

Electric Generation Supplier Information	Spark Energy, LLC 12140 Wickchester Lane. Suite 100 Houston, TX 77079 Phone Number: 877-547-7275 Email: customercare@sparkenergy.com Spark Energy, LLC is responsible for generation charges.
Price Structure	If Fixed: Your contract price is fixed for the initial term of the plan. If Variable: Your contract price may vary month-to-month according to market conditions.
	There is no limit on how much your rate may vary from one billing cycle to the next billing cycle.
	Historical pricing is not indicative of present or future pricing. Your contract price includes gross receipt taxes and costs associated with the generation and transmission of your electricity supply.
Generation/Supply Price	6.25¢ per kWh Online Special 3 Plus \$0.0 per month Fixed monthly charges are for supply charges only and do not include either delivery service or other charges from PECO or applicable taxes from governmental agencies.
Statement Regarding Savings	During the term of your contract, the price may be higher or lower than price-to-compare of the Electric Distribution Company (EDC), which changes over time based upon your EDC's procurement structure. Therefore, savings are not guaranteed.
Incentives	Your plan may include enrollment incentives.
Contract Start Date	The term under this Agreement will begin on the meter read date set by your Electric Distribution Company, which may take one to two billing cycles depending on your last meter read.
Contract Term/Length	3 Months
Cancellation/Early Termination Fees	You are subject to a \$100 early termination fee if you cancel or terminate this Agreement prior to the end of the Term.
Rescission	You may rescind this Agreement at any time before midnight of the third business day after receiving this disclosure statement by contacting Spark Energy at 877-547-7275.
Renewal Terms	If you have a fixed term contract approaching the expiration date, or whenever we propose 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 effective date of the proposed changes. You will receive your initial renewal notice 45 to 60

	days before your contract expiration. A follow-up renewal options notice will be sent 30 days before your contract expiration and will explain your options going forward. If you fail to renew your contract, upon contract expiration your account will automatically roll onto a month-to-month variable rate plan. If you choose not to continue your service with us, you may switch to another supplier or return to your local utility company without an early termination fee.
Electric Distribution Company Information	Your EDC is responsible for delivering electricity to your home. In cases of emergencies relating to your service, such as a power outage, please call your local EDC: PECO Customer Service Center 2301 Market Street Philadelphia, PA 19103 1-800-494-4000 www.peco.com

Pennsylvania Residential and Small Commercial Disclosure Statement and Terms of Service

This is an agreement for electric generation service between Spark Energy, LLC (Spark Energy) and you, for the service address or addresses set forth in your Welcome Letter or Electric Service Agreement. Together, this Disclosure Statement, including the terms of service set forth herein, your Contract Summary, and your Welcome Letter or Electric Service Agreement collectively describe your agreement with respect to your purchase of electric generation service from Spark Energy (Agreement). You will be bound by all the provisions of the Agreement, as they may be amended from time to time. Spark Energy is licensed by the Pennsylvania Public Utility Commission to offer and supply electric generation services in Pennsylvania. Our PUC license number is A-2009-2145787. We set the electric generation prices and charges that you pay. Your Electric Distribution Company will deliver the electric generation to you. The Public Utility Commission regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

Definitions

- Small Customer A residential or small commercial customer that has a peak demand of less than 25 kilowatt hours during the most recent consecutive 12-month period.
- Electric Distribution Company (EDC) The public utility providing facilities for the distribution of electricity to retail
 customers.
- Generation Charge Charge for production of electricity.
- Public Utility Commission (PUC) the Pennsylvania Public Utility Commission.
- Transmission Charge Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

Right of Rescission - You may rescind this Agreement at any time before midnight of the third business day after receiving this disclosure statement by calling us at 1-877-374-8011, email: customercare@sparkenergy.com, or in writing at 12140 Wickchester Lane, Suite 100, Houston, TX 77079.

Terms of Service

Basic Service Prices.

Your rate plan will be as specified in your Disclosure Statement.

Fixed Rate Plan: You will pay the fixed rate per kilowatt hour (kWh) as specified in your Disclosure Statement for the length of your Term. You may also pay a monthly administrative fee, the amount of which, if applicable, is disclosed in your Disclosure Statement.

Average Monthly Use	500 kWh	1000 kWh	2000 kWh
Average Price per kWh	0.0625	0.0625	0.0625

Variable Rate Plan: The first month rate will be as specified in your Disclosure Statement. After the first month you will receive a month-to-month plan where your rate may vary according to market conditions in PJM. PJM is a regional transmission organization (RTO). **There is no limit on how much your rate may vary from one billing cycle to the next**. Variable rate plan customers may obtain the 24 months average monthly billed prices by rate class and EDC service territory by calling 877-374-8011 or email: **customercare@sparkenergy.com**. Please note that historical pricing is not indicative of present or future pricing.

The rate you pay Spark Energy will include the Generation Charge, Transmission Charge, and gross receipts tax for services provided under this Agreement. Your price does not include applicable Pennsylvania sales tax or any local tax. You are responsible for any and all taxes (whether passed through to you on EDC's bill as a separate line item or as part of the price of electricity, as required by law, rule or regulation) and EDC charges for delivery and distribution services. Except as otherwise provided in this Agreement or as 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. If you are a tax-exempt entity, you must provide Spark Energy with the necessary tax exemption certificates and other documentation to qualify for such status.

2. Billing. Spark Energy Services are only a portion of your total monthly bill for delivery of electricity. Your EDC will continue to issue a monthly bill and the bill will include both your Transmission Charge and your Generation Charge, as well as any other charges incurred in accordance with this Agreement. Bills will continue to be based on actual or estimated meter readings. Spark Energy will use the same meter reading information from the EDC to derive your Generation Charges. Unless otherwise provided herein, your payment terms will be governed by the terms of the EDC's tariff. Spark Energy does not pay or arrange for the payment of any outstanding debts owed by you to the EDC or previous Electric Generation Supplier (EGS).

3. Length of Agreement (Term)/ No Guarantee of Switch Period. The Term of this Agreement is as specified on your Disclosure Statement or Electric Service Agreement. You will buy your electric generation service for the service addresses set forth in your Welcome Letter or Electric Service Agreement from Spark Energy on the next meter reading date available and will continue to do so for the entire Term. With the exception of a new meter installation or special meter reading date. Customer acknowledges that Spark Energy cannot guarantee a switch of Customer's account by a specific date and hereby holds harmless Spark Energy from any liability for, or arising out of, delays in this process. You have three (3) business days to accept or decline this Agreement upon its receipt. This Agreement shall remain in effect until you notify Spark Energy in writing or by phone of your intent to cancel.

4. Penalties, Fees and Exceptions.

You may be assessed an early termination fee if you cancel or terminate this Agreement prior to the end of the Term. If an early termination fee is applicable, the amount of the early termination fee will be as specified in your Disclosure Statement.

Notwithstanding the foregoing, you may cancel this Agreement without being assessed an early termination or cancellation fee if you move to another location and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. You will be responsible for amounts due, up to the switch date, of all outstanding charges incurred prior to cancellation by you.

If you default in the prompt payment of amounts due under this Agreement, you will be liable for any and all fees or charges, including reasonable attorney fees and court costs, incurred in connection with the collection of delinquent balances. Spark Energy may use the services of debt collection agencies, consumer reporting agencies, and other remedies as allowed by law to collect any unpaid balances on your account.

You will be assessed a fee of \$30.00 for payments returned for insufficient funds or credit card transaction not processed due to insufficient funds or credit availability by any method of payment including, but not limited to, bank or personal check, automatic payment plan account deduction or credit/debit card.

- 5. Cancellation Provisions. After the expiration of your Right of Rescission on the third business day, you may cancel this Agreement at any time by calling Spark Energy, but you will be required to pay the early termination fee described in Section 04 above, if applicable. You will be responsible for all payments due hereunder until the cancellation of electric generation service is completed. If for any reason Spark Energy is no longer able to economically continue this Agreement, Spark Energy may terminate this Agreement at any time after complying with applicable regulations. This Agreement may be cancelled at the sole discretion of Spark Energy if you fail to meet any of the terms and conditions of this Agreement or if any of the information you have provided to Spark Energy is or becomes untrue. If this Agreement is canceled, expires, or otherwise terminated, you will receive uninterrupted service from the EDC until you designate another provider of electric generation service or service is shut off by the EDC. Only the EDC may shut off your electric power.
- **6. Agreement Expiration/Change in Terms**. If you have a fixed term contract approaching the expiration date, or whenever we propose 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. Upon receipt of written notice of a material change, you may terminate this Agreement without penalty prior to the date such change becomes effective. If you do not respond to notices of expiration, the current contract shall remain in place until you (i) select another offer from Spark Energy, (ii) enroll with another EGS, or (iii) return to the default service provider.
- 7. Information Release and Authorization. By accepting this contract I authorize Spark to obtain information from the utility through the term including, but not limited to, account name, account number, billing address, service address, telephone number, standard offer service type, historical and future electricity usage, rate classification, meter readings, characteristics of electricity service, and when charges under this Agreement are included on my Utility bill, billing and payment information from the Utility. I authorize Spark to release that information to third parties who need to use or be aware of such information in connection with my electric generation service, as well as to its affiliates and business partners for marketing purposes. These authorizations shall remain in effect as long as this Agreement (including any renewal) is in effect. I may rescind these authorizations at any time by either calling Spark at 1-866-288-2874 or providing written notice to Spark. Spark reserves the right to reject my enrollment or terminate the Agreement if I rescind these authorizations, if I fail to meet or maintain satisfactory credit standing as determined by Spark, or if I fail to meet minimum or maximum threshold electricity consumption levels as determined by Spark, If I fail to remit payment in a timely fashion, Spark may report the delinquency to a credit reporting agency.
- **8. Dispute Procedures**. Contact us with any questions concerning our terms of service. You may call the PUC if you are not satisfied after discussing your terms with us.
- 9. Warranties. UNLESS AND TO THE EXTENT EXPRESSLY REQUIRED BY APPLICABLE LAW, SPARK ENERGY MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESSED OR IMPLIED, WITH REGARD TO THE PROVISION OF ELECTRIC GENERATION SERVICE AND DISCLAIMS ANY AND ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING

BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ARISING OUT OF ANY COURSE OF DEALING OR USAGE OF TRADE.

- 10. Limitation of Liability. You will be deemed to be in exclusive control (and responsible for any damages or injury caused thereby) of the electric power after receipt at the delivery point or points. SPARK ENERGY WILL NOT BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES (INCLUDING LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES), WHETHER BY STATUTE, IN CONTRACT OR TORT, EVEN IF THE RESULT OF NEGLIGENCE (WHETHER SOLE, JOINT, CONCURRENT, ACTIVE OR PASSIVE). ALL OTHER LIABILITY WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, AND SUCH DIRECT ACTUAL DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY. YOU HEREBY WAIVE ALL OTHER REMEDIES AT LAW OR IN EQUITY. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT. To the extent any damages required to be paid hereunder are liquidated, the parties acknowledge that the damages are not intended and shall not be construed as a penalty, such damages are difficult or impossible to determine, that otherwise obtaining an adequate remedy is inconvenient or impossible, and that the liquidated damages constitute a reasonable approximation of the harm or loss.
- 11. Mandatory Arbitration. Any claim, dispute or controversy, regarding any contract, tort, statute, or otherwise ("Claim"), arising out of or relating to this Agreement or the relationships among the parties hereto shall be resolved by one arbitrator through binding arbitration administered by the American Arbitration Association ("AAA"), under the AAA Commercial or Consumer rules, as applicable, in effect at the time the Claim is filed ("AAA Rules"). Copies of the AAA Rules and forms can be located at www.adr.org, or by calling 1-800-778-7879. The arbitrator's decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction. This clause is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator's award; any such suit may be brought only in Federal District Court for the District, or if any such court lacks jurisdiction, in any state court that has jurisdiction. The arbitrator, and not any federal, state or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability or formation of this Agreement including any claim that all or any part of the Agreement is void or voidable. However, the preceding sentence shall not apply to the clause entitled "Class Action Waiver".
- 12. Class Action Waiver. Any Claim must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, or similar proceeding ("Class Action"). The parties expressly waive any ability to maintain any Class Action in any forum. The arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any entity or person not a party to the arbitration. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.

13. Miscellaneous.

- (a) If Spark Energy is rendered unable to perform, in whole or in part, by a Force Majeure event, its performance under this Agreement will be excused for the duration of such event. "Force Majeure" means any act or event that is beyond the reasonable control of Spark Energy that adversely affects, interrupts, or precludes its performance. In addition, acts of other parties, including without limitation, RTOs, aggregators, other EGSs, qualified scheduling entities, EDCs, any governmental authority, and the respective employees and agents of such parties, will also be deemed to be events of Force Majeure.
- (b) Your electric generation service will be provided in accordance with your existing connection requirements unless you request a change by the EDC and pay for the cost of that change. You may not resell or use any electric power provided under this Agreement as an auxiliary or supplement to any other source of power. The supply of electric power under this Agreement will be measured at the delivery point by the EDC providing the delivery service in accordance with the terms of the applicable tariff for electric generation service. Spark Energy and you will be bound by the measurement from the meters owned, installed, maintained and read by the EDC.
- (c) This Agreement will be governed by, interpreted, construed and enforced in accordance with the laws of the State of Pennsylvania, without regard to principles of conflicts of laws.
- (d) These Terms of Service, along with your Disclosure Statement and Welcome Letter or Electric Service Agreement, constitute the entire agreement between you and Spark Energy relating to the subject matter hereof and supersede any other agreements, written or oral, between you and Spark Energy concerning the subject matter of the Agreement. In the event that there is any change in law as a result of new legislation or changes in existing orders, rules, and regulations that cause a material change of the terms and conditions of this Agreement, Spark Energy will provide you with two (2) 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. Upon receipt of written notice of a material change, you may terminate this Agreement without penalty prior to the date such change becomes effective.

- (e) Spark Energy may assign, subcontract or delegate all or any part of our rights and/or obligations under this contract, including your payment obligations under the Contract with thirty (30) days notice. You may not assign any of your rights or obligations under this contract without our written consent.
- (f) Any failure by Spark Energy to enforce any term or condition of your electric generation service or otherwise exercise any right it may have under this Agreement shall not be deemed a waiver of any rights to thereafter enforce any or all of the terms or conditions of your service or to exercise rights under this Agreement.
- (g) Should any provision of this Agreement for any reason be declared invalid or unenforceable by final and applicable order by a court or any regulatory body having jurisdiction, such decisions shall not affect the validity of the remaining portions, and the remaining portions shall remain in effect as if this Agreement had been agreed to without the invalid portion. If any provision of this Agreement is declared invalid, the remainder of this Agreement will be construed so as to give effect to its original intent and effect as near as possible.
- (h) The provisions of this Agreement concerning payment, limitation of liability, waivers, arbitration and waiver of class actions will survive the termination or expiration of this Agreement.
- (i) The parties may execute the Agreement in counterparts, each of which is deemed an original and all of which constitute the same instrument.
- 14. Contact Information. Information regarding Spark Energy's generation energy sources, energy efficiency, environmental impacts, or historical billing data is available upon request. Residential customers and small commercial customers are entitled to receive at no charge and at least once a year, historical billing data from whomever reads their meter for billing purposes.

Electric Generation Supplier: Spark Energy, LLC

12140 Wickchester Lane, Suite 100

Houston, TX 77079 Spark Energy, LLC PO Box 3015 Houston, TX 77253

1-877-374-8011

PA License No.: A-2009-2145787

www.sparkenergy.com

Hours of Operation: Monday through Friday (except holidays), 8:00 a.m. to

TOS_PA_EL_20151215

8:00 p.m., Eastern Standard Time

Electric Distribution Company & **PECO**

Provider of Last Resort: Customer Service Center

> 2301 Market Street Philadelphia, PA 19103 1-800-494-4000 www.peco.com

In the case of an outage, call: 1-800-841-4141

Public Utility Commission: Pennsylvania Public Utility Commission

P.O. Box 3265

Harrisburg, PA 17105-3265

1-800-692-7380 **Utility Choice Hotline:**

Low Income Assistance Programs. The Low-Income Home Energy Assistance Program (LIHEAP) offers help if you're struggling to pay your home heating bills. LIHEAP is funded by the federal government and administered by the Pennsylvania Department of Public Welfare. The program provides cash grants to help families with heating bills and crisis grants to help families that are at risk of losing their power or coping with heating emergencies, like equipment breakdowns. For more information about the program, call your county agency or the LIHEAP hotline at 1-866-857-7095 from 8 a.m. to 5 p.m. Monday through Friday. Your EDC may provide other payment assistance programs. Call PECO at 1-888-480-1533 to discuss other payment arrangements available to you.

1-800-207-1250 Allegheny Power

SPARK ENERGY, LLC
PUC CERTIFICATE # A-2009-2145787
Page 7 of 7

RESIDENTIAL AND SMALL COMMERCIAL TERMS OF SERVICE TOS_PA_EL_20151215

Duquesne Light Company	1-888-393-7600
First Energy/Penelec & Met-Ed	1-800-207-9276
PECO-Electric	1-800-774-7040
Penn Power	1-800-720-3600

1-800-342-5775

UGI-Electric 1-800-276-2722

<u>Universal Service Program.</u> All utility customers, regardless of their economic circumstances, are entitled to utility service at a reasonable price. Each utility company has programs available to customers, who are on a limited or fixed income, to assist them with utility bills. Some of these programs might include bill payment assistance and weatherization services.

15. Rewards Program Terms. Rewards are subject to the following terms and conditions.

For purposes of receiving incentives and rewards, active accounts are defined as those (i) that are billing more than \$0 and (ii) for which we have not received a request to discontinue (drop) service or change programs and (iii) are in *good standing (no past-due balance owed)* during the minimum required number of days stated in the offer.

Rewards and incentives are also subject to the reward and incentive terms and conditions stated in the offer, located on our website and stated in the offer and those terms and conditions in the Terms of Service between Spark Energy and you, including, but not limited to, all terms related to dispute resolution. Spark Energy reserves the right to disqualify any account holder from participation in reward and incentive programs.