

On May 2, 1995, Washington Power, the developer of the Burgettstown project, filed a complaint against West Penn, AE and APSC in the United States District Court for the Western District of Pennsylvania asserting claims of treble damages for monopolization and attempts to monopolize in violation of the federal antitrust laws, unfair competition, breach of contract, intentional interference with contract and interference with prospective

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business relations. This complaint was later amended to add a count alleging wrongful use of civil proceedings. On April 1, 1996, Champion Processing, Inc., North Branch Energy, Inc., and Air Products and Chemicals, Inc., claiming involvement or potential involvement in the Burgettstown project, filed a similar complaint alleging anti-trust violations, unfair competition and intentional interference with a contract. The complaints were consolidated. As of December 1, 1997, AE, West Penn and the developers of the Washington Power Project reached an agreement to buy out and terminate an arrangement to purchase power from the proposed 80-megawatt cogenerating facility near Burgettstown in Washington County, Pennsylvania, and to settle associated litigation including the above-referenced two antitrust lawsuits. Under the agreement, West Penn agreed to buy out and settle the disputed obligation with the project developers for a cash amount of \$48 million.