(s), the customer must arrange for a replacement for the non-supplying EGSs by the end of the second full monthly billing cycle after the customer receives notice of the EGS's failure to supply. If, by that time, the customer has not replaced the non-supplying EGS(s), the customer must either discontinue receiving service from the Company or receive service from the Company for its entire load.

6.3.3.1 Nature of Split Load Service. Customers may choose to be supplied with energy and/or capacity from more than one EGS starting with the first full billing cycle in the Year 2000, following the completion of the phase-in and when Rule 6.2.5.2 Partial Load Service therefore becomes unavailable. If a customer receives electric supply from more than one EGS, the Company is not obligated to supply consolidated EDC billing.

6.4 Daily Forecasting Process.

6.4.1 Business Days and Scheduling Window. The daily forecasting process shall be performed on each business day. A business day is a weekday excepting Company holidays. The daily forecasting process shall be performed on each business day for a scheduling window consisting of all following days through the next business day.

For example, the daily forecasting process shall be performed Monday through Thursday (except holidays) for a scheduling window that covers the following day (midnight to midnight). If the following day is a holiday, then the scheduling window shall include the holiday and be extended to include the first business day following the holiday. Similarly, the daily forecasting process shall be performed on Friday for a scheduling window consisting of the following Saturday, Sunday, and Monday. If the Monday is a holiday, then the scheduling window shall include the holiday and extend through the first business day following the holiday.

In addition to the forecasts required of EGSs hereunder, the EGS may provide advance- hourly forecasts for each of its Customers with Hourly or Sub-Hourly Metering Equipment. Forecasts are not final until the business day before those forecasts are to apply.

6.4.2 Process Description for Forecasting. The following process shall be followed on each business day:

Step 1:

Each EGS will calculate the load forecast for each monthly metered rate class load profile by multiplying the load profile for the appropriate day type by the number of an EGS's Customers (including Customers of any Coordinated Suppliers that have a designated EGS as their Scheduling Coordinator) in that rate class load profile. These values will have been adjusted upward by an amount necessary to cover line losses based on current line loss percentages for the Customer Class to which each Customer belongs.

Step 2a:

By 10:00 a.m. Eastern Prevailing Time of the business day, an EGS shall enter the load forecast for each of an EGS's hourly metered Customers and for each hourly metered Customer of any Coordinated Suppliers that have a designated EGS as their Scheduling Coordinator and the aggregated forecast for monthly metered customers. Forecasts for hourly metered Customers should include estimated losses based on current loss factors for each rate class. If an EGS fails to enter a load forecast for any of its required hourly metered Customers by 10:00 a.m. Eastern Prevailing Time the business day before the load forecast is to apply, the Company will use its forecast values calculated for the hourly load of the EGS previously entered for an Appropriate Similar Day. Such default values shall be binding on an EGS that fails to enter load forecasts as required as if it had entered the values itself.

Step 2b:

The Company and the EGS shall seek to reach an agreement as to the load forecasts submitted by an EGS under Step 2a, provided that nothing in this Step 2b shall limit the Company's right to reject a forecast and submit a Company forecast pursuant to Step 3.

Step 3:

The Company will accept or reject an EGS load forecast by 11:00 a.m. Eastern Prevailing Time. If the Company's Alternative Supplier Coordination (ASC) personnel determine that a forecast is going to be rejected and conditions permit, then a ASC staff member will attempt to contact an EGS to explain the reason for rejection and resolve forecast problems. If the reason for rejecting an EGS load forecast values or changes cannot be resolved by 12:00 noon Eastern Prevailing Time, the scheduling process will continue using the Company forecast values.

6.5 Real-Time Load Following. To the extent an EGS has installed and pays for the necessary metering and telecommunications equipment for actual load following, an EGS may follow such Customers' load. To the extent that an EGS's total supply is for such Customers, an EGS shall be obligated to follow such Customers' loads on a real-time basis.

For real-time load following, including interruptible Customers claimed with PJM as Active Load Management, an EGS will have special obligations with respect to both the Company and PJM that must be dealt with on a Customer-by-Customer basis to ensure operational integrity. An EGS and the Company shall work cooperatively to address the technical and operational issues posed by real-time load following as the need arises. The loads of Customers using real-time load following will not be incorporated into an EGS's hourly load forecasts except as required for PJM operation and transmission purposes.

To the extent an EGS's commencement of real-time load following requires modifications of the Company's computer, telemetering, telecommunication, and other systems to enable such activity, the EGS making such request shall be responsible for paying the Company's incremental costs associated with such modifications. The Company shall bill the EGS for any such costs in accordance with Rule 13 of this Tariff.

6.6 Adequacy of Forecast. An EGS may provide, at its own discretion, its own forecast for the aggregate requirements of its monthly metered Customers, independent of the Company's forecast. The EGS and the Company shall concur on the compatibility of the forecasting methodology to be used by the EGS. The Company may review, for operational reasons, an EGS's forecast. By executing an Individual Coordination Agreement, an EGS agrees that the Company's load forecast for monthly metered Customers will be used for scheduling absent a specific load forecast by the EGS and will be adequate for this purpose. An EGS's remedies for any claimed deficiency in the Company's forecast for monthly metered Customers shall be limited to either:

1. arranging, at its own expense, for the installation pursuant to PaPUC rules and procedures of Hourly or Sub-Hourly Metering Equipment at Customer's premises in order to permit the Customer's load to be forecasted, billed and reconciled as an hourly Customer; or
2. entering, at its own expense, into a joint load study with the Company to develop new load curves.

6.7 Provision of Load Profile Data. The Company agrees that it will make Company personnel available to EGSs to explain and discuss the Company's load forecasting procedure, and the applicablity of its methodology. In addition, the Company will provide EGSs, upon request, the data points used in the Company's load research system to develop the company's Load forecasts, provided, however, that nothing in this tariff will obligate the Company to disclose the customer specific metering data used to develop these data points.

6.8 Line Losses. For purposes of forecasting, scheduling, and reconciliation in sections 6-8 of this Supplier Coordination Tariff, the combined transmission and distribution line losses for the Secondary voltage level (Rate Schedules RS, RTS, RTD, GS-1, GS-3, GH, BL, IS-1, and those applicable to street and area lighting), the Primary voltage level (Rate Schedules LP-4 and IST), and the Transmission voltage level (Rate Schedules LP-5, LP-6, IST, LPEP, and Interruptible Service by Agreement Rider, and Standby Service) shall be calculated by multiplying hourly kWh sales delivered to customer(s) served at these voltage levels by the applicable line loss factor. The applicable line loss factors are:

Secondary voltage level - 1.08047231
Primary voltage level - 1.05364821
Transmission voltage level - 1.02682410

The Company reserves the right to file to revise these factors from time to time to reflect changes in system line losses. The Company will revise these line loss factors if the PJM imposes or changes any separate charges on its transmission customers for the level of line losses that is included in these factors. Any such revision will be filed with the FERC and the Commission, provided to EGSs via Internet electronic mail and posting on PPL's website, and become effective thirty (30) days after filing unless otherwise ordered by the Commission or the FERC. PPL will file any such revision and propose that it becomes effective concurrently with any change in or imposition of separate PJM line loss charges. The Company will make a good faith effort to advise EGSs of any change in these loss factors more than thirty (30) days in advance of a change when warranted.