

RULES AND REGULATIONS

5. Direct Access Procedures

5.1.1 Customer Enrollment

The selection of Customers eligible to obtain Competitive Energy Supply shall occur in accordance with the Direct Access Procedures set forth in the Enrollment Procedures Applicable to Electric Distribution Companies and Electric Generation Suppliers During the Phased-In Implementation of Direct Access (Pa PUC Docket No. M-00960890F.0014 and M-00960890F.0015).

5.1.2 Provision of Customer Lists. Provision of Customer Lists. Concurrent with the Company notifying Customers of their eligibility to select an EGS, the Company shall provide to all EGSs a complete list of eligible enrolled Customer information in electronic format. This list(s) shall include and designate Pilot Customers. This list shall be provided electronically and be made available on the same date Customers are notified that they have been enrolled. This list shall include all of the information outlined in Rule 5.1.3 (a), below for Customers that consent to the release of Customer information, and only the information identified in Rule 5.1.3(b), below, for Customers that do not so consent. The Company will continue to enroll Customers and the list of enrolled Customers will be updated weekly until the loads of the enrolled Customers comprise at least 66% of the non-coincident peak load of each residential and commercial rate class or full Direct Access begins.

5.1.3 Data Exchange.

(a) The list of enrolled Customers that the Company provides to all EGSs pursuant to Rule 5.1.2, above, shall contain the following information about Customers that have consented to the release of Customer information:

- i. PP&L Account Number
- ii. Billing Route
- iii. Customer Name
- iv. Service Address
- v. Service City
- vi. Service State Zip
- vii. Mailing Address
- viii. Mailing City
- ix. Mailing State Zip
- x. Contact Name (applicable to industrial and large commercial Customers only)
- xi. Contact Address (applicable to industrial and large commercial Customers only)
- xii. Contact City, State, Zip (applicable to industrial and large commercial Customers only)
- xiii. Unlisted Telephone Number Code
- xiv. Telephone Number
- xv. Rate Class
- xvi. Rate Class Load Profile and Class Strata (if any)
- xvii. Registered Peak Demand
- xviii. Load Factor
- xix. Annual kWh
- xx. Meter Use Code
- xxi. Delivery Date
- xxii. Load Bus

(b) The list of enrolled Customers that the Company provides to all EGSs pursuant to Rule 5.1.2, above, shall contain the following information about Customers that have not consented to the release of Customer information:

- i. Name, address, PPL Account Number
- ii. Rate Class

5.1.4 Manner of Customer Consent. Manner of Customer Consent. An EGS that enrolls a Customer in accordance with Rules 5.1 of this Tariff must ask the Customer whether the Customer consents to the disclosure to all EGSs by the Company of Customer-specific information. The EGS must retain a record indicating whether the Customer consented to such disclosure. If the record is not itself a hard copy document, but rather an electronic or computer record, the EGS must be able to print or otherwise reproduce the record in hard copy.

5.2 Initial EGS Selection for 1998.

This Rule 5.2 delineates the process of Customer selection of an EGS for the first time during the initial enrollment period. The process for a Customer's selection of an EGS for the first time thereafter is governed by Rule 5.3.

5.2.1

(a) An EGS must notify its Customers that by signing up for Competitive Energy Supply with the EGS, the Customer is consenting to the disclosure by the Company to the EGS of certain basic information about the Customer, as listed in Rule 4.14(a). At minimum, the notice shall inform the Customer that the following information will be disclosed: the Customer's PP&L account number, data about meter readings, rate class and electric usage, the Customer's address(es) and telephone number, and whether or not the Customer is on a budget billing plan or payment arrangement or as otherwise approved by the PUC Bureau of Consumer Services.

(b) If an enrolled Customer or person authorized to act on the enrolled Customer's behalf contacts the Company via telephone to select an EGS, the Company will direct the Customer to contact that EGS and will provide the telephone number of the EGS to the Customer, if required.

(c) The EGS will obtain appropriate authorization from the Customer, or from the person authorized to act on the Customer's behalf, indicating the Customer's choice of EGS. The authorization shall include the Customer's acknowledgment that the Customer has received the notice required by Rule 5.2.1(a). It is the EGS's responsibility to maintain records of the Customer's authorization in the event of a dispute, in order to provide documented evidence of authorization to the Company or the Commission.

(d) The EGS shall provide an electronic file to the Company. The required electronic file shall include, at a minimum, EGS ID, PP&L Account Number, Action (ADD), Billing Option, Transaction Date and Transaction Time. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file. Within three (3) business days of receipt of the electronic file, through November 1, 1998 and one business day thereafter, the Company will validate the records contained in the file, and will provide an electronic validation, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation also shall include information an EGS can use to identify rejected records. If a Customer selects more than one EGS, the EGS that submitted the EGS selection record with the latest valid EGS contract date to the Company before the end of the EGS selection period will be eligible to become the EGS of record on the Customer's regularly scheduled Meter Read Date in January, 1999.

(e) The Company will send, within ten (10) business days until November 1, 1998 and one business day thereafter, a confirmation letter to all Customers who have made an initial EGS selection. Included in this letter shall be notification of a 10-day waiting period in which the Customer may cancel its selection of an EGS. The confirmation letter shall include the Customer's Name, Address, PP&L Account Number, selected EGS, selected Billing Option (1-bill, 2-bills), Service Effective Date and Initial Billing Date. The waiting period shall begin on the day the letter is mailed to the Customer. If the 10-day waiting period expires, and the Customer has not contacted the Company to dispute the EGS selection, the EGS will become the EGS of record for delivery in January, 1999. If the Customer elects to rescind its EGS selection, the Company will notify the rejected EGS, electronically. In the event the Customer rescinds its EGS selection after the 10-day waiting period, the Customer will be advised that the rescinding period has expired and a switch must be requested via the normal EGS selection process.

5.2.2 If an enrolled Customer contacts the Company by mail to inform the Company that it wishes to obtain Competitive Energy Supply from a particular EGS, the Company will inform the customer that they need to contact the EGS to select the EGS as supplier consistent with the Commissions Standards or Enrollment. The EGS will verify its desire to serve the Customer and follow the process outlined in Rule 5.2.1, before the end of the initial EGS selection period.

5.3 Switching Among EGSs (or between an EGS and the Company as the Provider-of-Last Resort), and Initial Selection of an EGS Beginning in January, 1999

As of January 1999, initial EGS selection switching by Customers shall occur in accordance with the Direct Access Procedures contained in this Tariff.

5.3.1 An EGS must notify its Customers that by signing up for Competitive Energy Supply with the EGS, the Customer is consenting to the disclosure by the Company to the EGS of certain basic information about the Customer, as listed in Rule 4.14(b). At minimum, the notice shall inform the Customer that the following information will be disclosed: the Customer's PP&L account number, data about meter readings, rate class and electric usage, the Customer's address(es) and telephone number, and whether or not the Customer is on a budget billing plan or payment arrangement or as otherwise approved by the PUC Bureau of Consumer Services.

5.3.2

(a) If a Customer contacts a new EGS to request a change of EGS and the new EGS agrees to serve the Customer, the Customer's new EGS shall obtain appropriate authorization from the Customer or person authorized to act on the Customer's behalf indicating the Customer's choice of EGS. The authorization shall include the Customer's acknowledgment that the Customer has received the notice required by Rule 5.3.1. It is the EGS's responsibility to maintain records of the Customer's authorization in the event of a dispute, in order to provide documented evidence of authorization to the Company or the Commission.

(b) The Customer's new EGS also shall submit the Customer's information using a file format designated by the Company that complies with Commission requirements, if any, electronically.. The required electronic files shall include, at a minimum, EGS ID, PP&L Account Number, Action (ADD), Billing Option, Transaction Date and Transaction Time. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file. Within one (1) business days of receipt of the electronic file, the Company will respond electronically and validate records contained in the file, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation shall also include information an EGS can use to identify rejected records.

(c) The Company will send the Customer a confirmation letter within one business day notifying the Customer of the right to rescind within ten (10) days. If the Customer does not contact the Company

within ten (10) days of the date on the confirmation letter, then the Company will process the selection. The selection will be effective as of the next scheduled Meter Read Date and the EGS will become the EGS of record for delivery provided that: (1) the Company has received at least sixteen (16) days prior notice from the EGS and all Customer information provided to the Company is accurate and complete; (2) the 10-day waiting period has expired; and (3) the Customer has not contacted the Company to dispute the EGS selection. In such circumstances, the Company will make available to the new EGS an electronic file, containing information for the new Customers of record for that particular EGS, in accordance with Rule 4.14(b).

If, during the 10-day waiting period, the Customer elects to rescind its new EGS selection, the Company will notify the rejected EGS of the rescission electronically. In the event the Customer rescinds their EGS selection after the 10-day waiting period, the Customer will be advised that the rescinding period has expired and a switch must be requested via the normal EGS selection process.

(d) Once the preceding process is complete, the Company will notify the Customer's prior EGS, of the discontinuance of service to the Customer from that prior EGS.

5.3.3 If a Customer contacts the Company to request a change of EGS, the Company will inform the Customer that the EGS must be contacted to process a supplier switch consistent with the Commissions Standards of enrollment and switching.

5.3.4 If an EGS wishes to obtain from the Company confidential Customer-specific information about a Customer with whom it is discussing the possibility of providing Competitive Energy Supply, the Company will only provide such information if the EGS provides to the Company a copy of written documentation indicating that the Customer has authorized the release of Customer information to the EGS or if the Customer has agreed to release the information during the enrollment process.

5.3.5 If a Customer contacts the Company to request a change of EGS to the Company's tariffed Energy and Capacity Charges for Default PLR Service, the Company will process the request as follows. The Company will send the Customer a confirmation letter notifying the Customer of the right to rescind. If the Customer does not contact the Company within ten (10) days of the date on the confirmation letter, then the Company will complete the request. The request will be effective as of the next scheduled Meter Read Date and the Company as the Provider-of-Last Resort will become the supplier of record for delivery provided that: (1) the Company has received at least sixteen (16) days prior notice from the Customer; and (2) the 10-day waiting period has expired; and (3) the Customer has not contacted the Company to rescind or dispute the switch to Default PLR Service. The Company will notify the Customer's prior EGS of the discontinuance of service to the Customer from that prior EGS. Nothing contained herein will result in discontinuance of service to the customer in the event of a default by an EGS.

5.3.6

(a) If a Customer contacts the Company to discontinue electric service at the Customer's then current location, and initiates a request for service at a new location in the Company's service territory, the Company will notify the current EGS, of the Customer's discontinuance of service for the account at the Customer's old location. The Company will also send an electronic transaction to the Customer's selected EGS for its new location, which may or may not be the current EGS. If the selected EGS is not the same EGS that served the Customer at the old location, the Company will inform the customer that the EGS must be contacted to establish service consistent with the Commissions Standards for switching.

(b) If a Customer contacts the Company to discontinue electric service and indicates that the Customer will be relocating outside of the Company's service territory, the Company will notify the current EGS, via electronic file, of the Customer's discontinuance of service for the account at the Customer's location. If

available, the Company will provide the EGS that served the Customer at the old location with the Customer's new mailing address or forwarding address.

5.3.7 If the Company elects to change the account number for a Customer receiving generation service from an EGS, the Company will notify the EGS of the change in account number at the same Customer location, via electronic file.

5.4 Provisions relating to an EGS's Customers.

5.4.1 Arrangements with EGS Customers. Arrangements with EGS Customers. EGSs shall be solely responsible for having appropriate contractual or other arrangements with their Customers necessary to implement Direct Access consistent with all applicable laws, PaPUC requirements, and this Tariff. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

5.4.2 Transfer of Cost Obligations Between EGSs and Customers. Transfer of Cost Obligations Between EGSs and Customers. Nothing in this Tariff is intended to prevent an EGS and a Customer from agreeing to reallocate between them any charges that this Tariff imposes on the EGS, provided that any such agreement shall not change in any way the EGS's obligation to pay such charges to the Company, and that any such agreement shall not confer upon the Company any right to seek recourse directly from the EGS's Customer for any charges owed to the Company by the EGS.

5.4.3 Customer Obligations. Customer Obligations. Customers of an EGS remain bound by the rules and requirements of the applicable EDC Rate Tariff under which they receive service from the Company with respect to service received from the Company under the applicable EDC Rate Tariff.