

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

CASE NO. 02-0039-E-C

FUTURE GENERATIONS,

Complainant

v.

MONONGAHELA POWER COMPANY,

Defendant.

MOTION TO WITHDRAW COMPLAINT


Pursuant to a settlement agreement, Complainant, Future Generations, respectfully requests that the Public Service Commission (PSC) enter an order permitting it to withdraw its Complaint and dismissing this administrative proceeding. In support of this motion, Future Generations states as follows:

1. On September 9, 2002, Monongahela Power Company and Future Generations entered into an Electric Service Agreement which resolves the dispute giving rise to the Complaint in this matter. By the terms of the agreement, Monongahela Power Company has agreed to provide Future Generations electricity on an experimental, net-metering basis for a three-year term, subject to approval by the PSC.

2. In light of these developments, and subject only to PSC approval of the September 9, 2002 agreement, Future Generations suggests that this Complaint is moot.

WHEREFORE, Future Generations respectfully submits that good cause exists for this request to permit it to withdraw the Complaint and dismiss the administrative proceeding.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WV DePaulo', written over a horizontal line.

William V. DePaulo WVSB #995

Counsel for Future Generations

ROSS & DePAULO, PLLC
151 Dudding Ave.
Hurricane, WV 25526
Tel: 304-562-9045
Fax: 304-562-9093
abruzzi@bigfoot.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion was mailed, first-class, postage pre-paid, this 11 day of October, 2002 to the following persons at the addresses listed below:

Gary A. Jack, Esq.
Monongahela Power Company
1310 Fairmont Avenue
P. O. Box 1392
Fairmont, WV 26555-1392
Tel: 304-367-3423
Fax: 304-367-3157
gjack@alleghenyenergy.com

Billy Jack Gregg, Esq.
Consumer Advocate Division
Public Service Commission
700 Union Building
Charleston, WV 25301
Tel: 304-558-0526
Fax: 304-558-3610
bjgregg@compuserve.com

Caryn Watson Short, Esq.
Legal Division
Public Service Commission
P. O. Box 812
Charleston, WV 25323
Tel: 304-340-0317
Fax: 304-340-0372
cshort@psc.state.wv.us

Hon. Thomas N. Trent
Administrative Law Judge
Public Service Commission
P. O. Box 812
Charleston, WV 25323
Tel: 304-340-0340
Fax: 304-340-0372


William V. DePaulo

LEGAL SERVICES



Allegheny Energy
1310 Fairmont Avenue
P.O. Box 1392
Fairmont, WV 26555-1392
Phone: (304) 366-3000
FAX: (304) 367-3157
gjack@alleghenyenergy.com
Writer's Direct Dial No. (304) 367-3423

September 16, 2002

William V. DePaulo, Esq.
151 Dudding Avenue
Hurricane, WV 25526

Christopher Cook, Esq.
E3 Energy Services, LLC
5019 N. 36th St., Suite 100
Arlington, VA 22207

RE: **Future Generations
Electric Service Agreement**

Gentlemen:

Enclosed please find a copy of a fully-executed Electric Service Agreement among the parties which resolves the complaint before the West Virginia Public Service Commission. Bill, I would ask that you file a letter withdrawing Future Generation's complaint due to our resolution.

Thank you both for your efforts in resolving this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Jack', written over the typed name and title.

Gary A. Jack
Senior Attorney

GAJ:tmb

ELECTRIC SERVICE AGREEMENT

THIS AGREEMENT, dated this 9 day of September, 2002 ("Effective Date"), is between Monongahela Power Company ("Company"), doing business as Allegheny Power ("AP"), and Future Generations, Inc. ("Customer"), whose mailing address is P. O. Box 10, Franklin, West Virginia 26807. The Company and Customer mutually agree, with intent to be legally bound, as follows:

1 RULES AND REGULATIONS

The Company's tariff rules and regulations ("Rules and Regulations for Electric Service") as they now exist, or may be amended from time to time, are incorporated into and made part of this Agreement. The Rules and Regulations are in addition to and supplement this Agreement. Therefore, they shall be interpreted and read to be consistent with the paragraphs of this Agreement. A copy of the Rules and Regulations are available from the Public Service Commission of West Virginia, and will be supplied at the Customer's request.

2 NET ENERGY DELIVERY

- 2.1 The Company shall supply 60 cycle, single phase, 120/240 volt electric Power ("Service").
- 2.2 The Customer shall take said Service for a term of three (3) years and shall pay for such Service in accordance with the Company's Rate Schedule "B", as in effect from time to time, except as hereinafter provided. The Customer shall pay the Company in full, by the due date, for Service supplied in accordance with the Company's Rules and Regulations. If the Customer discontinues Service, all bills for Service at the above location, including minimum charges as well as the entire minimum for the unexpired portion of this Agreement, shall be due immediately.
- 2.3 The Company will make a reasonable effort to supply Service as required by this Agreement, but shall not be liable for any loss, damage, expense, injury or death, or any claim thereof, resulting from a delay or failure to furnish and Service unless caused by gross negligence or willful neglect on the part of the Company. In no event shall the Company be liable for consequential damages.
- 2.4 The Company does not represent, warrant, or insure that Service shall be continuous except to the extent set forth in the Company's Rules and Regulations. The Customer agrees that the Company's liability for failure to supply already or continuous Service shall be as set forth in the Company's Rules and Regulations, as well as this Agreement.

3 WIND TURBINE ELECTRIC GENERATION FACILITY

The Customer has located on North Mountain near Franklin, West Virginia a wind turbine electric generator with a generating capacity of 10 kilowatts. The electricity generated by the wind turbine is intended to offset part or all of the Customer's own Service requirements on site. The parties agree that the generation actually delivered into and on the Company's distribution facilities will be used to offset the electric consumption of this site for the Customer's commercial office building and as further described below under Section 9. Customer agrees that it will not increase on-site generation capacity under this agreement during the three-year term, except as may occur incidental to the repair or replacement of elements of its electric generation equipment in the course of ordinary maintenance.

4 INTERCONNECTION

4.1 The Customer is responsible for providing, installing, owning, and maintaining at its expense all equipment on the Customer's side of the interconnection point.

4.2 The Customer must design, install, operate, and maintain all equipment in a manner consistent with the safety and reliability standards set forth in AP's Engineering Manual Section 35, Subject Indices 1.0, 2.0 and 3.0 and titled "Non-utility Generation", ("Standards") as well as other applicable laws and regulations. If the Customer fails to satisfy the above referenced standards, the Company will disconnect the Service until the Customer complies with these requirements.

4.3 The Customer may operate its generating facility in parallel with the Company's transmission and distribution facilities in such a fashion that it does not interfere with the Company's duty to provide safe, reliable and quality power to its customers.

5 INTERRUPTION OR REDUCTION OF DELIVERIES TO THE COMPANY

5.1 The Company shall not be obligated to accept and may require the Customer to interrupt or reduce deliveries of as-available energy: (a) when necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or (b) if the Company determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices. The Company may not decline to accept and may not require the Customer to interrupt or reduce deliveries of as-available energy because the Company has no need for the energy generated by the Customer.

5.2 Whenever possible and practical, the Company shall give the Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.

6 ACCESS TO PREMISES

The Company may enter the Customer's premises: (a) to inspect, at all reasonable hours, the Customer's protective devices and read or test meters, and (b) to disconnect, without notice, the interconnection facilities if, in the Company's sole judgment, a hazardous condition exists and such immediate action is necessary to protect persons, the Company's facilities, or property of others from damage or interference caused by the Customer's facilities, or lack of properly operating protective devices.

7 TERM

This Agreement shall be in effect beginning with the Customer's first regularly scheduled meter reading after September 1, 2002, and shall extend for a period of thirty-six (36) months.

8 METERING

The two meters that are presently in place shall continue to remain in place for the term of this Agreement. The Customer will not be charged a monthly meter fee for the second meter. The Company, as its sole option, may replace the two meters with interval recording meters at no additional cost to the Customer.

9 BILLING AND OFFSET

Net Energy Delivered shall mean the kilowatt-hours delivered by the Company to the Customer less the kilowatt-hours generated by the Customer and delivered to the Company's distribution system during a given billing period.

Net Energy Transmitted shall mean the kilowatt-hours generated by the Customer and delivered to the Company's distribution system less the kilowatt-hours delivered by the Company to the Customer during a given billing period.

Month – the term Month will have the same definition as provided in the Company's tariffs.

Two Month Credit Period – The current billing month (second month) and the month immediately preceding the current billing month (first month).

Allegheny agrees to offset, on a kilowatt hour basis, Customer's actual generation, as measured by the energy flowing through Allegheny's second meter, against the electrical consumption of Customer as measured by Allegheny's meter for consumption of electricity at the site. This offset will be on an experimental basis. If there are more

kilowatts delivered by the Company than Customer delivers to the Company during a billing period, there will be a net positive Net Energy Delivered balance which will be paid under Schedule B. If there are more kilowatts transmitted to the Company than delivered by the Company to Customer for consumption during a billing period, there will be a net positive Net Energy Transmitted balance which will be handled as provided below. The experiment is for three years and will be administered differently each year throughout the three-year period as follows:

Year One. During the first twelve Months of this Agreement, any Net Energy Transmitted by the Customer shall accrue and apply as a credit to the Customer during year one. Such credits shall not reduce the Net Energy billed under Paragraph 2 to less than zero (0) kilowatt-hours during any Month, and Customer will be responsible for paying any monthly customer and/or minimum charges ("non usage related charges"), as required by the rate schedule under which Customer is receiving service, and any Net Energy Distributed. Any accrued Net Energy Transmitted remaining at the end of the first twelve Months shall be forfeited, and there shall be no cash payments to the Customer for any Net Energy Transmitted at any time.

Year Two. During the thirteenth through twenty-fourth Months of this Agreement (the second twelve months), any Net Energy Transmitted by the Customer shall apply as a credit only during the Two Month Credit Period. Such credits shall not reduce the Net Energy billed under Paragraph 2 to less than zero (0) kilowatt-hours during any Month, and Customer will be responsible for paying any monthly customer and/or minimum charges ("non usage related charges"), as required by the rate schedule under which Customer is receiving service, and any Net Energy Delivered. Any accrued Net Energy Transmitted from the first month of the Two Month Credit Period remaining at the end of each Two Month Credit Period shall be forfeited. There shall be no cash payments to the Customer for any Net Energy Transmitted at any time.

Year Three. During the twenty-fifth through thirty-sixth months (the last twelve Months) of the Agreement, all kilowatt-hours delivered by the Company to the Customer during the Month shall be billed in accordance with Paragraph 2. In addition, the Customer shall receive a generation credit of \$0.04 for each kilowatt-hour delivered by the Customer to the Company's distribution system not to exceed the number of kilowatt-hours delivered by the Company to the Customer during the same Month. The Company shall purchase kilowatt-hours delivered by the Customer to the Company's distribution system in excess of the kilowatt-hours delivered by the Company to the Customer during a given billing period under the Company's Rate Schedule "CO-G". Such purchase, if any, shall be made at the Rate Schedule "CO-G" all-hours energy rate in effect at the time, currently \$0.01502 per kilowatt-hour, and shall apply as a credit on the Customer's bill. The Rate Schedule "CO-G" connection charge shall be waived.

The foregoing formulae are without prejudice in any subsequent proceeding to: (a) the Company's position that the "avoided cost" is the appropriate method for compensating the Customer for the as-available energy generated by the Customer's electric generation equipment, or (b) the Customer's position that compensation from the Company, in the

form of credits and/or cash payments, is required for all as-available energy generated by the Customer's equipment and delivered to the Company.

10 TERMINATION

This Agreement is subject to the approval of the Public Service Commission of West Virginia ("PSC"). The parties acknowledge that this Agreement is a deviation from the Company's standard tariff rates and is a special contract, implemented on an experimental basis, subject to the approval of the PSC. Should the PSC approve a net metering tariff for the Company during the term of this Agreement, such net metering tariff shall apply and this Agreement shall terminate effective with the first meter reading following the effective date of said net metering tariff.

11 MISCELLANEOUS

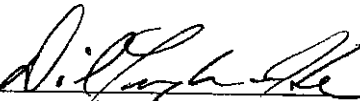
11.1 The Company and the Customer are liable, individually, for any claim, demands, suits, actions, any judgments and all costs, expenses, pecuniary or other loss which may arise directly or indirectly from any act or omission of the Company or the Customer, and their respective agents, servants, or employees. Neither the Company nor the Customer will act as an indemnitor of the other with respect to their individual actions or omissions.


11.2 This Agreement represents a compromise of the parties' positions in the proceeding before the West Virginia Public Service Commission in Docket No. 02-0039-E-C and constitutes the entire agreement between the parties. There are no other agreements between the parties that are not contained herein. No statement, promise or representation made by any employee, agent, or representative of the Company and/or the Customer is or shall be binding unless made in writing and signed by an officer or duly authorized representative of Allegheny. This Agreement may not be modified except in writing and signed by an officer or duly authorized representative of the Company and the Customer.

IN WITNESS WHEREOF, the parties hereto execute this Electric Service Agreement this date hereinabove stated.

FUTURE GENERATIONS, INC.

MONONGAHELA POWER COMPANY,
dba ALLEGHENY POWER

By 
(signature)

By 
(signature)

Daniel Taylor - DLE
(name, title)
President *

Senior Attorney
(name, title)