

RECEIVED  Allegheny Energy

LEGAL SERVICES

JUL 19 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

800 Cabin Hill Drive
Greensburg, PA 15601-1689
PH: (724) 838-6210
FAX: (724) 830-7737
jmunsch@alleghenyenergy.com

July 19, 2010

VIA FEDEX NEXT DAY

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Petition of West Penn Power Company d/b/a Allegheny Power for Approval of its Energy Efficiency and Conservation Plan, Approval of Recovery of Costs through a Reconcilable Adjustment Clause and Approval of Matters Relating to the Energy Efficiency and Conservation Plan; Docket No. M-2009-2093218

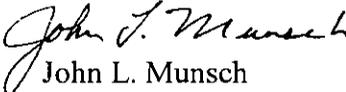
Dear Secretary Chiavetta:

Enclosed for filing please find four copies of a contract between West Penn Power Company d/b/a Allegheny Power and Blue Monde, LLC, a registered conservation provider.

The contract is for the provision of a home appliance rebate program for Act 129 activities. The contract was awarded pursuant to a competitive bidding process. Please note the Table of Contents for the contract documents, which indicates that a background investigation is not included because the contractor does not have personal access to Allegheny Power customers.

This filing is made by express delivery and is deemed filed today pursuant to 52 Pa. Code § 1.11.

Respectfully submitted,


John L. Munsch
Attorney

JLM:sac
Enclosures

cc: Patty Wiedt, Esq., Law Bureau
Wayne Williams, Bureau CEEP

Act 129 Contract

Vendor: Blue Monde, LLC
Promotion Fulfillment Ctr.

Vendor Address: 311 21st St.
Camanche, IA 52730-9699

Scope of Work: Home Appliance Rebate Program.

Table of Contents

| | Included | Not Applicable *(Refer to Footnote) |
|---|----------|---|
| Blue Monde, LLC SAP System Contract | X | |
| Non-Disclosure (Confidentiality) Agreement | X | |
| Valid Insurance Certificates | X | |
| Background Investigations, (Only required if contractor will be working on AP/Customer Property or IT system) | | * |
| Safety and Health Commitment | X | |
| Substance Abuse Policy | X | |
| Subcontracting Plan | X | |
| CSP Approval Verification | X | |
| Non Affiliate Letter | X | |
| RFP Document w/all Appendices (General Terms and Conditions are in appendices) | X | |
| Exceptions to General Terms and Conditions | | N/A |

- * Does not apply if Seller and/or any Seller's employees, including any subcontractors, do not have access to Buyer's physical property, computer network, or other property owned or leased by Buyer by use of card access, LAN access, or key. Contractor will not have personal contact with Allegheny customers.

AGENT-FOR-BUYER
800 Cabin Hill Drive
Attn: Procurement
Greensburg, PA 15601-1650
FAX: (724) 830-7714

BLUE MONDE LLC
PROMOTION FULFILLMENT CTR
311 21ST ST
CAMANCHE IA 52730-9699

Your Vendor Number with us
10030639

Please Deliver to :
Connellsville Distribution Center
West Penn Power Company
311 South Seventh Street
Connellsville PA 15425-3015

Bill and Mail Invoices to :

Buying Company :

West Penn Power Company

Disbursement Accounting
800 Cabin Hill Drive
Greensburg, PA 15601-1650

Contract

Purchasing Document **Date**
4600002872 01-14-2010

Purchasing Buyer **Telephone**
Barbara Crowe 724-830-5051

Fax number **Our Reference**
724-850-3707 BCROWE-REL

E-Mail
bcrowe@alleghenypower.com

Validity Start **Validity End**
01-18-2010 05-31-2013

Buyer reserves the right to assign this contract, in whole or in part, to one or more of its affiliates, their successors or assigns at any time.

All Correspondence, Shipping Papers, Invoices, Bills of Lading and Packages must show the Stock Number, Purchase Order Number, and Work Order and Op Step Numbers (if applicable and as identified in the Purchase Order header text or item text).

ANY AGENT, REPRESENTATIVE, CONSULTANT OR CONTRACTOR PROVIDING SERVICES TO ALLEGHENY ENERGY IS EXPECTED TO FOLLOW ALLEGHENY ENERGY'S CODE OF BUSINESS CONDUCT AND ETHICS, WHICH IS AVAILABLE ON THE COMPANY'S WEBSITE, www.alleghenyenergy.com, IN THE CORPORATE GOVERNANCE SECTION. IT IS ALSO AVAILABLE AT http://media.corporate-ir.net/media_files/nys/aye/corpgov/code4.pdf.

This document, and any attached or referenced documents, may contain information proprietary to Allegheny Energy Service Corporation, its affiliates, and parent. You agree that this document is to be used solely by you exclusively for the purpose for which it is furnished, and AESC requires it to be returned or destroyed when no longer required for that purpose. This document and any information obtained therefrom shall not be reproduced, transmitted, or disclosed in whole or in part to other organizations without the prior written authorization of AESC.

IncoTerms : SVC Freight Not Applicable N

Currency : USD

Terms of Payment : Within 60 days Due Net

Target Value [REDACTED]

This offer to purchase includes all the terms and conditions applicable to this purchase order. Acknowledgement is required for services or exceptions only. Shipment of goods will constitute your acceptance of this purchase order's terms and conditions.

AUTHORIZED BY: _____

Note : If it has been determined that the product purchased is a hazardous substance according to OSHA 1910.1200, 2 copies of the material safety data sheet for such product must be included with the shipping papers to the receiver of the product. If seller fails to supply such information, seller shall be considered to be in breach of contract.

AGENT-FOR-BUYER
800 Cabin Hill Drive
Attn: Procurement
Greensburg, PA 15601-1650
FAX: (724) 830-7714

Header text

BUYER:
ALLEGHENY ENERGY SERVICE CORPORATION AS AGENT FOR:
WEST PENN POWER COMPANY

SEND INVOICES TO:
DISBURSEMENT ACCOUNTING
800 CABIN HILL DR
GREENSBURG, PA 15601

HOME APPLIANCE REBATE PROGRAM
BLANKET CONTRACT

This blanket contract is issued for a Home Appliance Rebate Program for Allegheny Power customers in the Commonwealth of Pennsylvania for the period from 11/01/2009 through 05/31/2013.

Vendor is required to be an approved and registered CSP with the PA PUC and provide documentation of 3 years experience in providing program administration and management services.

Purchase order releases will be issued from this contract as needed. All invoices must include purchase order number and a breakdown of charges by rebate promotion.

Buyer's designated personnel will have access to PFC's portal and online reporting tools.

The terms of this contract are governed by the Master Promotion Services Agreement (Agreement), which is attached hereto and made a permanent part hereof.

Pricing and Statements of Work are as outlined in Exhibits A and B of the Agreement.

PAYMENT TERMS ARE NET 60 DAYS FOR SERVICE FEES AND NET 10 DAYS FOR ESCROW FEES.

Incorporated by reference and attachment are the following documents:

1. PowerAdvocate Event 17942: Rebate Processing Services (BMC458-S).
2. West Penn Power d/b/a Allegheny Power, Request for Proposal of Rebate Processing Services dated 01/05/10.
3. Request for Proposal for Rebate Processing Services.
3. Pennsylvania Public Utility Commission document entitled "Conservation Service Provider Registration Application Package and Checklist (Initial and Renewal)."
2. Mutual Nondisclosure Agreement.
3. Master Promotion Services Agreement, including all attachments/exhibits.
3. Promotion Fulfillment Center's proposal submitted 02/20/09 via PowerAdvocate by James S. Fallon, Jr.

Note : If it has been determined that the product purchased is a hazardous substance according to OSHA 1910.1200, 2 copies of the material safety data sheet for such product must be included with the shipping papers to the receiver of the product. If seller fails to supply such information, seller shall be considered to be in breach of contract.

AGENT-FOR-BUYER
 800 Cabin Hill Drive
 Attn: Procurement
 Greensburg, PA 15601-1650
 FAX: (724) 830-7714

4. Email acceptance of new contract format from Kim Cox on 01/08/10.

This contract is dependent upon the approval of PA Act 129 by the Pennsylvania Public Utility Commission. The programs are scheduled to continue through plan year 2012.

Header note

MAXIMUM EXPENDITURE \$

REFERENCE: PURCHASE REQUISITION 10253267
 (ORIGINAL REQUISITION 10235613)

CONTRACT CONVERTED TO ERS ON 02/19/10.

| Item | Material | Target Qty | Order Qty. | Unit | Unit Price | Net Value |
|-------|----------|------------|------------|------|------------|-----------|
| 00010 | | | | AU | \$0.00 | \$0.00 |

Description : Mail-in Rebate Program - PA

Required Date :

Purch. Req. Number : 10253267

Purch. Req. Item : 00010

The item covers the following services :

| Service Item | Service Number | Service Description | Unit of Measure | Rate |
|--------------|----------------|---|-----------------|--------|
| 10 | 3011486 | UNSPECIFIED SERVICE | | \$.00 |
| 20 | 3031093 | RESIDENTIAL CLOTHES WASHER | | \$.00 |
| 30 | 3031094 | RESIDENTIAL CLOTHES DRYER | | \$.00 |
| 40 | 3031095 | RESIDENTIAL DISHWASHERS | | \$.00 |
| 50 | 3031096 | RESIDENTIAL FREEZERS | | \$.00 |
| 60 | 3031097 | RESIDENTIAL REFRIGERATORS | | \$.00 |
| 70 | 3031098 | RESIDENTIAL ROOM AIR CONDITIONERS | | \$.00 |
| 80 | 3031099 | RESIDENTIAL PROGRAMMABLE THERMOSTATS | | \$.00 |
| 90 | 3031100 | RES PROGRAM THERMOSTATS-REBATE UNDER \$25 | | \$.00 |
| 100 | 3031101 | RESIDENT COMPACT FLUOR LIGHT BULBS (CFL) | | \$.00 |
| 110 | 3031102 | RESIDENTIAL HEAT PUMPS | | \$.00 |

Note : If it has been determined that the product purchased is a hazardous substance according to OSHA 1910.1200, 2 copies of the material safety data sheet for such product must be included with the shipping papers to the receiver of the product. If seller fails to supply such information, seller shall be considered to be in breach of contract.



Contract
ISSUED BY
Allegheny Energy Service Corporation
an Allegheny Energy company

AGENT-FOR-BUYER
800 Cabin Hill Drive
Attn: Procurement
Greensburg, PA 15601-1650
FAX: (724) 830-7714

Page 4 of 5
Contract#
4600002872

| Item | Material | Target Qty | Order Qty. | Unit | Unit Price | Net Value |
|------|----------|------------|------------|---|------------|-----------|
| 120 | 3031103 | | | RESIDENTIAL AIR CONDITIONERS | | \$.00 |
| 130 | 3031104 | | | INVOICE PROCESSING | | \$.00 |
| 140 | 3031105 | | | AUDIT SCHEDULE | | \$.00 |
| 150 | 3031106 | | | CUSTOMER INQUIRY | | \$.00 |
| 160 | 3031107 | | | OTHER FEES | | \$.00 |
| 170 | 3032536 | | | RESID CLOTHES WASHER W/TRACK CODE FEE | | \$.00 |
| 180 | 3032537 | | | RESID CLOTHES DRYER W/TRACK CODE FEE | | \$.00 |
| 190 | 3032538 | | | RESID DISHWASHER W/TRACK CODE FEE | | \$.00 |
| 200 | 3032539 | | | RESID FREEZER W/TRACK CODE FEE | | \$.00 |
| 210 | 3032540 | | | RESID REFRIGERATOR W/TRACK CODE FEE | | \$.00 |
| 220 | 3032541 | | | RESID ROOM AIR COND W/TRACK CODE FEE | | \$.00 |
| 230 | 3032542 | | | RESID PROG THERMOSTAT W/TRACK CODE FEE | | \$.00 |
| 240 | 3032543 | | | RES PROG THERM-REB <\$25 W/TRACK CODE FEE | | \$.00 |
| 250 | 3032544 | | | RESID COMP FLUOR BULB W/TRACK CODE FEE | | \$.00 |
| 260 | 3032545 | | | RESID HEAT PUMP W/TRACK CODE FEE | | \$.00 |
| 270 | 3032546 | | | RESID A/C W/TRACK CODE FEE | | \$.00 |
| 280 | 3032548 | | | POSTAGE-1ST CLASS | | \$.00 |
| 289 | 3032547 | | | POSTAGE-3RD CLASS BULK | | \$.00 |
| 290 | 3032549 | | | CONSUMER CORRESP-NON-COMPLIANCE | | \$.00 |
| 300 | 3032550 | | | NON-COMPLIANCE 1ST CLASS | | \$.00 |
| 310 | 3032551 | | | CUST SVC INBOUND CALLS | | \$.00 |

Note : If it has been determined that the product purchased is a hazardous substance according to OSHA 1910.1200, 2 copies of the material safety data sheet for such product must be included with the shipping papers to the receiver of the product. If seller fails to supply such information, seller shall be considered to be in breach of contract.

ALLEGHENY ENERGY SERVICE CORPORATION

NONDISCLOSURE AGREEMENT

RECEIVED

JUL 19 2010
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

THIS AGREEMENT is made this 21st day of October, 2009, by and between **Allegheny Energy Service Corporation**, a Maryland corporation with offices at 800 Cabin Hill Drive, Greensburg, PA 15601, for itself and as agent for its parent and affiliates as set forth in Exhibit "A" attached hereto (the "AE Companies") and **Promotion Fulfillment Center ("PFC")**, a Delaware corporation.

WHEREAS, PFC has in its possession certain technical information, know-how and data of a confidential and proprietary nature (hereinafter referred to as "CONFIDENTIAL INFORMATION"), and

WHEREAS, AE COMPANIES have in their possession certain confidential information, know-how and data of a confidential and proprietary nature, including but not limited to customer information (hereinafter referred to as "CONFIDENTIAL INFORMATION"), and

WHEREAS, both PFC and AE COMPANIES are prepared to disclose certain of this CONFIDENTIAL INFORMATION to the other party under the following conditions.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which hereby are expressly acknowledged, the parties intending to be bound hereby agree as follows:

1. "Confidential Information" includes any and all information disclosed by one party to the other pursuant to this Agreement in a writing marked "Confidential" or "Proprietary" or by any electronic or digitally based information including, without limitation, customer information, electronic (.wav) files of customer calls, or if communicated either verbally or visually, identified as "Confidential" or "Proprietary" at the time of communication. It is understood that the obligations imposed upon the parties by this Agreement shall not apply to information that at the time of disclosure or thereafter (i) was generally available to and known by the public, other than as a result of a disclosure by the receiving party or its representatives; or (ii) was generally available to the receiving party on a non confidential basis from a source other than the disclosing party or its representatives, provided that such source was not bound by a confidentiality agreement with the disclosing party; or (iii) the information was already known to the receiving party as evidenced by its written records and the disclosing party is promptly notified after receipt of the information; or (iv) the information is independently developed by or on behalf of the receiving party by individuals who did not directly or indirectly receive relevant Confidential Information of the disclosing party; or (v) is disclosed by the recipient party with the disclosing party's prior written approval; or (vi) pursuant to legal requirements as provided in paragraph 3.

2. For a period of five (5) years from the date first written above, each party shall maintain the confidentiality and prevent accidental or other loss of any Confidential Information of the other party with at least the same degree of care as it uses to protect its own Confidential Information but in no event with less than reasonable care to maintain the other party's Confidential Information in confidence and shall not itself use, except for the benefit of the disclosing party, or disclose the same to others without the prior written consent of the disclosing party. Each party shall immediately notify the other in the event of any loss or unauthorized disclosure of the Confidential Information of the other party.

3. Each party agrees that it will make available the other party's Confidential Information only on a "need to know" basis and that all contractors, consultants, agents or employees to whom such Confidential Information is made available will be made aware of the

strictly confidential nature of such Confidential Information and shall have entered into a written confidentiality agreement with the party making such re-disclosure. Without the prior written consent of the disclosing party, neither the receiving party, nor its representatives, will disclose Confidential Information to any third party, except as provided herein and as may be required by law, subpoena or other legal process. If either party shall be required to disclose any Confidential Information, it is agreed that, to the extent legally permitted, such party will provide the other party with prompt written notice of such request, so that the other party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or that either party waives compliance with the provisions of this Agreement, each party agrees that it will furnish only that portion of Confidential Information and other information that is legally required and that it will cooperate with any efforts by the other party to obtain reliable assurance that confidential treatment will be accorded to that portion of Confidential Information that is being disclosed.

4. Each party agrees that it will not use in advertising, publicity or otherwise any trade name or trademark or any product, contraction, abbreviation or simulation thereof that is owned, to such party's knowledge by the other party or any subsidiary or affiliate of such other party without the owner's prior written consent.

5. By written demand, each party may require the other to cease using the Confidential Information, and at the party's option, either return the Confidential Information and all copies, notes or extracts thereof, to the party within seven (7) days of the demand or certify its destruction to the party.

6. No provisions of this Agreement shall be amended except by written consent of both parties, which consent shall specifically refer to this Agreement and explicitly make such amendment. Any consent or waiver of compliance with any provision of this Agreement shall be effective only if in writing and signed by the Party purported to be bound thereby, and then such consent or waiver shall be effective only in the specific instance and for the specific purpose for which given. No failure or delay by either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial waiver thereof preclude any other exercise of any other right, power or privilege hereunder. Each party shall be entitled to seek equitable relief, including injunction and specific performance, in the event of any breach of the provisions of this Agreement.

7. This Agreement constitutes the entire agreement and understanding between the parties as to Confidential Information concerning its subject matter. No representations have been made by either of the parties except as are specifically set forth herein. No rights or obligations other than those expressly recited herein are to be inferred from this Agreement.

8. If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

9. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns, as the case may be. This Agreement shall survive and shall not be affected by any termination of any commercial relationship between the parties.

10. This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

11. This Agreement shall be governed by the laws of the state where the audit is performed with respect to conflicts of law and the provisions of the United Nations Convention on Contracts for the International Sale of Goods.

12. Each party agrees that the Confidential Information is and shall remain the sole property of the disclosing party. Nothing in this Agreement shall be construed to grant either party any right, interest or license in or under any patent, trademark, copyright, trade secret or other proprietary right or material owned by the other party, whether or not it is part of the Confidential Information.

13. All notices, requests, consents, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be (a) personally delivered (including by local or overnight courier), (b) sent by postage prepaid registered first-class mail or (c) transmitted by facsimile or other electronic means, and shall be deemed to have been duly given when received if received prior to 5:00 p.m. on a business day or on the next business day (if delivered after 5:00 p.m. or on a non-business day). Notice to either party shall be sent to its address as set forth above, or to such other address as a party hereto shall have given notice pursuant to this Section.

ALLEGHENY ENERGY SERVICE CORPORATION

By: Michael L. Williams By: Roger J. Heasley
Printed Name: Michael L. Williams Printed Name: Roger J. Heasley
Title: Sr VP Finance Title: Director, Customer Management

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/21/2010

| | | |
|--|---|---------------|
| PRODUCER Ruhl & Ruhl Insurance 700 Putnam Building 215 N. Main Street Davenport, IA 52801 | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. | |
| | INSURERS AFFORDING COVERAGE | NAIC # |
| INSURED Blue Monde LLC dba Promotion Fulfillment Center 311 21st Street Clinton, IA 52732 | INSURER A: Employers Mutual Casualty Compa | 21415 |
| | INSURER B: | |
| | INSURER C: | |
| | INSURER D: | |
| | INSURER E: | |

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR ADD'L LTR | INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS |
|----------------|-------|---|------------------------|----------------------------------|-----------------------------------|--|
| A | | GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC | 3X4212810 | 06/22/09 | 06/22/10 | EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 |
| A | | AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS | 3X4212810 | 06/22/09 | 06/22/10 | COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| | | GARAGE LIABILITY <input type="checkbox"/> ANY AUTO | | | | AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$ |
| A | | EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10000 | 3X4212810 | 06/22/09 | 06/22/10 | EACH OCCURRENCE \$6,000,000 AGGREGATE \$6,000,000 \$ \$ |
| A | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below | 3X4212810 3M4212810 | 06/22/09 06/22/09 | 06/22/10 06/22/10 | <input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLY LIMIT \$500,000 |
| A | | OTHER Crime | 3X4212810 | 06/22/09 | 06/22/10 | \$100,000 |

RECEIVED

JUL 19 2010

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder is an additional insured as respects the above captioned General Liability policy.

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

| | |
|--|--|
| CERTIFICATE HOLDER Alleghany Energy Serv Co Monogahela Power Co; Potomac Edison Co West Penn Power Co., 800 Cabin Hill Dr. Greensburg, PA 15601 | CANCELLATION 10 Days for Non-Payment SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE  |
|--|--|

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

RECEIVED

JUL 19 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

XXVI. SECURITY

The security of employees, employee property, client property and company property is of vital importance to PFC. In an effort to maintain security, PFC reserves the right for periodic searches of lunch boxes, packages, etc. All employees share responsibility to ensure that proper security is maintained.

Given the nature of PFC's business, protecting client and company property, both tangible & intangible (such as information), is of vital concern to PFC. Employees must not use or disclose any proprietary or confidential information they obtain during employment with PFC except as required by their jobs.

In an effort to maintain security, PFC has installed security cameras throughout the facility, and restricted access to the building only through the front office and the production entrance at the south end of the cafeteria, which are monitored. Entering and exiting PFC's facility will be as instructed by Personnel during orientation, or by the department Supervisor. All visitors must enter and register at the front desk.

Company rules regarding document control, restricted access to areas of the facility, and other such procedures must be strictly observed by each employee. Failure to adhere to these company policies will be considered grounds for discipline including dismissal.

XXVII. SAFETY POLICY & RULES

Promotion Fulfillment Center, in consideration of all our employees, wishes to make clear our concern for the health and physical well being of each and every employee. In order for PFC to exist and thrive in the work place, we must maintain a high level of achievement. Two key elements are a necessity in reaching that goal.

It is very important to maintain a high level of productivity as this provides the funding for operating our business. In order to maintain that high degree of production, it is equally important that we maintain a high level of safety awareness.

Management will make every effort to provide the training and equipment required to allow you to work at the high level of safety that is expected and assist you in maintaining that status. Each and every member of the organization will be equally responsible for achieving and maintaining our safety goals by following all prescribed and common sense safety rules.

While PFC is committed to providing and maintaining a healthy and safe work environment for all employees, the employees are required to follow safe and healthy work practices at all times. The following is a listing of some general safety rules for PFC:

1. No throwing of any object on PFC property.
2. No speeding or careless driving of company vans, trucks, or forklifts.
3. No speeding or careless driving of personal cars on company property.
4. No horseplay – no running in buildings.
5. Keep all items, including debris, picked up in work area and walkway.
6. Do not stack full mail trays more than four high.
7. Put empty mail trays, pallets, and boxes in designated places. Do not set pallets on edge.
8. No personal items are to be stored on top of the refrigerators or in the work area. All personal items must be taken home daily.
9. Chairs should be pushed in or stacked when not in use.
10. Safety shoes are required for warehouse personnel.
11. No smoking in unauthorized areas.

12. Be extra cautious around machinery:
 - a. No loose clothing or jewelry should be worn.
 - b. Hair should be secured so it does not fall forward into machines.
 - c. Machines should be shut off and unplugged while repair work is being done.
 - d. All machines turned off when leaving.
 - e. All guards are to be left on while the machine is in operation.

This list is to be used as a guide only, as the company recognizes that it is impossible to cover all rules and regulations applicable to all situations.

All accidents resulting in personal injury regardless of nature, must be reported to your Supervisor/Assistant Supervisor or person in charge and an Injury Report is to be turned in to the Personnel Office.

XXVIII. COMPANY POLICY ON DRUGS, MIND-ALTERING SUBSTANCES, AND ALCOHOLIC BEVERAGES

No person will be hired who is known to be or suspected of being a user, promoter, or seller of illegal drugs.

Use or possession of illegal drugs on company premises or during working hours, including break or meal periods, or working under the influence of illegal drugs, is strictly prohibited. Violation of this policy is cause for immediate disciplinary action, including dismissal.

An employee who is found to be a seller or involved in the sale, solicitation, or dealing in illegal drugs will be discharged from the employment of the company.

The use or possession of alcoholic beverages on company premises is prohibited. Similarly, reporting to work or performing one's job assignments under the influence of alcohol is cause for disciplinary action, including dismissal.

XXIX. COMPLAINT PROCEDURE

Do you have a problem? If you do, we want to know about it. If there's something about your job that's bothering you, bring it out in the open. We will make every effort to straighten out your complaint. Here are three steps you can take to get your problem a fair hearing:

1. Your immediate Supervisor/Assistant Supervisor. He or she is ready and available to give you a fair hearing. Talk your problem over with your Supervisor/Assistant Supervisor honestly and sincerely. There is a good possibility that he or she can resolve your problem at this stage.
2. Your Department Manager. If your grievance remains unresolved, you can go to step 3.
3. At this step, you will meet with the Personnel Manager and a member of the Management Team for a complete and fair hearing.

Remember, there can be an honest difference of opinion about company policies, working conditions, and a number of other areas that may be causing your problem. We can't do anything about them until you tell us what they are.

XXX. PFC POLICY ON SEXUAL HARASSMENT

It is the intent of PFC to maintain a work place free of sexual harassment from any source, either supervisors or co-workers, and to discourage any instance of malicious accusation. Sexual harassment,

| | |
|--|--|
| | Promotion Fulfillment Center |
| SMALL BUSINESS SUBCONTRACTING PROGRAM | |
| BIDDING THIS CONTRACT MAY REQUIRE SUBMISSION OF A SUBCONTRACTING PLAN IN COMPLIANCE WITH PUBLIC LAW 95-507. | |
| 1. ARE YOU A LARGE BUSINESS CONCERN DEFINED AS A BUSINESS EXCEEDING THE SMALL BUSINESS SIZE CODE ADMINISTRATION AS SET FORTH IN CFR, TITLE 13, PART 121? | Yes |
| IF YES, CONTINUE TO QUESTION NO. 2. | |
| 2. CAN THIS CONTRACT EQUAL OR EXCEED \$550,000? | No |
| IF YES, CONTINUE TO QUESTION NO. 3. | |
| WILL BIDDER SUBCONTRACT ANY PORTION OF THIS WORK? | No |
| IF YES, BIDDER IS REQUIRED TO FILE A SUBCONTRACTING PLAN WITH ALLEGHENY ENERGY. | |
| Company Name | Blue Monde LLC, dba Promotion Fulfillment Center |
| Contact Person | Mr. Laurie Kolbeins - President |



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

April 5, 2010

A-2010-2153142

BLUE MONDE LLC
D/B/A PROMOTION FULFILLMENT CENTER
311 – 21ST STREET
CAMANCHE IA 52730

ATTENTION: LAURIE KOLBEINS

Re: Application to Register as a Conservation Service Provider

Dear Ms. Kolbeins:

On January 16, 2010, Blue Monde, LLC d/b/a Promotion Fulfillment Center (PFC) filed an application to register as a Conservation Service Provider (CSP) with the Pennsylvania Public Utility Commission. A registered CSP can advise an electric distribution company (EDC) and/or provide consultation, design, administration or management services to an EDC related to the EDC's energy efficiency and conservation plan.

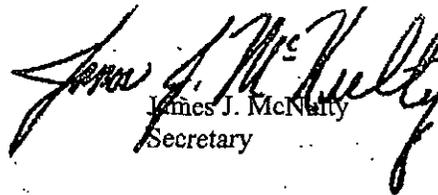
Upon review, it appears that the applicant meets the Pennsylvania Public Utility Commission's minimum qualifications to provide consultation, design, administration, management or advisory services to an EDC regarding energy efficiency and conservation plans required under Act 129 of 2008, P.L. 1592.

Therefore, effective from the date of this Secretarial Letter, PFC is registered as a CSP on the Pennsylvania Public Utility Commission's Registry of Conservation Service Providers. This registration is valid for two years from the effective date. A CSP must re-register every two years to remain on the registry. In addition, the applicant is advised that if any information in the application changes, it must provide a written notice of said change to the Commission within 45 days of the change.

This approval is not meant to constitute a license, certification or warranty of any kind by the Pennsylvania Public Utility Commission.

Please direct any questions to Matthew A. Wurst, Energy Industry Group, Bureau of Fixed Utility Services at (717) 425-5371.

Sincerely,


James J. McNulty
Secretary

cc: Elaine McDonald, FUS
Kathleen Aunkst, Secretary's Bureau

Vendor Name Promotion Fulfillment Ctr. (Blue Monde) Date 7/12/10

Contact Person LAURIE KOZBEINS, President

St Address 311-21st Street

City, St, Zip Camanche, IA 52730

Re: Verification of Non Affiliation with a Pennsylvania Electric Distribution Co. for Allegheny Power Contract # 4600002872

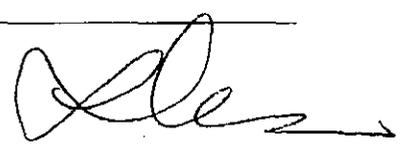
Act 129 defines a CSP as "an entity that provides information and technical assistance on measures to enable a person to increase energy efficiency or reduce energy consumption and that has no direct or indirect ownership, partnership or other affiliated interest with an electric distribution company." 66 Pa.C.S. § 2806.1(m). As the Commission and EDCs must be able to identify the type of entity a CSP is and confirm that it is not owned, partnered or affiliated with an EDC, the Commission requires all CSP's to provide the following information for contract approval.

Please provide the information below and return via e-mail or U.S. mail to Mary Shellhammer at mshellh@alleghenypower.com or Allegheny Power, Suite 1000, 126 Mathews St, Greensburg, PA 15601.

1. Legal name of the applicant Blue Monde LLC d/b/a
Promotion Fulfillment Center
2. Principal place of business 311-21st Street, Camanche, IA 52730

3. Names of parent and subsidiary companies and affiliates that are CSPs and EDCs
N/A

N/A



RECEIVED

JUL 19 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**West Penn Power Company
d/b/a Allegheny Power**

**Request for Proposal
Of
Rebate Processing Services**

January 5th, 2010

TABLE OF CONTENTS

| | | |
|-----|--|----|
| 1. | Introduction..... | 3 |
| 2. | Purpose..... | 3 |
| 3. | General Instructions..... | 3 |
| 4. | Confidential Information and Confidentiality Agreements..... | 3 |
| 5. | Modification or Cancellation of the RFP..... | 4 |
| 6. | Question, Comment and Response Process..... | 4 |
| 7. | Capability and Experience..... | 4 |
| 8. | Additional Information..... | 5 |
| 9. | No Commitment to Award Contracts..... | 5 |
| 10. | Warranty on Information..... | 5 |
| 11. | Hold Harmless..... | 6 |
| 12. | Bidder's Acceptance & Requirements..... | 6 |
| 13. | Permits, Licenses and Compliance with the Law..... | 6 |
| 14. | Proprietary Information..... | 6 |
| 15. | General Terms and Conditions..... | 6 |
| 16. | Bidders not EDC Affiliates..... | 7 |
| 17. | Scope of Work..... | 7 |
| 18. | Monitoring Provisions and Procedures..... | 12 |
| 19. | Execution of Agreement..... | 13 |

APPENDICES

1. Confidentiality Agreement
2. General Terms and Conditions, Form 26-069
3. Background Investigation, Form 35-519 (Not Required for this RFP)

1. **Introduction**

West Penn Power Company d/b/a Allegheny Power (hereinafter referred to as “Allegheny Power” or as “the Company”) is seeking Conservation Service Providers to assist in development and implementation of demand side management programs in Pennsylvania as a result of Pennsylvania Act 129 of 2008.

Allegheny Power, headquartered in the City of Greensburg, Pa, is a subsidiary of Allegheny Energy, Inc., an investor-owned electric utility with total annual revenues of over \$3 billion and more than 4,000 employees. Allegheny Power is an electric distribution company that provides electric delivery service in all or parts of 23 counties in western and central Pennsylvania. Allegheny Power provides electric distribution service in all or parts of Adams, Allegheny, Armstrong, Bedford, Butler, Cameron, Centre, Clarion, Clinton, Elk, Fayette, Franklin, Fulton, Greene, Huntingdon, Indiana, Jefferson, Lycoming, McKean, Potter, Somerset, Washington and Westmoreland Counties, Pennsylvania. Allegheny Power provides electric distribution service in Pennsylvania to approximately 715,000 customers, comprised of approximately 620,000 residential customers, approximately 81,000 commercial customers, and approximately 13,500 industrial customers. Allegheny Power is subject to the regulatory jurisdiction of the Pennsylvania Public Utility Commission (hereinafter referred to as “Pennsylvania Commission”).

2. **Purpose**

The purpose of this Request for Proposal (“RFP”) is to identify and contract with an experienced Conservation Service Provider (“CSP”) capable of providing cost-effective, turnkey services for Rebate Processing to support its EE&C programs. The programs will be designed to reduce energy usage by enabling customers to implement energy efficient measures in accord with the Act 129 and in accord with Orders of the Pennsylvania Commission implementing Act 129.

3. **General Instructions**

Bidders are required to follow all the instructions set forth in the RFP. In submitting a proposal, it is imperative that complete documentation be provided, that the forms and agreements provided by the Company be used, that all exhibits and attachments be clearly marked and identified, and that the proposal is organized in the manner prescribed.

4. **Confidential Information and Confidentiality Agreements**

The Company and its agents will treat as confidential all proposals submitted by bidders and communications between bidders and the Company. Bidders are submitting their proposals with the knowledge and understanding that, regardless of confidentiality of any information submitted by them, it is subject to disclosure to the Pennsylvania

Commission and its Staff, or any other governmental authority or judicial body with jurisdiction relating to these RFP matters, and further may be subject to legal discovery.

The Company will ensure that all bidders have access to the same information from the Company and that no bidder will have selective or otherwise preferential access to market sensitive information from the Company through this RFP.

The CSP and Company will be required to execute the Confidentiality Agreement prior to contract award. An electronic copy of the Confidentiality Agreement can be found as attached Appendix 1.

Certain information related to all received bids may be provided to the Pennsylvania Commission and its Staff, or any other governmental authority or judicial body with jurisdiction relating to these RFP matters, and further may be subject to legal discovery. Such information will be considered confidential between Allegheny Power and the bidders, and Allegheny Power will provide the information to the Pennsylvania Commission on a confidential basis. However, Allegheny Power shall not be held responsible should the Pennsylvania Commission or its Staff, or any other governmental authority or judicial body with jurisdiction relating to these RFP matters, make such information public.

5. Modification or Cancellation of the RFP

Allegheny Power reserves the right, in its sole judgment and discretion, to modify or cancel this RFP. Allegheny Power will post a notice on the RFP website and make reasonable efforts to notify participants of any such changes, cancellations, or schedule changes. Allegheny Power shall not have any responsibility for making such notification. Allegheny Power shall not have any liability for damages suffered by bidders as a result of modification or cancellation of the RFP.

6. Question, Comment and Response Process

All questions and comments submitted by bidders and stakeholders, as well as the Allegheny Power's responses to such questions and comments, will be posted on the RFP website as E-mailed to each bidder. Accordingly, bidders and stakeholders should avoid including information in their questions and comments that they would not want disclosed. The official response to questions is the written response posted to the website. Allegheny Power's objective in posting these questions, comments, and responses is to ensure all bidders have equal access to information that may be relevant to their respective proposals.

7. Capability and Experience

Each bidder must be an entity that provides information and technical assistance on *measures to enable a person or entity to increase energy efficiency or reduce energy consumption*. Each bidder must have at least three years of documented experience in

providing program consultation, design, administration and management services related to energy efficiency and conservation services. Each bidder must provide sufficient evidence to demonstrate its capabilities and level of experience in developing and implementing these types of programs for which it intends to submit a proposal. Bidders shall provide full and complete documentation, including references with telephone number and email addresses, of previous experience over the last three to five years in successful project development and implementation rolls.

Each bidder must certify that it will meet the experience and technical qualifications required by the Pennsylvania Commission regarding the bidder's experience and technical qualifications. Those qualifications are found on Page 8 of the Pennsylvania Commission's Order entered December 22, 2008, at Docket No. M-2008-2074154.

Each bidder must certify that it will meet the financial fitness and insurance standards required by the Pennsylvania Commission. Those standards are found on page 12 of the Pennsylvania Commission's Order entered December 22, 2008, at Docket No. M-2008-2074154.

8. Additional Information

Allegheny Power may request additional information and materials from any bidder for evaluation of a proposal. Failure to provide such additional information and materials may result in rejection of the proposal for further evaluation.

9. No Commitment to Award Contracts

Allegheny Power reserves the right to terminate the RFP process or reject any or all of the proposals received in response to this RFP at its sole discretion. Also, the bidder understands that this RFP is not intended to and does not constitute a commitment by the Company to consummate any definitive agreement with any bidders. Neither the Company nor any bidder will have any rights or obligations of any kind whatsoever by virtue of the RFP or any other written or oral expression by any party hereto.

10. Warranty on Information

The information provided in the RFP, or on the Company's RFP website, has been prepared to assist bidders in evaluating the RFP. It does not purport to contain all the information that may be relevant to a bidder in satisfying its due diligence efforts. The Company makes no representation or warranty expressed or implied, as to the accuracy or completeness of the information, and shall not, individually or as a corporation, be liable for any representation expressed or implied in the RFP or any omissions from the RFP, or any information provided to a bidder by any other source.

A bidder should check the Company's website frequently, to ensure it has the latest documentation and information. Neither the Company nor its representatives shall be

liable to a bidder or any of its representatives for any consequences relating to or arising from the bidder's use of outdated information.

11. Hold Harmless

Bidders shall hold the Company harmless of and from all damages and costs, including but not limited to legal costs, in connection with all claims, expenses, losses, proceedings or investigations that arise as a result of the RFP or the award of a bid pursuant to the RFP.

Bidders recognize and hereby agree that Allegheny Power may be subject to significant civil penalties under Act 129 for failure to achieve required reductions in consumption, and each bidder agrees that it will be liable for a proportionate share of such civil penalty should its action or inaction have resulted in or contributed to a failure to achieve energy and efficiency goals set in Act 129, specifically Act 129 electric consumption reduction goals and electric peak demand goals.

Each bidder further recognizes and agrees that poor performance or non-compliance with these terms, or the standards of Act 129 and Orders of the Pennsylvania Commission implementing Act 129 will provide the Company a cause of action against bidder for damages resulting from such poor performance or non-compliance.

12. Bidder's Acceptance & Requirements

The submission of a proposal to the Company shall constitute a bidder's acknowledgment and acceptance of all the terms, conditions and requirements of this RFP. The Bidder is required to be an approved and registered CSP with the PA PUC.

13. Permits, Licenses and Compliance with the Law

Supplier shall obtain all licenses and permits that may be required by any governmental body or agency necessary to conduct supplier's business or to perform hereunder. Supplier's subcontractors, employees, agents and representatives of each in performance hereunder shall comply with all applicable governmental laws, ordinances, rules, regulations, orders and all other governmental requirements.

14. Proprietary Information

The treatment of proprietary and confidential information of any bidder and of the Company is addressed in the Confidentiality Agreement (Appendix 1).

15. General Term and Conditions

The agreement will be governed by the Allegheny Energy Service Corporation General Terms and Conditions attached hereto as Appendix #2.

16. Bidders not EDC affiliates

Each bidder must certify that it is not affiliated with an EDC through ownership, partial ownership or control. Affiliation or merger with an EDC by a CSP at any time during the term of the contract will constitute a breach of the contract by the CSP and cause the termination of the contract. The CSP will immediately notify Allegheny Power of a merger and provide for automatic termination of the contract. The CSP is required to maintain registration with the PA PUC as an approved CSP during the term of the contract.

17. Scope Of Work

Project Objectives:

Allegheny Power is soliciting proposals for the development and implementation of a rebate processing solution. Allegheny is in the process of developing a number of programs that will include rebate incentives for the customers who take advantage of these programs. Some of these programs will be for Energy Star rated products.

Allegheny Power anticipates a 3-year contract with annual reviews of contractor and program performance. The Program will tentatively begin on June 1, 2009 and continue through June 1, 2012. The coverage area is Allegheny Power's service territory

Allegheny Power will begin with rebate programs in Maryland. Programs will be initiated in Pennsylvania in late 2009.

The winning supplier will receive rebates forms from customers for validation prior to processing and approved rebate forms from Allegheny representatives for processing.

Allegheny Power is not using "buy downs" or "mark downs" in the programs that are developed and does not plan the use for future programs.

The purpose of this RFP is to evaluate and select a supplier to process rebates for Allegheny Power and its customers.

Allegheny Power is looking for a solution from a supplier that is interested in establishing a long-term interactive relationship. The supplier must be flexible and willing to provide future adjustments and enhancements to the solution in a timely and cost effective manner.

Project Summary:

Rebate Program - Allegheny Power is interested in a solution for rebate processing for the following programs from eligible customers:

1. Allegheny Power is developing Energy Efficiency Programs with rebate offerings for:

Table 2 - Rebate Program Participants (Estimated)

| | 2009 | 2010 | 2011 | 2012 | Total |
|---|--------------|---------------|---------------|---------------|----------------|
| <i>Energy Star Appliance Program</i> | 8700 | 32899 | 63397 | 63777 | 168774 |
| <i>Home Performance Program</i> | 4952 | 66956 | 94540 | 94756 | 261203 |
| <i>Programmable Controllable Thermostat Demand Response Program</i> | 0 | 281 | 4303 | 14681 | 19266 |
| <i>CFL Rewards Program</i> | 34100 | 121553 | 234498 | 217893 | 608044 |
| <i>Residential HVAC Efficiency Program</i> | 920 | 5555 | 11177 | 11244 | 28896 |
| Total Residential Programs | 48673 | 227244 | 407915 | 402352 | 1086183 |
| <i>Commercial Lighting Efficiency Program</i> | 669 | 5028 | 7659 | 6307 | 19663 |
| <i>Commercial HVAC Efficiency Program</i> | 146 | 884 | 1790 | 1811 | 4631 |
| <i>Variable Frequency Drives Program</i> | 24 | 141 | 282 | 282 | 729 |
| <i>Custom Commercial Program</i> | 0 | 15 | 21 | 21 | 57 |
| <i>Commercial & Industrial Custom Applications Program</i> | 0 | 5 | 8 | 8 | 21 |
| <i>Government/Non-Profit Lighting Program</i> | 392 | 5532 | 2042 | 363 | 8350 |
| Total Non-Residential Programs | 1230 | 11605 | 11802 | 8813 | 33450 |
| TOTAL | 49903 | 238849 | 419717 | 411164 | 1119633 |

2. The supplier must be flexible and have the ability to adjust to new programs as Allegheny develops them.
3. Allegheny Power will provide a data file to be used for validation of customers eligible for rebates. This data file will include name, account number, and address.
4. The supplier will process the rebate forms within 14 days of receiving them.
5. The supplier will recommend a preferred process to address the high volume, low value rebate forms for the CFL light bulbs.
6. The supplier will provide real-time reporting statistics to be defined by Allegheny Power using a secure internet portal.
7. Rebate forms will also be submitted for other programs that are pre-approved by Allegheny and will only require processing. (Example – LED Traffic Signals)
8. Allegheny Power and the Rebate Customers must have a method to track the rebate process through both an internet and telephone option.

Allegheny is looking to the supplier to assist with this program. The supplier will address:

1. Customer inquiries. Customers may ask program specific questions or request to schedule an audit.
2. Accept and process "reservation payment" from the customer. The supplier will be asked to accept payment for the audit service before an audit request will be assigned to a qualified contractor.
3. Assign an audit request to a qualified contractor after a payment is received from the customer. This process could be a phone call, an email or on online posting service that contractors can access. The process will be defined with assistance from the supplier.
4. The supplier will provide real-time reporting statistics to be defined by Allegheny Power using a secure internet portal.
5. All Allegheny Power and Customer data can be considered confidential and must be treated accordingly.

Proposal Format:

To expedite and simplify proposal evaluation and to assure that each proposal receives the same orderly review, it is recommended that proposals use the following outline:

1. Introduction and Executive Summary
2. Company and Project Team profile – provide a description of the team and key managers and their qualifications. Identify where the project team resources will be located and identify how Allegheny Power will have access to them for review and questions.
3. Past Experience – provide a description of your team's past experience and the following:
 - a. Similar Projects – provide a list of similar projects specifically including the names of utility customers, length of relationship, and if Energy Star programs are involved.
 - b. Project references – provide a list of references with contact information from at least three of the projects listed above.
4. Financial Stability – Provide an overview of your current financial status. Provide copies of the last two (2) annual reports, D&B Number and rating, recent audited financials,

- insurance certificates, financial liabilities and any pending litigation. Have you had any contracts terminated in the last three (3) years and why?
5. Project Approach – Explain your team's approach to working with a company during the development of the Rebate Management process
 6. Project Objective – Describe the specific objectives that would be achieved by the solution provided by your company to meet this RFP.
 7. Scope of Service – Fully describe the services being provided by your company for this project. This should include all labor, material, software development, annual fees, and equipment required to implement this solution.
 8. Project Plan – Describe the project plan that will be followed for this project, including major tasks. Note where checkpoints and approval will be required. Provide any process recommendations you may have for these types of programs based on your experience.
 9. Project Time Line – Describe your project timeline for the implementation. Document the major milestones. Note the required support for both specific role and FTE requirements of Allegheny Power.
 10. Performance – Describe your service level performance.
 - a. Average processing time of rebates from receipt of application to mailing of checks.
 - b. Average hold time in your customer call center.
 - c. How do you collect data of individual rebate submission?
 - d. Is this performed by your employees or is it outsourced?
 - e. If outsourced please include details.
 11. Information Security – Describe the plan for providing security for the transfer and use of critical information within the energy management web portal, including the following:
 - a. Security plans for the major elements of the project
 - b. Security for protecting all information to the best of your abilities in accordance with applicable laws and or regulations. All Allegheny Power and Customer data can be considered confidential. Customer data cannot be shared with other companies.
 - c. Password access schemes for customer sensitive applications, data, and locations
 - d. Methods to protect against software attacks and viruses
 12. Form Design – Describe your services and recommendations for rebate form design. Provide at least five (5) pertinent samples for this program.
 13. Reporting – All submissions should be recorded with all available data tracked.
 - a. What standard reports are provided?
 - b. Can ad-hoc reports be provided if requested?
 - c. How is information delivered to customers?
 - d. How often is data delivered?

- e. *Is web based reporting available?*
 - f. Describe and provide a few sample reports or screen shots.
14. Reporting – Rebate processing
- a. Invalid rebate submittals
 - b. Valid submittals
 - c. Are real-time, online metrics available
 - d. Tracking of rebates from “invalid” to “valid” status
15. Reporting – Service Level
- a. Call abandoned rate
 - b. Average speed to answer
 - c. Average time to respond to email/inquires
16. Invoicing – Describe your normal invoicing process for similar projects.
17. Rebates Abandoned by Customers – Please address how rebate checks that are not cashed by the recipient are handled.
18. Financial Considerations - Describe in detail how this solution will be priced. The program costs will be provided on a per unit basis according to the Table 1 in Exch A.
- a. Include one-time fees, ongoing fees; upgrade fees, support fees if any, etc. Provide pricing based on an itemized structure for the total project.
 - b. Pricing methodology must include from the start of the process, through completion of the project.
 - c. Pricing must also be in the format that clearly defines the programs for Pennsylvania.
 - d. Shared or split costs must be identified.
 - e. Pricing for the Home Performance Energy Audit Invoice Processing must be itemized separately from the Rebate Program service.
 - f. Note how long the pricing structure is firm, we are requesting 90 days. If this is not possible please explain.
19. Distinctive – What differentiates your company from your competition?
20. Other Information – provide any other information that you believe would be relevant to this RFP.
21. Evaluation Criteria - The proposals will be carefully evaluated by Allegheny Powers competitive bid process according to the following criteria:
- 1. Experience and Qualifications **(20%)** – does the supplier have the track record of high performance in similar programs?
 - 2. Customer Service **(10%)** - does the supplier have the systems and infrastructure in place to handle the customer service needs of a program like this? Including call center, on-line scheduling systems and customer handling.
 - 3. Data Management and Reporting Systems **(10%)** - does the supplier have reporting and tracking systems to meet the needs of the program?

4. Cost (**60%**) - pricing should be competitive and reasonable. Allegheny Power is not required to select the lowest price supplier. Pricing should be provided on the unit basis requested in the pricing section of this RFP.

18. Monitoring Provisions and Procedures

(Allegheny Power is considering a separate contract to consult, design, and implement an EM&V plan. The EM&V tasks being contemplated are:

- Design and document a comprehensive and complete EM&V strategy for each of the Act 129 plan categories.
- Implement the EM&V strategy and provide all data, analysis and information to the EDC to support the evaluation of and the reporting.)

The Evaluation, Monitoring and Verification Proposal and Plan (“EM&V”) for each program will contain the following:

- High-level summary of audit plan.
- Programs to be audited and the program logic/theory.
- The format and type of documentation identifying plan expenditures.
- The type and format of data used to measure and verify energy savings.
- Descriptions of metrics to be used (including energy and demand savings metrics) for each program.
- Description of the methodologies, procedures and data tracking systems to be used by the Auditor to verify the impact evaluations and project verifications for each plan, including data gathering, sampling and analysis methods.
- Audit approaches to be used for each program, including how realization rates and net-to-gross ratios will be determined.
- The type and format of data used to evaluate the cost-effectiveness of expenditures.

19. Execution of Agreement

Upon execution of the Purchase Order issued by Allegheny Power Service Corporation, agent for Allegheny Power, the terms and conditions of the Request for Proposal, General Terms and Conditions, and Non Disclosure Agreement, shall constitute the Agreement, with intent to be legally bound, between bidder and Allegheny Power.

Bidders are required to execute the Confidentiality Agreement (Appendix 1) and the Background Investigations (Appendix 3) post bid and pre contract award (**Background Investigations are NOT required for this contract, because the vendor will not be working on Allegheny Power or Customer property or have direct access to Allegheny Power IT Network**).

In accordance with the PAPUC’s Implementation Order entered February 5, 2009, a criminal and other background check is required for persons associated with the CSP who will enter the premises of Allegheny Power customers or have personal contact with said

customers. The scope of the criminal and background check is provided in Appendix No. 3. Contract award is subject to these requirements being fulfilled to Allegheny Powers satisfaction.

RECEIVED

JUL 19 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix # 1

ALLEGHENY ENERGY SERVICE CORPORATION

NONDISCLOSURE AGREEMENT

THIS AGREEMENT is made this ____ day of _____, 2009, by and between **Allegheny Energy Service Corporation**, a Maryland corporation with offices at 800 Cabin Hill Drive, Greensburg, PA 15601, for itself and as agent for its parent and affiliates as set forth in Exhibit "A" attached hereto (the "AE Companies") and _____ a _____ corporation, ("_____").

WHEREAS, _____ has in its possession certain technical information, know-how and data of a confidential and proprietary nature (hereinafter referred to as "CONFIDENTIAL INFORMATION"), and

WHEREAS, AE Companies has in its possession certain confidential information, know-how and data of a confidential and proprietary nature, (hereinafter referred to as "CONFIDENTIAL INFORMATION"), and

WHEREAS, both _____ and AE Companies are prepared to disclose certain of this

CONFIDENTIAL INFORMATION to the other party under the following conditions.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which hereby are expressly acknowledged, the parties intending to be bound hereby agree as follows:

1. "Confidential Information" includes any and all information disclosed by one party to the other pursuant to this Agreement in a writing marked "Confidential" or "Proprietary" or by any electronic or digitally based information including, without limitation, customer information, electronic (.wav) files of customer calls, or if communicated either verbally or visually, identified as "Confidential" or "Proprietary" at the time of communication. It is understood that the obligations imposed upon the parties by this Agreement shall not apply to information that at the time of disclosure or thereafter (i) was generally available to and known by the public, other than as a result of a disclosure by the receiving party or its representatives; or (ii) was generally available to the receiving party on a non confidential basis from a source other than the disclosing party or its representatives, provided that such source was not bound by a confidentiality agreement with the disclosing party; or (iii) the information was already known to the receiving party as evidenced by its written records and the disclosing party is promptly notified after receipt of the information; or (iv) the information is independently developed by or on behalf of the receiving party by individuals who did not directly or indirectly receive relevant Confidential Information of the disclosing party; or (v) is disclosed by the recipient party with the disclosing party's prior written approval; or (vi) pursuant to legal requirements as provided in paragraph 3.

2. For a period of five (5) years from the date first written above, each party shall maintain the confidentiality and prevent accidental or other loss of any Confidential Information of the other party with at least the same degree of care as it uses to protect its own Confidential Information but in no event with less than reasonable care to maintain the other party's Confidential Information in confidence and shall not itself use, except for the benefit of the disclosing party, or disclose the same to others without the prior written consent of the disclosing party. Each party shall immediately notify the other in the event of any loss or unauthorized disclosure of the Confidential Information of the other party.

3. Each party agrees that it will make available the other party's Confidential Information only on a "need to know" basis and that all contractors, consultants, agents or employees to whom such Confidential Information is made available will be made aware of the strictly confidential nature of such Confidential Information and shall have entered into a written confidentiality agreement with the party making such re-disclosure. Without the prior written consent of the disclosing party, neither the receiving party, nor its representatives, will disclose Confidential Information to any third party, except as provided herein and as may be required by law, subpoena or other legal process. If either party shall be required to disclose any Confidential Information, it is agreed that, to the extent legally permitted, such party will provide the other party with prompt written notice of such request, so that the other party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or that either party waives compliance with the provisions of this Agreement, each party agrees that it will furnish only that portion of Confidential Information and other information that is legally required and that it will cooperate with any efforts by the other party to obtain reliable assurance that confidential treatment will be accorded to that portion of Confidential Information that is being disclosed.

4. Each party agrees that it will not use in advertising, publicity or otherwise any trade name or trademark or any product, contraction, abbreviation or simulation thereof that is owned, to such party's knowledge by the other party or any subsidiary or affiliate of such other party without the owner's prior written consent.

5. By written demand, each party may require the other to cease using the Confidential Information, and at the party's option, either return the Confidential Information and all copies, notes or extracts thereof, to the party within seven (7) days of the demand or certify its destruction to the party.

6. No provisions of this Agreement shall be amended except by written consent of both parties, which consent shall specifically refer to this Agreement and explicitly make such amendment. Any consent or waiver of compliance with any provision of this Agreement shall be effective only if in writing and signed by the Party purported to be bound thereby, and then such consent or waiver shall be effective only in the specific instance and for the specific purpose for which given. No failure or delay by either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial waiver thereof preclude any other exercise of any other right, power or privilege hereunder. Each party shall be entitled to seek equitable relief, including injunction and specific performance, in the event of any breach of the provisions of this Agreement.

7. This Agreement, together with the Request for Proposal of Conservation Service Provider for Pennsylvania Act 129 compliance, constitutes the entire agreement and understanding between the parties as to Confidential Information concerning its subject matter. No representations have been made by either of the parties except as are specifically set forth herein. No rights or obligations other than those expressly recited herein are to be inferred from this Agreement.

8. If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

9. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns, as the case may be. This Agreement shall survive and shall not be affected by any termination of any commercial relationship between the parties.

10. This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

11. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

12. Each party agrees that the Confidential Information is and shall remain the sole property of the disclosing party. Nothing in this Agreement shall be construed to grant either party any right, interest or license in or under any patent, trademark, copyright, trade secret or other proprietary right or material owned by the other party, whether or not it is part of the Confidential Information.

13. All notices, requests, consents, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be (a) personally delivered (including by local or overnight courier), (b) sent by postage prepaid registered first-class mail or (c) transmitted by facsimile or other electronic means, and shall be deemed to have been duly given when received if received prior to 5:00 p.m. on a business day or on the next business day (if delivered after 5:00 p.m. or on a non-business day). Notice to either party shall be sent to its address as set forth above, or to such other address as a party hereto shall have given notice pursuant to this Section.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

RECEIVED

JUL 19 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix #2

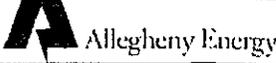
GENERAL TERMS AND CONDITIONS

1. **BUYER:** Each company for which materials ordered herein are to be used or for which services ordered herein are to be performed shall be the Buyer of those materials or services. No Buyer shall be liable to Seller for any obligation of any other Buyer hereunder.
2. **OFFER, ACCEPTANCE AND AMENDMENTS:** This purchase order is an offer by Buyer to Seller, is not an acceptance of the terms and conditions of any offer made by Seller to Buyer, and any such offer is expressly rejected. Acceptance of this offer is expressly limited to its terms. Upon acceptance by Seller, this purchase order becomes the final agreement between Seller and Buyer, constituting the entire contract and superseding all previous communications either oral or written. This purchase order may be modified only by a writing signed by Buyer.
3. **RESPONSIBILITY:** Seller in its performance hereunder shall at all times be an independent contractor and responsible for all acts or omissions (negligent or otherwise) of its agents, employees and subcontractors. Personnel employed by or representing Seller on Buyer's premises shall be subject to the continuing approval of Buyer and any worker who is unsatisfactory shall be removed at the request of Buyer. Furthermore, all subcontractors employed by Seller shall be subject to Buyer's continuing approval. Seller alone shall be and remain liable and responsible for the manner and methods by which work is performed and for materials, working force and equipment, irrespective of whether or not any changes are made as a result of any comments received from Buyer.
4. **EMPLOYMENT STANDARDS:** Seller agrees, unless exempt, to comply with the Federal Acquisition Regulations System (FAR) including, but not limited to, solicitation provisions and contract clauses in the following implementation provisions which are hereby incorporated by reference: Equal Employment Opportunity (48 C.F.R. § 22.6), Special Disabled and Vietnam Era Veterans (48 C.F.R. § 22.13, 41 C.F.R. § 20-250.4(m)), Employment of the Handicapped (48 C.F.R. § 22.14, 41 C.F.R. § 20-741.4(f)), Small Business and Small Disadvantaged Business Concerns (48 C.F.R. § 19.000-19.902), Pollution Control and Clean Air and Water (48 C.F.R. § 23.1). Seller further agrees by its acceptance of this purchase order to make certifications and periodic reports required by the FAR, and the laws and Executive Orders implemented by those regulations.
5. **SMALL BUSINESS STANDARDS:** Pursuant to the Small Business Act as amended (15 U.S.C. § 831 et seq.) and Utilization of Small Business Concerns (48 C.F.R. § 19.000-19.902, and § 62.219-8), Seller agrees to use its best efforts to carry out the policy stated in the said Act as amended so that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals as defined in the Act have the maximum practicable opportunity to compete for subcontracts to the fullest extent consistent with the efficient performance of the contract.
6. **SAFETY AND HEALTH:** Seller shall take all precautions necessary and shall be solely responsible for the safety of the work and the safety and adequacy of the manner and methods it employs in performing the work and shall not require any employee or representative performing hereunder to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to health or safety. Seller shall conduct the work in conformance with all applicable safety and health laws, ordinances, rules, regulations, orders and all other requirements including those promulgated pursuant to OSHA and by Buyer when on Buyer's premises.
7. **PERMITS, LICENSES AND COMPLIANCE WITH THE LAW:** Seller shall obtain all licenses and permits that may be required by any governmental body or agency necessary to conduct Seller's business or to perform hereunder. Seller, Seller's subcontractors, and employees, agents and representatives of each in performance of work hereunder shall comply with all applicable governmental laws, ordinances, rules, regulations, orders and all other governmental requirements.
8. **INSURANCE:** Prior to rendering any service hereunder, Seller shall, at its own expense, procure and thereafter keep in effect until service has been performed: (a) Workers' Compensation Insurance for its employees engaged in this work sufficient to comply fully with requirements and coverages specified by laws of each jurisdiction in which work shall be performed; (b) Commercial General Liability Insurance providing limits of not less than \$3,000,000 combined single limit per occurrence for bodily injury and death and for property damage and including coverage for Contractual Liability, covering all liability of Seller under this purchase order and including Products-Completed Operations; (c) Comprehensive Automobile Liability Insurance (including owned, nonowned and hired vehicles); providing limits of not less than \$1,000,000 combined single limit per occurrence for bodily injury and death and including property damage; (d) such other specific insurances and/or limits determined by Buyer to be appropriate for work to be performed. Seller shall cause Buyer to be added as an additional insured on the policies of insurance and furnish Buyer (Attention: Event Risk Manager) with certificates of insuring companies showing such insurance to be in effect and the expiration dates and agreeing to give thirty (30) days written notice to Buyer in advance of any change in or cancellation of such insurances.
9. **PROPRIETARY RIGHTS:** Seller shall defend, at its own expense, indemnify and hold harmless Buyer, Buyer's Agent and Buyer's Representative, and employees, agents and representatives of each against all costs and damages, including attorneys' fees, arising out of any action in which it is alleged that the materials or any use thereof constitutes a misappropriation or infringement of any patent, copyright, trade secret or any other proprietary rights. If Buyer, Buyer's Agent or Buyer's Representative is found to misappropriate or infringe in any use of the materials specified in this purchase order, Seller shall, at its own expense, either procure for Buyer, Buyer's Agent or Buyer's Representative the right to use the materials or alter or replace said materials with functionally equivalent materials that are acceptable to Buyer and pay all expenses sustained as a result of such alteration or replacement.
10. **PERFORMANCE:** Except as provided in Paragraph 11, if delivery of materials or rendering of services is not completed by the time specified in this purchase order, Buyer reserves the right, without liability and in addition to its other rights and remedies at law or in equity, to cancel all or any part of this purchase order by notice effective when received by Seller as to materials not yet shipped or services not yet rendered.
11. **DELAY:** If, by reason of uncontrollable forces as defined herein, Buyer or Seller shall be unable to perform any of its obligations in whole or in part, and if within ten days after the occurrence thereof the party affected gives written notice to the other, then the obligations of both parties shall be suspended to the extent made necessary by such occurrence. The term "uncontrollable force" as used herein, includes, but is not limited to, acts of God, fires, floods, explosions, strikes and other labor disputes, governmental regulations, acts or omissions of governmental authority, unusually severe weather, inability to obtain necessary permits and licenses, inability of Buyer to obtain adequate financing or other economic impracticality.
12. **SUSPENSION:** Seller, upon written notice from Buyer, shall suspend or stop temporarily performance hereunder.
13. **TERMINATION WITHOUT CAUSE:** Buyer may terminate this purchase order without cause at any time in whole or in part by written notification to Seller. Upon receipt of notice of termination, Seller shall, unless notified otherwise, immediately discontinue the work terminated, cease delivery and ordering of materials, and make reasonable efforts to cancel delivery orders, contracts and subcontracts relating thereto upon terms satisfactory to Buyer. After receipt of notice of termination, Seller shall continue to perform such work as necessary to preserve and protect material and work in progress or in transit until relinquishing possession and control of same as provided in the notice of termination. Upon compliance with a notice of termination, Seller shall be entitled to be compensated for actual costs incurred and a

reasonable, prorata profit rate for the actual costs incurred. Such termination shall be without prejudice to any claims which Buyer may have against Seller and this paragraph shall not apply if Buyer terminates for cause.

14. **TITLE AND RISK OF LOSS:** Title and risk of loss shall transfer from Seller to Buyer upon delivery of all materials ordered hereunder at the destination specified on the face of this purchase order. Every shipment and invoice shall be marked to show Buyer, Buyer's purchase order number and carrier by which the materials are to be shipped. Materials shipped C.O.D. without Buyer's written consent will not be accepted and will be at Seller's risk.
15. **TAXES:** Unless otherwise specified in this purchase order, the price of goods and services ordered herein shall not include any taxes and charges now or hereinafter imposed upon Seller by any federal, state or local government or any governmental agency of the United States or the government of any other country or subdivision thereof by reason of the agreement or performance by Seller hereunder. Buyer will execute and furnish to Seller Certificates of Exemption from state sales taxes upon request.
16. **PRICE INFORMATION:** Upon request, Seller shall provide Buyer with sufficient information relating to prices of materials and services to enable Buyer to comply with accounting regulations of the Federal Energy Regulatory Commission.
17. **PAYMENT:** Buyer shall make payment to Seller in accordance with the terms of this purchase order. Buyer reserves the right to retain 10% of the payments made on purchase orders for services as such payments are made hereunder. The 10% retained shall be paid to Seller when Buyer is satisfied that the interests of Buyer in the completed work have been protected. Such payment shall not be unreasonably withheld. No payment shall be evidence of satisfactory performance of this purchase order or shall be construed to be an acceptance of defective or nonconforming materials or services.
18. **RELEASES:** Seller shall give Buyer written notice of any claims, liens or encumbrances of any nature affecting or relating to the work to be performed hereunder. Buyer shall have the right prior to making final payment to Seller to require Seller to certify that no lien, claim or encumbrance related to the work is outstanding and to furnish releases from Seller's employees, subcontractors, suppliers and any other claimants in support thereof. If any lien is filed or Buyer receives any notice of a lien filed or to be filed to secure any claim arising out of any performance or omission in connection with the performance hereof, Seller shall, upon written demand by Buyer, promptly obtain and record a full release and discharge of such lien. If Seller fails to do so, Buyer may pay such claim from monies due or payable to Seller and obtain and record such release and discharge at Seller's expense.
19. **RIGHT TO AUDIT:** If the price stated in this purchase order is other than a firm price, Buyer shall have the right to inspect and audit all the books, records, correspondence, receipts, vouchers, and memoranda, etc., of Seller, Seller's subcontractors and other entity used by Seller in performing this purchase order. Seller, Seller's subcontractors and any other entity used by Seller in the performance of this purchase order shall preserve all such records for a period of two years after final payment hereunder. Seller shall provide for such right to audit by Buyer in all contracts with subcontractors and other entities relating to this purchase order.
20. **INSPECTION:** Buyer shall have the right from time to time to inspect the work in progress or completed at Seller's premises upon reasonable notice and on Buyer's premises without such notice. Any such inspection shall in no way relieve Seller of any of its obligations under this purchase order. Any such work disclosed by any such inspection not to be in conformity with the requirements of this purchase order shall, immediately following notification thereof, be corrected by Seller at Seller's expense. Seller shall provide safe access to such work and where necessary for such inspections shall provide scaffolds and ladders in place and such other equipment normal to conduct such inspections.
21. **ACCESS:** Personnel of Seller and subcontractors employed by Seller shall enter and exit Buyer's premises only by the special entrances designated from time to time by Buyer.
22. **WARRANTY:** In addition to, and not in limitation of, any other remedies provided herein or by law or in equity, Seller expressly warrants that the goods and/or services supplied hereunder will conform to Buyer's specifications in all respects and will be of good workmanship and quality, free from all defects (including defects in design and title) and fit for the purposes intended by Buyer. Upon failure of any of the materials and/or services supplied hereunder to conform to the above warranties, Seller shall, at Buyer's option and at no cost to Buyer, promptly repair or replace any item of material or correct or reperform any services so that they conform to the above warranties. The costs of transporting, repairing, replacing, removing or installing material to make materials and services comply with the above warranty shall be borne by Seller.
23. **INDEMNIFICATION:** To the fullest extent permitted by law and regardless of whether or not caused by the negligence of a party indemnified herein, Seller shall indemnify, save harmless and defend ("Indemnity Obligation") Buyer, Buyer's Agent, Buyer's Representative and employees, agents, directors, officers and representatives of each, from all claims, losses, liabilities and expenses, including attorneys' fees, growing out of personal injury, death or damage to property (including property of Buyer, Buyer's Agent or Buyer's Representative) arising out of or in any way connected with Seller or Seller's subcontractors, and employees, agents and representatives of each, performance or nonperformance hereunder (negligent or otherwise) suffered or claimed to have been suffered by any person (including anyone directly or indirectly employed by Seller or Seller's subcontractors), corporation or entity (including Buyer, Buyer's Agent, Buyer's Representative and employees, agents and representatives of each), unless due to the sole negligence of Buyer, Buyer's Agent, Buyer's Representative or employees, agents and representatives of each. Seller intends that its Indemnity Obligation to each party indemnified herein for claims related to or brought by anyone directly or indirectly employed by Seller or Seller's subcontractors shall not be limited in any way by any provision of any workers' compensation act, disability benefits act or other employee benefit act, and Seller hereby waives immunity under such acts to the extent such acts would bar recovery under, or full enforcement of, Seller's Indemnity Obligation.
24. **ASSIGNMENT:** No right or interest in this purchase order shall be assigned by Seller, and no delegation or subcontracting of any obligation of Seller hereunder shall be made without written permission of Buyer. Any attempted assignment, delegation or subcontracting without such approval shall be void.
25. **WAIVER:** Buyer's failure to insist on any right shall not operate as a waiver unless agreed to in writing by Buyer.
26. **CONFLICTS:** In the event of any conflict among the documents incorporated into this purchase order, Buyer's specifications and special terms shall prevail over Seller's proposal.
27. **VALIDITY:** In the event that any paragraph(s) or any part of these General Terms and Conditions shall be found to be contrary to law and invalid, all other paragraphs and the remaining part of any partially invalid paragraph shall be and remain in full force and effect and shall be binding upon the parties hereto.
28. **APPLICABLE LAW:** The validity, interpretation and performance of this purchase order shall be governed by the laws of the Commonwealth of Pennsylvania.

Appendix # 3

| | |
|--|---|
| BACKGROUND INVESTIGATION REQUIREMENTS FOR NONEMPLOYEES <small>FORM 35-159 REV. 1</small> |  |
|--|---|

NOTE: IF SELLER AND/OR ANY SELLER'S EMPLOYEES, INCLUDING ANY SUBCONTRACTORS, HAVE ACCESS TO BUYER'S PHYSICAL PROPERTY, COMPUTER NETWORK, OR OTHER PROPERTY OWNED OR LEASED BY BUYER BY USE OF CARD ACCESS, LAN ACCESS, OR KEY, THE FOLLOWING ATTACHMENT TITLED, "BACKGROUND INVESTIGATION REQUIREMENTS FOR NONEMPLOYEES," SHALL APPLY:

Background Investigation of Leased Employees – (Exception: Power Station contractors who supply workers during outages.) The Seller hereby agrees to conduct a thorough background investigation upon any employee, contractor and/or agent of the Seller whose services may be leased to Allegheny Energy. The aforesaid investigation shall determine any and all information of concern within the background of the prospective leased employee, contractor and/or agent, whether or not the information is available in public records. Additionally, the aforesaid background check shall investigate the prospective leased employee's, contractor's and/or agent's criminal records for the past seven (7) years using the social security number/address verification, a search of the federal district courts, and federal warrants and warrants, National Criminal Database Search (which includes criminal records for 41 states, a sex offender search for all 50 states, and an OFAC report), as well as a county criminal search. If driving is required as a part of the job duties, drivers' licenses and motor vehicle records will be investigated for the previous seven (7) years. The Seller shall not refer any prospective leased employee, contractor and/or agent to Allegheny Energy who has either failed or refused to submit to a background investigation. The Seller may employ the services of the investigative agency/credit agency or bureau of its choice, subject to Allegheny Energy's approval, so long as the agency(ies) selected is/are reputable and investigations comply with the Fair Credit Reporting Act. Background investigations are valid for 60 days from the date of investigation. Seller must submit to Allegheny Energy: (1) its procedures for background investigations; and (2) criteria that determine whether a worker has passed a background investigation.

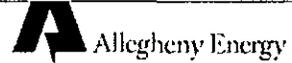
Pursuant to the requirements of NERC Cyber Security Standard CIP-004 – Personnel and Training, Requirement 3 – Personnel Risk Assessment, any leased worker granted unescorted physical access into an identified NERC physical security perimeter or cyber access through an identified NERC electronic security perimeter shall also require a seven (7) year updated background investigation that includes, at minimum, identity verification (Social Security Number verification in the U.S.) and seven year criminal check. Written certification, as described below, shall be provided to Allegheny Energy for the updated background check.

Drug Testing of Leased Employees – The Seller hereby agrees to conduct substance abuse testing on any employee, contractor and/or agent of the Seller whose services may be leased to Allegheny Energy using the chain-of-custody procedure specified by the U.S. Department of Health and Human Services. The sample is to be tested at a DHHS certified laboratory which uses #3545N SAP 10 #12 GC/MS substance abuse test. Forensic Drug Testing Custody and Control (10 Panel/TCH50) is completed at the collection site for substance abuse testing. Workers entering a position covered by Department of Transportation FHWA regulations 49CFR 40 are required to take a controlled substance test (NIDA5). A urine drug test resulting in a "Dilute" negative report will require the candidate to repeat the drug test. A second "Dilute" negative result in which there is no physiological or medical explanation for the dilute urine sample, will result in the candidate not being referred to Allegheny Energy for assignment. Substance abuse tests are not valid for more than 45 days after the date of testing.

Release From Liability – The Seller shall prepare a Release, and shall obtain a signature on the Release from every leased employee, contractor and/or agent. The Release shall contain language releasing Allegheny Energy, the Seller, the leased employee's, contractor's and/or agent's former employers, and any other persons from all liability for any damages or claims related to the background investigation and drug test, including but not limited to furnishing of the background information. Each such Release shall be retained by the Seller for a period of three years. If the investigation is performed by a consumer reporting agency, notices and disclosures must comply with the Fair Credit Reporting Act.

Costs – The costs associated with conducting the aforesaid background checks shall be borne by the Seller.

**BACKGROUND INVESTIGATION REQUIREMENTS
FOR NONEMPLOYEES**
FORM 35-159 REV. 1



Certification/Penalties/Audits – The Seller shall provide Allegheny Energy with written certification that must include: Name of leased worker, Seller name, and statements that (1) the leased employee, contractor and/or agent has undergone a background check and drug test as provided above; (2) the background investigation has not revealed any negative results or areas of concern; and (3) the drug test has not yielded a positive result for illegal drugs. The Seller's failure to submit the above-described certification for *any* leased employee, contractor and/or agent, shall, at Buyer's option, result in immediate termination of this Agreement, and further, the Seller may be *permanently* removed from Allegheny Energy's approved vendor lists. Any issues arising from background investigations shall be referred to Allegheny Energy's Human Resources office. Allegheny Energy reserves the right to conduct random audits to assure that the Seller has completed a background investigation and drug test on all leased employees, contractors and/or agents and that these background investigations and drug tests have resulted in favorable determinations.

Retroactivity – The provisions listed hereinabove shall be retroactive, and shall be applicable to all employees, contractors and/or agents of the Seller being leased to Allegheny Energy, even if they have already been assigned and are *currently working on Allegheny Energy's premises, and regardless of whether or not they have previously performed services for Allegheny Energy.* Sellers with existing contracts shall have up to 90 days to perform background investigations and drug tests and provide a statement certifying that they were satisfactorily completed for the workers currently assigned to Allegheny Energy.

Standards of Practice – Seller agrees that the services provided shall be in conformity with industry and professional standards of practice.

Training and Discipline – Seller agrees to be responsible for training and discipline of its employees and agrees that its employees, agents or subsidiaries shall adhere to Buyer's Code of Ethics and Standards of Business Conduct Rules. Seller is solely responsible for training its employees regarding Buyer's workplace policies including, but not limited to, sexual and workplace harassment, drug-free workplace, workplace violence and all applicable safety rules.

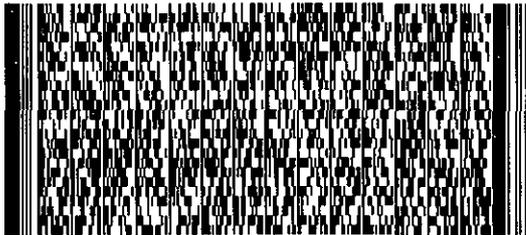
From: Origin ID: CVAA (724) 838-6738
John Munsch
Allegheny Power
800 Cabin Hill Drive

Greensburg, PA 15601



J18291886268225

SHIP TO: (724) 838-6738 BILL SENDER
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commiss
400 NORTH ST
COMMONWEALTH KEYSTONE BLDG
HARRISBURG, PA 17120



FOR UPS SHIPPING Sdn



798862767340

Ship Date: 19 JUL 10
ActWgt: 1.0 LB
CAD: 8924375/NET3060

Delivery Address Bar Code



CMPC

Ref # 4001-100077-43000818
Invoice #
PO #
Dept #



R1 203

FZ

TRK# 7988 6276 7340
0201

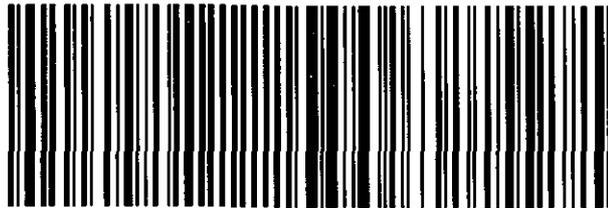
TUE - 20 JUL A1
PRIORITY OVERNIGHT

17120

PA-US

MDT

NR MDTA



588G18887/BA24

After printing this label: