

**SECTION XIX  
DEFAULT, SUSPENSION, AND TERMINATION OF A CERTIFIED SUPPLIER**

19.1 Default

A Certified Supplier is in default of its obligations under the Company's Customer Choice Program if any one or more of the following occurs:

- a) Notice is received that the Certified Supplier/TSA relationship is terminated and either (1) the Certified Supplier fails to designate a new TSA within five business days or (2) the new entity acting as TSA fails to begin scheduling power within ten business days of its designation as such.
- b) The Certified Supplier fails to fully pay an invoice from the Company within three business days following the due date of the invoice.
- c) The Certified Supplier's credit exposure exceeds the unsecured credit limit or the Company's current collateral enhancement requirement by 5% or more and the Certified Supplier has failed to comply with the Company's request for adequate security or adequate assurance of payment within three business days of the Company's request.
- d) The Commission has decertified the Certified Supplier or otherwise declared it ineligible to participate in the Ohio Customer Choice Program or the Company's Customer Choice Program.
- e) The Certified Supplier's action or inaction has or will jeopardize the operational integrity, safety, or reliability of the Company's transmission or distribution system.
- f) The Certified Supplier or the performing services on behalf of the Certified Supplier, through actions or inactions, becomes in default of any agreement with or requirement of MISO.
- g) The Certified Supplier misuses the Company Consolidated and Bill-Ready Billing option by incorrectly using the name of the Company or the name of one of the Company's affiliates in a charge description or otherwise using this billing option in a misleading or defamatory manner.
- h) The Certified Supplier voluntarily withdraws from the Company's Customer Choice Program without providing at least ninety calendar days notice to the Company.
- i) The Certified Supplier files a voluntary petition in bankruptcy; has an involuntary petition in bankruptcy filed against it; is insolvent; has a receiver, liquidator or trustee appointed to take charge of its affairs; has liabilities that exceed its assets; or is otherwise unable to pay its debts as they become due.

19.2 Notice of Suspension or Termination

Notwithstanding any other provision of this tariff or the Certified Supplier Service Agreement, in the event of default, the Company shall serve a written notice of such default, providing reasonable detail and a proposed remedy, on the Certified Supplier, with a copy contemporaneously provided to the Commission. On, or after, the date the default notice has been served, the Company may file with the Commission a written request for authorization to terminate or suspend the Certified Supplier Service Agreement. Except for default due to failure by the Certified Supplier to deliver Competitive Retail Electric Service, if the Commission does not act within ten business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the eleventh business day after receipt of the request by the Commission. If the default is due to failure by the Certified Supplier to deliver Competitive Retail Electric Service and the Commission does not act within five business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the sixth business day after receipt of the request by the Commission. Terminations or suspensions shall require authorization from the Commission.

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Filed pursuant to an Order dated November 22, 2011 in Case No. 11-3549-EL-SSO before the Public Utilities Commission of Ohio.

**SECTION XX**  
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The Company shall send notices pursuant to this section by email, facsimile transmission, overnight mail, or hand delivery to the Commission and staff at the Commission's offices. The Company shall notify all Commissioners, the Chief of Staff, the Director of the Consumer Services Department, the Director of the Utilities Department, the Director of the Energy & Environment Department, the Director of the Legal Department, and the Chief of the Attorney General's Public Utilities Section. The Company shall send the notice to the address and facsimile number provided by the Certified Supplier in its Certified Supplier Service Agreement.

19.3. Suspension

In addition to the possible reasons for suspension stated in Sections 20.1, a Certified Supplier may be suspended from participation in the Company's Customer Choice Program for either of the following reasons:

- a) The Certified Supplier's credit exposure exceeds its credit limit or collateral enhancement by less than 5%, and the Certified Supplier has failed to comply with the Company's request for adequate security or adequate assurance of payment within three business days of the Company's request.
- b) The Certified Supplier's parent corporation files a voluntary petition in bankruptcy; has an involuntary petition in bankruptcy filed against it; is insolvent; has a receiver, liquidator, or trustee appointed to take charge of its affairs; has liabilities that exceed its assets; or is otherwise unable to pay its debts as they become due.

19.4. Effect of Suspension

In the event of suspension, the Certified Supplier shall not be permitted to enroll any new End-use Customers in the Company's Customer Choice Program. During the period of suspension, the Certified Supplier shall continue to serve its existing End-use customers.

19.5. Effect of Termination on Certified Supplier's End-use Customers

In the event of termination, the Certified Supplier's End-use Customers shall be returned to the Company's Standard Offer Rate effective on each End-use Customer's next Meter Read Date after the date of termination.

19.6. Effect of Termination on Certified Supplier

- a) The Certified Supplier shall not be permitted to enroll any new End-use Customers in the Company's Customer Choice Program unless it re-registers in the Company's Customer Choice Program.
- b) During the period of time between the Certified Supplier's termination and the next Meter Read Dates for each of its End-use Customers, the Company shall serve the Certified Supplier's End-use Customers and shall charge the Certified Supplier for the Company's out-of-pocket costs paid for electric energy during that period, including transmission, distribution and all other applicable charges. End-use Customers will continue to be billed for charges from their Certified Supplier until the next Meter Read Dates. Beginning with the next Meter Read Dates for each of the Certified Supplier's End-use Customers on the Company's Standard Offer Rate, the Company shall serve the End-use Customers and shall bill the Certified Supplier for the Company's incremental cost for serving the load during the first June 1 through August 31 period after the Certified Supplier default. Incremental cost is defined as Company's out-of-pocket costs paid for electric energy during that period, including transmission, distribution and all other applicable charges .

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- c) The Company may charge the Certified Supplier for additional costs associated with the default such as:
- 1) Mailings by the Company to the Certified Supplier's End-use Customers to inform them of the withdrawal and their options;
  - 2) Non-standard/manual bill calculations and production performed by the Company;
  - 3) Certified Supplier data transfer responsibilities that must be performed by the Company; and
  - 4) Charges or penalties imposed on the Company, its agents, or other third parties resulting from the Certified Supplier's termination.
- d) The Company may apply all of the Certified Supplier's credit, collateral, and charges collected by the Company from End-use Customers against the Company's Charges to the Certified Supplier.

19.7. Survival of Obligations

Default, suspension, or termination of a Certified Supplier for any reason shall not relieve the Company or the Certified Supplier from performing any other obligations under this Certified Supplier Tariff or the Certified Supplier Service Agreement.