

Constellation NewEnergy - Gas Division, LLC Contract Summary and Disclosure Statement for Residential Customers Fixed Price

Contract Summary

Natural Gas Supplier Information	Constellation NewEnergy - Gas Division, LLC will be responsible for gas commodity/supply charges. You can call us at our toll-free number 1-855-465-1244 between 8:00 AM and 6:00 PM eastern prevailing time (not including weekends or holidays) or email us at home@constellation.com or contact us by mail at: Constellation NewEnergy-Gas Division, LLC, c/o Customer Care, P.O. Box 4911, Houston, TX 77210.
Natural Gas Price Structure	Your contract price is fixed for the initial term and includes the cost of gas supply. This price includes natural gas commodity charges, estimated total state taxes, but excludes applicable state and local Sales Tax. This price does not include NGDC distribution charges. Commodity prices and charges are set by Constellation. The PUC regulates distribution or delivery prices and services. Commodity charges—The charges for basic gas supply service which is sold either by volume (ccf or Mcf) or heating value (dekatherms or therms). Distribution Charges - The charges for the delivery of natural gas from the point of receipt into the NGDC's system.
Natural Gas Supply Price	38.6¢/therm
Statement Regarding Savings	During the term of your contract, the price may be higher or lower than the NGDC's price, which changes over time based upon your NGDC's procurement structure. Therefore, <u>savings are not guaranteed</u> .
Deposit Requirement	None
Incentives	There are no offers currently available.
Contract Start Date	We will begin supplying gas to your account beginning on a date set by your NGDC after the NGDC processes your enrollment.
Contract Duration/Length	Initial Term of 24 months, starting with the start date set by your NGDC after the NGDC processes your enrollment.
Cancellation	State law provides residential customers with a 3 business day rescission right from receipt of this written disclosure statement. During this rescission period, you may cancel this Contract in writing, orally or electronically, by contacting Constellation. In addition, Constellation provides a 90 day satisfaction guarantee period for new residential customers. During this guarantee period, you may terminate this contract, without an early termination fee, though you will be responsible for any charges associated with the gas you use.
Early Termination Fees	If we terminate this contract because: you provide inaccurate or misleading information, you do not pay your invoices, you otherwise breach your obligations as stated under the Termination and Termination Fees sections of the contract, then you will be charged a termination fee of \$150.
End of Contract	If you have a fixed duration contract approaching the expiration date, or whenever we propose to change the terms of service, you will receive two separate written notifications, the first approximately 60-75 days in advance and the second 45 days in advance of either the expiration date or the effective date of the proposed changes. These notifications will explain your options moving forward. If you fail to respond to these notices, we may extend your contract on a month to month basis at the price and terms in your renewal notices however you may terminate the renewal term at any time effective as of the next applicable NGDC meter read date without incurring an early termination fee.
NGDC Contact Information	Your NGDC is responsible for delivering natural gas to your business and distribution charges. In cases of emergencies relating to your service, such as a natural gas leak, please call your NGDC, COLUMBIA GAS OF PENNSYLVANIA AT (888) 460-4332, PHILADELPHIA GAS WORKS AT (215) 235-1212, OR PHILADELPHIA ELECTRIC COMPANY (PECO GAS) AT (800) 841-4141.
Shopping for a Gas Supplier	Information about shopping for a gas supplier is available at www.PaGasSwitch.com or other successor media platform as determined by the Pennsylvania Utility Commission ("PUC"), by calling the PUC at 1-800-692-7380, and at www.oca.state.pa.us .

CONSTELLATION CONSUMER CONTRACT AND DISCLOSURE STATEMENT OF TERMS OF SERVICE PENNSYLVANIA NATURAL GAS SUPPLY SERVICE LICENSE A-125095

DISCLOSURE STATEMENT

Purchase of Natural Gas Supply Service

Constellation NewEnergy - Gas Division, LLC ("Constellation") agrees to sell, and you agree to buy, your full requirements for natural gas supply service for your home or business at the price and on the terms and conditions specified in this Consumer Contract and Disclosure Statement (the "Contract"). Price and other terms of this Contract are subject to change as provided below. Constellation reserves the right to revoke its natural gas offer for any reason at any time prior to your acceptance of this Contract. Throughout this Contract, the words "you" and "your" refer to the customer who has entered into this Contract. The words "we", "us" and "our" refer to Constellation.

Constellation is an independent seller of natural gas supply service licensed by the Pennsylvania Utility Commission ("PUC") and is not representing or acting on behalf of Columbia Gas of PA (the "NGDC"), any governmental bodies, or consumer groups. You will receive written notification from the NGDC confirming a pending switch of your natural gas supply service to Constellation. Commodity prices and charges are set by Constellation. The PUC regulates distribution or delivery prices and services. You will receive a single bill that will contain NGDC charges and Constellation charges.

Term

You will buy your natural gas commodity service for the term indicated on your Contract and Disclosure Statement Summary (the "Initial Term") beginning on a date set by your NGDC after the NGDC processes your enrollment (the "Starting Date"). Your switch to Constellation as your natural gas supplier may take up to two (2) billing cycles to take effect.

Guarantee Period

If you are a residential customer, you may terminate this Contract without incurring an early termination fee within ninety (90) days after entering into it (the "Guarantee Period") by notifying either the NGDC that you would like to return to NGDC service or notifying us in writing or by calling our customer care center at 1-855-465-1244. Should you choose to terminate this Contract during the Guarantee Period, we will return you to the NGDC and you will receive your natural gas supply from the NGDC beginning at your next available meter read date and you will remain responsible for payment for natural gas and related costs and charges incurred under this Contract through such meter read date. Any incentives we may offer in connection with you entering into this Contract will be provided to you after the Guarantee Period has expired if you remain a customer of Constellation under this Contract, and you do not terminate this Contract.

Fixed Pricing

You will pay the amount per therm indicated on your Contract and Disclosure Statement Summary for the commodity of natural gas and this rate will not change during the Initial Term except as set forth in "Change in Pricing and Other Terms" below. This price includes natural gas commodity charges, estimated total state taxes, but excludes applicable state and local sales tax.

Key Pricing Definitions

Commodity Charges - The charges for basic gas supply service which is sold by heating value or volume (therm).
Distribution Charges - The charges for the delivery of natural gas from the point of receipt into the NGDC's system.

Right of Rescission

You may cancel this Contract without incurring any fee within three (3) business days after receiving this Contract (the "Rescission Period") by calling our customer care center at 1-855-465-1244, sending an email to home@constellation.com or submitting a written cancellation request to P.O. Box 4911, Houston, TX 77210. Upon your cancellation of this Contract during the Rescission Period, you will continue to be supplied by the NGDC.

Price Comparison

Because the NGDC's tariff rates and other factors relevant to the NGDC's current price to compare likely will change from time to time, Constellation cannot guarantee savings over the NGDC's rates for the entire term of this Contract or any renewals and any potential savings are limited to a comparison against the NGDC's price to compare applicable at the time you enter into this Contract.

Renewal

THIS CONTRACT WILL AUTOMATICALLY RENEW AS DESCRIBED IN THIS SECTION. IN ORDER TO CANCEL BEFORE AN AUTOMATIC RENEWAL OF THIS CONTRACT, PLEASE NOTIFY US IN WRITING OR BY PHONE AS DESCRIBED IN THIS SECTION. Unless terminated earlier as provided in the "Termination" section, if you have a fixed duration contract approaching the expiration date, or whenever we propose to change the terms of service, you will receive two separate written notifications, the first approximately 60 to 75 days in advance and the second 45 days in advance of either the expiration date or the effective date of the proposed changes. YOU MAY, HOWEVER, TERMINATE THE CONTRACT DURING ANY RENEWAL PERIOD AT ANY TIME WITHOUT INCURRING AN EARLY TERMINATION FEE, AT WHICH TIME WE WOULD RETURN YOUR ACCOUNT AT THE NEXT APPLICABLE METER READ DATE TO BEING SUPPLIED BY THE NGDC UNLESS YOU HAVE SELECTED ANOTHER NATURAL GAS SUPPLIER.

Initiation of Service

THE PURPOSE OF THIS DOCUMENT IS TO AUTHORIZE CONSTELLATION TO CHANGE YOUR NATURAL GAS SUPPLIER AND, BY ENTERING INTO THIS CONTRACT, YOU AUTHORIZE CONSTELLATION TO UNDERTAKE WHATEVER STEPS NECESSARY TO ACCOMPLISH YOUR SWITCH. Constellation will begin providing natural gas supply service to you on a date set by your NGDC after the NGDC processes your enrollment and your service will continue throughout the term of this Contract. Constellation's natural gas supply service will be delivered to your residence or business using the NGDC's natural gas distribution system. Constellation's obligations under this Contract are conditioned on you providing complete and accurate information and on you remaining a NGDC distribution customer throughout the term.

Billing and Payment

The cost of your natural gas supply service will be included on your bill from the NGDC, and is due and payable when your NGDC bill is due at the billing address provided in your NGDC bill. You acknowledge that the NGDC may provide us with your billing and payment information. You will be invoiced for Constellation's charges under this Contract at the applicable price set forth in the "**Fixed Pricing**" section above (or, during any renewal period, under any revised price, terms and conditions as may be established as described in the "**Renewal**" section above) multiplied by your natural gas usage as measured by the NGDC in term during the applicable billing period. You agree to accept the measurements as determined by the NGDC for purposes of accounting for the amount of natural gas supply services provided by us under this Contract. If the NGDC is unable to read your meter, the NGDC will estimate your usage and your charges will be calculated accordingly and adjusted on a future bill. Supplying you under this Contract is conditioned on the NGDC accepting our enrollment of your account and your continued eligibility for consolidated billing by the NGDC. If you are not eligible for consolidated billing, you need to remedy that restriction with the NGDC before we can serve you. Should the NGDC cease providing consolidated billing for your account and/or commence billing us for any charges relating to you, we will bill you and you will pay us for all such charges. You will be billed additional charges, including taxes and charges to distribute the natural gas to your home or business, from the NGDC consistent with its filed tariffs. You are responsible for paying any new or increased taxes, fees or other charges imposed on you or us in connection with our supply of natural gas to you during the term of this Contract. Constellation reserves the right to change billing methods. If we change our billing methods, we will send you two (2) advance written notices either in your bills or in separate mailing before the effective date of any such change.

Late or Insufficient Payment

When the NGDC issues you a consolidated bill, all invoiced balances under this Contract that are not paid in full by the due date will be subject to the NGDC's late payment policies and procedures, including imposition of late fees, interest and other charges as described in the NGDC's filed tariff(s).

Credit

Constellation reserves the right to determine if your credit standing is satisfactory for originating or continuing natural gas supply service under this Contract. Consistent with applicable law, Constellation uses uniform income, deposit and credit requirements in determining whether to offer service to our customers. You hereby authorize Constellation to perform a credit check on you.

Termination

Constellation may terminate this Contract for any nonpayment or any other breach of this Contract upon thirty (30) days' prior written notice to you of such termination. If you fail to cure any nonpayment or breach of this Contract within the thirty (30) day notice period, we may terminate the Contract even if you subsequently cure the nonpayment or breach after such period has expired. Constellation may also terminate this Contract upon thirty (30) days' prior written notice to you due to a change in law or other act beyond our reasonable control or if we are no longer able to serve you. We reserve the right to reject your enrollment or terminate this Contract if:

- you fail to meet or maintain satisfactory credit standing as determined by us;
- you fail to meet minimum or maximum threshold consumption levels as determined by us;
- you move within or outside of the NGDC's service territory or you fail to remain a NGDC distribution customer throughout the term under the applicable rate class;
- you fail to be eligible for NGDC consolidated billing throughout the term;
- you rescind your authorization for release of information provided in the **"Information Release Authorization"** section below;
- or you provide any false, inaccurate or misleading information to Constellation or the NGDC.

Upon any termination of this Contract, you will return to receiving default supply service from the NGDC unless you have selected another natural gas supplier. The effective date of any termination will be the next applicable meter read date after expiration of the required notice period. Upon any termination, you will remain responsible for all obligations, including payment for natural gas charges incurred under this Contract prior to the effective date of termination including any applicable termination fee. The delivery of natural gas to you cannot be terminated or interrupted by the NGDC as a result of any dispute between Constellation and you but may be terminated by the NGDC for nonpayment of NGDC charges in accordance with applicable law. The NGDC will continue to respond to any service calls and emergencies and switching to Constellation will not impact your natural gas supply service reliability. If the NGDC purchases the right to receive your payments under this Contract, your payment obligations may become NGDC charges for purposes of termination of service. If you move within the NGDC's service territory, you must contact the NGDC at the number provided in the "Contact Information" section below in order to obtain new account and meter numbers for your new residence. If you move, you may terminate our Contract. Please contact us if you would like us to serve you again at your new location.

Termination Fees

You may cancel this Contract during the Rescission Period in accordance with the "Right of Rescission" section above without incurring an early termination fee. In addition, you may terminate this Contract during the Guarantee Period in accordance with the "Guarantee Period" section above without incurring an early termination fee. **YOU MAY ALSO TERMINATE THIS CONTRACT PRIOR TO THE END OF THE APPLICABLE TERM FOR YOUR CONVENIENCE, IN WHICH CASE UNLESS OTHERWISE REQUIRED BY LAW, YOU WILL BE CHARGED A TERMINATION FEE OF \$150. IN ADDITION, YOU WILL BE CHARGED A TERMINATION FEE OF \$150 IF WE TERMINATE THIS CONTRACT AS A RESULT OF ANY NON-PAYMENT OR OTHER BREACH OF THIS CONTRACT OR IF YOU PROVIDE ANY FALSE, INACCURATE OR MISLEADING INFORMATION.**

Assignment

Upon 60 days' prior written notice to you, Constellation may assign, subcontract or delegate all or any part of our rights and/or obligations under this Contract, including your payment obligations under this Contract, without your consent. Your assignment notice will include a reminder that your terms and conditions will not change upon assignment. You may not assign any of your rights or obligations under this Contract without our prior written consent. You will be responsible for paying for all natural gas supplied to the service address of this Contract until the date this Contract is terminated in accordance with its terms.

Change in Pricing and Other Terms

In addition to Constellation's right to revise the price, terms and conditions of this Contract as provided in the **"Renewal"** section above, this Contract may be revised at any time by Constellation upon the occurrence of any event beyond its reasonable control that materially increases the obligations of Constellation or the cost of performing such obligations under this Contract. If you have a fixed term agreement with us, then whenever we propose to change the terms of this Contract, you will receive two written notifications from us in corresponding separate mailings that precede either the expiration date or the effective date of the proposed changes. We will explain your options to you in these two advance notifications. The first of these notices will occur between 60-75 days prior to the expiration date of the Contract or the effective date of the proposed Contract change; the second of these notices will occur at least 45 days prior to the Contract's expiration or the effective date of the proposed Contract change. As the options notice will describe, if you do not consent to these changes, your natural gas supply service with Constellation will terminate effective as of the next meter read date after expiration of the required notice period. You will remain responsible for any unpaid balance as of the termination date but we will not assess a termination payment.

Information Release Authorization

Throughout the term of this Contract, you authorize Constellation to obtain information from the NGDC that includes, but is not limited to, account name, account number, billing address, service address, standard offer service type, historical and future natural gas usage, rate classification, meter readings, characteristics of natural gas service and, when charges hereunder are included on your NGDC bill, billing and payment information from the NGDC. You authorize Constellation to release such information to third parties that need to know such information in connection with your natural gas supply service and to Constellation's affiliates and subcontractors. These authorizations will remain in effect as long as this Contract is in effect. You may rescind these authorizations at any time by either calling or providing written notice to us at the number and/or address provided below under the Contact Information section of the Contract. We reserve the right to the extent permitted by law to reject your enrollment or terminate this Contract in the event these authorizations are rescinded.

Dispute Resolution; Class Action and Jury Trial Waiver

If you have a billing or other dispute involving our service, please contact us at 1-855-465-1244. You may withhold payment of any disputed charges while the charges remain in dispute. You may contact the PUC if after discussing with us you are not satisfied with our resolution. CONSTELLATION HOPES TO MAKE YOU A SATISFIED CUSTOMER, BUT IF THERE'S AN ISSUE THAT NEEDS TO BE RESOLVED, THIS SECTION OUTLINES WHAT'S EXPECTED OF BOTH CONSTELLATION AND YOU. BOTH YOU AND CONSTELLATION AGREE TO RESOLVE ALL DISPUTES RELATING TO OR ARISING OUT OF THE INTERACTIONS BETWEEN CONSTELLATION (INCLUDING OUR AFFILIATES, AGENTS, EMPLOYEES, DIRECTORS, OFFICERS AND ASSIGNS) ONLY BY ARBITRATION OR BY AN INDIVIDUAL ACTION IN SMALL CLAIMS COURT. THERE'S NO JUDGE OR JURY IN ARBITRATION, AND THE PROCEDURES MAY BE DIFFERENT, BUT AN ARBITRATOR CAN AWARD THE SAME DAMAGES AND RELIEF TO YOU AND MUST HONOR THE SAME TERMS IN THIS CONTRACT AS A COURT WOULD. IF THE LAW ALLOWS FOR AN AWARD OF ATTORNEYS' FEES, AN ARBITRATOR CAN AWARD THEM TOO. BOTH YOU AND CONSTELLATION ALSO AGREE THAT:

- A) The federal arbitration act applies to this Contract and governs any arbitration between you and Constellation. Prior to initiating any arbitration, you and Constellation both agree to try to resolve any dispute informally. To initiate informal dispute resolution, contact our customer care department at 1-855-465-1244. Constellation will assign someone to attempt to resolve the dispute.
- B) If the dispute is unable to be resolved informally within ninety (90) days after the Party raising it informed the other in writing of the nature and basis of the dispute and made a written demand ("Demand"), either Party may seek formal arbitration. Any arbitration will be governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Contract, and will be administered by the AAA. The AAA Rules are available online at adr.org, or by calling the AAA at 1-800-778-7879. The arbitrator is bound by the terms of this Contract and all issues are for the arbitrator to decide, except that issues relating to the scope and enforceability of the arbitration provision are for the court to decide. This dispute resolution provision does not preclude you from bringing any issues you may have to the attention of any governmental authorities.
- C) YOU AND CONSTELLATION BOTH AGREE THAT THIS CONTRACT DOES NOT ALLOW CLASS ACTIONS IN COURT OR CLASS ARBITRATIONS, EVEN IF THE AAA PROCEDURES OR RULES WOULD ALLOW SUCH PROCEDURES. RELIEF MAY BE AWARDED ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF WARRANTED BY THE PARTY'S INDIVIDUAL CLAIM. IF FOR SOME REASON, THE CLASS ACTION WAIVER IS UNENFORCEABLE THEN THE CONTRACT TO ARBITRATE WILL NOT APPLY.
- D) Any arbitration hearings will take place in the county of your billing address. If you are unable to pay the AAA filing, administration, and arbitrator fees for any arbitration properly initiated seeking damages up to \$10,000, Constellation will pay such amounts. Otherwise, the payment of these amounts will be governed by the AAA Rules. In addition, for claims less than \$10,000, any arbitration hearing may be held telephonically.
- E) If the arbitrator issues you an award that is greater than the value of our last written settlement offer made prior to an arbitration hearing, then Constellation will pay you three times the amount of the award; and your attorney twice the amount of attorneys' fees, and reimburse any expenses reasonably incurred for pursuing your claim in arbitration. If the award in your favor is lower than our offer Constellation will only pay you the amount of the award. Any arbitration award will be final and binding and judgment confirming the award shall apply only to the specific case to enforce the award in that case.
- F) IF FOR ANY REASON A CLAIM PROCEEDS IN COURT, YOU AND CONSTELLATION BOTH AGREE THAT BOTH PARTIES ARE WAIVING A RIGHT TO A JURY TRIAL. This dispute resolution provision shall survive termination of the Contract.
- G) Nothing in this Contract shall impair your right to make an informal or a formal complaint to your applicable state Commission.

Delivery Point and Taxes

We will deliver natural gas to an existing or future point of interconnection between your NGDC distribution system and a third party pipeline supplying natural gas to the NGDC (the "Delivery Point"). Title and risk of loss related to natural gas transfer to you at the Delivery Point and you will be responsible for the all transmission, distribution and other costs (including Taxes, fuel and distribution/line loss, and other costs and fees) related to the sale purchase, and delivery of such natural gas to your home or business. "Taxes" means all taxes, assessments, duties, fees, levies premiums or any other charges of any kind, whether direct or indirect, and whether imposed on you or that Constellation passes through to you, relating to the sale, purchase or delivery of natural gas, together with all interest, penalties or other additional amounts imposed, including but not limited to gross receipts, utility taxes, sales, consumption, use, value added, per ¢/therm, commercial activity or other privilege tax, and any other tax (whether in effect as of the effective date of this agreement) imposed by any governmental entity.

Limitation of Liability

You agree that neither Constellation nor any of its affiliates or subcontractors will be liable for any damages or claims for matters within the control of the NGDC, which include maintenance of pipelines and systems, service interruptions, loss or termination of service, deterioration of natural gas supply services, meter readings or injury to persons or damage to property caused by the delivery or supply of natural gas. Neither Constellation nor any of its affiliates or subcontractors will be responsible for any failure to commence or terminate natural gas supply service on the date specified herein due to any failure or delay in enrolling you with the NGDC. Constellation's liability will be limited to direct actual damages only, which will not exceed the amount of your single largest monthly invoice during the preceding twelve (12) months. In no event will Constellation or any of its affiliates or subcontractors be liable for any punitive, incidental, consequential, exemplary, indirect, third-party claims or other damages whether based on contract, warranty, tort, negligence, strict liability or otherwise, or for lost profits arising from any breach or nonperformance of this Contract.

Force Majeure

We do not deliver or distribute natural gas and causes and events out of our reasonable control ("Force Majeure Events") may result in interruptions in service. We will not be liable for any such interruptions or any other failure to perform under this Contract caused by a Force Majeure Event. We are not and will not be liable for damages caused by Force Majeure Events including but not limited to: acts of God; acts of any governmental authority; accidents; strikes; labor disputes; required maintenance work; inability to access the NGDC's system; non-performance by the NGDC, including, but not limited to, disruption or interruption of natural gas distribution or supply; changes in laws, rules or regulations of any governmental authority; or any cause beyond our reasonable control.

Miscellaneous

Except with respect to Constellation's affiliates and subcontractors under the "Limitation of Liability" section, there are no third party beneficiaries of this Contract. Any payments due under this Contract, and all provisions relating to the payment and collection thereof, and the provisions contained in the "Limitation of Liability and Dispute Resolution; Class Action and Jury Trial Waiver" sections above, will survive expiration or termination for any reason. This Contract constitutes the entire agreement between you and Constellation. No statement, promise or inducement made by either party not contained in this Contract will be valid or binding. Any reference to days or periods will mean calendar days.

**Contact Information**

Supplier Name: Constellation NewEnergy - Gas Division, LLC
Address: 1221 Lamar Street, Suite 750, Houston, TX 77010
Attention: Residential Care
Phone Number: 1-855-465-1244
Internet Address: home@constellation.com

CONSTELLATION NEWENERGY-GAS DIVISION, LLC'S NATURAL GAS SUPPLIER LICENSE NUMBER IS A-125095.

Should you have any questions about your Constellation contract or Constellation charges on your invoice, please contact us between the hours of 8:00 a.m. and 6:00 p.m. eastern time on weekdays, except holidays. Our toll-free number is 1-855-465-1244. We can be reached by email at: home@constellation.com or by mail at: Constellation NewEnergy-Gas Division, LLC, c/o Customer Care, P.O. Box 4911, Houston, TX 77210. Please contact us at this address to provide all notices under this Contract and contact us at this address, email or phone number to resolve any disputes regarding this Contract. If, after discussing with us, you are not satisfied with these terms and conditions, you may contact the Pennsylvania Public Utility Commission at 1-800-692-7380.

Information about shopping for a Natural Gas Supplier is available from:

Pennsylvania Public Utility Commission
400 North Front Street
Harrisburg, PA 17120
1-800-692-7380
www.pagasswitch.com

Pennsylvania Office of Consumer Advocate
www.oca.state.pa.us

EMERGENCY

IN AN EMERGENCY YOU SHOULD IMMEDIATELY CALL COLUMBIA GAS OF PENNSYLVANIA AT (888) 460-4332, PHILADELPHIA GAS WORKS AT (215) 235-1212, OR PHILADELPHIA ELECTRIC COMPANY (PECO GAS) AT (800) 841-4141, AND LOCAL EMERGENCY PERSONNEL AT 911.