

**Service Agreement For Non-Firm Point-To-Point
Transmission Service**

- 1.0 This Service Agreement, dated as of December 12, 1997, is entered into, by and between Vermont Electric Power Company, Inc. (the Transmission Provider) and Cinergy Capital & Trading, Inc., an indirect subsidiary of Cinergy Corp. (a Delaware corporation) (Transmission Customer).
- 2.0 The Transmission Customer has been determined by the Transmission Provider to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.
- 3.0 Service under this Agreement shall be provided by the Transmission Provider upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service reserved or scheduled in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Director of Operations
Vermont Electric Power Company, Inc.
Pinnacle Ridge Avenue
Rural Route 1, Box 4077
Rutland, VT 05701
Phone: (802) 770-6260
Fax: (802) 775-5614

Transmission Customer:

Notices:

Vice President
Cinergy Capital & Trading, Inc.
686 Clopay
139 East Fourth Street
Cincinnati, OH 45202
Phone: (513) 287-2809
Fax: (513) 287-3386

Billing:

Operations Coordinator
Cinergy Capital & Trading, Inc.
140 Greenwich Ave.
Greenwich, CT 06830
Phone: (203) 861-7806
Fax: (203) 861-6603

7.0 The Tariff is incorporated herein and made a part hereof.

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

Transmission Provider:

VERMONT ELECTRIC POWER COMPANY, INC.

By: Thomas N. Lewis

Name

Vice President

Title

2/19/98

Date

Transmission Customer:

CINERGY CAPITAL & TRADING, INC.

By: Riaz Q. Siddiqi

Riaz Q. Siddiqi

Vice President

Title

December 19, 1997

**NON-FIRM POINT-TO-POINT TRANSMISSION
SERVICE AGREEMENT APPLICATION**

1) Customer Information

a) Applicant

Cinergy Capital & Trading, Inc., an indirect subsidiary of Cinergy Corp. (a Delaware corporation).

b) Contact Person

Donna Dare
Cinergy Services, Inc.
1000 East Main Street
Plainfield, IN 46168

Phone: (317) 838-2139
Fax: (317) 838-1842

- 2) Cinergy Capital & Trading, Inc. is a power marketer under the Federal Power Act ("FPA"). Therefore, Cinergy Capital & Trading, Inc. is an Eligible Customer under Vermont Electric Power Company, Inc.'s Open Access Transmission Tariff. Cinergy Capital & Trading, Inc.'s application to the Federal Energy Regulatory Commission requesting authority to sell electricity at market-based rates was approved on September 22, 1995 in Docket No. ER93-730-000.
- 3) This Request for Non-Firm Point-to-Point Transmission Service is a request for transmission service under Sections 211(a) and 213(a) of the FPA. This Request is not for transmission service for mandatory retail wheeling as prohibited under Section 212(h) of the FPA.
- 4) This Request is for available Non-Firm Transmission Service from and to Vermont Electric Power Company, Inc.'s interconnection points (as points of receipt or delivery) with electric utilities.
- 5) The names of other parties likely to provide transmission to deliver and receive electric energy would be the electric utilities that Vermont Electric Power Company, Inc. is interconnected with.

- 6) The proposed dates for initiating and terminating the Non-Firm Point-to-Point Transmission Service requested are not applicable to this request. This Request is for an indefinite time period starting January 1998. The dates and time periods of requested transmission service will be transaction specific.
- 7) The amount of transmission capacity requested is not known at this time. The amount of transmission service will be transaction specific.
- 8) The expected transmission profile is not known at this time. The profile of the transmission service will be transaction specific.
- 9) The priority of service for the Non-Firm Point-to-Point Transmission Service requested will be in accordance with the Vermont Electric Power Company, Inc. Non-Firm Point-to-Point Tariff. However, the priority of service for the Non-Firm Point-to-Point Transmission Service requested is equivalent to weekly short-term power. Also, this priority could be different and will be transaction specific.
- 10) This Request is not being made as a response to a solicitation.
- 11) Cinergy Capital & Trading, Inc. accepts the current rates, terms and conditions of the Non-Firm Point-to-Point Transmission Service provided by the electronic bulletin board of Vermont Electric Power Company, Inc. during the time periods of specific transactions.
- 12) No other information is available at this time; however, when further information is available due to a transaction, the detail of the transaction (see points 6, 7, 8, 9, 10 and 11 above) will be provided.

CINERGY CAPITAL & TRADING, INC.

By: Riaz Q. Siddiqi
Riaz Q. Siddiqi

Date: December 19, 1997