

**Welcome to the
City of Cheviot
Electric Aggregation
Program.**

DO NOT DISCARD:

Important Notice Regarding Your Electric Service

**This notification is in regards
to your electric service at:**

Sample Address
Sample City, OH 0000



Sample Customer
Sample Address
Sample City, OH 0000

June 15, 2020

Dear Sample Customer,

In May 2010, City of Cheviot voters authorized the creation of an electric aggregation program. Cheviot officials have selected Constellation NewEnergy, Inc. ("Constellation") as the preferred supplier for the upcoming program term. The new program term offers a fixed rate of \$0.04829 per kWh starting with your meter read in August 2020, subject to enrollment by the Utility, and shall remain in effect through your August 2021 meter read.

You're Automatically Enrolled

There is no cost to enroll. Enrollment is automatic for those who are eligible, but participation is voluntary. You may opt-out of this program without penalty at any time for any reason by providing notice to Constellation (see instructions below). If you choose to opt-out, you will be served by the standard service offer of Duke (the "Utility") or until you choose an alternative supplier of electric service. If you switch back to the Utility, you may not be served under the same rates, terms, and conditions that apply to other customers served by the Utility. Please see the enclosed FAQs and Terms and Conditions for full details regarding the program.

How To Opt-Out

The program is under the ongoing jurisdiction of the PUCO. If you return to utility supply after the beginning of the aggregation program, you will pay the Utility's market price of power plus its costs for alternative energy resources, unless you are exempt from those costs or you move and the utility considers you to be a new customer. If you do not want to be automatically enrolled in the aggregation program, please respond with one of the options below by July 8, 2020:

- 1. Mail:** Return the form below in the pre-addressed stamped envelope
- 2. Phone:** Call Constellation at 866-468-3111
- 3. Web: Visit www.constellation.com/oh-Cheviot**

We look forward to providing this program.

Sincerely,

Kevin Klages
SVP Mass Markets
Constellation

City of Cheviot

To learn more:



Visit us online at
constellation.com/oh-Cheviot



Call 866-468-3111
24 hours a day, 365 days a year

The fixed rate offered does not include taxes, utility distribution or other fees, charges or credits. The General Terms and Conditions govern your participation in the Program. Please do not contact the community. If you have additional questions about this offer, contact Constellation.

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Sample Customer
Sample Address
Sample City, OH 0000



Constellation
An Exelon Company

I do not want to participate in the City of Cheviot Electric Aggregation Program.

Phone Number

Cell Work Home

Opt-Out Code

Service Address:

Sample Address
Sample City, OH 0000

Duke Account Number

Signature

Date

Electricity Purchase and Sale Terms and Conditions – Opt-Out Aggregation

The City of Cheviot, Hamilton County, Ohio (“Municipality”), pursuant to the aggregation authority conferred upon it by electorate vote, which passed by a majority vote on May 4, 2010 and ordinance establishing the program, selected Constellation NewEnergy, Inc. (“Seller”) to supply the aggregation and to administer enrollments as described below. You, the account holder (also referred to as “Buyer”) for the eligible account associated with the service address referenced on the letter accompanying these Electricity Purchase and Sale Terms and Conditions (the “Account”), and Seller agree to the following terms and conditions. Seller and Buyer (individually referred to as “Party” and collectively as “Parties”) agree to the following Electricity Purchase and Sale Terms and Conditions (“Agreement”), as of July 9, 2020 (the “Effective Date”).

1. Opt-Out Enrollment: Enrollment is automatic for those who are eligible, but participation is voluntary. **IF YOU DO NOT WISH TO PARTICIPATE, YOU MUST OPT-OUT BY (1) DETACHING AND RETURNING THE OPT OUT CARD ATTACHED TO THE ENROLLMENT NOTICE POSTMARKED NO LATER THAN July 8, 2020, (2) BY CALLING 866-468-3111 BY July 8, 2020 OR (3) BY OPTING-OUT ON SELLER’S WEBSITE AT www.constellation.com/oh-cheviot.** If you choose to opt-out, you will be served by the standard service offer of Duke (the “Utility”) or until you choose an alternative supplier of electric service.

2. Eligibility: To be eligible for opt-out aggregation, Buyer and the Accounts to be served (i) must be located within the Municipality’s jurisdictional boundaries, (ii) must be served by the Utility, (iii) may not be under contract with another competitive supplier, (iv) may not be on the Public Utilities Commission of Ohio (“PUCO”) “do not aggregate” list, (v) must be in good standing with the Utility (including payment history), and (vi) may not be under a Utility special arrangement or percentage of income payment plan (PIPP).

3. Term and Renewal: This Agreement shall become binding on the Effective Date, provided however, the obligation of Seller to sell and schedule electricity for delivery to Buyer and the obligation of Buyer to purchase, take and pay for electricity is contingent upon: (a) eligibility of Buyer and the Accounts, (b) successful enrollment by the Utility, and (c) passage of the Rescission Period without effective cancellation by Buyer. Successful enrollment by the Utility is dependent upon (i) the eligibility of the Accounts, as set forth above and as determined by the Utility, to take from a retail electric supplier and (ii) the accuracy and completeness of any information submitted by Buyer and the Municipality. Service will commence on meter read dates in August 2020, subject to enrollment by the Utility, and shall remain in effect through the August 2021 meter read (“Initial Term”), unless terminated pursuant to the terms of this Agreement. In the event ineligibility is not ascertained until after service commences, Seller shall provide notice of the same to Buyer and return Buyer to the Utility. Buyer shall have the opportunity to opt-out of the Aggregation at least every three years without penalty.

4. Rescission Period: The Utility will send Buyer a letter confirming transfer of service upon processing of Buyer’s enrollment and Buyer will have 7 days from the postmark date of that letter to cancel its enrollment, without penalty, (“Rescission Period”) by calling the Utility on the toll-free number provided in the letter or by providing written notice to the Utility.

5. Price: For each billing cycle of Initial Term, Buyer shall pay a Fixed Rate of \$0.04829 per kWh, multiplied by the billing cycle usage for the Accounts. The Parties acknowledge that the Municipality hired a third party intermediary (“Broker”) for this transaction and a per kWh Broker fee has been included in the Fixed Rate. Buyer will also incur delivery and other additional service charges from the Utility. Switching fees may apply when service is established with Seller, but Buyer will not be charged separately by Seller for a switching fee.

6. Billing and Payment: Buyer will be invoiced by the Utility for both Seller’s charges and the Utility’s delivery charges. Such billing and payment (including fees associated with late payments) shall be subject to the applicable Utility rules regarding billing and payment procedures. Seller may cause the Utility to correct previous invoices in the event of invoicing errors. Seller’s charges or credits not invoiced through the Utility shall be invoiced or credited, respectively, directly by Seller. Any such charges shall be due within 21 days following the invoice date and payments not received by the due date will be deemed past due and shall accrue interest on the unpaid balance from the due date until payment is received at a rate of 1.5% per month of the unpaid balance, provided that such percentage does not exceed the maximum amount allowable by law. Seller offers budget billing for generation charges (except in Duke territory) and Buyer should contact Seller at the phone number identified in Section 10 to elect budget billing. Seller does not offer budget billing for generation charges in Duke territory, but Buyer may contact the Utility for information on whether the Utility offers budget billing for Seller’s charges.

7. Taxes: Any tax levied against Seller by any governmental entity, exclusive of Seller’s income tax or taxes levied on Seller’s real or personal property, that must be paid by Seller shall be passed through to and borne and reimbursed by Buyer. Buyer must provide Seller with any applicable exemption certificates. Buyer shall pay any such taxes unless Seller is required by law to collect and remit such taxes, in which case Buyer shall reimburse Seller for all amounts so paid.

8. Limitations: ALL ELECTRICITY SOLD HEREUNDER IS PROVIDED “AS IS”, AND SELLER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT, WHETHER IN AGREEMENT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES AND, FURTHER, IN NO CASE SHALL SELLER’S LIABILITY EXCEED THE AMOUNT OF BUYER’S SINGLE LARGEST MONTHLY INVOICE DURING THE PRECEDING 12 MONTHS.

9. Environmental Disclosure: Seller's environmental disclosure label, which will be updated from time to time, is available on Seller's website.

10. Termination; Remedies: Seller may terminate Buyer's service under this Agreement for non-payment with at least 14 days written notice. Failure to pay Utility invoices may result in Buyer being disconnected in accordance with the Utility tariff. Buyer may terminate at any time without an early termination fee, including if Buyer moves outside of Seller's service area or into an area where the Seller charges a different price. If Buyer switches back to the Utility, Buyer may not be served under the same rates, terms, and conditions that apply to other customers served by the Utility. The Choice program is under the ongoing jurisdiction of the PUCO. If Buyer returns to utility supply after the beginning of the aggregation program, Buyer will pay the utility's market price of power plus its costs for alternative energy resources, unless Buyer is exempt from those costs or Buyer moves and the utility considers Buyer to be a new customer.

11. Force Majeure: Except for Buyer's obligation to pay Seller timely, neither Party shall be liable to the other for failure to perform an obligation if the non-performing Party was prevented from performing due to an event beyond the reasonable control, that could not be remedied by the exercise of due diligence and that was not reasonably foreseeable, including without limitation, acts of God, a condition resulting in the curtailment of electricity supply or interruption or curtailment of transmission on the electric transmission and/or distribution system, interruption of Utility service, terrorist acts or wars, and force majeure events of the Utility or RTO/ISO.

12. Questions, Complaints and Concerns: Buyer may contact Seller 24 hours per day, 7 days per week at 866-468-3111. Seller's mailing address is 1716 Lawrence Drive, DePere, WI 54115, and its website is www.constellation.com. Seller will attempt to resolve all customer complaints in a timely manner and will respond to all complaints within 3 business days of receipt. If Buyer's complaint is not resolved after Buyer has called Seller and/or the Utility, or for general utility information, residential and business customers may contact the PUCO for assistance at 1-800-686-7826 (toll-free) from 8a.m. to 5p.m. weekdays, or at www.PUCO.ohio.gov. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). Residential customers may also contact the Ohio Consumers' Counsel for assistance with complaints and utility issues at 1-877-742-5622 (toll free) from 8 a.m. to 5 p.m. weekdays, or at www.pickocc.org.

13. Miscellaneous: Buyer hereby authorizes the Utility to release data to Seller regarding Buyer's historical or current billing and usage data. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio and any applicable Utility tariffs. Buyer appoints Seller as its agent for the purposes of effectuating delivery, including for receipt of billing and usage data from the Utility. Title, possession, control of the electricity, and risk of loss will pass from Seller to Buyer at the interconnect between the applicable ISO's transmission system and the Utility's distribution system. Subject to regulatory approvals and notice from Seller, Seller may assign this Agreement without Buyer's consent. Buyer may assign this Agreement only with Seller's prior written consent. This Agreement constitutes the entire agreement between the Parties, superseding all verbal and written understandings. The Parties acknowledge and agree that (a) this Agreement constitutes a "forward contract" and/or "forward agreement" within the meaning of title 11 of the United States Code (the "Bankruptcy Code"), (b) each Party is a "forward contract merchant" within the meaning of the Bankruptcy Code, (c) for purposes of this Agreement, each Party is not a "utility" within the meaning of Section 366 of the Bankruptcy Code, and (d) each Party agrees to waive and not to assert the applicability of Section 366 of the Bankruptcy Code in any bankruptcy proceeding wherein such Party is a debtor, and (e) each Party further agrees to waive the right to assert that the other Party is a provider of last resort. This Agreement shall only be amended in a writing signed by both Parties or pursuant to Section 4 hereof. By agreeing to the terms and conditions herein, Buyer warrants that he or she is authorized to enter into this Agreement on behalf of the Party and Accounts for which it was made. Buyer should contact the Utility in the event of an electricity emergency. Seller is prohibited from disclosing Buyer's social security number and/or account number(s) without Buyer's affirmative written consent, except for the purpose of (i) Seller's collections and credit reporting, (ii) participation in programs funded by the universal service fund, (iii) pursuant to section 4928.54 of the Ohio Revised Code, or (iv) assigning this Agreement to another certified retail electric provider. Buyer may request from Seller, twice within a 12-month period, up to 24 months of Buyer's payment history without charge.

14. Disputes: For questions about this Agreement you may call Constellation using the contact information provided in the Disclosure Statement. Constellation will refer all issues to a representative who in good faith will use reasonable efforts to reach a mutually satisfactory solution. If your complaint is not resolved after you have called Constellation, or for general utility information, as a residential or business customer you may contact the public utilities commission of Ohio ("PUCO") using the contact information provided in the Disclosure Statement. **BOTH YOU AND CONSTELLATION AGREE IRREVOCABLY AND UNCONDITIONALLY TO WAIVE ANY RIGHT TO TRIAL BY JURY OR TO INITIATE OR BECOME A PARTY TO ANY CLASS ACTION CLAIMS IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS CONTRACT.** Nothing in this Agreement shall impair your right to make an informal or a formal complaint to the PUCO.

Electric Aggregation Opt-Out Frequently Asked Questions

Q: What is aggregation?

A: Under governmental aggregation, local officials bring the community together for group purchasing power. The community benefits by receiving competitively-priced electric from a retail supplier certified by the Public Utilities Commission of Ohio.

Q: How is my community able to choose a certified electric supplier on my behalf?

A: Residents voted to allow the community to negotiate a contract with an electric supplier on their behalf.

Q: How do I enroll?

A: Eligible residential or small business customers will be automatically enrolled.

Q: Who is eligible for the aggregation program?

A: Most residential and small business customers residing within the community receiving electricity from the local utility are eligible (local utilities include: AEP Ohio, Duke Energy Ohio, First Energy, and DP&L).

Q: Who is not eligible?

A: Residential and business customers who are not eligible for automatic enrollment in the program include:

- A customer that is not located within community boundaries
- A customer who appears on the PUCO's "do not aggregate" list
- A customer who is in contract with another electric provider
- A customer who has a special contract with the electric utility company
- Customers who are behind on their payments to the utility
- A mercantile customer that has not provided consent to join the program. "Mercantile customer" means a commercial or industrial customer if the electricity consumed is for nonresidential use and the customer consumes more than 700,000 kWh/ year or is part of a national account involving multiple facilities in one or more states.

Q: Are the rates fixed or variable?

A: The rates are fixed. Please see the Terms and Conditions for details.

Q: When will I see my new rate?

A: Customers can expect to see the new rate one to two billing cycles following your enrollment in the program. Please note: supply rates do not include taxes, delivery service charges or other utility fees.

Q: Who will bill me for electricity?

A: You will continue to receive one monthly bill from your local utility company.

Q: Can I still have my payment automatically deducted from my checking account as I do now? **A:** Yes. How you pay your electric bill will not change.

Q: Who do I call to report a power outage or problems with my electric service?

A: You will contact your local utility company to report a power outage or problems with your electric service, including billing questions.

Q: What if I have already selected another supplier?

A: Based on the records provided by the utility, we assumed you are not with another supplier. However, if you recently signed up with a new supplier, carefully review the terms and conditions of that agreement before proceeding as your ability to terminate early with that supplier may be restricted.

Q: Is there an early termination fee for leaving the program outside of the 21 day opt-out period?

A: No, there is no early termination fee.

Q: Who do I contact if I have additional questions about this offer?

A: If you have additional questions about the program, please contact Constellation.