

# RESIDENTS ENERGY

PO Box 400, Jamestown, NY 14702  
1-888-828-7374



## PENNSYLVANIA - VARIABLE RATE ELECTRIC CONTRACT SUMMARY v.10162017

This document summarizes the key terms of your contract with Residents Energy, LLC ("RESI")

<b>Electric Generation Supplier Information</b>	<b>Residents Energy, LLC, PO Box 400, Jamestown, NY 14702</b> <b>888-828-7374</b> <a href="http://www.residentsenergy.com">www.residentsenergy.com</a> You have chosen RESI as your electric generation supplier. RESI is not affiliated with your electric distribution company ("EDC"). RESI is responsible for the electric generation charges on your bill. These charges will appear on your EDC bill separate and apart from your EDC's distribution charges for delivering your electricity.
<b>Price Structure</b>	The electricity supplied pursuant to this Agreement will be a variable rate that will fluctuate at RESI's discretion. When setting rates, RESI will consider numerous factors including, but not limited to, current conditions on the PJM wholesale electricity market, the cost of obtaining electricity from all sources, capacity costs, settlement costs, costs of ancillary services, hedging costs, balancing costs, line loss costs, costs to comply with any applicable Renewable Portfolio Standards, RESI's expenses and margins, and all applicable taxes, fees, or assessments. There is no limit on how much the rate may change from one billing cycle to the next. There is no cap on the rate. You will receive notice of variable rate changes when you receive the bill with that rate.
<b>Generation/Supply Price</b>	Your electricity supply rate for your first billing cycle with RESI is _____ per kWh. Thereafter, your rate will vary based on the factors described above.
<b>Statement Regarding Savings</b>	RESI's rate for electricity supply may be higher or lower than your EDC's rate, there is no guarantee of savings.
<b>Deposit Requirements</b>	RESI does not require a deposit.
<b>Incentives</b>	<b>Rebate Programs:</b> From time-to-time Residents Energy may offer a rebate program for new customers who enroll with Residents Energy and maintain active accounts with Residents Energy for a specified period of time. To be eligible to earn a rebate under any such rebate program, Customer will have 60 days to complete a validation process in accordance with the instructions that will be provided to Customer.
<b>Contract Start Date</b>	Your RESI electric supply service will begin on the date set by your EDC.
<b>Contract Term/ Length</b>	This Agreement shall continue until either RESI or Customer provides notice of termination to the other and the EDC completes the termination in accordance with its rules.
<b>Renewal</b>	This Agreement shall continue until either RESI or Customer provides notice of termination to the other, and the EDC completes the termination in accordance with its rules.
<b>Cancellation/Early Termination Fees</b>	You may cancel your RESI electricity supply service at any time, without cancellation fees.
<b>Electric Distribution Company Information</b>	The EDC is responsible for distribution charges on your bill. EDCs respond to emergencies and provide other basic utility services as required. Please contact the EDC in the event of an emergency such as a power outage.

**PENNSYLVANIA RESIDENTS ENERGY ELECTRIC DISCLOSURE STATEMENT –  
V.10162017**

This is an agreement (“Agreement”) for electricity generation supply services, between Residents Energy, LLC (“Residents Energy”) and (“Customer” or “you”)

**BACKGROUND**

Residents Energy is licensed by the Pennsylvania Public Utility Commission to offer and supply electric generation services in Pennsylvania. Residents Energy’s PUC license number is A-2014-2433184.

Your generation prices and charges will be set by Residents Energy. The Public Utility Commission regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

You will continue to receive your bill from your Electric Distribution Company (EDC). It will contain the EDC’s charges and Residents Energy’s charges. Your EDC will continue to provide all emergency repairs and services.

**Right of Rescission** - You may cancel this Agreement at any time before midnight of the third business day after receiving this Disclosure Statement. To do so, you may contact Residents Energy at PO Box 400, Jamestown, NY 14702, by phone at 1.888.828.7374, or by email at [contactus@residentsenergy.com](mailto:contactus@residentsenergy.com).

**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**

**1. Price** - For each billing cycle, the price for the electricity supplied pursuant to this Agreement will be calculated by multiplying (i) the agreed-upon variable or fixed rate for the electricity, by (ii) the amount of electricity consumed, as determined by the EDC’s actual or estimated meter reads. The rate for electricity, whether a variable rate or fixed rate, does not include the EDC’s charges and fees.

Fixed Rate Product: If your Contract Summary indicates that you have chosen a Fixed Rate (ResiSure) electric product, the rate for the electricity supplied pursuant to this Agreement during the Initial Term (defined in your Contract Summary) will be the rate set forth on the Contract Summary. This rate includes Transmission Charges and estimated total state taxes, including the Gross Receipts Tax, but excludes applicable state and local Sales Tax. This rate will be effective starting with your first date of service with Residents Energy and will remain fixed for the Initial Term.

Variable Rate Product: If your Contract Summary indicates that you have chosen a Variable Rate (ResiFlex) electric product, the rate for the electricity supplied pursuant to this Agreement during the first monthly billing cycle will be the rate set forth on the Contract Summary. Thereafter, the rate will fluctuate at Residents Energy’s discretion. When setting rates, Residents Energy will consider numerous factors including, but not limited to, current conditions on the PJM wholesale electricity market, the cost of obtaining electricity from all sources, capacity costs, settlement costs, costs of ancillary services, hedging costs, balancing costs, line loss costs, costs to comply with any applicable Renewable Portfolio Standards, Residents Energy’s expenses and margins, and all applicable taxes, fees, or assessments. This rate includes Transmission Charges and estimated total state taxes, including the Gross Receipts Tax, but excludes applicable state and local Sales Tax. **There is no limit on how much the rate may change from one billing cycle to the next. The rate may be higher or lower than the EDC’s rate in any particular billing cycle. There is no cap on the rate.** You will receive notice of variable rate changes when you receive the bill with that rate. More information about this variable rate product, including what the rate has been for the past 24 months, can be found at [www.residentsenergy.com](http://www.residentsenergy.com) or you can call 1.888.828.7374. However, please remember that past rates do not indicate present or future rates.

**2. Length of Agreement – Fixed Rate Product:** For the Fixed Rate (ResiSure) product, this Agreement shall commence as of the date Customer's enrollment with Residents Energy is deemed effective by the EDC, and it shall continue until the conclusion of the Initial Term (defined in your Contract Summary). The Agreement may renew at that juncture as described in the **Renewal Provisions/Agreement Expiration/Change in Terms** section below.

**Variable Rate Product:** For the Variable Rate (ResiFlex) product, this Agreement shall commence as of the date Customer's enrollment with Residents Energy is deemed effective by the EDC, and it shall continue until either Residents Energy or Customer provides 15 days' notice of termination to the other. Customer may terminate the Agreement by contacting Residents Energy at PO Box 400, Jamestown, NY 14702, by phone at 1.888.828.7374, or by email at [contactus@residentsenergy.com](mailto:contactus@residentsenergy.com).

In the event such notice is given, the EDC will complete the termination on the next available date in accordance with its rules.

### **3. Special Terms and Conditions –**

**Rebate Programs:** From time-to-time Residents Energy may offer a rebate program for new customers who enroll with Residents Energy and maintain active accounts with Residents Energy for a specified period of time. To be eligible to earn a rebate under any such rebate program, Customer will have 60 days to complete a validation process in accordance with the instructions that will be provided to Customer. Customer will also have to be an active customer of Residents Energy, in good standing, at the time the rebate is to be issued in order to qualify for the rebate. Rebate amounts appearing in Residents Energy's advertising materials or presented orally to potential customers are merely examples of rebate amounts that customers might be eligible to receive. The actual amount of any rebate will be computed by reference to Customer's actual usage over the term of this Agreement, which may vary substantially from any estimate provided. Any rebate earned by Customer will be sent to Customer at the address provided by Customer during the validation process. Rebates can be issued in a variety of forms including, but not limited to, checks, stored-value cards, or electronic gift cards. Stored-value cards and electronic gift cards will be issued by an issuing bank, pursuant to a direct relationship between Customer and the issuing bank, and will be subject to the terms and conditions of a Cardholder Agreement. Stored-value cards and electronic gift cards will expire 6 months after issuance.

**Renewable Energy Option:** "Renewable" energy refers to energy that is generated from renewable resources, such as solar, wind, water or biomass. If you have chosen to participate in Residents Energy's Renewable Energy Option, Residents Energy will ensure that 100% of the customer's electricity usage is matched with renewable energy certificates or renewable energy attributes. Residents Energy shall have up to 24 months from the end of each calendar year to address any deficiency that may have arisen in the renewable content of electricity sold under this Agreement during such calendar year. If you have chosen a Variable Rate (ResiFlex) product and the Renewable Energy Option, your rate for the electricity supplied will be Residents Energy's Variable Rate plus an "add" of up to 3 cents per kWh for the Renewable Energy Option. If you wish to remove the Renewable Energy Option from your account please contact Residents Energy Customer Service at 1.888.828.7374.

**4. Late Payment and Early Termination Fees -** All regular payments are to be made to your EDC. Any unpaid amounts may be subject to late payment charges in accordance with your EDC's tariff.

**Variable Rate Product:** There are no early termination fees for termination of a Variable Rate (ResiFlex) Agreement.

**Fixed Rate Product:** For the Fixed Rate (ResiSure) product (unless your Contract Summary indicates that this provision is waived), if either (i) you terminate the Agreement prior to the end of the Initial Term, or (ii) Residents Energy terminates the Agreement prior to the end of the Initial Term due to your breach, you shall pay Residents Energy, in addition to any other applicable charges, an early termination fee for each terminated account, equal to: \$10.00 for each month, or portion thereof, remaining in the Initial Term. The parties acknowledge and agree that the actual damages that Residents Energy will suffer as a result of Customer's early termination or breach are difficult to assess, the early termination fee described herein is a reasonable estimate of such damages, and such early termination fee constitutes liquidated damages rather than a penalty.

**5. Cancellation Provisions –** Customer may terminate this Agreement by contacting Residents Energy or the NGDC. However, see previous Section (4. Late Payment and Early Termination Fees) for details on if/when Customer will be subject an Early Termination Fee. If you fail to meet your obligations under this Agreement, or if

there is a material adverse change in your business or financial condition (as determined by Residents Energy in its discretion), then, in addition to any other remedies that it may have, Residents Energy may terminate the Agreement. If Residents Energy terminates the Agreement for any reason other than for your non-payment, Residents Energy will follow applicable rules in providing notice to you. **Non-Payment** – If your electricity service is terminated by your EDC, then this Agreement will be cancelled on the date that your electricity service is terminated. You will owe us for amounts unpaid for our charges for electricity generation service up to the date of termination. **Customer Move** – If Customer moves from the address listed above, this Agreement is cancelled.

**6. Renewal Provisions/Agreement Expiration/Change in Terms** – If you have a fixed term contract approaching the expiration date, or whenever Residents Energy proposes to change the terms of service in any type of contract, you will receive two separate written notifications that precede either the expiration date or the effective date of the proposed changes. These notifications will explain your options going forward. If you do not respond to the notifications, your service with Residents Energy will continue and this Agreement may automatically rollover to another fixed term (“Renewal Term”) or to month-to-month terms, as set forth in the notifications.

**7. Dispute Procedures** - Contact Residents Energy with any questions concerning the terms of service at 1.888.828.7374. If you are not satisfied after discussing your terms of service with Residents Energy you may call or write to the **Public Utility Commission (PUC), PO Box 3265, Harrisburg, PA 17105-3265, 1.800.692.7380.**

**8. Mandatory Arbitration and Class Action Waiver** - Any dispute, controversy or claim arising out of, or related to, Residents Energy’s services under this Agreement that is not resolved directly between the parties or by the PUC (collectively, the “Claims”), shall be resolved by arbitration before the American Arbitration Association (“AAA”) conducted under the AAA Commercial Rules and, if Customer is a residential customer, the Consumer-Related Disputes Supplementary Procedures.

BY ENTERING INTO THIS AGREEMENT, YOU ARE GIVING UP YOUR RIGHTS TO SEEK REMEDIES IN COURT, AND THE RIGHT TO A JURY TRIAL. THE ABILITY TO CONDUCT DISCOVERY IN ARBITRATION IS LIMITED AND THE ARBITRATOR’S DECISION IS SUBJECT TO VERY LIMITED REVIEW BY COURTS. ARBITRATORS CAN AWARD THE SAME DAMAGES AND RELIEF THAT A COURT CAN AWARD. THE AAA SHALL HAVE THE POWER TO RULE ON ANY CHALLENGE TO ITS OWN JURISDICTION OR TO THE VALIDITY OR ENFORCEABILITY OF ANY PORTION OF THIS ARBITRATION PROVISION.

THE PARTIES AGREE THAT ALL CLAIMS INCLUDING STATUTORY, STATE OR FEDERAL CLAIMS, MAY BE MADE SOLELY ON AN INDIVIDUAL BASIS, AND THAT THIS AGREEMENT DOES NOT PERMIT CLASS ACTIONS, EITHER IN ARBITRATION OR THROUGH AN ADMINISTRATIVE OR COURT PROCEEDING. FURTHER, CUSTOMER WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A REPRESENTATIVE CAPACITY OR AS A MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. AAA MAY NOT CONSOLIDATE MORE THAN ONE PERSON’S CLAIMS, AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF A REPRESENTATIVE OR CLASS PROCEEDING. IN THE EVENT THE PROHIBITION ON CLASS ARBITRATION IS DEEMED INVALID OR UNENFORCEABLE, THEN THE REMAINING PORTIONS OF THIS ARBITRATION PROVISION WILL REMAIN IN FORCE. JUDGMENT ON THE ARBITRATOR’S AWARD CAN BE ENTERED IN ANY COURT HAVING JURISDICTION. THIS AGREEMENT EVIDENCES A TRANSACTION IN INTERSTATE COMMERCE, AND THUS THE FEDERAL ARBITRATION ACT GOVERNS THE INTERPRETATION AND ENFORCEMENT OF THIS PROVISION. THIS ARBITRATION PROVISION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

**9. Entire Agreement** - This Agreement, including the Contract Summary and any attached enrollment form, constitutes the entire agreement between you and Residents Energy. You acknowledge that you are not relying on any advice, statements, recommendations or representations of Residents Energy or its Sales personnel other than the written statements in this Agreement and that you have made your own decision to enter into this Agreement.

**10. Assignment.** Residents Energy may assign or transfer its rights or obligations under this Agreement after first informing you in writing of such transfer or assignment. You may not assign or transfer your rights or obligations under this Agreement.

**11. Choice of Law.** This Agreement shall be construed in accordance with and be governed by the laws of the Commonwealth of Pennsylvania without regard to the conflicts of law provisions thereof.

**12. No Warranties.** Customer acknowledges and agrees that no warranty, duty or remedy, whether expressed, implied or statutory, is given or intended to arise out of this Agreement except as otherwise expressly stated herein, and Residents Energy specifically disclaims all other warranties, expressed or implied including any warranty of merchantability or fitness for a particular purpose or use.

**13. SEVERABILITY.** Should any part of this Agreement be declared invalid for any reason, such decision shall not in any manner affect the validity of the remaining portions of this Agreement, which shall remain in full force and

effect as if the part determined to be invalid had not been contained herein at the time of the execution of this Agreement.

**14. FORCE MAJEURE.** Residents Energy will make commercially reasonable efforts to provide electricity hereunder but does not guarantee a continuous supply of electricity to Customer. Certain causes and events out of the control of Residents Energy ("Force Majeure Events") may result in interruptions in service. Residents Energy will not be liable for any interruptions caused by a Force Majeure Event, and Residents Energy is not, and shall not be, liable for damages caused by Force Majeure Events. Force Majeure Events shall include acts of God, fire, flood, storm, terrorism, war, civil disturbance, acts of any governmental authority, accidents, strikes, labor disputes or problems, required maintenance work, inability to access the local distribution utility system, non-performance by the EDC (including, but not limited to, a facility outage on its electric facilities), or any other cause beyond Residents Energy's control.

**15. LIMITATION OF LIABILITY.** In no event shall Residents Energy or Customer be liable to the other or to any third party for any indirect, incidental, consequential, punitive, reliance or special damages, including without limitation, damages for lost profits, advantage, savings or revenues of any kind or increased cost of operations, whether or not Residents Energy or Customer has been advised of the possibility of such damages. Residents Energy's liability and Customer's exclusive remedies against Residents Energy, for any damages caused by any service outage, defect or failure shall be the termination provisions set forth above in the Termination section above. Residents Energy's liability for other claims arising in connection with any service or this Agreement, if not otherwise limited by another provision of this Agreement, shall be limited to proven direct damages not to exceed per claim (or in the aggregate during any 12-month period), the total net payments made by Customer for the applicable service during the 12 month's preceding the month in which the damage occurred.

**16. INDEMNIFICATION.** Customer is responsible for, and will indemnify Residents Energy against, any and all liabilities resulting from Customer's failure to fully comply with this Agreement, and damage or injury caused by the electricity after its delivery to Customer's residence or place of business, as applicable.

**17. CHANGE IN LAW.** If at some future date there is a change in any law, rule, or regulation whereby Residents Energy is prevented, prohibited or frustrated from carrying out the terms of the Agreement, then, at the sole discretion of Residents Energy, this Agreement may be cancelled. If, at some future date, there is a change in a federal or state approved tariff affecting Residents Energy's costs to purchase electricity required to provide your service, then, at the sole discretion of Residents Energy, this Agreement may be modified to reflect those costs.

#### **Contact Information:**

**Supplier:** Residents Energy, PO Box 400, Jamestown, NY 14702, 1.888.828.7374, [www.residentsenergy.com](http://www.residentsenergy.com)

**Public Utility Commission,** PO Box 3265, Harrisburg, PA 17105-3265, 800-692-7380, [www.puc.pa.gov](http://www.puc.pa.gov)

#### **Electric Distribution Co. (Default Service Provider)—Emergency Number /Universal Service Programs**

Duquesne Light Co., 411 7th Ave., Pittsburgh, PA 15219	888-393-7000	/	888-393-7600
Metropolitan Edison P.O. Box 368, Akron, OH 44309	888-544-4877	/	800-545-7741
PECO, 2301 Market St, Philadelphia, PA 19101	800-841-4141	/	800-774-7040
Penelec, P.O. Box 368, Akron, OH 44309	888-544-4877	/	800-545-7741
Penn Power Co., P.O. Box 368, Akron, OH 44309	888-544-4877	/	800-545-7741
PPL, 827 Hausman Rd, Allentown, PA 18104-9392	800-342-5775	/	800-342-5775
West Penn Power, P.O. Box 368, Akron, OH 44309	888-544-4877	/	800-545-7741