**CONNECTICUT RESIDENTIAL & SMALL COMMERCIAL TERMS AND CONDITIONS**
Electricity Supply Service
Direct Energy Services, LLC d/b/a Direct Energy

**1. Terms of Service.** These Terms and Conditions together with the Overview of Account, which is incorporated herein by reference, constitute the agreement ("Agreement") between you and Direct Energy Services, LLC ("Direct Energy").

**2. Agreement to Purchase Energy.** Direct Energy will supply your retail electricity, as delivered to you by your Electric Distribution Company ("EDC"), subject to the terms and conditions of this Agreement.

**3. Term of Agreement.** Subject to Direct Energy's acceptance of this Agreement and acceptance of your enrollment by your EDC, you agree to become a Direct Energy customer and appoint Direct Energy as your limited agent to fulfill the terms of this Agreement. Direct Energy will also arrange, contract for and/or administer transmission and related services over interstate and EDC facilities to deliver electricity supply to your premises. These services are provided on an arm's length basis. Direct Energy agrees to sell and deliver and you agree to purchase and accept the quantity of electricity supply delivered to you as measured or estimated by the EDC. The term of this Agreement ("Contract Term") is detailed on the first page of this Agreement (Overview of Account). **Please note to the extent that you purchased our Renewable Energy Plan (see Section 4) at the time of enrollment, during contract renewal (as described on the first page of this Agreement (Overview of Account)), if any, (the contract renewal period is referred to herein as the "Renewal Period"), the product you purchase from Direct Energy will not be a renewable energy product.** Direct Energy will send you a Renewal Notice at least thirty (30) days and no more than sixty (60) days before the effective date of your renewal. The Renewal Notice will describe the proposed price change and your right to renew, terminate and/or renegotiate this Agreement.

**4. Renewable Energy Plan.** If you are purchasing our Renewable Energy Plan pursuant to this Agreement, you are agreeing to purchase from Direct Energy a product that is supported 100% by renewable energy credits ("RECs"), in an amount sufficient to match your annual consumption from your EDC. RECs are a tradeable, non-tangible energy commodity in the United States that represents proof that 1 megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource like biomass, hydro, solar or wind. Direct Energy will purchase and retire renewable energy certificates in either the state where you are located, the North American Electric Reliability Corporation (NERC) region, Independent System Operator (ISO), Regional Transmission Organization (RTO) or Balancing Authority Area of the customer being served, at any time and from time to time throughout the year. The electricity supply actually distributed to your service location will not contain electricity supply generated from any specific electric generation facility. The availability of electric generation facilities varies hour to hour, and from season to season, as does electricity use by customers. Direct Energy may take up to three (3) months following the close of a calendar year to make up any deficiency in the volume of renewable energy certificates needed from particular generation facilities associated with your Renewable Energy Plan.

**5. Pricing, Billing and Payment Terms.** You will pay Direct Energy for your electric generation service at the price(s) set forth on the first page of this Agreement (Overview of Account) for the Contract Term. Between 30 and 60 days prior to the end of your Contract Term, you will receive a notice with a new offer. If you do not respond, this Agreement will automatically continue at the new price for a new term. The Contract Term price and Renewal Period price are exclusive of all utility charges and taxes. Your EDC will send you a bill monthly. That bill will contain Direct Energy's supply charges for the amount of electricity you used during the billing cycle. That amount will be measured or estimated by the EDC. **Depending upon the date of the meter**

**read, your bill from the EDC may be prorated. The prorated billing is a technique for applying standard methods to nonstandard billing periods. A billing period that is shorter or longer than the EDC's designated billing period days will have prorated charges based on a 30-day average for the applicable rate.** Your payment is due by the date specified in the EDC bill. Your EDC may offer you budget, levelized or other payment plans.

1.) Fixed Price: a price that does not change for a specified period of time of not less than four (4) complete billing cycles.

2.) Time of Use: To be eligible to enroll in a Time of Use Product, you must have a smart meter. If you are not certain if you have a smart meter, please contact your utility or Direct Energy at the information provided in your Terms and Conditions. If you enroll (or attempt to enroll) in a Time of Use Product, and Direct Energy determines that you do not have a smart meter, then Direct Energy will have the right to cancel this Agreement (or cancel your enrollment with Direct Energy) and return your account back to the utility. By enrolling in a Time of Use Product, you authorize your utility to provide Direct Energy access to your meter data in increments as short as five (5) minutes but no more than one (1) hour as allowed by your utility systems on a daily and/or monthly basis as may be requested by Direct Energy ("Interval Data Authorization"), as well as being shared with third parties, pursuant to Direct Energy's privacy policy. Your information will be shared with third parties for load forecasting purposes and to separate data based on your usage throughout your household. If you rescind your Interval Data Authorization while you receive electric generation service from Direct Energy under a Time of Use Product, then Direct Energy will have the right to cancel this Agreement and charge you an early cancellation fee in the amount set forth in the Contract Summary. For residential accounts, there is no early cancellation fee.

3.) Variable: **For eligible Small Business customers only**, after the Contract Term, the price for electricity supply from Direct Energy will be a variable price that may be higher or lower each month and will be set in Direct Energy's sole discretion. Direct Energy typically considers the following factors when setting variable rates:

- publicly available competitor pricing;
- strategic business objectives;
- customer retention or attrition;
- market volatility or uncertainty;
- anticipated customer usage;
- the cost of procuring power including wholesale prices, ancillary service costs, capacity auctions, utility fees, transmission and distribution losses and storage costs;
- weather, supply congestion and infrastructure issues;
- legal or regulatory issues; and
- profit margin.

**This list of factors is not exhaustive and no single factor will determine the price**. Some factors must be estimated or projected and the factors Direct Energy considers may be weighed differently each month. Direct Energy may amortize sudden cost increases over multiple billing cycles so that its customers do not bear the burden of such increases in a single month. In addition, Direct Energy seeks to acquire the majority of its anticipated electricity supply in advance rather than from the spot market. **For all of these reasons, the variable price may not correlate with changes in wholesale market prices or your local utility's rates**. In addition, the variable price may be higher than your local utility rate or other suppliers' prices.

**6. Right of Rescission & Cancellation Policy. You have the right to rescind your enrollment without penalty or charge until midnight of the (3rd) business day after receipt of the Agreement ("Rescission Period") by calling Direct Energy at the information in Section 14 (please be sure to always include your account number). Thereafter, you may cancel service under this Agreement at any time during the Contract Term. For residential accounts, there is no early cancellation fee. Small commercial accounts are subject to any applicable early cancellation fee as detailed on the first page of this Agreement (Overview of Account). You agree to pay the early cancellation fee immediately, but no later than ten (10) days after the date you receive a payment notice. You may initiate cancellation by calling Direct Energy at the information in Section**

**14 and you will be given a cancellation number. Upon cancellation, you will be required to select another supplier or return to the EDC. After Direct Energy has been confirmed as your supplier by the EDC, and you cancel service with Direct Energy, cancellation will not be effective until the next regularly scheduled meter-reading date after notice to the EDC. You must pay for all Direct Energy charges until the EDC has switched you to the EDC or another supplier. It is not considered a termination or early cancellation of a contract if you are a residential customer and you move within Connecticut and remain with Direct Energy.**

**7. Assignment.** You may not assign your rights or obligations under this Agreement without Direct Energy's express written consent. Direct Energy may sell, transfer, pledge, or assign the accounts, revenues, or proceeds due to it under this Agreement. Direct Energy may also assign its obligations under this Agreement to another electric supplier or other entity as permitted by law. After assignment, Direct Energy will have no further obligations under this Agreement.

**8. Disputes.** You should contact Direct Energy at the information in Section 14 regarding any dispute related to this Agreement. Direct Energy will attempt to resolve the dispute in an efficient, fair and timely manner. Direct Energy will provide an acknowledgment or response to your dispute within two (2) business days. If only an acknowledgment is given, Direct Energy will provide a response within fourteen (14) calendar days. Direct Energy will report the results of its investigation to you. You may also contact the Public Utilities Regulatory Authority at the information listed in Section 14.

**9. Title.** Title to the electricity shall pass from Direct Energy to you when it is delivered to the EDC. Direct Energy shall indemnify and hold you harmless from all taxes, royalties, fees or other charges incurred with respect to the electricity before title passes to you.

**10. Entire Agreement.** This Agreement is the entire Agreement between you and Direct Energy. You understand that Direct Energy's obligations under this Agreement are subject to any validly issued present and future laws of any governmental authority having jurisdiction over this Agreement or the services provided by Direct Energy to you.

**11. Warranty Disclaimer.** DIRECT ENERGY MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT. DIRECT ENERGY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

**12. Force Majeure.** Direct Energy will make commercially reasonable efforts to provide service but does not guarantee a continuous electricity supply. Events outside of Direct Energy's control ("Force Majeure Events") may result in interruptions in service. These events include by way of example only: acts of God or any governmental authority, accidents, strikes or labor disputes, required maintenance, inability to access the EDC's facilities, EDC non-performance including an outage, changes in laws of any governmental authority or any other cause beyond Direct Energy's control. Direct Energy shall not be liable to you for any interruptions caused by Force Majeure Events.

**13. Limitation of Liability.** You agree that Direct Energy shall be liable to you only to the extent of actual, direct damages incurred by you. In no event shall Direct Energy be liable for consequential, incidental, special or punitive damages, even if Direct Energy has been advised of or should have knowledge of the possibility of such damages. To the extent permitted by law, this limitation shall apply to all actions including actions of contract or negligence.

**14. Communication Preference.** You will be provided with your mandated regulatory notices via the communication method you specified during your enrollment (i.e., US Mail or email). For email communications, a valid email address is required at all times during the term of the Agreement. If at any time during your Contract Term, the email address is no longer a valid way to reach you, all mandated notifications will revert to US Mail delivery. Communications will be solely informational in nature and provide opt-out information and disclosures (if

applicable). After you have selected your preferred communication method, Direct Energy will not change such communication method unless or until you instruct us to do so, or the communication method becomes invalid (see above). You should contact Direct Energy at the information in Section 14 if you would like to make changes to your communication method at any time during your Contract Term, or to update your email address to keep it valid. Unless and until we are notified by you of a change to your contact information, or a change to your preferred communication method, we will continue to send all notices to the most current contact information we have on file for you via the most current preferred communication method we have on file for you (i.e., street address or email address).

**15. Contact Information.** You may contact Direct Energy at 1-800-571-4900 or at 1-844-827-0607 (Residential Door-to-Door customers only), Monday through Friday 8:00 a.m. to 8:00 p.m. EST, and Saturday 8:00 a.m. to 5:00 p.m. EST (contact center hours subject to change without notice), or PO Box 180, Tulsa, OK 74101-0180.

Contact information for your EDC in an energy emergency or for general inquiries, are as follows:

**Eversource** at 1-800-286-2000. You can also write to PO Box 270, Hartford, CT 06141-0270.

**United Illuminating Company** at 1-800-722-5584. You can also write to PO Box 1564, New Haven, CT 06506-0901.

**Public Utilities Regulatory Authority (PURA)** at 1-800-382-4586 (toll free in CT) or 1-860-827-1553, 10 Franklin Square, New Britain, Connecticut 06051, or http://www.ct.gov/pura.

**16. Emergency Service.** In the event of an electric outage, service interruption or other emergency, immediately contact your EDC at the information provided in Section 14.

**17. Your Authorization to Release Your Information for Use and Sharing.** By entering into this contract, you authorize us to act on your behalf under your utility's tariffs in accordance with the rules and regulations of the state public utility commission ("PUC") where you take service. You further acknowledge that this contract provides authorization for your local utility to release all information regarding your energy supply account(s) to us so we can provide the services described herein. This information may include, but is not limited to, usage information, billing determinants, bill cycle, budget billing status, address, account type, tax exemption status, rate service class, load profile, demand data, meter number, special account exceptions, public assistance status, existence of medical emergencies or disability, tax status and eligibility for economic development or other incentives, standard service status, electronic interval data when available, credit information when applicable, and all other data and information permitted by law to be disclosed to us to provide our services.

We also obtain information about you as outlined in our privacy policy (posted on our website) such as when you voluntarily provide personal information to us, use our website or mobile applications, or when we add information about you to your account profile from publicly available sources.

We will maintain the confidentiality of your personal information including your name, address, telephone number, email, account numbers, energy usage and historic payment information as required by applicable PUC regulations as well as federal and state laws.

Our use and sharing of your information will be consistent with the purposes and uses disclosed in our privacy policy, as amended from time to time and posted on our website. Your information may be disclosed if required by law, such as pursuant to a lawfully issued subpoena or other legal process. Further, you understand that your information may be disclosed to an affiliate or a third-party to provide services or products to you, and any disclosure of such information will be made under confidentiality obligations not to disclose such information and to use it solely for the purpose of providing services to you or improved products to us. This authorization also allows us to contact you about our other products and services and to share information about your account with any designated rewards partner or with any affiliate, third-party vendor or marketing partner we use to provide services and rewards to you. We reserve the right to share your information with our affiliates and marketing partners, to

the extent permitted by law and/or as authorized when you provide your consent.

If you do not wish for us to use or share information about your account in the manner described above, you may cancel this contract by calling us at our contact information listed herein.

**18. Choice of Law.** You agree that this Agreement shall be governed by Connecticut law, without regard to its conflict of law principles.

**19. Taxes.** Except as otherwise provided in this Agreement or required by law, all taxes of whatsoever kind, nature and description, due and payable with respect to your performance of your obligations under this Agreement, will be paid by you.

**20. Parties Bound.** This Agreement is binding upon you and Direct Energy and each of your respective successors and permitted legal assigns. This Agreement is not intended to benefit any third party.