

American PowerNet

ORIGINAL

July 8, 2015

OFFICIAL FILE ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701

*Report per Order
(public only)*

Re: APN Starfirst, LP Order # - 15-0362

Dear Commission:

In connection with the 2014 Annual Report filed on May 18, 2015 by APN Starfirst, LP, ("APNSF") the management and President of the company petitioned that the financial information submitted to the Illinois Commerce Commission in its annual report receive confidential treatment.

After review by the Commission regarding the confidential request, the Illinois Commerce Commission granted that the 2014 Annual report for APN Starfirst, LP be afforded proprietary treatment by Order dated June 3, 2015.

A copy of the 2014 Annual Report and confidential financial information for public disclosure is being submitted to the Commission this 8th day of July, 2015.

Should you have any questions or require any additional information, please do not hesitate to contact me at (610) 372-8500 Ext. 1012, or by email at gcarter@americanpowernet.com.

Regards,



Eugene F. Carter, Jr.
Chief Financial Officer
American PowerNet Management, LP

CHIEF CLERK'S OFFICE

2015 JUL - 9 P 2 18

ILLINOIS COMMERCE
COMMISSION

Managing the Energy Evolution.®

APN Starfirst, LP

11-0377

"PART 451 CONTINUING COMPLIANCE"

FOR

APN Starfirst, LP

11-0377

Reporting year 2014

*PUBLIC
DISCLOSURE
COPY*

ARES Reporting Form: To be submitted annually by April 30

ARES Annual (2014) Recertification under 83 IL Adm. Code 451

Section 451.710 General Provisions for Reporting Requirements

- a) All ARES shall, at all times, continue to remain in compliance with the provisions of the Act and this Part, as now or hereafter amended. If an ARES received a certificate before the effective date of any provision of this Part, which provision applies to applicants seeking certification to serve customers with the same electrical demand or usage characteristics as the ARES, the ARES must demonstrate that it has come into compliance with such provision no later than April 30 of the year following the year during which such amendment took effect.
- b) No later than April 30 of each year, each ARES shall file all reports required under this Subpart. Reports shall be under oath, contain a cover letter title "Part 451 Continuing Compliance" and be filed with the Chief Clerk of the Commission with copies provided to the Office of Retail Market Development -- ARES and the Financial Analysis Division -- ARES or their successors. The reports shall be identified with the name of the ARES as it appears in the most recent Commission order granting the ARES certification, as well as any post-certification name changes.
- c) For each supporting piece of documentation the ARES provides, it shall specifically state how this information complies with each applicable subsection of this Part 451.
- d) All reports shall provide the name, telephone number, email address and mailing address of at least one person to address questions from Commission Staff pertaining to that report.
- e) All reports made to the Commission by any ARES, other than ARES certified under Subpart E of this Part, and the contents of the reports shall be open to public inspection, unless otherwise ordered by the Commission. The reports shall be preserved in the office of the Commission.
- f) Any ARES acquiring customers from another ARES shall report any such purchase or transfer of customer accounts no later than 30 days after the execution of the transaction. Any ARES receiving customer accounts from another ARES shall be responsible to demonstrate its ability to meet the applicable financial, managerial and technical requirements.
- g) The compliance filing shall include the applicant's name and street address and the names and addresses of all the ARES's affiliated companies involved in electric retail sales or purchases in North America.

Each ARES shall submit a report identified with the name of the ARES as it appears in the most recent Commission order granting the ARES certification.

ARES Name (including all d/b/a): APN Starfirst, LP

ICC Docket # for current certification: 11-0377

Contact person for issues related to processing the ARES continuing compliance reports:

Name: Eugene F Carter, Jr

Title: Controller

ARES Reporting Form: To be submitted annually by April 30

Direct Telephone Number: (610) 372-8500 Ext 1012
Email Address: gcarter@americanpowernet.com
Mailing Address: 45 Commerce Drive, Wyomissing, PA 19610

ARES Street Address:
Street number and name
City, State abbreviation, and ZIP code

45 Commerce Drive
Wyomissing, PA 19610

Affiliated Companies Name, Contact information, and Address:

Affiliate's name
Street number and name
City, State abbreviation, and ZIP code
Telephone Number

American PowerNet Management, LP
45 Commerce Drive
Wyomissing, PA 19610
(610) 372-8500

THE ANSWERS TO THE FOLOWING QUESTIONS IN SECTION 451.740 ARE INCLUDED AS SECTION 1

Section 451.740 Financial Reporting Requirements

The ARES shall provide a copy of only those documents that the ARES requires to demonstrate that it continues to possess sufficient financial resources to serve the retail customers for which it has received a certificate of service authority. The applicable documents shall be submitted at the times specified below:

- a) An ARES that seeks to demonstrate that it maintains sufficient financial resources to provide the services for which it has received a certificate of service authority using the criteria set forth in subsection (a)(1), (a)(4) or (a)(5) of Section 451.110, 451.220 or 451.320 or Section 451.510(b), (c) or (d) shall submit a copy of the latest ratings report presenting the commercial paper or long-term credit or obligation ratings of the ARES, creditors or guarantors, as applicable, from the ratings agencies between April 1 and April 30 of each year and within 15 days following any downgrade of such ratings previously filed with the Commission to a rating below A-1 or A-, if issued from Standard & Poor's or its successor, P-1 or A3, if issued from Moody's Investors Service or its successor, or F-1 or A-, if issued from Fitch Ratings or its successor. Within 30 days after a downgrade of the commercial

ARES Reporting Form: To be submitted annually by April 30

certify it is a member of one or more RTOs and purchases 100% of its physical electric energy from the RTOs for delivery to the service territories of the utilities for which the applicant is seeking a certificate.

- i) Each ARES is required to certify that the most recent copy of its license or permit bond on file with the Commission is current and in full effect. In the event the original license or permit bond on file with the Commission is replaced or modified, the ARES shall submit the new copy of its license or permit bond pursuant to Section 451.50.
- j) Insurance. Between April 1 and April 30 of each year, an ARES required to have in force commercial general liability insurance pursuant to Section 451.110(b) shall submit proof of that insurance in an amount not less than that in force when the ARES was granted its certificate of service authority. In addition, the ARES shall demonstrate that its commercial general liability insurance is effective for a period of not less than one year.

Section 451.750 Managerial Reporting Requirements

- a) An ARES shall certify during April of each year that it continues to maintain the required managerial qualifications for the service authority granted in its certificate. An ARES that meets the managerial qualifications requirements by entering into one or more contracts with others to provide the required services must identify each agent or contractor on whom the ARES relies to meet the requirements of this Part and must certify that the agent or contractor will comply with all Sections of this Part applicable to the function or functions to be performed by the respective agent or contractor.
- b) Any changes in personnel, agents or contractors in the past calendar year that were used to meet the managerial qualifications shall be addressed in the annual compliance filing by providing evidence showing how the ARES is continuing to meet the managerial qualifications.

Section 451.760 Technical Reporting Requirements

- a) An ARES shall certify during April of each year that it continues to maintain the required technical qualifications for the service authority granted in its certificate. An ARES that meets the technical qualifications requirements by entering into one or more contracts with others to provide the required services must identify each agent or contractor on whom the ARES relies to meet the requirements of this Part and must certify that the agent or contractor will comply with all Sections of this Part applicable to the function or functions to be performed by the respective agent or contractor.
- b) Any changes in personnel, agents or contractors in the past calendar year that were used to meet the technical qualifications shall be addressed in the annual compliance filing by providing evidence showing how the ARES is continuing to meet the technical qualifications.

ARES Reporting Form: To be submitted annually by April 30

Section 451.770 Kilowatt-hour Reporting Requirement

No later than March 1 of every year, each ARES shall file with the Chief Clerk of the Commission, and provide to the Energy Division – ARES and the Financial Analysis Division – ARES or their successors, a report stating the total annual kilowatt-hours delivered and sold to retail customers within each utility service territory and the total annual kWh delivered and sold to retail customers in all utility service territories in the preceding calendar year.

PLEASE SUBMIT THE ANNUAL KILOWATT-HOUR REPORT SEPARATE FROM THE PART 451 CONTINUING COMPLIANCE REPORT. The kilowatt-hour Report should be titled “Annual Kilowatt-hour Report”. Please state the total annual kilowatt-hours delivered and sold to retail customers within each utility service territory, the total annual kWh delivered and sold to retail customers in all utility service territories, and the calendar year being reported.

Section 451.50 License or Permit Bond Requirements

ARES (required to submit a license or permit bond pursuant to Section 451.50) shall submit a copy of their current license or permit bond as part of this annual recertification report. In the event that a license or permit bond was modified from the previous license or permit bond filed with the Chief Clerk of the Commission, the ARES shall file an additional copy of the modified bond with the Chief Clerk of the Commission and provide a copy of that bond to the Financial Analysis Division pursuant to Section 451.50(c).

In the event that a license or permit bond is cancelled, expires or is drawn upon, the ARES shall execute and maintain an additional or replacement bond such that the cumulative value of all outstanding bonds never falls below the amount required in subsection (a) of this Section. The ARES shall file a copy of the additional or replacement bond with the Chief Clerk of the Commission and provide a copy to the Financial Analysis Division – ARES pursuant to Section 451.50(b).

Please send the signed and notarized annual reports to:

Chief Clerk's Office
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

Separate copies for the Office of Retail Market Development, Financial Analysis Division and Consumer Services Division may be placed in same envelope and the Chief Clerk's Office will distribute them. Please mark each copy as a "Copy" and include one the of the division titles for each copy as applicable.

Section 451.740 Financial Reporting Requirements:

- a. APN Starfirst, LP is a privately held company and does not maintain a rating from any agencies.
- b. The credit that demonstrates financial resources for Illinois for certification has not changed or been modified.
- c. APN Starfirst , LP served clients in the State of Illinois for calendar year 2014. The expected peak hourly demand for calendar year 2015 is expected to be [REDACTED] KW. 
- d. This section does not apply to APN Starfirst,, LP as the Applicant does not use single billing services.
- e. To demonstrate that APN starfirst, LP maintains sufficient financial resources to provide services to contracted retail customers with electrical demands of a minimum of one megawatt in Illinois, the Combined Audited Financial Statement for American PowerNet Management, LP and its Affiliates will be provided upon release as Attachment A.
- f. This does not apply as any retail customers served and contracted with APN Starfirst, LP would be customers with a maximum electrical demands of one megawatt or more.
- g. 1. The RTO Agreement with MISO included as Attachment "B". The Power Purchase Agreement with EDF Trading has been provided as Attachment "C".
- h. APN Starfirst, LP provided services to one retail customer under contract in the State of Illinois for the year 2014. APN Starfirst, LP currently has a [REDACTED] letter of Credit in place as collateral with MISO , a [REDACTED] Surety Bond in place in favor of The People of the State of Illinois, as well as a Third party Guarantee with EDF Trading on behalf of APN Starfirst, LP provided by PPG Industries. A current long-term contract is in place for PPG Industries, a customer since November 2003. Attachment C will supply copies of the credit facilities from Banks for APN Starfirst, LP and American PowerNet Management, LP. 

- i. Exhibit Attachment "D" is the renewal for the Bond Compliance.
- j. Exhibit Attachment "E" shall demonstrate that its commercial general liability insurance is in effect for a period of not less than one year.

Section 451.750 Managerial Reporting Requirements:

- a. APN Starfirst, LP is an independent company not affiliated with any utility or marketer or contractors.

- b. There have been no material changes in personnel that would affect the annual Technical Reporting Compliance for APN Starfirst, LP.

Section 451.760 Technical reporting Requirements:

- a. APN Starfirst, LP is an independent company not affiliated with any utility or marketer or contractors.

- b. There have been no material changes in personnel that would affect the annual Technical Reporting Compliance for APN Starfirst, LP.

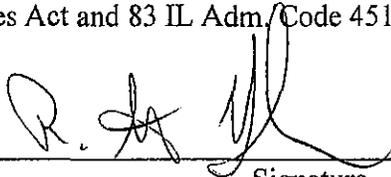
Managerial and Technical Qualifications – Attachment F

VERIFICATION

STATE OF Pennsylvania)

COUNTY OF Berks)

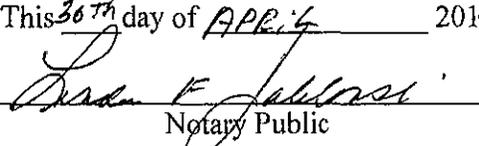
R. Scott Helm, being first duly sworn, deposes and says that she/he is [the] President [of] APN Starfirst, LP ; that he has read the foregoing Annual ARES Continuing Compliance Report of APN Starfirst, LP, and all of the attachments accompanying and referred to within the Annual ARES Continuing Compliance Report; and that the statements and information contained in the Annual ARES Continuing Compliance Report and the attachments are true, correct and complete to the best of his knowledge, information and belief. APN Starfirst, LP will remain in continuing compliance with all requirements of the Illinois Public Utilities Act and 83 IL Adm. Code 451.



Signature

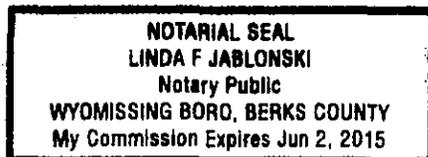
R. Scott Helm
President
Contact Phone # (610) 372-8500

Subscribed and sworn before me

This 30th day of APRIL 2015


Notary Public

[Stamp of Notary]



ATTACHMENT A
SECTION 451.740
AUDITED FINANCIAL STATEMENTS

TO BE PROVIDED UPON RELEASE OF THE ACCOUNTING FIRM

REDACTED

AMERICAN POWERNET MANAGEMENT, LP
AND AFFILIATES d/b/a AMERICAN POWERNET

COMBINED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

DECEMBER 31, 2014 AND 2013

 **ALAN ROSS & COMPANY, PC**
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Partners of
American Powernet Management, LP and Affiliates
d/b/a American Powernet

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of American Powernet Management, LP and Affiliates d/b/a American Powernet (a partnership) as of December 31, 2014 and 2013, and the related consolidated statements of income, Partners' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United State of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of American Powernet Management, LP and Affiliates d/b/a American Powernet (a partnership) as of December 31, 2014 and 2013, and the results of its operations and its cash flows, for the years then ended in accordance with accounting principles generally accepted in the United State of America.

Car Ruiz & Co., PC

Reading, Pennsylvania
May 6, 2015

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

COMBINED BALANCE SHEET
DECEMBER 31, 2014 AND 2013

ASSETS	2014	2013	LIABILITIES AND PARTNERS' EQUITY	2014	2013
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	\$	\$	Accounts payable	\$	\$
Accounts receivable			Note payable - line of credit		
Other receivable			Security deposits payable		
Investments			Auction receipts payable		
Prepaid expenses			Accrued gross receipts tax		
TOTAL CURRENT ASSETS			TOTAL CURRENT LIABILITIES		
EQUIPMENT			NONCURRENT LIABILITIES		
Fixtures and equipment			Deferred compensation		
Less: Accumulated depreciation			TOTAL NONCURRENT LIABILITIES		
NET EQUIPMENT			TOTAL LIABILITIES		
OTHER ASSETS			PARTNERS' EQUITY		
Security deposit			Partner's capital		
Investment, other			Accumulated other comprehensive income (loss)		
Intangible assets, net			Unrealized gain (loss) on investments		
TOTAL OTHER ASSETS			TOTAL PARTNERS' EQUITY		
TOTAL ASSETS	\$	\$	TOTAL LIABILITIES AND PARTNERS' EQUITY	\$	\$

See accompanying notes

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

COMBINED STATEMENTS OF INCOME
For the Years Ended December 31, 2014 and 2013

	2014	2013
REVENUE		
Management fee income	\$	\$
Specialized services, commissions and other fees		
Energy purchases		
TOTAL REVENUE		
Less: Cost of goods sold		
Gross Profit		
GENERAL AND ADMINISTRATIVE EXPENSES		
INCOME FROM OPERATIONS		
OTHER INCOME (EXPENSES)		
Interest income		
Interest expense		
Net gains (loss)		
NET OTHER INCOME (EXPENSES)		
NET INCOME	\$	\$

See accompanying notes

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

COMBINED STATEMENTS OF CHANGES IN PARTNERS' EQUITY
For Years Ended December 31, 2014 and 2013

	<u>Partners' Capital</u>	<u>Accumulated Other Comprehensive Income (loss)</u>	<u>Total</u>
Balance at January 1, 2013	\$	\$	\$
Net income			
Other comprehensive income:			
Change in unrealized loss on investments			
Total comprehensive income			
Partner withdrawals			
Balance at December 31, 2013			
Net income			
Other comprehensive income:			
Change in unrealized loss on investments			
Total comprehensive income			
Partner withdrawals			
Balance at December 31, 2014	\$	\$	\$

See accompanying notes

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

COMBINED STATEMENTS OF CASH FLOWS
For the Years End December 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$	\$
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation		
Amortization		
Unrealized gains (loss) on investments		
Changes in:		
Accounts receivable		
Investments		
Prepaid expenses		
Security deposit		
Accounts payable		
Note payable - line of credit		
Security deposits payable		
Auction receipts payable		
Accrued gross receipts tax		
Deferred compensation		
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of equipment		
Purchase of investments		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term debt		
Partner withdrawals		
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES		
NET INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$	\$
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$	\$

See accompanying notes

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2014

American Powernet Management, LP and Affiliates d/b/a American Powernet financial statements represent the combined financial statements of American Powernet Management, LP, American Powernet Services, LP and APN Starfirst, LP. American Powernet Management, LP and Affiliates d/b/a American Powernet derives revenues from commission earnings and consulting for management services performed.

Note 1. Summary of Significant Accounting Policies

Principles of Combination:

The combined financial statements of the American Powernet Management, LP and Affiliates d/b/a American Powernet include the accounts of American Powernet Management, LP, American Powernet Services, LP and APN Starfirst. Combined financial statements are presented due to common ownership among the entities. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates:

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents:

The Companies consider all highly-liquid, short-term investments with an original maturity of three months or less to be a cash equivalent.

Accounts Receivable:

Accounts receivable are recorded at the invoiced amount and do not bear interest. The Companies determine the allowance for doubtful accounts based on historical write-off experience, and review of the aging and collectability of outstanding amounts. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The allowance for doubtful accounts was \$0 for the years ended December 31, 2014 and 2013.

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2014

Note 1. Summary of Significant Accounting Policies (Continued)

Equipment:

Equipment is stated at cost. Major renewals are capitalized while replacements, maintenance and repairs, which do not improve or extend the life of the respective assets are expensed currently. When an asset is disposed of, the asset and related accumulated depreciation are eliminated and any gain or loss on the transaction is included in income.

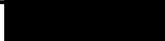
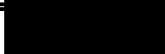
Depreciation:

Depreciation is computed using the straight-line method based on the following useful lives:

Fixtures and Equipment	5 - 10 years
Transportation	5 years

Intangible Assets:

Intangible assets consist of internal use software amortized over 15 years and the costs to obtain a trademark and consist of the following at December 31:

	<u>December 31, 2014</u>
Cost	\$ 
Accumulated amortization	
	<hr/>
	\$ 

Deposits:

Deposits are recorded as current liabilities until the related sale is recognized and the deposit is applied against the amount due from the customer.

Income Taxes:

The Companies are treated as pass-through entities for federal and state income tax purposes. Consequently, federal and state income taxes are not payable by, or provided by the Company. The partners are taxed individually on their share of the Company's earnings. The Company's net income or loss is allocated among the partners in accordance with their pro-rata share of the Company.

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2014

Note 1. Summary of Significant Accounting Policies (Continued)

Comprehensive income:

Generally accepted accounting principles establish standards for reporting and presentation of comprehensive income and its components. Comprehensive income consists of net income and net unrealized gains or losses on futures contracts and other securities and is presented in the combined statements of changes in partners' equity.

Other comprehensive income includes unrealized holding loss on futures contracts of \$0 as of December 31, 2014 and unrealized losses [REDACTED] on other securities.

Advertising Costs:

Advertising costs, which are all other than direct-response advertising, are charged to operations when incurred. Advertising costs charged to operations for the year ended December 31, 2014 was [REDACTED]

Subsequent Events:

In preparing these financial statements, the Companies have evaluated events and transactions for potential recognition or disclosure through May 6, 2015, the date the financial statements were available to be issued.

Note 2. Cash

The Companies routinely maintain cash balances in excess of federally insured limits at several local banking institutions.

Note 3. Investments

Management classifies all of its investments in futures contracts as available for sale and accordingly carries its investments at estimated fair market value. Unrealized gains and losses on the contracts are recorded as a separate component of other comprehensive income. Realized gains and losses are included in the net income of the Company, and the cost of the contracts is computed using the specific identification method.

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2014

Note 3. Investments (Continued)

Market values of the futures contracts are summarized as follows at December 31, 2014:

	Cost	Gross Unrealized Holding Gain (Loss)	Market Value
Futures Contracts			

Note 4. Note Payable - Bank

The Companies have lines of credit available totaling [REDACTED] Bank. The lines consist of a working capital line of credit of [REDACTED] to fund client related letters of credit to secure purchases of electricity, and a [REDACTED] line of credit to support the relationship with a single, publicly traded company. The lines of credit are subject to an annual renewal on [REDACTED]. The terms of the working capital and [REDACTED] credit facility provide for monthly interest payments at the bank's prime rate (3.25% at December 31, 2014) on outstanding balances. These notes are secured by a first lien priority security interest in the Companies' assets and cross corporate guarantees of American Powernet Services, LP, APN Starfirst, LP and American Powernet Management, LP. The working capital line of credit is personally guaranteed by the partners of the Companies. [REDACTED] credit facility provides for monthly interest payments at 1.50% and is guaranteed by a single, publicly traded company. At December 31, 2014, the Companies had borrowed [REDACTED] in the working capital line of credit.

The Companies have an [REDACTED] line of credit available from [REDACTED] Bank. The terms of the agreement provide for monthly interest payments at the Daily LIBOR rate plus 1.75% (2.379% at December 31, 2014) on any outstanding balances. The note is secured by customer security deposits and an interest in the Companies' assets and cross corporate guarantees of American Powernet Services, LP, APN Starfirst, LP and American Powernet Management, LP. The line of credit is personally guaranteed by the partners of the Companies.

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2014

Note 5. Long - Term Debt

Long-term debt is summarized as follows:

American Powernet Services, LP

Note payable to Santander Bank with monthly payments of [REDACTED] plus interest at LIBOR plus 1.35 basis points, (1.560% at December 31, 2012). The note is personally guaranteed by the partners of the Company and is additionally secured by a trust account of the partners of the Company. Final payment of [REDACTED] was made in 2013.

Note 6. Deferred Compensation

American Powernet Services, LP makes discretionary contributions to a trust for certain employees to provide for deferred compensation. The company did not make any employer contributions to the trust during the calendar year 2014.

Note 7. Lease Commitments

The Companies entered into a lease with a related party for office space, and moved into it's new office location in early 2010. The lease provides for an initial term of ten years through December 2019. The Companies have the option to lease the building for an additional five year term. The lease provides for an initial lease payment of [REDACTED] per year and it is subject to future increases as agreed to by the parties. The companies paid [REDACTED] for lease payments in 2014.

Note 8. Commitments

The Companies are parties to sales contracts with certain customers with terms ranging from one year to three years, all with one-year renewal terms at the option of the Companies or the customer.

The Companies are parties to supply agreements with certain suppliers, all of which are cancelable upon notification.

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2014

Note 9. Income Taxes

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by American Powernet and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by American Powernet, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. American Powernet is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to December 31, 2012.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT
ON COMBINING INFORMATION

To the Partners of
American Powernet Management, LP and Affiliates
d/b/a American Powernet

Our report on our audit of the combined financial statements of American Powernet Management, LP and Affiliates d/b/a American Powernet (a partnership) for 2014 appears on page 1. The audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining information is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies. Such information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Alan Ross & Company, PC

Reading, Pennsylvania
May 6, 2015

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

COMBINING BALANCE SHEET
Year Ended December 31, 2014

	Combined	Eliminations and Adjustments	American Powernet Services, LP	APN Starfire, LP	American Powernet Management, LP		Combined	Eliminations and Adjustments	American Powernet Services, LP	APN Starfire, LP	American Powernet Management, LP
ASSETS						LIABILITIES AND PARTNERS' EQUITY					
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents						Notes payable - related party					
Accounts receivable						Accounts payable					
Other receivable						Notes payable - line of credit					
Investments						Security deposits payable					
Notes receivable - related party						Auction receipts payable					
Prepaid expenses						Current portion of long-term debt					
TOTAL CURRENT ASSETS						Accrued gross receipts tax					
EQUIPMENT						TOTAL CURRENT LIABILITIES					
Furniture and equipment						NONCURRENT LIABILITIES					
Less: accumulated depreciation						Deferred compensation					
NET EQUIPMENT						TOTAL NONCURRENT LIABILITIES					
OTHER ASSETS						TOTAL LIABILITIES					
Security deposit						PARTNERS' EQUITY					
Investment, trust						Partners' capital					
Intangible assets, net						Accumulated other comprehensive income, unrealized loss on investments					
TOTAL OTHER ASSETS						TOTAL PARTNERS' EQUITY					
TOTAL ASSETS						TOTAL LIABILITIES AND PARTNERS' EQUITY					

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

COMBINING STATEMENT OF INCOME
Year Ended December 31, 2014

	<u>Combined</u>	<u>Eliminations and Adjustments</u>	<u>American Powernet Services, LP</u>	<u>APN Starfirst, LP</u>	<u>American Powernet Management, LP</u>
REVENUE					
Management fee income					
Specialized services, commissions and other fees					
Energy purchases					
TOTAL REVENUE					
COST OF GOODS SOLD					
GENERAL AND ADMINISTRATIVE EXPENSES					
INCOME FROM OPERATIONS					
OTHER INCOME (EXPENSE)					
Interest income					
Interest expense					
Net gains (loss) on investments					
NET OTHER INCOME (EXPENSE)					
NET INCOME					

AMERICAN POWERNET MANAGEMENT, LP AND AFFILIATES
d/b/a AMERICAN POWERNET

COMBINING SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES
Year Ended December 31, 2014

	<u>Combined</u>	<u>Eliminations and Adjustments</u>	<u>American Powernet Services, LP</u>	<u>APN Starfirst, LP</u>	<u>American Powernet Management, LP</u>
Office salaries					
Officer salary					
Total Salaries					
Advertising					
Amortization					
Bad Debt Expense					
Bank charges					
Contributions					
Deferred compensation					
Depreciation					
Dues and subscriptions					
Employee benefits					
Freight and postage					
Insurance					
Legal and accounting					
Management fee					
Meals and entertainment					
Miscellaneous					
Office supplies					
Outside services					
Payroll taxes					
Penalties and fines					
Permits and licenses					
Rent					
Repairs and maintenance					
Subcontract services					
Taxes					
Telephone					
Travel					
Utilities					
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES					

ATTACHMENT B
SECTION 451.740
AGREEMENT WITH RTO "MISO"



Michael P. Holstein
Vice President & Chief Financial
Officer
Direct Dial: 317-249-5525
E-mail: mholstein@midwestiso.org

TKT:
C6166

January 22, 2007

Mr. David Butsack
APN StarFirst, LP
867 Berkshire Blvd.
Suite 101
Wyomissing, PA 19610

Dear Mr. Butsack:

Enclosed please find a fully executed copy of Attachment W - Market Participant Agreement. Please note the Midwest ISO replaced the first page of Attachment W with a revised first page that contains one and only one change -- in paragraph one the phrase "Midwest Independent Transmission System, Inc." was changed to "Midwest Independent Transmission System Operator, Inc.".

Regards,

A handwritten signature in cursive script that reads "Michael P. Holstein / pe".

Michael P. Holstein
Vice President and Chief Financial Officer

MPH/pe

Market Participant Agreement

For

APN Starfirst, LP

Under The

Midwest Independent Transmission System Operator, Inc.,
FERC Electric Tariff, Open Access Transmission and Energy Markets Tariff
Third Revised Volume No. 1

MISO MPA Designation No.: MPA.AMER

ATTACHMENT W

FORM OF MARKET PARTICIPANT AGREEMENT

- 1.0 This Market Participant Agreement ("MP Agreement"), dated as of June 14, 2006, is entered into, by and between the Midwest Independent Transmission System Operator, Inc., ("Transmission Provider") and APN Starfirst, LP ("Market Participant").
- 2.0 The Market Participant has been determined by the Transmission Provider to be a Market Participant as defined in the Tariff.
- 3.0 The Market Participant agrees to supply the Transmission Provider with any and all information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice.
- 4.0 The Transmission Provider agrees to provide services to the Market Participant upon a request by an authorized representative of the Market Participant. The Market Participant agrees to take and pay for the requested services in accordance with the provisions of the Tariff and this MP Agreement.

Issued by: Ronald R. McNamara, Issuing Officer
Issued on: January 7, 2005

Effective: March 1, 2005

Filed to comply with the November 8, 2004 Order of the FERC in Docket Nos. ER04-691-000 and EL04-104-000
(Midwest Independent Transmission System Operator, Inc., 109 FERC ¶ 61,157 (2004)).

- 5.0 Market Participant status under the Tariff shall commence upon execution of this MP Agreement by the Transmission Provider. Service(s) under the Tariff shall commence at the time of the requested service(s) commencement date.
- 6.0 This MP Agreement shall terminate on such date as mutually agreed upon by the Parties.
- 7.0 The Market Participant shall provide written notification of any unexpected material adverse changes in circumstances that may affect the Market Participant's status as a Market Participant, within twenty-four (24) hours of having learned of the change.

Issued by: Ronald R. McNamara, Issuing Officer
Issued on: January 7, 2005

Effective: March 1, 2005

Filed to comply with the November 8, 2004 Order of the FERC in Docket Nos. ER04-691-000 and EL04-104-000
(*Midwest Independent Transmission System Operator, Inc.*, 109 FERC ¶ 61,157 (2004)).

- 8.0 The Market Participant shall notify the Transmission Provider in writing of any material adverse change in circumstances that the Market Participant learns of or intends to implement and may affect its status at least seventy-two (72) hours prior to the change.
- 9.0 Any notice or request made to either of the parties to this MP Agreement shall be made to the following representatives:

	<u>Transmission Provider</u>	<u>Market Participant</u>
Title:	Contract Administrator	<u>DAVID BUTSACK</u>
Address:	701 City Center Drive Carmel, IN 46032	<u>867 BERKSHIRE BLVD</u> <u>Wyomissing PA 19610</u>

Issued by: Ronald R. McNamara, Issuing Officer
Issued on: January 19, 2005

Effective: March 1, 2005

Filed to comply with the December 20, 2004 Order of the FERC in Docket Nos. ER04-691-000 and EL04-104-000
(Midwest Independent Transmission System Operator, Inc., 109 FERC ¶ 61,285 (2004)).

10.0 The Tariff, in its entirety, is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the parties have caused this MP Agreement to be executed by their respective authorized officials.

Transmission Provider

Market Participant

By: Michael P. Holstein
Name: _____
Title: **Michael P. Holstein**
Date: **Vice President & Chief Financial Officer**

By: [Signature]
Name: DAVID BUTSACK
Title: VP OF LOGISTICS & ANALYSIS
Date: 6/15/06

1-22-07

Issued by: Ronald R. McNamara, Issuing Officer
Issued on: January 7, 2005

Effective: March 1, 2005

Filed to comply with the November 8, 2004 Order of the FERC in Docket Nos. ER04-691-000 and EL04-104-000
(Midwest Independent Transmission System Operator, Inc., 109 FERC ¶ 61,157 (2004)).

ATTACHMENT W

FORM OF MARKET PARTICIPANT AGREEMENT

- 1.0 This Market Participant Agreement (“MP Agreement”), dated as of June 14, 2006, is entered into, by and between the Midwest Independent Transmission System Operator, Inc., (“Transmission Provider”) and APN Starfirst, LP (“Market Participant”).
- 2.0 The Market Participant has been determined by the Transmission Provider to be a Market Participant as defined in the Tariff.
- 3.0 The Market Participant agrees to supply the Transmission Provider with any and all information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice.
- 4.0 The Transmission Provider agrees to provide services to the Market Participant upon a request by an authorized representative of the Market Participant. The Market Participant agrees to take and pay for the requested services in accordance with the provisions of the Tariff and this MP Agreement.

ATTACHMENT W

FORM OF MARKET PARTICIPANT AGREEMENT

- 1.0 This Market Participant Agreement ("MP Agreement"), dated as of JUNE 14, 2006, is entered into, by and between the Midwest Independent Transmission System, Inc., ("Transmission Provider") and APN STARFIRST, LP ("Market Participant").
- 2.0 The Market Participant has been determined by the Transmission Provider to be a Market Participant as defined in the Tariff.
- 3.0 The Market Participant agrees to supply the Transmission Provider with any and all information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice.
- 4.0 The Transmission Provider agrees to provide services to the Market Participant upon a request by an authorized representative of the Market Participant. The Market Participant agrees to take and pay for the requested services in accordance with the provisions of the Tariff and this MP Agreement.

- 5.0 Market Participant status under the Tariff shall commence upon execution of this MP Agreement by the Transmission Provider. Service(s) under the Tariff shall commence at the time of the requested service(s) commencement date.
- 6.0 This MP Agreement shall terminate on such date as mutually agreed upon by the Parties.
- 7.0 The Market Participant shall provide written notification of any unexpected material adverse changes in circumstances that may affect the Market Participant's status as a Market Participant, within twenty-four (24) hours of having learned of the change.

Issued by: Ronald R. McNamara, Issuing Officer
Issued on: January 7, 2005

Effective: March 1, 2005

Filed to comply with the November 8, 2004 Order of the FERC in Docket Nos. ER04-691-000 and EL04-104-000
(*Midwest Independent Transmission System Operator, Inc.*, 109 FERC ¶ 61,157 (2004)).

- 8.0 The Market Participant shall notify the Transmission Provider in writing of any material adverse change in circumstances that the Market Participant learns of or intends to implement and may affect its status at least seventy-two (72) hours prior to the change.
- 9.0 Any notice or request made to either of the parties to this MP Agreement shall be made to the following representatives:

	<u>Transmission Provider</u>	<u>Market Participant</u>
Title:	Contract Administrator	<u>DAVID BUTSACK</u>
Address:	701 City Center Drive Carmel, IN 46032	<u>867 BERKSHIRE BLVD</u> <u>WYOMISSING PA 19610</u>

Issued by: Ronald R. McNamara, Issuing Officer
Issued on: January 19, 2005

Effective: March 1, 2005

Filed to comply with the December 20, 2004 Order of the FERC in Docket Nos. ER04-691-000 and EL04-104-000
(Midwest Independent Transmission System Operator, Inc., 109 FERC ¶ 61,285 (2004)).

10.0 The Tariff, in its entirety, is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the parties have caused this MP Agreement to be executed by their respective authorized officials.

Transmission Provider

Market Participant

By: Michael P. Holstein

By: [Signature]

Name: _____

Name: DAVID BUTSACK

Title: _____

Title: VP OF LOGISTICS & ANALYSIS

Date: _____

Date: 6/15/06

Michael P. Holstein
Vice President & Chief Financial Officer

1-22-07

ATTACHMENT C

SECTION 451.740

FINANCIAL REPORTING FOR PURCHASE OF POWER

MASTER POWER PURCHASE AND SALE AGREEMENT

COVER SHEET

This *Master Power Purchase and Sale Agreement* ("*Master Agreement*") is made as of the following date: December 7, 2011 ("Effective Date"). The *Master Agreement*, together with the exhibits, schedules and any written supplements hereto, the Party A Tariff, if any, the Party B Tariff, if any, any designated collateral, credit support or margin agreement or similar arrangement between the Parties and all Transactions (including any confirmations accepted in accordance with Section 2.3 hereto) shall be referred to as the "Agreement." The Parties to this *Master Agreement* are the following:

Party A: EDF Trading North America, LLC
("Counterparty" or "Party A")

APN Starfirst, L.P. ("Counterparty" or "Party B")

All Notices:

All Notices:

4700 West Sam Houston Parkway, Suite 250

45 Commerce Drive

Tel: 281-781-0333

Tel: 610-372-8500

City/State: Houston, TX Zip: 77041

City: Wyomissing, PA Zip: 19610

Attn: Contract Administration

Attn: Contract Administration

Phone: 281-781-0333

Phone: 610-372-8500

Facsimile: 281-653-1454

Facsimile: 610-372-9100

Duns: 130385763

Duns: 14-108-1328

Federal Tax ID Number: 98-0596593

Federal Tax ID Number: 11-3708349

Invoices:

Invoices:

Attn: Power Accounting

Attn: Linda Jablonski

Phone: 281-653-1683

Phone: 610-372-8500

Facsimile: 281-653-1033

Facsimile: 610-372-9100

Scheduling:

Scheduling:

Attn: Power Scheduling

Attn: David Butsack/Brian Vayda

Phone: 281-781-0333

Phone: 610-372-8500

Facsimile: 281-781-0360

Facsimile: 610-372-9100

Confirmations:

Payments:

Attn: Confirmation Department

Attn: Linda Jablonski

Phone: 281-653-1683

Phone: 610-372-8500

Facsimile: 281-653-1033

Facsimile: 610-372-9100

Payments:

Wire Transfer:

Attn: Power Accounting

BNK: Sovereign Bank

Phone: 281-653-1683

ABA: 231372691

Facsimile: 281-653-1033

ACCT: 8031143765

Wire Transfer:

Credit and Collections:

BNK: Wells Fargo Bank, N.A.

Attn: Linda Jablonski

ABA: 121000248

Phone: 610-372-8500

ACCT: 4121947964

Facsimile: 610-372-9100

Credit and Collections:
Attn: Credit Department
Phone: 281-781-0333
Facsimile: 281-781-0360

With additional Notices of an Event of Default or
Potential Event of Default to:
Attn: Robert J. Porto - Energy Purchasing
PPG Industries, Inc.
Phone: 412-434-2521
Facsimile: 412-434-4002

With additional Notices of an Event of Default or
Potential Event of Default to:
Attn: General Counsel
Fax: 281-653-1454

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

Party A Tariff Tariff: FERC Rate Schedule Dated: September 22, 2010 Docket Number: ER10-2794

Party B Tariff Tariff: Market-Based Dated: January 7, 2004 Docket Number: ER04-226

Article Two

Transaction Terms and Conditions Optional provision in Section 2.4. If not checked, inapplicable.

Article Four

Remedies for Failure to Deliver or Receive Accelerated Payment of Damages. If not checked, inapplicable.

Article Five

Events of Default; Remedies Cross Default for Party A:
 Party A: BDF Trading North America, LLC Cross Default Amount: With respect to Party A: three percent (3%) of Party A's Shareholder Equity as reported in its most recent audited or quarterly consolidated financial statements

Other Entity: _____ Cross Default Amount \$ _____

Cross Default for Party B:

Party B: APN Starfirst, L.P. Cross Default Amount: With respect to Party B: three percent (3%) of Party B's or its Credit Support Provider's (as applicable) Shareholder Equity as reported in its most recent audited or quarterly consolidated financial statements

Other Entity: _____ Cross Default Amount \$ _____

5.6 Closeout Setoff

Option A (Applicable if no other selection is made.)

Option B -- Affiliates shall have the meaning set forth in the Agreement unless otherwise specified as follows: _____

Option C (No Setoff)

Article 8

Credit and Collateral Requirements

8.1 Party A Credit Protection:

(a) Financial Information:

Option A

Option B Specify: PPG Industries, Inc.

Option C Specify: (1) Financial information required in Option B for Party B and/or its Guarantor; (2) copies of all corporate authorizations and any other documents with respect to the execution, delivery and performance of this Agreement; (3) certificate of authority and specimen signatures of individuals executing this Agreement, any Confirmation and each Transaction; and (4) Uniform Sales & Use Tax Certificate – Multijurisdictional or other similar applicable resale certificates.

(b) Credit Assurances:

Not Applicable

Applicable

(c) Collateral Threshold:

Not Applicable

Applicable

If applicable, complete the following:

Party B Collateral Threshold: \$7 Million; provided, however, that Party B's Collateral Threshold shall be (i) the lesser amount of the Collateral Threshold or the Guaranty Amount, if any; and (ii) zero if an Event of Default or Potential Event of Default with respect to Party B has occurred and is continuing.

(d) Downgrade Event:

Not Applicable

Applicable

If applicable, complete the following:

It shall be a Downgrade Event for Party B if Party B's Guarantor's Credit Rating falls below BBB- from S&P or Baa3 from Moody's or if Party B is not rated by either S&P or Moody's

Other:

Specify: _____

(e) Guarantor for Party B: PPG Industries

Guarantee Amount: \$7 Million or an amount mutually agreed to by the parties (including being agreed to by PPG Industries, Inc.) from time to time in accordance with Party B's Collateral

Threshold as defined above.

8.2 Party B Credit Protection:

(a) Financial Information:

- Option A
- Option B Specify: _____
- Option C Specify: (1) Financial information required in Option B for Party A's Guarantor; (2) copies of all corporate authorizations and any other documents with respect to the execution, delivery and performance of this Agreement; (3) certificate of authority and specimen signatures of individuals executing this Agreement, any Confirmation and each Transaction and (4) Uniform Sales & Use Tax Certificate - Multijurisdictional or other similar applicable resale certificates.

(b) Credit Assurances:

- Not Applicable
- Applicable

(c) Collateral Threshold:

- Not Applicable
- Applicable

Party A Collateral Threshold: \$N/A; provided, however, that Party A's Collateral Threshold shall be (i) the lesser amount of the Collateral Threshold or the Guaranty Amount, if any; and (ii) zero if an Event of Default or Potential Event of Default with respect to Party B has occurred and is continuing.

(d) Downgrade Event:

- Not Applicable
- Applicable

If applicable, complete the following:

- It shall be a Downgrade Event for Party A if Party A's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party A is not rated by either S&P or Moody's
- Other:
Specify: _____

(e) Guarantor for Party A: Not Applicable

Guarantee Amount: \$ _____, or an amount mutually agreed to by the parties from time to time in accordance with Party A's Collateral Threshold as defined above.

- Confidentiality Confidentiality Applicable If not checked, inapplicable.
- Schedule M Party A is a Governmental Entity or Public Power System
 Party B is a Governmental Entity or Public Power System
 Add Section 3.4 If not checked, inapplicable
 Add Section 8.4 If not checked, inapplicable

Other Changes: Applicable Specify, if any: See below

Part 1. GENERAL TERMS AND CONDITIONS.

(a) Article One shall be amended as follows:

- (i) Section 1.12 shall be amended by replacing "issues" with "issuer" in the fourth line.
- (ii) Section 1.27 is amended by deleting the phrase "or a foreign bank with a U.S. branch" and replacing it with the phrase "or a U.S. branch of a foreign bank".
- (iii) Section 1.45 shall be amended by adding the following at the end of the definition, "Party B shall have the right to provide up to \$7 Million in the form of a parent guarantee from PPG Industries, Inc. as Performance Assurance hereunder, provided that a Downgrade Event has not occurred with respect to PPG Industries, Inc. in which case a parent guarantee shall not constitute acceptable Performance Assurance."
- (iv) Section 1.50 is amended by changing "Section 2.4" to "Section 2.5".
- (v) Section 1.51 shall be amended by (i) adding the phrase "for delivery" immediately before the phrase "at the Delivery Point" in the second line and (ii) deleting the phrase "at Buyer's option" from the fifth line and replacing it with the following: "absent a purchase"; and
- (vi) Section 1.53 shall be amended by (i) deleting the phrase "at the Delivery Point" from the second line, (ii) deleting the phrase "at Seller's option" from the fifth line and replace it with the following: "absent a sale".
- (vii) The following shall be added as a new Section 1.62:

"Merger Event" means, with respect to a Party or its Guarantor, and with respect to Party A, its Guarantor, that such Party or its Guarantor consolidates or amalgamates with, or merges into or with, or transfers substantially all of its assets to another entity; and (i) the resulting entity fails to assume all of the obligations of such Party hereunder or of such Party's Guarantor under its guaranty; or (ii) the benefits of any credit support provided pursuant to Article 8, or any guaranty provided by such Party's Guarantor, fail to extend to the performance by such resulting, surviving or transferee entity of its obligations hereunder; or (iii) the resulting entity's creditworthiness is materially weaker than that of such Party or its Guarantor immediately prior to such action."

(viii) The following shall be added as a new Section 1.63:

"*Shareholder Equity*" means, at any time, the amount of paid-in capital in respect of all issued and fully-paid shares of the share capital of the relevant entity, together with the contributed surplus, the cumulative translation adjustment (if any) and the retained earnings calculated in accordance with generally accepted accounting principles in the country in which that entity is organized, consistently applied.

(b) Article Two shall be amended as follows

Section 2.3 is amended by replacing "may" with "shall" in line 1.

(c) Article Five shall be amended as follows:

(i) Section 5.1(a) shall be amended by deleting "three (3) Business Days" and replacing it with "two (2) Business Day" in the second line;

(ii) Section 5.1(e) is amended by adding "or the Collateral Annex hereto" at the end of that subsection.

(iii) Section 5.1(h)(ii) shall be amended by deleting the following phrase from the third and fourth line thereof: "and such failure shall not be remedied within three (3) Business Days after written notice and inserting in its place the phrase "and such failure shall not be remedied within two (2) Business Days after written notice.";

(iv) A new section 5.1(h)(e) is added as follows: "a Merger Event occurs with respect to a Guarantor."

(v) Section 5.1 is amended by replacing the "." at the end of Clause (h)(v) thereof with "; or" and by adding new Clause (vi) as follows:

"(vi) "Such Party or its Guarantor, as applicable: (i) defaults under a Specified Agreement and, after giving effect to any applicable notice requirement or grace period, there occurs a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Agreement; or (ii) defaults, after giving effect to any applicable notice requirement or grace period, in making any payment or delivery due on the last payment, delivery or exchange date of, or any payment on early termination of, a Specified Agreement (or such default continues for at least three Business Days if there is no applicable notice requirement or grace period), where "Specified Agreement" means any privately negotiated rate swap, basis swap, forward rate transaction, commodity swap, commodity option, a purchase or sale of a commodity, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transactions, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions or any combination of these transactions) or any other similar transaction (whether or not documented under or effected pursuant to a master agreement) now existing or hereafter entered into between Party A, on the one hand, and Party B, on the other. For purposes hereof, a "commodity" has the meaning set forth in the Commodity Exchange Act (7 U.S.C. §1(a)(4))."

(vi) Section 5.2 is amended by deleting the last sentence and replace it with the following: "The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for each such Terminated Transaction or group of Terminated Transactions as of the Early Termination Date (or, to the extent that in the reasonable opinion of the Non-Defaulting Party certain of such Terminated Transactions or group of Terminated Transactions are commercially impracticable to liquidate and terminate or may not be liquidated and terminated under applicable law on the Early Termination Date, then each such Transaction (individually, an "Excluded Transaction" and collectively, the "Excluded Transactions") shall be terminated as soon thereafter as reasonably practicable, and upon termination shall be deemed to be a Terminated Transaction and the Termination Payment payable in connection with all such Transactions shall be calculated in accordance with Section 5.3 below). The Gains and Losses for each Terminated Transaction shall be determined by calculating the amount that would be incurred or realized to replace or to provide the economic equivalent of the remaining payments or deliveries in respect of that Terminated Transaction. The Non-Defaulting Party (or its agent) may determine its Gains and Losses by reference to information either available to it internally or supplied by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include, without

limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information."; The Non-Defaulting Party shall be required to meet all reasonable requests by the Defaulting Party for supporting documentation in addition to requirements of Section 5.4 concerning such valuations expressed herein.

(vii) Section 5.3 shall be amended by adding the phrase "plus, at the option of the Non-Defaulting Party, any cash or other form of liquid security then in the possession of the Defaulting Party or its agent pursuant to Article Eight," after the first use of the phrase "due to the Non-Defaulting Party" in the sixth line;

(viii) Section 5.4 shall be amended by adding the following clause at the end of Section 5.4:

"Notwithstanding any provision to the contrary contained in this Agreement, the Non-Defaulting Party shall not be required to pay to the Defaulting Party any amount under Article 5 until the Non-Defaulting Party receives confirmation satisfactory to it in its reasonable discretion (which may include an opinion of its counsel) that all other obligations of any kind whatsoever of the Defaulting Party to make any payments to the Non-Defaulting Party under this Agreement or otherwise which are due and payable as of the Early Termination Date have been fully and finally performed."

(d) Section 6.8 - Transaction Netting. Section 6.8 is amended by replacing "may by agreement of the Parties," with the word "will".

(e) Article Seven shall be amended as follows:

Section 7.1, shall be amended by (i) deleting in the fifteenth line the words, "UNLESS EXPRESSLY HEREIN PROVIDED", (ii) adding in the nineteenth line the words PROVIDED, HOWEVER, NOTHING IN THIS SECTION SHALL AFFECT THE ENFORCEABILITY OF THE PROVISIONS OF THIS AGREEMENT RELATING TO REMEDIES FOR FAILURE TO DELIVER/RECEIVE IN SECTIONS 4.1 AND 4.2, AND CALCULATION AND PAYMENT OF THE TERMINATION PAYMENT IN SECTIONS 5.2 AND 5.3," immediately after the words "ANY INDEMNITY PROVISION OR OTHERWISE", and (iii) adding at the end of the last sentence the words "AND ARE NOT PENALTIES".

(f) Article Eight shall be amended as follows:

Section 8.1(b) is amended by:

- (i) amending the first sentence to read: " If Party A has reasonable grounds for insecurity regarding Party B's performance of any obligation under this Agreement, Party A will provide Party B with written notice requesting Performance Assurance in an amount determined by Party A in a commercially reasonable manner."
- (ii) replacing the "three (3) Business Days" in the fifth and seventh lines with "two (2) Business Days"; and
- (iii) inserting the following at the end thereof:

"In addition, if Party B fails to provide Performance Assurance within two (2) Business Days of receipt of notice, Party A may also withhold or suspend its payment obligations under this Agreement and under any Transaction until it receives the Performance Assurance."

Section 8.2(b) is amended by:

- (i) amending the first sentence to read: " If Party B has reasonable grounds for insecurity regarding Party A's performance of any obligation under this Agreement, Party B will provide Party A with written notice requesting Performance Assurance in an amount determined by Party B in a commercially reasonable manner."
- (ii) replacing the "three (3) Business Days" in the fifth and seventh lines with "two (2) Business Days"; and
- (iii) inserting the following at the end thereof:

"In addition, if Party A fails to provide Performance Assurance within two (2) Business Days of receipt of notice, Party B may also withhold or suspend its payment obligations under this Agreement and under any Transaction until it receives the Performance Assurance."

(g) Article Ten shall be amended as follows:

- (i) Section 10.2(ix) is amended to read in its entirety as follows: "(ix) (1) it is a "forward contract merchant" within the meaning of the United States Bankruptcy Code; (2) it is an "eligible contract participant" as such term is defined in the Commodity Exchange Act, as amended 7 U.S.C. § 1 (a) (12); and (3) it is an "eligible commercial entity" as such term is defined in the Commodity Exchange Act, as amended 7 U.S.C. § 1 (a) (11)."
- (ii) Section 10.4 – Indemnity is amended to add the phrase "unless a Claim is due to such Party's gross negligence, willful misconduct or bad faith" at the end of the first sentence of Section 10.4.

(iii) Section 10.6 is deleted in its entirety and replaced with the following new Section:

"10.6 Governing Law; Jurisdiction; Waiver of Jury Trial. This Agreement shall be construed in accordance with, and this Agreement and all matters arising out of or relating in any way whatsoever to this Agreement (whether in contract, tort or otherwise) shall be governed by, the law of the State of New York.

With respect to any suit, action or proceedings relating to or arising out of this Agreement or any of the transactions contemplated hereby (*Proceedings*), each Party irrevocably:

- (i) submits to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in the Borough of Manhattan and of the United States District Court for the Southern District of New York, and any appellate court therefrom; and
- (iv) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such Party.

Each Party hereby agrees that a final, non-appealable judgment in any such Proceedings shall be conclusive and may be enforced in other jurisdictions otherwise having jurisdiction over it by suit on such final judgment or in any other manner provided by law.

Each Party irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its assets (irrespective of its use or intended use), all immunity on the grounds of sovereignty (or any similar grounds available to a governmental entity or instrumentality) from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of its assets, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the fullest extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

ANY PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE RESOLVED BY A JUDGE TRIAL WITHOUT A JURY AND THE RIGHT TO A JURY TRIAL IS WAIVED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW. Each party hereto hereby (a) certifies that no representative, agent or attorney of another person has represented, expressly or otherwise, that such other person would not, in the event of a Proceeding, seek to enforce the foregoing waiver and (b) acknowledges that it has been induced to execute and deliver, or change its position in reliance upon the benefits of, this Agreement by, among other things, the mutual waivers and certifications in this Section."

- (v) Section 10.10 is amended by deleting the section in its entirety and replacing it with the following new Section: "Bankruptcy. The Parties acknowledge and agree that (i) any Transaction with a maturity date more than two days after the date the Transaction is entered into constitutes a "forward contract" within the meaning of the United States Bankruptcy Code (the "Bankruptcy Code"); (ii) certain Transactions may constitute "swap agreements" within the meaning of the Bankruptcy Code; (iii) all payments made or to be made by one Party to the other Party pursuant to this Agreement are "settlement payments" within the meaning of the Bankruptcy Code; and (iv) all transfers of Performance Assurance by one Party to the other Party under this Agreement are "margin payments" within the meaning of the Bankruptcy Code. Each Party further agrees that, for purposes of this Agreement, the other Party is not a "utility" as such term is used in 11 U.S.C. Section 366, and each Party agrees to waive and not to assert the applicability of the provisions of 11 U.S.C. Section 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further agrees to waive the right to assert that the other Party is a provider of last resort."
- (vi) Section 10.11 shall be amended by adding the word "Affiliates" phrase "or the completed Cover Sheet to this Master Agreement" immediately before the phrase "to a third party"; in the fourth line thereof, between the words "employees" and "lenders" in line 4. In the seventh line thereof, between the word "proceeding" and the semi-colon, which immediately follows, add the words "applicable to such Party or any of its Affiliates". An additional sentence at the end of Section 10.11: "A Party may disclose any one or more of the commercial terms of a Transaction (other than the name of the other Party unless otherwise agreed to in writing by the Parties) to any industry price source for the purpose of aggregating and reporting such information in the form of a published energy price index."
- (vii) The following Section shall be added as a new Section 10.13:

10.13 Index Transactions. If the Parties enter into a Transaction in which any or all of the pricing component is based on an pricing index, the following shall apply:

- (a) Market Disruption. If a Market Disruption Event has occurred and is continuing for one or more Trading Days during the Determination Period, the Floating Price for such Trading Day shall be determined pursuant to the index specified in the transaction for

the first Trading Day thereafter on which no Market Disruption Event exists; provided, however, if the Floating Price is not so determined within three (3) Business Days after the first Trading Day on which the Market Disruption Event occurred or existed, then the parties shall negotiate in good faith to agree on a Floating Price (or a method for determining a Floating Price), and if the parties have not so agreed on or before the twelfth (12th) Business Day following the first Trading Day on which the Market Disruption Event occurred or existed, then the Floating Price shall be determined in good faith by taking the average of two dealer quotes obtained from dealers of the highest credit standing which satisfy all the criteria that the Seller applies generally at the time in deciding to offer or to make an extension of credit.

(b) Corrections to Published Prices. For purposes of determining the relevant prices for any day, if the price published or announced on a given day and used or to be used to determine a relevant price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement, either Party may notify the other Party of (i) that correction and (ii) the amount (if any) that is payable as a result of that correction. If a Party gives notice that an amount is so payable, the Party that originally either received or retained such amount will, not later than three (3) Business Days after the effectiveness of that notice, pay, subject to any applicable conditions precedent, to the other Party that amount, together with interest at the Interest Rate for the period from and including the day on which payment originally was (or was not) made to but excluding the day of payment of the refund or payment resulting from that correction.

(c) Calculation of Floating Price. For the purposes of the calculation of a Floating Price, all numbers shall be rounded to three (3) decimal places. If the fourth (4th) decimal number is five (5) or greater, then the third (3rd) decimal number shall be increased by one (1), and if the fourth (4th) decimal number is less than five (5), then the third (3rd) decimal number shall remain unchanged.

(d) Definitions for Index Transactions. The following definitions shall apply:

"Determination Period" means each calendar month during the term of the relevant Transaction; provided that if the term of a Transaction is less than one calendar month the Determination Period shall be the term of a Transaction.

"Floating Price" means the price specified in a Transaction as being based upon a specified index.

"Market Disruption Event" means, with respect to an index, any of the following events: (a) the failure of the index to announce or publish information necessary for determining the Floating Price; (b) the failure of trading to commence or the permanent discontinuation or material suspension of trading in the relevant options contract or commodity on the exchange or market acting as the index; (c) the temporary or permanent discontinuance or unavailability of the index; (d) the temporary or permanent closing of any exchange acting as the index; or (e) a material change in the formula for or the method of determining the Floating Price.

"Trading Day" means a day in respect of which the relevant price source published or was to publish the relevant price; and

(viii) Add new Section 10.14.

Any document generated by the Parties with respect to this Agreement, including this Agreement, may be imaged and stored electronically ("Imaged Documents"). Imaged Documents may be introduced as evidence in any proceeding as if such were original business records and neither Party shall contest the admissibility of Imaged Documents as evidence in any proceeding.

(ix) Add a new Section 10.15

"FERC Standard of Review: Mobile-Sierra Waiver.

(a) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver in subsection (b) below is unenforceable or ineffective as to such Party), a non-party or FERC acting *sua sponte*, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956) (the "Mobile-Sierra" doctrine).

(b) In addition, and notwithstanding the foregoing subsection (a), to the fullest extent permitted by applicable law, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives any rights it can or may have, now or in the future, whether under §§ 205 and/or 206 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying the rate, charge, classification, or other term or condition agreed to by the Parties, it being the express intent of the Parties that, to the fullest extent permitted by applicable law, the "sanctity of contract" principles acknowledged by FERC in its Notice of Proposed Policy Statement (Issued August 1, 2002) in Docket No. PL02-7-000, Standard of Review for Proposed Changes to Market-Based Rate Contracts for Wholesale Sales of Electric Energy by Public Utilities, ("NPPS") shall prevail and neither Party shall unilaterally seek to obtain from FERC any relief changing the rate, charge, classification, or other term or condition of this agreement, notwithstanding any subsequent changes in applicable law or market conditions that may occur. In the event it were to be determined that applicable law precludes the Parties from waiving their rights to seek changes from FERC to their market-based power sales contracts (including entering into covenants not to do so) then this subsection (b) shall not apply, provided that, consistent with the foregoing subsection (a), neither Party shall seek any such changes except under the "public interest" standard of review and otherwise as set forth in the foregoing section (a).

(c) In connection with the foregoing, the Parties acknowledge that, pursuant to the NPPS, FERC has invited interested persons to submit comments with respect to the provisions thereof and therefore agree that, if and to the extent FERC adopts in a final or subsequent policy statement ("FPS") which requires, in order to exclude application of the just and reasonable standard under the Mobile-Sierra doctrine, the use of specific language which varies from that set out in the foregoing subsection (a), then the foregoing subsection (a) shall, without further action of either Party, be deemed amended to incorporate such specific language that requires the public interest standard of review, provided that to the extent that the specific language adopted in an FPS is in any way inconsistent with the mutual intent of the Parties in this regard as currently set forth in the foregoing subsections (a) and (b), then the Parties agree to meet to attempt to negotiate in good faith an amendment to this Section 10 to address such inconsistencies, provided further that neither Party shall be obligated in any way to agree to any such amendment if to do so would be inconsistent with such current mutual intent as expressed herein or would expose such Party in any way to greater risk of changes being ordered by FERC to this Agreement."

(x) Add a new Section 10.16.

"Party A and Party B agree that they will not, without the prior written consent of Party B's Guarantor, PPG Industries, Inc. ("PPG"), enter into any Transaction or any supplement, restatement, extension, novation, material amendment or other material modification to this Agreement including any modification made to a previously entered into Transaction. Such prior written consent shall be sent by PPG by email and facsimile

to both Party A and Party B and such written consent shall specify the deal terms and parameters or modifications to be made to this Agreement, as applicable, ("Deal Terms") that Party B is authorized to transact or execute under this Agreement. Such written consent shall also include, if applicable, any limitation on the timing by which an agreement between Party A and Party B must occur as it relates to the specified Deal Terms. The delivery of a written consent by PPG to Party A and Party B shall not obligate Party A to enter into such specified Deal Terms with Party B, provided, however, that any Transaction or modification to this Agreement entered into by Party A and Party B shall conform to such Deal Terms specified in such written consent. For purposes of the foregoing, prior written consent to Party A shall be sent by email to: and by facsimile to:, and prior written consent to Party B shall be sent.

Part 2. SCHEDULE P

The following definitions are hereby added to Schedule P:

"CAISO Energy" means with respect to a Transaction, a Product under which the Seller shall sell and the Buyer shall purchase a quantity of energy equal to the hourly quantity without Ancillary Services (as defined in the Tariff) that is or will be scheduled as a schedule coordinator to schedule coordinator transaction pursuant to the applicable tariff and protocol provisions of the California Independent System Operator ("CAISO") (as amended from time to time, the "Tariff") for which the only excuse for failure to deliver or receive is an "Uncontrollable Force" (as defined in the Tariff).

"West Firm" or "WSPPC-Firm" means with respect to a Transaction, Product defined by the WSPP Agreement as amended, in Service Schedule C as Firm Capacity/Energy Sale or Exchange Service."

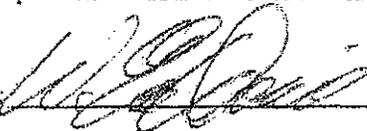
"WBCC" means the Western Electricity Coordinating Council.

"WSPP Agreement" means the Western Systems Power Pool Agreement as amended from time to time.

IN WITNESS WHEREOF, the Parties have caused this Master Agreement to be duly executed as of the date first above written.

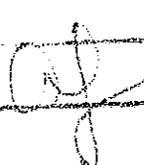
Party A – EDF TRADING NORTH AMERICA, LLC

Party B- APN STARFIRST, L.P.

By: 
Name: **W. Eric Dennison**
Title: **Senior Vice President**

By: 
Name: **David R. Butsack**
Title: **VP, L&A**

DISCLAIMER: This Master Power Purchase and Sale Agreement was prepared by a committee of representatives of Edison Electric Institute ("EEI") and National Energy Marketers Association ("NEM") member companies to facilitate orderly trading in and development of wholesale power markets. Neither EEI nor NEM nor any member company nor any of their agents, representatives or attorneys shall be responsible for its use, or any damages resulting therefrom. By providing this Agreement EEI and NEM do not offer legal advice and all users are urged to consult their own legal counsel to ensure that their commercial objectives will be achieved and their legal interests are adequately protected.

LEGAL 
CREDIT 
SETTLEMENTS 



EDISON ELECTRIC
INSTITUTE

Paragraph 10 to the Collateral Annex

Version 1.0

2/21/02

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PARAGRAPH 10
to the
COLLATERAL ANNEX
to the
EEI MASTER POWER PURCHASE AND SALE AGREEMENT

CREDIT ELECTIONS COVER SHEET

Paragraph 10. Elections and Variables

1. Collateral Threshold

A. Party A Collateral Threshold.

- \$10,000,000 (the "Threshold Amount"); provided, however, that the Collateral Threshold for Party A shall be zero upon the occurrence and during the continuance of an Event of Default or a Potential Event of Default with respect to Party A; and provided further that, in the event that, and on the date that, Party A cures the Potential Event of Default on or prior to the date that Party A is required to post Performance Assurance to Party B pursuant to a demand made by Party B pursuant to the provisions of the Collateral Annex on or after the occurrence of such Potential Event of Default, (i) the Collateral Threshold for Party A shall automatically increase from zero to the Threshold Amount and (ii) Party A shall be relieved of its obligation to post Performance Assurance pursuant to such demand.
- (a) The amount (the "Threshold Amount") set forth below under the heading "Party A Collateral Threshold" opposite the Credit Rating for [Party A][Party A's Guarantor] on the relevant date of determination, or (b) zero if on the relevant date of determination [Party A][its Guarantor] does not have a Credit Rating from the rating agency specified below or an Event of Default or a Potential Event of Default with respect to Party A has occurred and is continuing; provided, however, in the event that, and on the date that, Party A cures the Potential Event of Default on or prior to the date that Party A is required to post Performance Assurance to Party B pursuant to a demand made by Party B pursuant to the provisions of the Collateral Annex on or after the occurrence of such Potential Event of Default, (i) the Collateral Threshold for Party A shall automatically increase from zero to the Threshold for Party A shall automatically increase from zero to the Threshold Amount and (ii) Party A shall be relieved of its obligation to post Performance Assurance pursuant to such demand.

<u>Party A</u> <u>Collateral Threshold</u>	<u>Credit Rating</u>
\$ _____	_____ (or above)
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	Below _____

- (a) The amount (the "Threshold Amount") set forth below under the heading "Party A Collateral Threshold" opposite the Credit Rating for [Party A][Party A's Guarantor] on the relevant date of determination, and if [Party A's][Party A's Guarantor's] Credit Ratings shall not be equivalent, the lower Credit Rating shall govern or (b) zero if on the relevant date of determination [Party A][its Guarantor] does not have a Credit Rating from the rating agency(ies) specified below or an Event of Default or a Potential Event of Default with respect to Party A has occurred and is continuing; provided, however, in the event that, and on the date that, Party A cures the Potential Event of Default on or prior to the date that Party A is required to post Performance Assurance to Party B pursuant to a demand made by Party B pursuant to the provisions of the Collateral Annex on or after the occurrence of such Potential Event of Default, (i) the Collateral Threshold for Party A shall automatically increase from zero to the Threshold Amount and (ii) Party A shall be relieved of its obligation to post Performance Assurance pursuant to such demand.

<u>Party A</u> <u>Collateral</u> <u>Threshold</u>	<u>Credit Rating: S&P</u>	<u>Credit Rating:</u> <u>Moody's</u>
\$5,000,000	A- (or above)	A3 (or above)
\$3,000,000	BBB+	Baa1
\$1,000,000	BBB	Baa2
\$0	BBB- (or below)	Baa3 (or below)

- The amount of the Guaranty Agreement date _____ from _____, as amended from time to time but in no event shall Party A's Collateral Threshold be greater than \$ _____.

- Other – see attached threshold terms

B. Party B Collateral Threshold.

- \$7,000,000 (the “Threshold Amount”); provided, however, that the Collateral Threshold for Party B shall be zero upon the occurrence and during the continuance of an Event of Default or a Potential Event of Default with respect to Party B; and provided further that, in the event that, and on the date that, Party B cures the Potential Event of Default on or prior to the date that Party B is required to post Performance Assurance to Party A pursuant to a demand made by Party A pursuant to the provisions of the Collateral Annex on or after the occurrence of such Potential Event of Default, (i) the Collateral Threshold for Party B shall automatically increase from zero to the Threshold Amount and (ii) Party B shall be relieved of its obligation to post Performance Assurance pursuant to such demand.
- (a) The amount (the “Threshold Amount”) set forth below under the heading “Party B Collateral Threshold” opposite the Credit Rating for [Party B][Party B’s Guarantor] on the relevant date of determination, or (b) zero if on the relevant date of determination [Party B][its Guarantor] does not have a Credit Rating from the rating agency specified below or an Event of Default or a Potential Event of Default with respect to Party B has occurred and is continuing; provided, however, in the event that, and on the date that, Party B cures the Potential Event of Default on or prior to the date that Party B is required to post Performance Assurance to Party A pursuant to a demand made by Party A pursuant to the provisions of the Collateral Annex on or after the occurrence of such Potential Event of Default, (i) the Collateral Threshold for Party B shall automatically increase from zero to the Threshold Amount and (ii) Party B shall be relieved of its obligation to post Performance Assurance pursuant to such demand.

<u>Party B</u> <u>Collateral Threshold</u>	<u>Credit Rating</u>
\$ _____	_____ (or above)
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	Below _____

- (a) The amount (the "Threshold Amount") set forth below under the heading "Party B Collateral Threshold" opposite the Credit Rating for [Party B][Party B's Guarantor] on the relevant date of determination, and if [Party B's][Party B's Guarantor's] Credit Ratings shall not be equivalent, the lower Credit Rating shall govern, or (b) zero if on the relevant date of determination [Party B][its Guarantor] does not have a Credit Rating from the relevant rating agency(ies) specified below or an Event of Default or a Potential Event of Default with respect to Party B has occurred and is continuing; provided, however, in the event that, and on the date that, Party B cures the Potential Event of Default on or prior to the date that Party B is required to post Performance Assurance to Party A pursuant to a demand made by Party A pursuant to the provisions of the Collateral Annex on or after the occurrence of such Potential Event of Default, (i) the Collateral Threshold for Party B shall automatically increase from zero to the Threshold Amount and (ii) Party B shall be relieved of its obligation to post Performance pursuant to such demand.

<u>Party B</u> <u>Collateral</u> <u>Threshold</u>	<u>Credit Rating</u>	<u>Credit Rating</u>
\$ _____	_____ (or above)	_____ (or above)
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	Below _____	Below _____

- The amount of the Guaranty Agreement dated _____ from _____, as amended from time to time but in no event shall Party B's Collateral Threshold be greater than \$ _____.

- Other – Party B's Threshold Amount shall be _____.

II. Eligible Collateral and Valuation Percentage.

The following items will qualify as "Eligible Collateral" for the Party specified:

		<u>Party</u> <u>A</u>	<u>Party</u> <u>B</u>	<u>Valuation Percentage</u>
(A)	Cash	[X]	[X]	100%
(B)	Letters of Credit	[X]	[X]	100% of the undrawn amount unless either (i) a Letter of Credit Default shall have occurred and be continuing with respect to such Letter of Credit, or (ii) thirty (30) or fewer Business Days remain prior to the expiration of such Letter of Credit, in which cases the Valuation Percentage shall be zero (0).
(C)	Other	[]	[]	_____ %

III. Independent Amount.

A. Party A Independent Amount.

- Party A shall have a Fixed Independent Amount of \$ _____. If the Fixed Independent Amount option is selected for Party A, then Party A (which shall be a Pledging Party with respect to the Fixed IA Performance Assurance) will be required to Transfer or cause to be Transferred to Party B (which shall be a Secured Party with respect to the Fixed IA Performance Assurance) Performance Assurance with a Collateral Value equal to the amount of such Independent Amount (the "Fixed IA Performance Assurance"). The Fixed IA Performance Assurance shall not be reduced for so long as there are any outstanding obligations between the Parties as a result of the Agreement, and shall not

be taken into account when calculating Party A's Collateral requirement pursuant to the Collateral Annex. Except as expressly set forth above, the Fixed IA Performance Assurance shall be held and maintained in accordance with, and otherwise be subject to, Paragraphs 2, 5(b), 5(c), 6, 7 and 9 of the Collateral Annex.

- Party A shall have a Full Floating Independent Amount of \$_____. If the Full Floating Independent Amount option is selected for Party A, then for purposes of calculating Party A's Collateral Requirement pursuant to Paragraph 3 of the Collateral Annex, such Full Floating Independent Amount for Party A shall be added by Party B to its Exposure Amount for purposes of determining Net Exposure pursuant to Paragraph 3(a) of the Collateral Annex.
- Party A shall have a Partial Floating Independent Amount of \$_____. If the Partial Floating Independent Amount option is selected for Party A, then Party A will be required to Transfer or cause to be Transferred to Party B Performance Assurance with a Collateral Value equal to the amount of such Independent Amount (the "Partial Floating IA Performance Assurance") if at any time Party A otherwise has a Collateral Requirement (not taking into consideration the Partial Floating Independent Amount) pursuant to Paragraph 3 of the Collateral Annex. The Partial Floating IA Performance Assurance shall not be reduced so long as Party A has a Collateral Requirement (not taking into consideration the Partial Floating Independent Amount). The Partial Floating Independent Amount shall not be taken into account when calculating a Party's Collateral Requirements pursuant to the Collateral Annex. Except as expressly set forth above, the Partial Floating Independent Amount shall be held and maintained in accordance with, and otherwise be subject to, the Collateral Annex.

B. Party B Independent Amount.

- Party B shall have a Fixed Independent Amount of \$_____. If the Fixed Independent Amount option is selected for Party B, then Party B (which shall be a Pledging Party with respect to the Fixed IA Performance Assurance) will be required to Transfer or cause to be Transferred to Party A (which shall be a Secured Party with respect to the Fixed IA Performance Assurance) Performance Assurance with a Collateral Value equal to the amount of such Independent Amount (the "Fixed IA Performance Assurance"). The Fixed IA Performance Assurance shall not be reduced for so long as there are any outstanding Obligations between the Parties as a result of the Agreement, and shall not be taken into account when calculating Party B's Collateral Requirement pursuant to the Collateral Annex. Except as expressly set forth above, the Fixed IA

Performance Assurance shall be held and maintained in accordance with, and otherwise be subject to, Paragraphs 2, 5(b), 5(c), 6, 7 and 9 the Collateral Annex.

- Party B shall have a Full Floating Independent Amount of \$ _____. If the Full Floating Independent Amount option is selected for Party B then for purposes of calculating Party B's Collateral Requirement pursuant to Paragraph 3 of the Collateral Annex, such Full Floating Independent Amount for Party B shall be added by Party A to its Exposure Amount for purposes of determining Net Exposure pursuant to Paragraph 3(a) of the Collateral Annex.
- Party B shall have a Partial Floating Independent Amount of \$ _____. If the Partial Floating Independent Amount option is selected for Party B then Party B will be required to Transfer or cause to be Transferred to Party A Performance Assurance with a Collateral Value equal to the amount of such Independent Amount (the "Partial Floating IA Performance Assurance") if at any time Party B otherwise has a Collateral Requirement (not taking into consideration the Partial Floating Independent Amount) pursuant to Paragraph 3 of the Collateral Annex. The Partial Floating IA Performance Assurance shall not be reduced for so long as Party B has a Collateral Requirement (not taking into consideration the Partial Floating Independent Amount). The Partial Floating Independent Amount shall not be taken into account when calculating a Party's Collateral Requirements pursuant to the Collateral Annex. Except as expressly set forth above, the Partial Floating Independent Amount shall be held and maintained in accordance with, and otherwise be subject to, the Collateral Annex.

IV. Minimum Transfer Amount.

- A. Party A Minimum Transfer Amount: \$1.00
- B. Party B Minimum Transfer Amount: \$1.00

V. Rounding Amount.

- A. Party A Rounding Amount: \$100,000
- B. Party B Rounding Amount: \$100,000

VI. Administration of Cash Collateral.**A. Party A Eligibility to Hold Cash.**

- Party A shall not be entitled to hold Performance Assurance in the form of Cash. Performance Assurance in the form of Cash shall be held in a Qualified Institution in accordance with the provisions of Paragraph 6(a)(ii)(B) of the Collateral Annex. Party A shall pay to Party B in accordance with the terms of the Collateral Annex the amount of interest it receives from the Qualified Institution on any Performance Assurance in the form of Cash posted by Party B.
- Party A shall be entitled to hold Performance Assurance in the form of Cash provided that the following conditions are satisfied: (1) it is not a Defaulting Party and (2) Cash shall be held only in any jurisdiction within the United States. To the extent Party A is entitled to hold Cash, the Interest Rate payable to Party B on Cash shall be as selected below:

Party A Interest Rate.

- Federal Funds Effective Rate - the rate for that day opposite the caption "Federal Funds (Effective)" as set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.
- Other - _____

B. Party B Eligibility to Hold Cash.

- Party B shall not be entitled to hold Performance Assurance in the form of Cash. Performance Assurance in the form of Cash shall be held in a Qualified Institution in accordance with the provisions of Paragraph 6(a)(ii)(B) of the Collateral Annex. Party B shall pay to Party A in accordance with the terms of the Collateral Annex the amount of interest it receives from the Qualified Institution on any Performance Assurance in the form of Cash posted by Party A.
- Party B shall be entitled to hold Performance Assurance in the form of Cash provided that the following conditions are satisfied: (1) it is not a Defaulting Party and (2) Cash shall be held only in any jurisdiction within

the United States. To the extent Party B is entitled to hold Cash, the Interest Rate payable to Party A on Cash shall be as selected below:

Party B Interest Rate.

- Federal Funds Effective Rate - the rate for that day opposite the caption "Federal Funds (Effective)" as set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.
- Other - _____

VII. Notification Time.

- Other - 3 p.m., New York time.

VIII. General.

With respect to the Collateral Threshold, Independent Amount, Minimum Transfer Amount and Rounding Amount, if no selection is made in this Cover Sheet with respect to a Party, then the applicable amount in each case for such Party shall be zero (0). In addition, with respect to the "Administration of Cash Collateral" section of Paragraph 10, if no selection is made with respect to a Party, then such Party shall not be entitled to hold Performance Assurance in the form of Cash and such Cash, if any, shall be held in a Qualified Institution pursuant to Paragraph 6(a)(ii)(B) of the Collateral Annex. If a Party is eligible to hold Cash pursuant to a selection in this Paragraph 1- but no Interest Rate is selected, then the Interest Rate for such Party shall be the Federal Funds Effective Rate as defined in Section VI of this Paragraph 10.

IX Amendments

- (i) Delete the word "exclusive" immediately before the phrase "conditions under which a Party will be required to Transfer Performance Assurance" and immediately before the phrase "conditions under which a Party will release such Performance Assurance" in the first sentence of the second introductory paragraph.

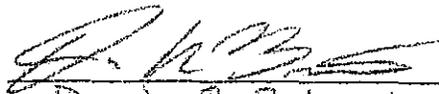
- (ii) Paragraph 1. Definitions.
- (a) At the end of the definition of "Credit Rating" following the word "S&P" add, "or 'issuer rating' by Moody's."
 - (b) Within the definition of "Credit Rating Event", change "6(a)(iii)" to Paragraph "6(a)(ii)".
 - (c) Within the definition of "Downgraded Party", change "(i)" to "(ii)".
 - (d) Within the definition of "Letter of Credit Default" is amended by replacing the word "or" in the third line with the word "and."
 - (e) Within the definition of "Performance Assurance", change "6(a)(iv)" to "6(a)(iii)".
 - (f) Within the definition of "Qualified Institution", delete "and" immediately before "surplus".
 - (g) Within the definition of "Secured Party", change "(b)" to "(a)".
- (iii) For purposes of the Collateral Annex, "setoff", "set off" and "offset" shall have the same meaning.
- (iv) Paragraph 5. Reduction and Substitution of Performance Assurance
- (a) In paragraph 5(a) in line 20 the words "before the Notification Time on a Business Day" shall be replaced by the words "before the Notification Time on a Local Business Day".
 - (b) In paragraph 5(b) replace the words "two (2) Local Business Days" in the second sentence with the words "one (1) Local Business Days".
- (v) Paragraph 6. Administration of Performance Assurance.
- (a) In the first sentence of paragraph 6(a)(ii)(B) delete the words "approved by the non-Downgraded Party (which approval shall not be unreasonably withheld), to a segregated, safekeeping or custody account (the "Collateral Account") within such Qualified Institution with the title of the account indicating that the property contained therein is being held as Cash for the Downgraded Party" and add "(Collateral Account)" after the words "Collateral Account" in the second sentence.
 - (b) In paragraph 6(a)(ii)(B), in the 11th and 12th lines, the words "to perfect the security interest of the Non-Downgraded Party" are deleted and replaced with the words "to perfect the security interest of the Downgraded Party".
 - (c) In paragraph 6(b)(iv) in line eleven, capitalize the word "cash".
- (vi) Paragraph 7. Exercise of Rights Against Performance Assurance.
- (a) Delete paragraph 7(b) in its entirety and replace with "Not Applicable".
 - (b) Add "The" immediately before "Secured Party" in the first line of paragraph 7(c).
- (vii) Paragraph 9. Covenants, Representations and Warranties, Miscellaneous.
- Add "Party" immediately after "incurred by the other" in the 10th line of paragraph 9(d).

The parties executing this Collateral Annex have executed the EEI Master Power Purchase and Sale Agreement and have agreed as to the contents of this Collateral Annex.

EDF Trading North America, LLC

APN Starfirst, L.P.

By: 

By: 

Name: W. Eric Dennison

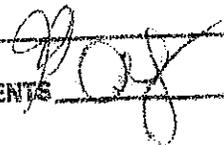
Name: David R. Butsack

Title: Senior Vice President

Title: VP L&A

LEGAL DE

CREDIT 

SETTLEMENTS 

ATTACHMENT D
SECTION 451.740
BOND RENEWAL

The Bond previously provided to the Illinois Commerce Commission is in full force and effect.

ATTACHMENT E
SECTION 451.740
GENERAL LIABILITY INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/27/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. 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).

PRODUCER Tompkins Insurance Agencies, Inc. 1240 Broadcasting Road P.O. Box 6707 Wyomissing PA 19610	CONTACT NAME: Sylvia Keller PHONE (A/C No. Ext): (610) 288-2579 E-MAIL ADDRESS: skeller@tompkinsins.com	FAX (A/C No.):													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Amco Insurance Company</td> <td>19100</td> </tr> <tr> <td>INSURER B: Depositors Insurance Company</td> <td>42587</td> </tr> <tr> <td>INSURER C: Hartford Fire Insurance Co.</td> <td>19682</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Amco Insurance Company	19100	INSURER B: Depositors Insurance Company	42587	INSURER C: Hartford Fire Insurance Co.	19682	INSURER D:		INSURER E:		INSURER F:
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INSURER F:															
INSURED AMERICAN POWERNET 45 Commerce Drive Wyomissing PA 19610															

COVERAGES **CERTIFICATE NUMBER:** 14-15 COI **REVISION NUMBER:**

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			ACPBPO7125776430	8/28/2014	8/28/2015	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						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
							\$
	GENL AGGREGATE LIMIT APPLIES PER:						
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
A	AUTOMOBILE LIABILITY			ACPBPO7125776430	8/28/2014	8/28/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS					BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB	<input type="checkbox"/> OCCUR		ACPCAMD7125776430	8/28/2014	8/28/2015	EACH OCCURRENCE \$ 4,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 4,000,000
	DED	RETENTION \$					\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			39WECLV8204	8/10/2014	8/10/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	N/A				E.L. EACH ACCIDENT \$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 500,000
							E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER **CANCELLATION**

Vadata, Inc. Attn: Risk Management PO Box 81226 Seattle, WA 98108-1300	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE Michael Herr/SDK 

ATTACHMENT F

SECTION 451.750/451.760

MANAGERIAL AND TECHNICAL QUALIFICATIONS



*Managing the Energy Evolution*TM
877-977-2636

About American PowerNet

American PowerNet is an independent company not affiliated with any utility or marketer. We provides clients with supply-side management services designed to provide direct cost savings on electric purchased, and demand-side management strategies that reduce or shift energy use for overall lower energy bills. Today, American PowerNet's list of clients includes a number of Fortune 500 companies and large universities. American PowerNet assists these clients in procuring energy from RTOs in Texas, NY, and the PJM, MISO, & ISO NE regions. As a leader in electricity procurement, American PowerNet provides services for thousands of accounts nationwide. For more information, call (610) 372-8500 or visit online at www.americanpowernet.com.

Key Team Members

R. Scott Helm, President

Scott's energy expertise is built on over twenty-five years of experience in the energy industry, including eight years operating the successful energy auditing firm, Expense Audit & Consulting Co. (EA&C), which he founded. He merged EA&C with American Energy in anticipation of electricity deregulation and to offer his existing client base more energy-related services such as electric and natural gas procurement (supply-side) and energy efficiency projects (demand-side). On behalf of American Energy, he conceived and developed American Energy's largest project to date, a propane-to-natural gas conversion project at East Penn Manufacturing in Pennsylvania. Scott was also responsible for developing the company's Electric Aggregation Business. Scott has since purchased American Energy's assets forming his new company, American PowerNet. He was instrumental in guiding American PowerNet to the forefront of electric procurement in the U.S. American PowerNet enjoys a leading position in the retail electric aggregation business and is the first independent company in the country to develop and provide wholesale electric procurement services to large retail clients. Scott has presented numerous workshops on electric deregulation throughout the U.S. and in Singapore. He has written articles for trade publications and presented oral and written comments to several state Public Utility Commissions (PUC) and the Federal Energy Regulatory Commission (FERC). He earned a B.F.A. from the Rochester Institute of Technology, and is a member of the Association of Energy Engineers.

David R. Butsack, Vice President, Logistics & Analysis

David's proficiencies in the energy management field are widely diverse. He is responsible for overseeing utility bill analysis including cost analysis, tariff compliance, error correction, utility contract negotiations and savings analysis. In this capacity he has been responsible for the development of numerous internal and external data management and analysis functions, and the development of innovative charting products. Utilizing his nationwide energy procurement experience David has been instrumental in grasping the many intricacies of wholesale procurement and packaging them into the first service offering of its kind in the U.S. Prior to American PowerNet, David was Vice President of EA&C. He served on the Advanced Metering Working Group of the Pennsylvania PUC, as well as the Pennsylvania Jersey Maryland Interconnection (PJM) Planning and Engineering Committee, Tariff Advisory and Operating Committee. David earned a B.S. in Finance from Millersville University.

Timothy G. Leigh, Vice President, Major Accounts

Tim Leigh has over twenty-five years optimizing energy and risk management programs for Fortune 500 companies. Mr. Leigh's experience includes working in all sectors of the power industry. More specifically, he helped Southern Company (SO) set up their wholesale power trading business. Founded Service Resources Inc., one of the nation's most successful ESCOs, which was later sold to Ecova. He was a Senior Management Consultant for utilities at Accenture (ACN) building the retail trading desks for many of their affiliate business units. Lastly he has worked as the Director of Energy for Macy's (M) responsible for electricity and natural gas procurement for the nation's largest high-end department store chain. At American PowerNet, Mr. Leigh is responsible for customer service and business development.

Eugene F. Carter, Jr., Controller

Gene has more than twenty five years of relevant experience in various industries in for-profit and not-for-profit organizations as well as business assurance experience in public accounting. His experience, proficiency, expertise and leadership in accounting, finance and analysis is applied to the general management, compliance and reporting functions of the Company. Gene earned a B.S degree in Accounting from Bloomsburg University. Gene presently serves on two Boards of Directors. He is Vice-Chairman of Diamond Credit Union, a \$360 million institution headquartered in Pottstown, Pennsylvania. Additionally, he serves at Delta Dental of Pennsylvania. Delta Pennsylvania is the center of a group of Delta Plans in the mid-Atlantic region of the Country.

Brian M. Vayda, Vice President, Market Strategies

With over twelve years experience in the energy industry, Brian has an extensive background in regulatory matters, securities consulting and financial reporting. His prior experience includes most recently, Manager, Regulatory Affairs for Strategic Energy and Senior Analyst, Market Settlements for PJM. In his former position, Brian was responsible for monitoring and influencing events and legislation within the energy industry at FERC, and in Pennsylvania and New Jersey, developing market rules, assisting in competitive pricing analysis for entrance into new competitive energy markets and assessing the potential impact of alternative wholesale procurement methods on sales, profit, risk and competitive position. At PJM, he provided support in the design, development, implementing and testing of new energy settlement systems, provided market settlement expertise to internal and external customers, conducted studies in the support of the development of new systems requiring a broad knowledge of the concept and practice of PJM markets and assisted the legal department in FERC filings. Brian was also responsible for monitoring bulk power system flows for

reliability in the eastern interconnected region and maintaining adherence to PJM tariff rules for virtual market bids/offers and FTR positions. Brian's education includes an M.B.A. in Finance from Temple University and a B.S. in Accounting from King's College.

Beverly A. Tunmer, Energy Analyst

Beverly has over twenty years of experience as a management consultant providing various consulting services for utility and energy-related clients throughout the U.S. and abroad. She is responsible for obtaining and analyzing electricity usage information for existing and potential clients, providing market pricing options and comparisons, analyzing current EDC tariffs, reconciling energy supply invoices, preparing client billing on a weekly and monthly basis, providing customer support in various markets including PJM and ISO-NE, generating customer savings analysis and preparing regular American PowerNet newsletters. Beverly was instrumental in developing a Locational Marginal Pricing (LMP) computer model to facilitate the marketing and implementation of American PowerNet's business model. Prior to joining American PowerNet, Beverly worked for Management Resources International as a management consultant to utility companies including electric, gas, steam and water. Her responsibilities included cost allocation, revenue requirements analysis, rate studies, market analysis, budgeting and forecasting, preparation of engineer's reports, software training and computer model development. Ms. Tunmer earned an M.B.A. in Financial Management from St. Joseph's University and a B.S. in Operations Management from the Pennsylvania State University.

Jason R. Fletcher, Vice President, Forecasting & Analysis

Jason is responsible for the development and operation of our energy price forecasting models. He also heads our consulting efforts and develops custom software solutions for all parts of the company. Jason has nine years of experience in energy analysis, software modeling, and energy price forecasting. His prior experience includes most recently Manager of Customer Support for EPIS, Inc., developers of the AURORAxmp® forecasting model. In this role he was responsible for customer retention and resolution of all customer issues. He also completed numerous consulting projects and developed custom applications for the entire customer base. Previous to joining EPIS, Jason was with Avista Corporation, a large electricity and natural gas utility in the Pacific Northwest. During his time with Avista, Jason worked on a large range of projects. He developed conservation programs, provided analysis and testimony for regulatory filings, and completed numerous resource analyses and electric market studies. Jason holds a Bachelor of Science in Environmental Studies from Sonoma State University in Northern California.

ANNUAL KILOWATT-HOUR REPORT

APN STARFIRST, LP

American PowerNet

January 27, 2015

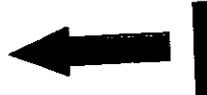
To: Illinois Commerce Commission, Barb McKenzie

From: Linda Jablonski

Re: APN Starfirst, LP – Statement of Kilowatt-Hours for 2014

In connection with the Administrative Code Part 451, requiring Alternative Electric Suppliers to provide the number of KWHs sold, below please find the number of KWH sold for APN Starfirst, LP for the year 2014.

Total Number Sold: 



Should you have any questions, please do not hesitate to contact me at (610) 372-8500 or g.carter@americanpowernet.com.

Regards,



Linda Jablonski, Office Manager

Managing the Energy Evolution.™

45 Commerce Drive, Wyomissing, PA 19610 • (610) 372-8500 • Fax (610) 372-9100
www.americanpowernet.com

Darrell Jenkins, Engineering Project Management

Darrell has provided construction management, direct supervision, and consulting services for several different sectors of end users in the construction market. Darrell spent the first ten years of his career in construction of wastewater treatment plants. Typical clients included the Pure Waters Division of the State of New York, and the Departments of Environmental Services of New Hampshire, Maine, and South Carolina. Over the last twenty years of his career, he has provided construction services to industrial and power generation customers including several major utilities such as Public Service Electric & Gas of New Jersey, Brooklyn Union Gas, Central Maine Power, and Public Service of New Hampshire. Darrell has managed the construction of more than ten power generation facilities with diverse fuel supplies including biomass, natural gas, heavy and light oils, and hydro as well as the construction of several complex processing facilities for Fortune 500 companies like WR Grace, International Paper, Lockheed Martin, and Georgia Pacific.

Gregory G. Krajnik, Vice President, Market Operations

Greg brings over 28 years of experience in bulk power system operations and wholesale energy markets. Trained in Electrical Engineering at Penn State University, his career has spanned electrical construction, system operation and dispatching, system planning and power system analysis and modeling; wholesale market development, training program development for both operations and competitive energy markets, operational accounting and settlements, and demand response operations and management and client management in wholesale energy markets. He has been continuously active in North American wholesale energy markets, PJM, NYISO, ISO-NE, MISO, ERCOT, CAISO, SPP, and IMO.