

## **RESIDENTIAL TERMS & CONDITIONS**

("Agreement")

## THE PURPOSE OF THIS DOCUMENT IS TO AUTHORIZE AEP ENERGY, INC. TO CHANGE YOUR ELECTRIC POWER SUPPLIER

TERM	GENERATION SERVICE CHARGES	CANCELLATION FEE	CONTRACT RENEWAL	OTHER
12 monthly billing cycles ("Term").	19.49 cents per kWh for Green-e® Energy Certified wind-generated renewable energy certificates equal to 100% of your usage and Generation and Transmission Services. Price excludes taxes, utility Distribution Service charges and other non-bypassable utility charges and fees.	No. You may cancel at any time during the Term without penalty. See Section 6 for details.		

TERMS AND CONDITIONS: These Terms and Conditions (this "Agreement") are your agreement for Generation Service and applicable Transmission Service with AEP Energy, Inc. ("AEP Energy"). Please keep a copy of this Agreement for your records. AEP Energy is licensed by the New Jersey Board of Public Utilities ("BPU") to offer and supply Generation Service in New Jersey. As your Third Party Supplier ("TPS"), AEP Energy will supply the Generation Service and provide applicable Transmission Service to the interconnection (the "Delivery Point") of your Electric Distribution Company ("EDC") based on your usage and pursuant to this Agreement. Your EDC then distributes or delivers the electricity to you. The words "we", "us", and "our" refer to AEP Energy, and the words "you," "your," and "I" refer to the customer.

CERTAIN DEFINITIONS: "Generation Service" means the production of electricity. "Generation-Related Charges" means those charges or costs associated with the production, procurement and supply of electricity. "Non-bypassable EDC charges and fees" means those EDC charges and fees payable by you regardless of whether the EDC or a TPS provides Generation Service. "Transmission Service" means moving high voltage electricity from a generation facility to the distribution lines of an EDC. "Distribution Service" means the physical delivery of electricity to customers by the EDC. "Billing Cycle" means, with respect to a customer account, the monthly period between meter read dates during the Term.

STATEMENT OF YOUR RESCISSION RIGHTS: You will receive a confirmation notice ("Confirmation") of your selection of AEP Energy as your TPS and you will have seven (7) calendar days from the date of your confirmation notice to contact your EDC and rescind your selection of AEP Energy ("Confirmation Period"). Further, this Agreement shall not be legally binding upon you until the 7-day Confirmation Period has expired and you have not, directly or indirectly, rescinded your selection within this period. There is no charge for starting or stopping electric generation service if done within the terms of this Agreement. Please contact us toll-free at 1-

866-258-3782 if you have any questions regarding rescission.

OTHER IMPORTANT DISCLOSURES: In the event a third party was involved in this Agreement, including, without limitation, a broker or a shopping website, or you are part of a municipal aggregation, the pricing contained herein may be inclusive of a broker fee. I affirm my agreement that AEP Energy and entities calling on AEP Energy's behalf may make calls to the number(s) I have provided, or will provide during the term of this Agreement, regarding my account, including about amounts due. Price Comparison Qualification: Please be advised that the EDC's standard offer service rates generally change from time to time. AEP Energy therefore does not provide any quarantee of savings in comparison to the EDC's standard offer service rates during the Term or the term of any renewals of this Agreement. If you received any price comparison(s) in connection with your enrollment, by accepting this offer from AEP Energy, you understand and agree that AEP Energy has informed you, prior to entering into this Agreement, that no guarantee of savings during the Term or the term of any renewal is being provided.

## TERMS AND CONDITIONS OF SERVICE

- **1. Eligibility.** Residential customer accounts that are on residential rate codes are eligible for this offer from AEP Energy. AEP Energy reserves the right to refuse enrollment to any customer who is not current on their Nonbypassable EDC charges and fees.
- 2. Basic Service Prices. Starting with the first Billing Cycle of this Agreement through the last Billing Cycle of the initial "Term" (as listed in the table above), you agree to pay AEP Energy a price stated in the table above under "Generation Service Charges," inclusive of the New Jersey Sales and Use Tax, for all kilowatt-hours ("kWh") of for all applicable combined Transmission Service, Generation Service and Generation-Related Charges and as set forth in your Confirmation, including applicable taxes, if any. In addition to AEP Energy's charges, you will be charged by

your EDC for Distribution Service and other Non-bypassable EDC charges and fees.

- 3. Length of Agreement. Your service from AEP Energy will begin on the start of service date determined by the EDC, and this Agreement shall be considered executed by AEP Energy following: a) acceptance of your enrollment request by AEP Energy (at its discretion and consistent with the "Your Consent and Information Release Authorization" section below); b) the end of your Confirmation Period; and c) acceptance of your enrollment by your EDC. Your service from AEP Energy will begin with your next meter read date so long as we notified the EDC of your electronic enrollment at least 13 days before the next monthly scheduled meter reading date, and this Agreement will continue for the Term (as listed in the table above), and unless otherwise terminated or renewed, ending on the date your EDC effectuates your switch back to EDC standard offer service or to another TPS. However, your service from AEP Energy may continue in accordance with the "Contract Renewal" section of this Agreement. Your meter read date and the date of initiation of service are determined by your EDC; therefore, we are not liable for any resulting delay in commencement of your service.
- **4. Billing.** Unless AEP Energy notifies you otherwise, you will continue to receive a single bill, typically on a monthly basis, from your EDC that will contain both your EDC and AEP Energy charges, including applicable taxes (and you acknowledge that your billing and payment information may be provided to AEP Energy). AEP Energy does not offer budget billing for AEP Energy's charges. You will be responsible for payment of the EDC consolidated bill in accordance with applicable EDC billing rules and procedures. Failure by you to pay your EDC bill or meet any agreed-upon payment arrangement could result in service termination in accordance with your EDC's tariff and the termination of your contract with AEP Energy. Upon termination, you will be returned to your EDC's applicable tariff service or you may switch to another TPS. AEP Energy reserves the right to issue an invoice to you directly. Such invoice would contain AEP Energy's charges for your retail electric energy service and may also contain applicable taxes and all of the EDC's applicable charges.
- 5. Penalties, Fees, and Exceptions. If at any time AEP Energy must send you a bill directly for the supply service provided under this Agreement, and if you do not pay the full amount owed to AEP Energy by the due date of the bill, a late payment fee with respect to amounts owed to AEP Energy of up to one and one-half percent (1.5%) of the outstanding balance per month, or the maximum legally allowed interest rate, whichever is lower until such payment is received by AEP Energy, will apply. In accordance with the "Cancellation/Termination Provisions/Failure to Pay" section of this Agreement, if AEP Energy bills you directly for our services, AEP Energy may terminate this Agreement with thirty (30) calendar days' written notice should you fail to pay the bill or meet any agreed-upon payment arrangements with respect to amounts owed to AEP Energy. Upon termination you will be returned to your EDC as a customer. You will remain responsible to pay AEP Energy for any electricity used before this Agreement is terminated as well as any late payment charges. AEP Energy

- will pass through to you any EDC fees for switching, disconnecting, reconnecting or maintaining electric service or equipment. The EDC will pass through to you any other taxes, EDC Distribution Service charges and other non-bypassable EDC charges and fees. Notwithstanding the above, you are permitted to terminate this Agreement, with forty-eight (48) hours' notice, without penalty, as a result of relocation within or outside your EDC's franchise area, a disability that renders you unable to pay for AEP Energy's service, and/or the customer of record's death.
- 6. Cancellation/Termination Provisions/Failure to Pay. This Agreement may be cancelled for the following reasons: (i) non-payment: if your electric service is terminated by your EDC, then this Agreement is cancelled on the date that your service is terminated; (ii) AEP Energy-initiated cancellation for any reason in accordance with the terms of this Agreement; and (iii) customer-initiated cancellation for any reason. Any failure to pay undisputed amounts due us or if you otherwise fail to perform your obligations under this Agreement, same shall be deemed a breach of this Agreement permitting AEP Energy to terminate this Agreement and cause your electric generation service to be switched to your EDC as a default service provider. AEP Energy shall provide you with thirty (30) days' written notice of the termination/cancellation and an opportunity to remedy the termination condition. However, AEP Energy shall not terminate this Agreement due to non-payment in cases where charges are in dispute, provided undisputed charges are paid and AEP Energy and you agree to resolve the disputed charges within thirty (30) days of the time that you have notified AEP Energy that charges are in dispute. AEP Energy has the right to terminate this Agreement, regardless of whether you remedy the condition that triggered the termination notice. Should you cancel service with AEP Energy and return to standard offer service with your EDC, you may not be served under the same rates, terms, and conditions that apply to other EDC customers.
- **7. Your Consent and Information Release Authorization.** By accepting this offer from AEP Energy, you understand and agree to the terms and conditions of this Agreement with AEP Energy. You authorize AEP Energy to obtain information from the EDC that includes, but is not limited to: your billing history, payment history, historical and expected electricity usage, meter-readings, characteristics of electricity service, address, telephone number, and account number(s). AEP Energy reserves the right to check your credit with a consumer credit reporting agency to determine if your credit standing is satisfactory before accepting your enrollment request. You further authorize AEP Energy to disclose, sell, or transfer to a third-party your information.
- **8. Contract Renewal.** Following the end of the period of service provided in your Confirmation, your service will continue on a month-to-month basis unless and until you renew your service with us, or if you do not renew your service with us, until terminated either by you or us. During such month-to-month period, your service will be provided under the current terms and

conditions and pricing. A notice of expiration of this Agreement will be sent to you in accordance with applicable rules.

- **9. Dispute Procedures.** Prior to initiating any action, suit or proceeding, you and AEP Energy both agree to try to resolve any dispute informally. To initiate informal dispute resolution, including with any questions concerning the terms of service, contact AEP Energy by phone at 1-866-258-3782 (toll-free), M-F 8 AM 7 PM & Sa 9 AM 1 PM, ET, or in writing at AEP Energy, 1 Riverside Plaza, 20th Floor, Columbus, OH 43215, Attn: Customer Care. Our web address is AEPenergy.com/contact-us. If your complaint is not resolved after you have called AEP Energy and/or your EDC, or for general EDC/utility information, you may contact the BPU Division of Customer Assistance at 1-800-624-0241 to request an alternate dispute resolution procedure or file a formal complaint.
- 10. Warranty and Force Majeure. AEP Energy warrants title to all electricity sold hereunder. THE WARRANTY SET FORTH IN THE PRECEDING SENTENCE IS EXCLUSIVE AND AEP ENERGY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ARISING OUT OF ANY COURSE OF DEALING OR PURPOSE OR USAGE OF TRADE. AEP Energy will make commercially reasonable efforts to provide your electric service, but does not guarantee a continuous supply of electricity. Certain causes and events are out of the reasonable control of AEP Energy ("Force Majeure Events") and may result in interruptions in service. AEP Energy is not liable for damages caused by acts of God, changes in laws, rules or regulations or other acts of any governmental authority (including the BPU and/or RTO), accidents, strikes, labor troubles, required maintenance work, inability to access the EDC's system, nonperformance by the EDC, terrorism, sabotage, or any other cause beyond AEP Energy's reasonable control. If a Force Majeure Event occurs which renders AEP Energy unable to perform in whole or in part under this Agreement, our performance under this Agreement shall be excused for the duration of such event.
- 11. LIMITATION OF LIABILITY AND REMEDIES. UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND REGULATIONS, ANY LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO DIRECT, ACTUAL DAMAGES AS THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, TREBLE, EXEMPLARY OR INDIRECT DAMAGES, WHETHER IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISIONS OR OTHERWISE IN CONNECTION WITH THIS AGREEMENT. THE LIMITATIONS IMPOSED ON REMEDIES AND DAMAGE MEASUREMENT WILL BE WITHOUT REGARD TO CAUSE, INCLUDING NEGLIGENCE OF ANY PARTY, WHETHER SOLE,

- JOINT, CONCURRENT, ACTIVE OR PASSIVE AND SHALL SURVIVE TERMINATION, CANCELLATION, SUSPENSION, COMPLETION OR EXPIRATION OF THIS AGREEMENT; PROVIDED NO SUCH LIMITATION SHALL APPLY TO DAMAGES RESULTING FROM THE WILLFUL MISCONDUCT OF ANY PARTY. AEP ENERGY'S TOTAL LIABILITY UNDER THIS AGREEMENT WILL NOT EXCEED AN AMOUNT EQUAL TO THE CHARGES ON YOUR SINGLE LARGEST MONTHLY INVOICE FOR GENERATION SERVICE DURING THE TWELVE (12) MONTHS PRECEDING THE APPLICABLE CLAIM.
- 12. Your Liability and Indemnification of AEP Energy. You assume full responsibility for retail electricity supplied to you at and after the Delivery Point and agree to and shall indemnify, defend, and hold harmless AEP Energy, its parent company and all of its affiliates or subcontractors, and all of their respective managers, members, officers, directors, shareholders, associates, employees, servants, and agents from and against any and all claims, losses, expenses (including attorneys' fees), damages, demands, judgments, causes of action, and suits of any kind (hereinafter collectively referred to as "Claims"), including Claims for service interruptions, loss or termination of service, deterioration of electric services, personal injury, death, or damages to property occurring at and after the Delivery Point, including upon your residential premises, arising out of or related to the Generation Service and/or your performance under this Agreement. AEP Energy shall cease to have title to and risk of loss related to the electricity when it is delivered to you at and after the Delivery Point and on your side of the Delivery Point. Neither AEP Energy nor any of its affiliates or subcontractors will be responsible for any failure to commence or terminate electric generation service on the date specified herein due to any failure or delay in enrolling you with the EDC. NOTHING IN THIS AGREEMENT SHALL CONSTITUTE A WAIVER OF ANY RIGHTS YOU HAVE UNDER NEW JERSEY OR FEDERAL CONSUMER PROTECTION LAWS.
- 13. Assignment and Severability. You shall not assign this Agreement or your rights hereunder without the prior written consent of AEP Energy. AEP Energy may, without your consent (a) transfer, assign, subcontract or delegate this Agreement to another licensed TPS, including any person or entity succeeding to all or substantially all of the assets of AEP Energy and permitted to perform these services, including your payment obligations under this Agreement, in accordance with the rules and regulations of the BPU; (b) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial agreement; (c) transfer or assign this Agreement to an affiliate of AEP Energy permitted to perform these services. In the case of (a) or (c), any such assignee or transferee shall agree in writing to be bound by the terms and conditions hereof. Upon any such assignment, you agree that AEP Energy shall have no further obligations hereunder. Any provision or section of this Agreement declared or rendered void, unlawful, or otherwise unenforceable shall not otherwise affect the lawful obligations that arise under this Agreement.

14. Choice of Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, including applicable rules of the BPU, without giving effect to any conflicts of law principles which otherwise might be applicable. Any action arising out of this Agreement shall be litigated exclusively in the federal court, if it has jurisdiction over the matter, or the state court, if there is no federal jurisdiction, located within the State of New Jersey. You and AEP Energy expressly consent and irrevocably submit to the jurisdiction of said courts for purpose of any such actions and covenant not to sue in any other court. You and AEP Energy further agree not to raise, and waive, any objections or defenses based upon venue or forum non conveniens.

15. Miscellaneous. AEP Energy assumes no responsibility or liability for the following items that are the responsibility of the EDC: operation and maintenance of the EDC's electrical system, any interruption of service, termination of service, or deterioration of the EDC's service. In the event of a power outage, you should contact your local EDC (see the "Contact Information" section of this Agreement below). You are responsible for providing AEP Energy with accurate account information. If said information is incorrect, AEP Energy reserves the right to re-price the applicable account(s). AEP Energy reserves the right to re-price any account(s) or return you to the EDC if your EDC rate code or meter type is changed and/or the account is no longer eligible for the retail electricity choice program. Any notice, demand or other communication to be given hereunder, including, without limitation, any renewal or termination notice, shall be in writing and delivered to the address or email address maintained on file for you. AEP Energy does not deny service, require a prepayment or deposit for service or otherwise discriminate based on a customer's race, color, national origin, age, gender, religion, source of income, receipt of public benefits, family status, sexual preference, or geographic location. However, we may refuse service to anyone for any other reason permitted by applicable rules. AEP Energy may make non-material related changes to this Agreement by providing you with advance notice. Notice is not required for a change that benefits you. AEP Energy reserves the right to change or cancel at any time without notice any benefits, rewards, or bonuses provided to customers that may be provided by a third party. In the event that there is a change (including changes in interpretation) in law, regulation, rule, ordinance, order, directive, filed tariff, decision, writ, judgment, or decree by a governmental authority, or in the event any of the foregoing which is existing as of the date of this Agreement is implemented or differently administered, including, without limitation, changes in tariffs, protocols, market rules, load profiles, and such change results in AEP Energy incurring additional costs and expenses in providing the services contemplated herein, these additional costs and expenses may, at our option, be assessed to you in your monthly bills for service as additional

pass-through charges, to the extent permitted by applicable rules. Nothing in this Agreement shall create, or be construed as creating, any express or implied rights in any person or entity other than you and us. This Agreement contains all terms, conditions, and agreements in any way related to, or arising out of, the sale and purchase of electricity. This Agreement (including your Confirmation) supersedes all prior agreements, whether written or oral.

AEP Energy is a Third Party Supplier (TPS). Switching to a TPS is not mandatory and you have the option of remaining with your Local Distribution Company (LDC) for basic generation service.

16. Contact Information. AEP ENERGY'S NEW JERSEY THIRD PARTY ELECTRIC POWER SUPPLIER LICENSE NUMBER IS ESL-0160. Contact us with any questions between the hours of M-F 8 AM - 7 PM & Sa 9 AM -1 PM, ET, except holidays. Our toll-free number is 1-866-258-3782. We can be reached by mail at AEP Energy, 1 Riverside Plaza, 20th Floor, Columbus, OH 43215, Attn: Customer Care, or visit AEPenergy.com/contact-us. For emergencies relating to your service, such as power outage, please call the following EDC/utility numbers as applicable: Jersey Central Power & Light ("JCP&L"): 800-662-3115; Public Service Electric & Gas ("PSE&G"): 800-436-7734; Atlantic City Electric: 800-833-7476; Rockland Electric Company ("O&R"): 877-434-4100. The toll-free customer service telephone number for each EDC/utility is: JCP&L: 800-662-3115; PSE&G: 800-436-7734; Atlantic City Electric: 800-642-3780; O&R: 877-434-4100. The BPU's Division of Customer Assistance toll free number is 1-800-624-0241 and their website address is http://www.state.nj.us/bpu/. You agree and authorize that AEP Energy and/or its third-party service providers may listen to, monitor, and/or record telephone your calls with us and/or any of our affiliates, agents, and/or contractors as part of providing services under this Agreement. You expressly agree that these contacts are not unsolicited for purposes of any state or federal law. You also agree to receive communications from AEP Energy via email at the email address you provide (if any) to AEP Energy. It is your responsibility to notify AEP Energy of any changes to your contact information, including your email address.

17. The electricity supply provided to you during the term of this Agreement will include renewable energy certificates sourced from renewable resources of the type and in an amount equal to the percentage of your usage as stated in the table above under "Generation Service Charges." ECO-Advantage is a nationally wind-generated REC product, is Green-e® Energy certified, and meets the environmental and consumer-protection standards set forth by the nonprofit Center for Resource Solutions. For more information about Green-e Energy, visit www.green-e.org or contact energy@resource-solutions.org .



## 2021 PROSPECTIVE PRODUCT CONTENT LABEL<sup>1</sup>

ECO-Advantage® is a Renewable Energy Certificate (REC) product and does not contain electricity. A REC represents the environmental benefits of 1 megawatt hour (MWh) of renewable energy that can be paired with electricity. For more information, see <a href="https://www.green-e.org/rec">www.green-e.org/rec</a>.

ECO-Advantage matches 100% of your electricity usage. In 2021, ECO-Advantage will be made up of the following renewable resources.

Green-e Energy Certified New <sup>2</sup> F	Generation Location	
-Wind	100%	National supply could be sourced from any of the following states including but not limited to: Texas, Iowa, and Illinois
TOTAL	100%	

- 1. These figures reflect the renewables that we have contracted to provide. Actual figures may vary according to resource availability. We will annually report to you before August 1 of next year in the form of a Historical Product Content Label the actual resource mix of the RECs you purchased.
- $2. \ New \ Renewables \ come \ from \ generation \ facilities \ that \ first \ began \ commercial \ operation \ within \ the \ past \ 15 years.$

For comparison, the current average mix of resources supplying the United States includes: Coal (30.1%), Nuclear (20%), Oil (<1%), Natural Gas (31.7%), Hydroelectric (7.5%), Other Fossil (<1 %), and Renewables (17.1%; Hydropower 1.5%, Wind 6.3%, Biomass 1.6%, Solar 1.3%, and Other <1%). This resource mix was prepared in accordance with the U.S. Department of Energy/ Energy Information Administration.

The average home in the United States uses 897 kWh per month. Source: U.S. EIA, 2017.

For specific information about this product, please contact AEP Energy via phone at (866) 258-3782, by email at care@aepenergy.com, or visit AEPenergy.com.



ECO-Advantage is Green-e Energy certified, and meets the environmental and consumer-protection standards set forth by the nonprofit Center for Resource Solutions. Learn more at <a href="https://www.green-e.org">www.green-e.org</a>.