

WASHINGTON GAS ENERGY SERVICES – ELECTRICITY SUPPLY SERVICE AGREEMENT TERMS AND CONDITIONS - PEPCO

General Conditions: Washington Gas Energy Services, Inc. (WGES) agrees to sell electricity supply service to Customer for the Price and Term indicated on the Residential Energy Supply Agreement. Customer agrees to the Terms and Conditions set forth in this Agreement. This Agreement is contingent on Customer providing complete and accurate information to WGES and remaining a distribution customer of Potomac Electric Power Company ("PEPCO" or "Utility"). WGES and Customer understand that the price(s) charged for electricity supply service in this Agreement are not subject to regulation by any utility regulatory commission. This Agreement constitutes the entire Agreement between Customer and WGES. No statement, promise or inducement made by either party that is not contained in this Agreement shall be valid or binding.

Wind Energy Service: WGES agrees to sell Wind Energy to customers at the percentage, prices and source indicated on the Residential Energy Supply Agreement. In the event Customer elects to purchase electricity generated from Wind Energy at a time when a previously executed Electricity Supply Service agreement between Customer and WGES is in effect, such election shall be deemed to amend, and shall be incorporated into, such prior electricity agreement.

Terms of Electricity Supply Service: WGES electricity supply service includes all electricity generation and transmission charges at the price(s) indicated on the Residential Energy Supply Agreement. These prices are applicable 24 hours a day. Under this Agreement, electricity supply service will begin on the next applicable Meter Read Date and will extend for the term specified in the Agreement. Customer will receive notification from the Utility that will indicate the effective start date for electricity supply service from WGES. Customer agrees to maintain Utility service for the distribution of electricity to Customer's residence. WGES' electricity supply service will be delivered to the Customer's residence using the Utility's electricity distribution wires. The distribution of electricity cannot be terminated or interrupted by the Utility as a result of any dispute between WGES and Customer.

Billing and Payment: Charges under this Agreement will be included on Customer's Utility bill, and are due and payable to the Utility in accordance with its normal billing policies. Customer is responsible for WGES charges, Utility charges consistent with filed Utility tariffs, and for all applicable taxes. If applicable, it is Customer's responsibility to provide WGES with documentation of Customer's sales tax exempt status for deliveries hereunder. Customer authorizes WGES to access Customer's billing and payment information for periods when charges are included on Customer's Utility bills. Late payments will be subject to a late payment charge of 1% per month. WGES reserves the right to change billing methods. Customer will be liable for all costs, including legal fees, associated with the collection of outstanding balances.

Budget Bill Plans: Customers enrolled in the Utility's budget billing plan will continue to receive budget bills, following account reconciliation with the Utility. WGES will compute a budget bill amount for the Customer's commodity electricity charges and combine this budget amount with the Utility's budget bill amount for distribution charges. Any adjustments to the Customer's budget bill by WGES or the Utility will not necessarily occur on the same billing cycle.

Automatic Contract Renewal: If WGES chooses to renew Customer's Agreement, then: Sixty (60) days prior to the end of the term of the Agreement, WGES shall send Customer a notification that the Agreement term is ending. WGES will also send a second notice at least thirty (30) days prior to the end of the term defining the terms and conditions that will apply for the Renewal Term. This Agreement shall be automatically renewed with revised terms and conditions unless Customer cancels the renewal of this Agreement by notifying WGES no later than 35 days prior to the end of the term, provided that if Customer has been assigned a WGES Account Manager, the foregoing automatic renewal process will not apply, and Customer can expect to receive a renewal offer with revised terms and conditions from Customer's WGES Account Manager thirty (30) days before the end of the term of the Agreement in which case Customer can accept or cancel the renewal offer by directly communicating with the WGES Account Manager.

Customer's Right to Cancel – Rescission Period: The Utility will send an enrollment confirmation to Customer notifying them about their right to cancel. Customer will have ten (10) calendar days from the date of the Utility enrollment notification to rescind this Agreement. For questions regarding cancellation, please contact our Customer Care Center at 1-888-236-WGES.

Termination by WGES: WGES may terminate this Agreement on 30 days written notice as a result of the following: (1) non-payment by Customer; (2) changes in any legislation, regulation or Utility tariff that adversely affect this Agreement; (3) non performance or default by WGES' wholesale supplier, third-party transporters or the Utility or (4) Acts of God. The effective termination date will occur on the next applicable meter read date, and upon termination with WGES, Customer will be returned to the Utility's sales service. The effective termination date will occur on the next applicable meter read date. If WGES terminates this Agreement for non-payment by Customer, Customer shall be responsible for an early termination fee of \$75.

Termination by Customer: The Customer may cancel this Agreement by notifying WGES in writing or by calling WGES at 1-888-236-WGES. If Customer cancels this Agreement, the effective termination date will be on the next applicable meter read date, and an early termination fee of the greater of \$75 OR \$7 per month for each month remaining in contract term will be charged to Customer. This fee will be waived if Customer termination is due to a change of residence. Should Customer terminate this Agreement, Customer will have the option of returning to the Utility's Standard Offer Service or choosing another electricity supplier. If Customer cancels this Agreement before the term of the Agreement is completed, WGES reserves the right to deny Customer subsequent enrollment in any WGES Energy Supply Service.

Change of Residence: Customer must notify both the Utility and WGES in writing of a change in Customer's residence within 45 days of such change. A final meter read will be made at Customer's old address and Customer's account will be closed and finalized with both the Utility and WGES. If Customer's change of residence is within the Utility's service territory, then Customer may have the option of executing a new Energy Supply Service Agreement with WGES at Customer's new residence.

Limitation of Liability: Customer agrees that in no event shall WGES be liable for any special, punitive, indirect, incidental or consequential damages as a result of non-performance under this Agreement. There are no third party beneficiaries to this Agreement and none are intended by the parties. Any payments due under the terms of this Agreement shall survive termination for any reason.

Credit Checks: WGES reserves the right to perform credit checks and request financial data on Customer. WGES reserves sole right to determine if Customer's credit standing is satisfactory for originating electricity supply service under this Agreement. WGES may require Customer to be current with Customer's Utility payments as a condition of originating or continuing service in connection with this Agreement.

Information Release Authorization: Through this Agreement, Customer authorizes WGES to obtain information from the Utility that includes, but is not limited to: billing history, payment history, historical and future electricity usage, meter readings, and characteristics of electricity service.

Contact Information: WGES can be reached by mail at: WGES Correspondence Center, P.O. Box 24475 Cleveland, OH 44124-0475. Please contact WGES at the address above or call our Customer Care Center toll free at 1-888-236-WGES between 7:00 am to 7:00 pm weekdays, except holidays, to answer questions or resolve any disputes regarding this Agreement. For emergencies pertaining to your service, please call Pepco at 1-800-424-8028.

WGES Qualifications: WGES is a subsidiary of WGL Holdings, and is an affiliate company of Washington Gas. WGES is licensed by the District of Columbia Public Service Commission (License no. IR 277) to offer and supply electricity service in the District of Columbia and is a qualified electricity supplier under PEPCO's supplier coordination tariff.

WGES reserves the right to cancel the availability of its electricity offers at any time.

