

NEW JERSEY RESIDENTIAL SERVICE TERMS AND CONDITIONS

These Terms & Conditions ("T&Cs"), together with the enrollment materials are your Agreement for electric supply service with Star Energy Partners LLC ("SEP"). **PLEASE READ THESE T&Cs CAREFULLY**.

Purchase of Electric Supply Service:

SEP is certified by the New Jersey Board of Public Utilities ("NJBPU"), License No. ESL-0173, to offer and supply electric generation services in New Jersey. As a Third Party Supplier ("TPS"), SEP will supply the electric generation to your local Electric Distribution Utility, ("EDU"), based on your usage. Your EDU then distributes or delivers the electricity to you. SEP sets the generation prices and charges that you pay. The NJBPU regulates distribution prices and services. The Federal Energy Regulatory Commission ("FERC") regulates transmission prices and services. SEP will deliver and sell and you will buy your Service in accordance with the EDU's electric delivery service program during the time this Agreement is in effect. Because you elected renewable energy, SEP will purchase National Wind renewable energy certificates ("RECs"), as applicable, in an amount as required to satisfy its REC purchase obligation. SEP reserves the right to revoke its Services offer at any time prior to your acceptance of this Agreement.

Definitions:

As used in these T&Cs, the following words have the following respective meanings:

"Agreement" means the legal agreement for Services between you and SEP, and consists of these T&Cs as well as any Enrollment Documentation. Notwithstanding any language to the contrary, these T&Cs take precedence over any conflicting language in any other Agreement.

"Customer" or "you" or "your" means the person subscribing to our Services and with whom we have entered into the Agreement. This includes a person we reasonably believe is acting with the authority or knowledge of the person whose name is on the account.

"Distribution Service" means basic service for delivering electricity over a distribution system to a customer from the transmission system.

"Enrollment Documentation" means the welcome letter you will receive after enrollment that will include these T&Cs and any application or enrollment documents, whether in paper, electronic, internet, phone or otherwise provided to Customer in order to commence Services.

"Fees" means the Advantage Fee and taxes, fees, assessments, government charges and charges levied by your EDU for distribution and other services and taxes, fees and charges levied by us or any other entity authorized to levy taxes, fees or charges for or related to the Services. This may include, but shall not be limited to, EDU taxes, gross receipts taxes, and sales or use taxes imposed on SEP and/or you by federal, state, and/or local authorities that we pass through to you.

"Hybrid Advantage Plan" means the 36 month period of time during which you have authorized us to select the lowest available Price Segment on your behalf, subject to your right to select an alternate Price Segment or to cancel the Agreement without penalty.

"Kilowatt-hour" or **"kWh**" means the basic unit of electric energy for which most customers are charged in cents per kWh. A kWh is the equivalent of using ten 100-watt light bulbs for one hour.

"Parties" means SEP and you.

"Price Segment" means a number of calendar months during which you have a low fixed Rate that we select for you and that you may change if you prefer a different Rate for a different duration. The Rate and duration of the First Price Segment are set forth in the Enrollment Documentation.

"**Rate**" means the fixed amount per kWh charged to you for supply charges for each Price Segment during the Term of this Agreement. The Rate will not change for the duration of a given Price Segment. The Rate does not include delivery service charges, applicable taxes, other Utility charges associated with providing your electricity service or the Advantage Fee; therefore, the First Price Segment indicated in the Enrollment Documentation is not the total monthly amount for electric service.

"**RPS**" means Renewable Portfolio Standard, which is a state mandated requirement to increase the production of energy from renewable energy sources, such as geothermal, wind, biomass, and solar.

"RTO" means the Regional Transmission Organization.

"Service" or "Services" means any electric generation service or product that SEP provides to you, including, if applicable, its purchase of RECs.

"Supplier" or "we" or "us" or "our" means SEP.

"Transmission Charge" means the charge for moving high voltage electricity from a generation facility to the distribution lines of EDU.

Right of Rescission – You understand that as a new customer to SEP, your EDU will send you a confirmation letter once you have been enrolled to receive generation service from SEP. You have a right to rescind your enrollment within seven (7) calendar days following the postmark date of the confirmation letter by following the instructions contained in the letter. The Right of Rescission only applies when a customer switches to a generation supplier and not on renewal enrollments. Your EDU will not send a confirmation notice upon any renewal of this Agreement.

Right of Cancellation – You understand that you may cancel this Agreement without penalty at any time for any reason. You can contact us by phone at 1-855-427-7827, in writing at 3340 West Market Street, Suite 100, Akron, OH 44134, or electronically at <u>feedback@starenergypartners.com</u> to cancel this Agreement.

TERMS AND CONDITIONS OF SERVICE

1. Eligibility. Only residential customer accounts are eligible for this offer, except for the following: (1) any residential customer accounts participating in energy assistance or low-income rate programs that will pay a higher rate or that will be otherwise negatively affected under this Agreement; (2) any residential customer of an electric cooperative or municipally owned utility; or (3) any net metered residential customers. SEP reserves the right to refuse enrollment to any Customer with an outstanding balance.

2. **Rate.** You have selected and agree to pay SEP your preferred initial Rate, as specified on your Enrollment Documentation ("First Price Segment"), for combined Transmission Charges, generation, RPSs, and generation related charges ("Retail Electric Service"). Your First Price Segment will continue for a length of 9 – 36 months, depending on the Price Segment you selected. The Rate will not change during any Price Segment, but each subsequent Price Segment may feature a different Rate. In addition to the Rate, you will pay a fee of 50 cents a day during the Term, which allows us to purchase 100% national wind renewable energy credits based upon your individualized usage and to provide you the lowest available Rate for each subsequent Price Segment ("Advantage Fee"). You may contact us if you prefer to select a different Price Segment. Additionally, you have the right to cancel your Agreement with us at any time without penalty by contacting us at 1-855-427-7827.

The Service you buy from SEP will be included in your EDU's monthly bill. The EDU provider will read your meter and bill for electricity and distribution services, as well as various other charges. In addition to the charges described herein, if any RTO or similar entity, EDU, governmental entity or agency, North American Electric Reliability Corporation or other industry reliability organization, or court requires a change to the terms of the Agreement, or imposes upon SEP a new or additional charge or requirement, or a change in the method or procedure for determining charges or requirements, relating to your Retail Electric Service under this Agreement (any of the foregoing, a "Pass-Through Event"), which are not otherwise reimbursed to SEP, Customer agrees that SEP may pass through any additional cost of such Pass-Through Event, which may be variable, to Customer. Changes may include, without limitation, transmission or capacity requirements, new or modified charges or shopping credits, and other changes to retail electric customer access programs. There is no charge for starting or stopping electric generation service if done within the terms of the Agreement. If due to a change in market conditions and SEP wishes to lower the price per kilowatt hour charged to the customer under an existing contract, we may do so without consent, provided there are no other changes to the T&Cs.

3. **Term**. You will be enrolled in the Hybrid Advantage Plan with Star Energy Partners for a term of 36 months (the "Term"), which includes one or more Price Segments throughout the Term. After acceptance of the enrollment request by SEP (at its discretion and consistent with the terms of this Agreement, specifically Paragraph 9 below), and the processing of the enrollment by your EDU, your Retail Electric Service from SEP will commence following any applicable rescission period with the first meter reading of the start month indicated on the Enrollment Form. Your Retail Electric Service, will continue until the meter read date ("Initial Term") of the final month of the term as described on the Enrollment Documentation for your service, unless renewed in accordance with Paragraph 4.

4. Renewal Notice and Notification of Changes. When the Term of your Hybrid Advantage Plan is approaching expiration, we will send you advance written notice at least 30 days prior to the end of the Term of this Agreement. The notice will explain your options, including that you may renew your Hybrid Advantage Plan for a new 36 month Term, the new available Price Segments, any proposed changes, and/or what actions you must take to renew or to cancel the Agreement. If you do nothing, the Service will continue on a month-to-month basis, under the current T&Cs and pricing and you will be able to cancel at any time without an ECF upon 30 days written notice. Each new renewal period after your initial Hybrid Advantage Plan will be deemed a "Renewal Plan". You are responsible for arranging your electric supply upon the termination of this Agreement or you will revert back to your EDU within one billing cycle after cancellation.

5. **Cancellation/Termination**. You may rescind this Agreement without incurring penalties until midnight of the seventh (7th) calendar day following the postmark date of the confirmation letter by following the instructions contained in the letter, otherwise known as the rescission period. If this Agreement is not rescinded during any applicable rescission period, then your enrollment will be complete. Thereafter, you may terminate this Agreement, without penalty, for any reason at any time by providing 30 days prior written notice.

SEP may also terminate this Agreement upon 30 days written notice, without penalty to you or SEP, if such termination by SEP is due to a change in law or other act beyond our reasonable control that would cause us to no longer be able to provide Service to you. Upon any termination of the Agreement, unless you have selected another supplier, you will return to receiving standard service offered from your EDU, in which case you may not be served under the same rates, terms, and conditions that apply to other EDU customers.

Any termination notice sent by you or us must specify the termination date subject to the applied notice period set forth herein. Upon any termination, other than as stated herein, you will remain responsible for any unpaid balance as of the termination date. The delivery of electricity to you cannot be terminated or interrupted by the EDU as a result of any dispute between SEP and you but may be terminated by the EDU for nonpayment of EDU charges in accordance with applicable law. Since the EDU purchases the receivables of SEP attributable to the Services provided to you hereunder, such receivables become EDU charges for purpose of termination of Service.

6. **Billing and Payment.** You will receive a single bill for the Service supplied by SEP and the electricity delivery from the EDU at the monthly interval set with the EDU. While SEP does not offer budget billing, if you have chosen budget billing and are receiving a single bill for both Service and the delivery of such Service from EDU, EDU will continue to manage your budget billing and determine your monthly payment for Service. Please contact EDU with any questions regarding your budget. You will be billed additional charges by EDU, including taxes and charges to transmit and distribute the electricity to your home from the EDU, consistent with its filed tariffs. You are responsible for paying any new or increased taxes imposed on us or you regarding transmission or distribution of the electricity during the term of this Agreement. Bills not paid in full by the due date will incur a late payment fee on unpaid balances in accordance with the EDU's billing and late payment policies and procedures. In addition, you agree to pay us our costs incurred in collecting amounts owed us, including reasonable attorney fees and returned check charges. SEP reserves the right to change billing methods. SEP reserves the right to cancel this Agreement after giving you a minimum of 14 days written notice should you fail to pay your bill by the due date.

7. Service Outage or Emergency. FOR SERVICE PROBLEMS OR IN THE EVENT OF AN EMERGENCY, YOU SHOULD IMMEDIATELY CALL YOUR LOCAL EDU:

Atlantic City Electric (800) 833-7476; Jersey Central Power & Light (888) 544-4877; Public Service Enterprise Group (888) 436-7734.

8. Additional Fees. Your current electric service provider may charge you switching fees for exercising your choice to purchase electric generation service under this Agreement.

9. **Customer Consent and Information Release Authorization.** All authorizations provided herein will remain in effect for the duration of the Hybrid Advantage Plan and, if applicable, the Renewal Plan of this Agreement; however, authorization may be rescinded by you any time by contacting SEP. You authorize SEP to select each Price Segment subsequent to the First Price Segment, as applicable. You understand that you may contact us at any time if you prefer a different Price Segment. By choosing to accept this offer from SEP, you understand and agree to the terms and conditions of this Agreement with SEP. You authorize SEP to obtain your information from your EDU that includes, but is not limited to: billing history, payment history, historical and future electricity usage, meter readings, and characteristics of electricity service. SEP reserves the sole right to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered fully executed by SEP following acceptance of your enrollment request by SEP, the end of any applicable rescission period, and subsequent acceptance of the enrollment by your EDU.

10. **Dispute Procedures.** Contact SEP with any questions concerning the terms of service by calling 1-855-427-7827 (toll-free), Monday – Thursday 8AM – 8PM EST, Friday 8AM - 6PM EST, Saturday 9AM – 5PM EST; by sending a letter to SEP, 3340 West Market Street, Suite 100, Akron, OH 44333; or by sending an email to: feedback@starenergypartners.com. SEP will refer all complaints to a representative who will attempt to reach a mutually satisfactory solution. If your complaint is not resolved after you have called SEP, you may call your EDU, or you may contact the New Jersey Board of Public Utilities, Division of Consumer Relations at 1-800-642-3780.

11. Limitation of Liability. FOR ALL CLAIMS BY CUSTOMER AGAINST SEP, CUSTOMER'S SOLE REMEDY IS FOR THE DIFFERENCE BETWEEN THE COST OF REPLACEMENT POWER, INCLUDING ANY APPLICABLE RECS, IN EXCESS OF THE COST OF POWER SUPPLIED BY SEP UNDER THIS AGREEMENT.

12. Warranties. SEP WARRANTS TITLE AND THE RIGHT TO ALL ELECTRICITY SOLD HEREUNDER. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF 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 USAGE OF TRADE. THIS PARAGRAPH WILL SURVIVE TERMINATION OR EXPIRATION OF THE AGREEMENT.

13. Force Majeure. SEP will not be responsible for supplying Service to you in the event of circumstances beyond its control such as events of Force Majeure. Customer and SEP both agree that the following will constitute force majeure events under this Agreement and that SEP shall have the right to terminate or modify the Agreement without liability if: (1) the Electric Security Plan (ESP), Market Rate Offer (MRO) and/or Competitive Bid Process (CBP), or other generation procurement process results in a Price To Compare (PTC) that is equal to or less than the comparable annualized generation and transmission rates and riders in effect as of the effective date of this Agreement or (2) the NJBPU approves or implements a phase-in credit for generation and/or transmission charges of the EDU or takes any other action which affects the PTC or other wise does not allow the EDU to reflect the full cost to procure generation and transmission in the PTC or other regulatory action. In the event that the program is terminated, you will be returned to your EDU's standard service offer.

14. Miscellaneous. This Agreement is subject to any future legislation, orders, rules, regulations, or EDU tariff or policy changes. You may not assign your interests and obligations under this Agreement without the express written consent of SEP. SEP may sell, transfer, pledge, or assign the accounts, revenues, or proceeds hereof in connection with any financial agreement and may assign this Agreement to another energy supplier or other entity as authorized by the PUC. Any required notice will be considered to have been made if mailed to you at the address in SEP's records for your account. Section headings are for descriptive purposes only and are not intended to be used to interpret the Agreement. Any reference to days or periods shall mean calendar days. You have the right to request from SEP, twice within a 12-month period, up to 24 months of payment history, without charge. SEP is prohibited from disclosing the Customer's social security number and/or account number(s) without the customer's consent except for SEP's own collections and credit reporting or assigning a customer contract to another CRES provider. SEP assumes no responsibility or liability for the following items that are the responsibility of the EDU: operation and maintenance of the EDU's electrical system, any interruption of service, termination of service, or deterioration of the EDU's service. In the event of a power outage, you should contact your EDU. Customer is responsible for providing SEP with accurate account information. If said information is incorrect, SEP reserves the right to reprice the applicable account(s) or terminate the Agreement. SEP reserves the right to return Customer to the EDU if Customer's rate code is changed and the account is no longer eligible for this program. Customer authorizes, but does not obligate, SEP to exercise Customer's governmental aggregation opt-out rights. If we do not enforce a claim or right, this does not amount to a waiver of our right to enforce such a claim or right. The provisions of the Agreement that are contemplated to be enforceable after the termination of the Agreement survive termination of the Agreement.