

## **Champion Energy Services, LLC**

### **Pennsylvania Residential Terms of Service and Customer Agreement**

The following is your Terms of Service ("Agreement") with Champion Energy Services LLC ("Champion Energy" or "Champion") for the purchase of residential electricity service. Champion Energy agrees to sell and Customer agrees to buy the quantity of electricity necessary delivered to you, as measured or estimated by your Electric Distribution Company ("EDC"). Champion Energy is an Electric Generation Supplier ("EGS") and as such will, in accordance with the terms of this Agreement, arrange for the delivery of electricity from your EDC to your residence. The words "we," "us," and "our" refer to Champion Energy, and the words "you" and "your" refer to the Customer. Please retain this Agreement for your records.

**Background:** Champion Energy is licensed by the Pennsylvania Public Utility Commission as an EGS to offer and supply electric generation services in Pennsylvania. Champion Energy's license number is A-2009-2124113. Champion Energy sets the Electric Generation Service Charge and the Public Utilities Commission ("PUC") regulates electric distribution prices and services. The Federal Energy Regulatory Commission ("FERC") regulates electric transmission prices and services.

#### **Definitions:**

- Generation Charge -- Charge for production of electricity.
- Transmission Charge -- Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

**Terms of Service:** The essential terms of your electric generation service are as follows:

**1. Eligibility.** The following Agreement applies strictly to residential non-demand metered electric service. Customer's eligibility for the Energy Price provided herein is based on Customer representing and warranting that Customer's residential load profile classification (Rate Class) qualifies for residential service as defined by the utility. Champion Energy reserves the right upon receiving information evidencing a load profile that does not qualify for residential service to provide Customer with fourteen (14) days advance written notice of any material changes Customer will incur under the applicable Agreement for your then current load profile. You will have the right to cancel this Contract without penalty of fee prior to the date of Champion effectuating the change to the appropriate Agreement for your Rate Class. If you do not cancel your Contract with Champion before the effective date of the change, the change will become effective on the date stated in your notice.

Champion does not deny residential electric service or determine eligibility for pricing based on credit history, utility payment data or credit score. Champion does not deny service based on a customer or applicant's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of a customer/applicant in an economically distressed geographic area, or qualification for low income or energy efficiency services.

**2. Term.** You will buy your electric generation service from Champion Energy beginning on a date set by your electric distribution company (EDC) and will continue 12 ("Initial Term").

Customer's affirmative consent is required if Champion proposes to change your terms of service or to pass through the economic effects of, but not limited to, unanticipated costs, a change in law, administrative regulation, rule, ISO design or structure, order, judicial decision, statute, a change in an interpretation or application of any of the foregoing during the Term of your Agreement with Champion. Champion will send you two (2) advance notices. An Initial Notice will be sent between fifty-two (52) and ninety (90) days before the effective date of the changes. The Options Notice shall be provided to you at least forty-five (45) days prior to the effective date of the proposed change in terms. A lack of affirmative consent shall be deemed a rejection of the changed terms and you may either: (i) end your Agreement with Champion with no penalty by enrolling with another EGS (ii) or Champion may return you to the EDC's default service plan

without penalty.

**3. Expiration of Agreement.** If you have a fixed term agreement with Champion and it is approaching the end of your Term, we will send you advance notices either in your bill or in separate mailings. An Initial Notice will be sent between fifty-two (52) and ninety (90) days before the end date of your Agreement. The Options Notice shall be provided to you at least forty-five (45) days prior to the expiration date of the fixed term agreement. We will explain your options in these advance notices. At the end of your Term, unless a renewal term greater than one month is established with your affirmative consent, this Agreement will automatically continue under the Champion month-to-month plan, which has no cancellation penalty.

While your electricity price under the month-to-month price product will not change more than once a month, it may vary on a month-to-month basis as determined by an hourly market price set by the applicable independent system operator ("ISO"). The price of the month-to-month product is subject to change without notice for any reason and has unlimited variability. Your actual price will be shown on each monthly statement and will be used to calculate your monthly bill amount based on your actual electricity usage.

**4. Pricing, Billing and Payment Terms.** You will receive a single bill from your EDC that includes our generation supply charges (as outlined in this terms of service), as well as the EDC's delivery charges. Your contract price for generation supply charges for the term of your agreement is \$ 0.104 per kWh. This contract price includes Electric Generation Service Charges, Transmission Charges and Gross Receipts Tax, but excludes applicable state and local sales taxes and the Distribution Charges from your local EDC. Your payment will be due to the EDC by the date specified in the EDC bill.

A \$25 insufficient funds fee per transaction (or a charge equal to the maximum amount allowed by law) will be assessed to your account for any transaction not processed due to non-sufficient funds (NSF), payment stops or charge backs, or credit availability for any method of payment including checks, bank drafts or credit card transactions.

Enrollment bonus, if applicable to the product selected, will be applied to your first bill with Champion Energy as your supplier. If you terminate this agreement prior to the first bill, no enrollment bonus will be paid. Champion Energy reserves the right to provide an alternative to bill credit, such as a gift card or other form of tender of equal value.

**5. Net Metering Program:** To be considered eligible to participate in Champion's Net Metering Program (the "Program"), residential customers must generate a portion or all of their own residential retail electricity requirements using energy generation equipment located on their premises. Additionally, the residential customer must have a meter capable of measuring the flow of electricity in both directions and the meter must be tested and calibrated by the Utility to assure accuracy prior to commencing services under this Program. When the residential customer's interval or hourly net usage results in a net flow of electricity from the customer to Champion, the customer will be credited for the electricity provide to Champion at the rate provided under the applicable service tariff.

This Program is available to residential customers on a first come, first serve basis until the capacity of all participating generators is equal to the maximum Program limit of Champion's peak load supplied by Champion the preceding calendar year. Please contact Champion at 800.342.5775 or the Utility at the number located in the contact information section for additional details about available net metering programs in your residential area.

**6. Access to Customer Information:** Customer understands that by executing this Agreement, Champion Energy will be provided certain basic information about Customer by the EDC, including, but not limited to, account number, data about meter readings, rate class and electric usage, Customer's address(es) and telephone number, and whether or not Customer is on a budget billing plan or payment arrangement or as otherwise approved by the PUC Bureau of Consumer Services. Customer further

understands that the EDC is required by PUC to communicate with Customer following a notice of change of EGS to confirm the change was authorized.

**7. Dispute Resolution.** In the event of a billing dispute or a disagreement involving any essential element of this Agreement, the parties will use their best efforts to resolve the dispute. Customer should contact the EDC regarding any billing dispute, and should contact Champion Energy in writing at 1500 Rankin Road, Suite 200, Houston, TX 77073 or by telephone at 1-877-404-0842 for any terms of service dispute. If, after discussing your problem with Champion or the EDC you remain dissatisfied, you may file an informal complaint with the Public Utility Commission. You may file an informal complaint by telephoning the Utility Choice Hotline at 1-800-692-7380, or by writing to the following address: Public Utility Commission, Box 3265, Harrisburg, Pennsylvania 17120.

**8. Consumer Protections.** The services provided by Champion Energy are protected by the terms and conditions of this Agreement and the Pennsylvania Public Utilities Commission ("PUC"). The complete text of the PUC Customer Protection Rules referenced herein can be found in the Pennsylvania Code, Title 52, Public Utilities at: <http://www.pacode.com/secure/data/052/chapter54/subchapAtoc.html>; and <http://www.pacode.com/secure/data/052/chapter56/chap56toc.html>

**9. Customer's Right to Rescind or Cancel Services:** You may rescind this Agreement without fee or penalty of any kind within three (3) business days of receiving this Agreement. You can rescind this agreement by contacting your local EDC at the number provided on the last page of this document. Please provide your name, address, phone number and a statement that you are rescinding your Agreement under the three (3) day Right of Rescission. You may cancel your contract in writing, orally or electronically. After your service begins, you may cancel services during the Initial Term but you will be charged an Early Cancellation Fee of \$10 per month remaining on your contract.

When you cancel services, you agree to pay for the services provided by Champion Energy through the date you are switched to another EGS or returned to the EDC for service. Your cancellation will not be effective until the next regularly scheduled meter-reading date which follows the date on which Champion Energy gives the EDC notice of your cancellation request. You are responsible for all charges incurred through the date on which cancellation is effected by the EDC

**10. Champion Energy's Right to Cancel Services.** Champion Energy reserves the right to cancel this agreement (i) if your EDC is unable to read your meter for three (3) months in a row; (ii) if at any time you request separate bills from your EDC and Champion Energy Services; or (iii) if the EDC removes you from their consolidated billing program and requires that Champion Energy bill you separately for your electricity generation. You agree to pay for the services provided by Champion Energy through the date you are switched to another EGS or returned to the EDC for service. Your cancellation will not be effective until the next regularly scheduled meter-reading date which follows the date on which Champion Energy gives notice to the EDC of your cancellation request. We will notify both you and your EDC of the cancellation of this agreement at least 11 days prior to the effective date of cancellation.

**11. Default Liability.** LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY (WHICH WILL NOT EXCEED THE AMOUNT OF CUSTOMER'S SINGLE LARGEST MONTHLY INVOICE DURING THE PRECEDING TWELVE MONTHS). SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES AT LAW OR IN EQUITY ARE HEREBY WAIVED. IN NO EVENT SHALL CUSTOMER OR CHAMPION 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 A BREACH OF THIS AGREEMENT.

**12. Governing Law.** Venue for any lawsuit brought to enforce any term or condition of this agreement or

to construe the terms hereof shall be exclusively in the Commonwealth of Pennsylvania. This Agreement shall be construed under and shall be governed by the laws of the Commonwealth of Pennsylvania.

**13. Assignment.** You may not assign this Agreement, in whole or part, or any of your rights or obligations hereunder, without prior consent from Champion Energy; which shall be executed in writing by Champion, Customer, and any party to whom the Agreement is being assigned. Nothing in this Agreement shall create, or be construed as creating; any express or implied rights in any person or entity other than Champion and Customer. Customer hereby acknowledges and consents that Champion may freely pledge, assign, or subrogate all of its rights hereunder as Champion may deem necessary. In the event any other provision of this Agreement shall be deemed to prohibit or otherwise restrict Champion's right to assign, subrogate or pledge its rights hereunder, this provision shall control.

**14. Severability.** If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force without being invalidated in any way.

**15. No Warranties.** Unless otherwise expressly set forth in this Agreement, Champion Energy provides and Customer receives no warranties, express or implied, statutory, or otherwise and Champion specifically disclaims any warranty of merchantability or fitness for a particular purpose.

**16. Delay or Failure to Exercise Rights.** No partial performance, delay or failure on the part of Champion Energy in exercising any rights under this Agreement and no partial or single exercise thereof shall constitute a waiver of such rights or of any other rights hereunder.

**17. Force Majeure.** The term "Force Majeure" shall mean any cause not reasonably within the control of the Party claiming suspension and which by the exercise of due diligence, such Party is unable to prevent or overcome, including but not limited to, any act or cause which is deemed a Force Majeure by the EDC or any transportation or transmitting entity. If either party is unable, wholly or in part, by Force Majeure to perform or comply with any obligations or conditions of this Agreement, such party shall give immediate written notice, to the maximum extent practicable, to the other party. Such obligations or conditions, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused, and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during the period. The party claiming suspension of obligations must in good faith attempt to mitigate and/or terminate the Force Majeure.

**18. Pennsylvania and Laws.** Except as otherwise provided in this Agreement or by law, all taxes of whatsoever kind, nature and description, due and payable with respect to Customer's performance of its obligations under this Agreement, shall be paid by Customer. The parties' obligations under this Agreement are subject to present and future legislation, orders, rules, or regulations of a duly constituted governmental authority having jurisdiction over this Agreement or the services to be provided herein.

**19. Entire Agreement.** This Agreement sets forth the entire agreement between the parties with respect to the terms and conditions of this transaction; any and all other agreements, understandings and representations by and between the parties with respect to the matters addressed herein are superseded by this Agreement.

**20. Acceptance and Amendments.** This Agreement shall not become effective until accepted by Champion Energy. Champion may amend the terms of this Agreement at any time, consistent with any applicable law, rule or regulation, by providing notice to Customer of such amendment at least thirty (30) days prior to the effective date thereof. Champion will supply Customer with a current version of this document annually and upon request.

## **21. CONTACT INFORMATION**

### Generation Supplier

Champion Energy Services, LLC  
1500 Rankin Road; Suite 200

Houston, TX 77073  
Toll-Free Telephone: 1-877-404-0842  
[www.championenergyservices.com](http://www.championenergyservices.com)  
[support@championenergyservices.com](mailto:support@championenergyservices.com)

Electric Distribution Company (EDC) and Provider of Last Resort

PPL Electric Utilities

827 Hausman Road  
Allentown, PA 18104  
Toll Free Telephone: 1-800-342-5775

Duquesne Light Co.

411 Seventh Avenue (6-1)  
Pittsburgh, PA 15219  
Toll Free Telephone: 412-393-7100

PECO Energy CO.

Customer Service Center  
2301 Market Street  
P.O. Box 8699  
Philadelphia, PA 19101  
Toll Free Telephone: 1-800-494-4000

Met-Ed (Metropolitan Edison Co.)

P.O. Box 3687  
Akron, Ohio 44309-3687  
Toll Free Telephone: 1-800-545-7741

Allegheny/West Penn Power

800 Cabin Hill Drive  
Greensburg, PA 15601-1689  
Toll Free Telephone: 1-800-255-3443

Penelec (Pennsylvania Electric Co.)

P.O. Box 3687  
Akron, Ohio 44309-3687  
Toll Free Telephone: 1-800-545-7741

Public Utility Commission (PUC)

PO Box 3265  
Harrisburg, PA 17105-3265  
Utility Choice Hotline: 1-800-692-7380

Universal Service Program:

Your EDC has programs available to customers who are on a limited or fixed income to assist them with utility bills. Contact your EDC at: the phone number listed above for your EDC

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