



**Natural Gas-Terms and Conditions for the Ohio Choice Program – (version #506IE10-2010)**

IntegrYS Energy Services - Natural Gas, LLC. ("Seller") and Buyer ("Buyer" or "your") (individually referred to as "Party" and collectively as "Parties") agree to the following terms and conditions ("Agreement"), as of the date agreed to electronically using Seller's website by Buyer (the "Effective Date"):

1. **Term:** This Agreement shall become binding on the Effective Date, however, the obligation of Seller to sell and Buyer to purchase natural gas is contingent upon: (a) successful enrollment by the utility identified by Buyer electronically (the "Utility"), (b) if applicable, the passage of the Rescission Period (defined below) without effective cancellation by Buyer and (c) if applicable, the availability of the Specific Price and/or *Ecovations™ Renewable Gas* selected by Buyer electronically. Successful enrollment by the Utility is dependent upon (i) the eligibility of Buyer as determined by the Utility including, but not limited to, past payment history, price availability based on the active rates provided by Seller to the Utility and historical annual usage, and (ii) the accuracy and completeness of the information submitted to the Utility. Service shall not commence until the first meter read date for which the Utility confirms enrollment with Seller and shall remain in effect through the end of the billing cycle conveyed to Buyer on Seller's website at the time of Buyer's enrollment, unless terminated pursuant to the terms of this Agreement. **Rescission Period:** Upon Buyer's successful enrollment, the Utility will send Buyer a letter confirming the transfer of service. If Buyer is *not* a **Large Commercial Customer** (defined below), Buyer may cancel its enrollment without penalty within seven (7) days of the postmark date of that letter ("Rescission Period") by contacting the Utility in writing or by telephone as noted in that letter. A **Large Commercial Customer** means a customer that consumes, other than for residential use, more than five hundred thousand cubic feet of natural gas per year at a single location within Ohio or consumes natural gas, other than for residential use, as part of an undertaking having more than three locations within or outside of Ohio.

2. **Renewal:** Prior to the end of the Initial Term, Seller shall provide Buyer notice of term expiration, whether action is required by Buyer to terminate the Agreement upon expiration, and if applicable, notice of any changes to the terms and conditions of this Agreement that apply to service during the next term. If renewal is indicated in the expiration notice, service will renew at the terms stated in the renewal notice unless Buyer affirmatively terminates the Agreement upon the expiration as provided in the notice.

3. **Supplier's and Utility's Role:** Seller agrees to sell to Buyer and deliver to the Utility, and Buyer agrees to purchase from Seller and receive from the Utility, Buyer's full requirements of natural gas for the accounts listed during electronic enrollment ("Accounts"). The Utility will deliver the natural gas to the Accounts and shall invoice and collect Seller's charges. The Utility's billing and payment procedures shall apply in accordance with the applicable tariff, including but not limited to, the Utility's right to assess late payment fees. The Utility or Seller may terminate your service under this Agreement for non-payment with at least fourteen (14) days written notice. Seller may cause the Utility to correct previous invoices in the event of invoicing errors. Buyer should contact the Utility in the event of a natural gas emergency.

4. **Rate:** For the Initial Term Buyer shall pay in accordance with the Rate Plan selected by Buyer during electronic enrollment. 'Market Price' when used in this section means the Henry Hub natural gas futures contract prices for the relevant period (as published by the New York Mercantile Exchange "NYMEX").

RATE PLAN	DESCRIPTION
Monthly Variable Rate <sup>2</sup>	Buyer's natural gas supply price will vary monthly based on the Market Price as determined upon settlement on the last day of trading of the applicable futures contract.
Quarterly Variable Rate <sup>2</sup>	The natural gas supply price will vary quarterly based on the weighted average Market Price. The Market Price is weighted based on the monthly forecasted use of participants for the quarter.
NYMEX + <sup>2</sup>	The natural gas supply price will be a variable rate using NYMEX last day settle plus an adder.
Annual Fixed Rate <sup>1,2</sup>	The natural gas supply price will remain fixed for the Initial Term.
Locked-in Price with Flex-down Opportunity <sup>SM 1,2</sup>	The natural gas supply price is fixed, but could vary lower monthly when and if Seller determines in its sole discretion that lower Market Prices provide the opportunity.
Fixed Winter/Variable Summer Rate <sup>1,2</sup>	The natural gas supply price is fixed October through March and will vary monthly for all other months based on the Market Price at settlement.
Price Cap Plan <sup>2</sup>	The natural gas supply price will be a variable rate using NYMEX last day settle plus an adder. However, should the natural gas supply price during any billing period exceed \$9.99 per Mcf, as determined by Seller, Buyer's variable rate will not exceed \$9.99 per Mcf.
Price Target Plan <sup>1,2</sup>	The natural gas supply price will be a variable rate using NYMEX last day settle plus an adder. If at anytime during your contract Seller determines that it can fix your price at \$6.99 per Mcf, Seller will convert your variable price to a fixed price of \$6.99 per MCF for a term of 12 months. However, there is no guaranty that Seller can lock in the price of \$6.99. If the price is not locked, your Initial Term as described during electronic enrollment will apply.

<sup>1</sup>**Specific Price:** Rate Plans marked with a <sup>1</sup> indicate plans for which there is a Specific Price. A Specific Price may not be available to Buyer if (i) Buyer is a current customer on a Rate Plan other than the Monthly Variable Rate or the Quarterly Variable Rate or (ii) the Market Price defined above has increased. If a Specific Price selection is not available, this Agreement is void and Seller will inform Buyer and provide Buyer with the opportunity to enroll under the terms of then-available Rate Plans. For a Specific Price to be available, it must be a valid and current Specific Price as determined by Seller in its sole discretion.

<sup>2</sup>**Other Charges:** The prices under all Rate Plans include all gas supply costs to the Utility and some pass-through charges from the Utility to the burnertip, including, but not limited to, btu factor and shrinkage. If the pass-through charges from the Utility increase or if new charges are approved by a governmental agency with jurisdiction and passed through, existing tariff charges are administered differently and the pass-through charges from the Utility increase, Buyer's

price will increase accordingly. There are no recurring or nonrecurring supplier charges that are billed in addition to the Rate Plan selected. The Rate Plans do not include Taxes (as defined below) or Utility distribution charges.

5. **Taxes:** Buyer is responsible for all state and local sales, use, revenue, gross receipts, commercial activity, excise and/or ad valorem tax (collectively, "Taxes") and shall reimburse Seller if Seller is required to remit such Taxes in connection with this Agreement.

6. **Ecovations™ Renewable Gas:** Only if expressly selected by Buyer, and subject to continuing program availability as determined by Seller, eight percent (8%) of Buyer's annual usage will be (i) sourced with flowing renewable gas containing carbon dioxide allowances, (ii) offset by unbundled carbon dioxide allowances, or (iii) sourced and offset by a combination of (i) and (ii). Ecovations™ Renewable Gas is not available to those who choose the Price Cap Plan or the Price Target Plan. No additional premium has been added to the price under any Rate Plan for Ecovations™ Renewable Gas. Seller will retire the carbon dioxide allowances on behalf of the Buyer within ninety days following the close of a calendar year and only Buyer shall be entitled to make the environmental claims associated with its purchase of Ecovations™ Renewable Gas.



7. **Customer Information:** Seller will not request a deposit or investigate your credit history to establish service. Seller shall not disclose Buyer's social security number and/or account number(s) without Buyer's affirmative written consent, except for the purpose of (i) Seller's collections and credit reporting, (ii) participation in programs funded by the universal service fund, (iii) pursuant to section 4928.54 of the Revised Code, or (iv) assigning this Agreement to another certified retail natural gas provider. Upon request of Buyer, Seller will provide up to 24 months of Buyer's payment history without charge.

8. **Termination; Remedies:**

(a) This Agreement will automatically terminate or Buyer may terminate the Agreement without penalty if (i) the requested service location is not served by the Utility or (ii) Buyer moves outside the Utility service area or to an area not served by Seller.

(b) This Agreement will terminate upon written notice, but without penalty to Buyer if, (i) the Choice program is no longer available due to a change in regulation, tariff, or law, or (ii) Seller defaults, which includes, an unexcused failure to deliver natural gas under the terms of this Agreement.

(c) An "Early Termination" shall occur if this Agreement is terminated (i) by Buyer to select a different price or Rate Plan after the Rescission Period but prior to the end of the current term, or for any other reason other than those listed in (a)-(b) above or (ii) by Seller due to Buyer's default, which includes a failure to pay or an unexcused failure to receive natural gas under the terms of this Agreement. If Buyer is *not* a **Large Commercial Customer** (defined in Section 1) and an Early Termination occurs, Buyer shall pay a termination fee of \$75.00, however, (A) no Early Termination damages are due if a Buyer wishes to select a different Rate Plan and is on the (i) Monthly Variable Rate (ii) Quarterly Variable Rate, (iii) Price Cap Plan, or (iv) Price Target Plan where the variable pricing was not converted to a fixed price, (B) if Buyer is on the NYMEX + Rate the termination fee is \$25.00) and (C) no Early Termination damages are due if a Buyer is on the Monthly Variable Rate. If Buyer is a **Large Commercial Customer**, and an Early Termination occurs in connection with a Rate Plan without a Specific Price or the Price Target Plan where the variable pricing was not converted to a fixed price, then Seller's exclusive remedy is \$100.00. If Buyer is a **Large Commercial Customer**, and an Early Termination occurs in connection with (i) a Rate Plan with a Specific Price selected or (ii) the Price Target Plan and the variable pricing was converted to a fixed price, then Seller's exclusive remedy is Cashout. Cashout means the positive difference between the price under the Rate Plan selected, less the 'price at resale', multiplied by the unused forecasted quantity for the remainder of the Term. Seller shall determine the unused forecasted quantity based on historic usage. The 'price at resale' is the price Seller determines in a commercially reasonable manner that it could resell the unused forecasted quantity, provided however Seller shall not be required to resell gas in order to determine such price. The Parties agree that actual damages are difficult or impossible to ascertain, and that the remedies described in this Section are reasonable estimates of the actual damages incurred and not penalties. Buyer agrees to pay Seller for Early Termination within ten (10) calendar days of the invoice date to the payment address noted on the invoice, or as otherwise agreed upon by Buyer and Seller.

9. **Limitations:** ALL NATURAL GAS SOLD HEREUNDER IS PROVIDED "AS IS", AND SELLER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT, WHETHER IN AGREEMENT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

10. **Switching:** Switching fees may be charged by the Utility when service is established with Seller, but Buyer will not be charged a separate switching fee by Seller. If Buyer returns to the Utility, Buyer may not be served under the same rates, terms, and conditions that apply to other customers served by the Utility.

11. **Force Majeure:** Except for Buyer's obligation to pay Seller timely, neither Party shall be liable to the other for failure to perform an obligation if such failure was caused by any event beyond the reasonable control of the non-performing party, that could not be remedied by the exercise of due diligence and that was not reasonably foreseeable, including without limitation, acts of God, interruption of utility service, terrorist acts or wars, force majeure events of the Utility. Seller may return Buyer to Utility service upon notification of a Force Majeure event preventing performance.

12. **Questions, Complaints and Concerns:** Buyer may contact Seller (i) by calling 24 hours per day, 7 days per week at 1-888-367-4493, by visiting [www.integrityenergy.com](http://www.integrityenergy.com); or (ii) by writing us at 300 West Wilson Bridge Rd Suite 350 Worthington, OH 43085. Seller will attempt to resolve all customer complaints in a timely manner and will respond to all complaints within 3 business days of receipt. If Buyer's complaint is not resolved after Buyer has called Seller, or for general utility information, residential and business customers may contact the PUCO for assistance at 1-800-686-7826 (toll-free), or for TYY toll free at 1-800-686-1570, from 8am to 5:00pm weekdays, or visit the PUCO website at [www.puco.ohio.gov](http://www.puco.ohio.gov) or as otherwise specified by PUCO. Residential customers may also contact the Ohio Consumers' Counsel ("OCC") for assistance with complaints and utility issues at 1-877-742-5622 from 8am to 5pm weekdays, or visit [www.pickocc.org](http://www.pickocc.org).

13. **Miscellaneous:** This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. Subject to regulatory approvals and notice from Seller, Seller may assign this Agreement without Buyer's consent. Buyer may assign this Agreement only with Seller's consent. This Agreement (along with Buyer's electronic agreement) constitutes the entire agreement between the Parties, superseding all verbal and written understandings. This Agreement shall only be amended in a writing signed by both Parties and with notice from Seller for a renewal term as described under Renewal.