**Frontier Utilities Northeast, LLC**
5161 San Felipe · Suite 320 · Houston, TX 77056 · 1-877-636-3450 · www.frontierutilities.com
Customer Service Hours: Monday – Friday 7am – 6pm CDT, Saturday 8am – 2pm CDT

**PA Frontier Online Premier 3** **Document Effective Date: 1/08/2018**
**Electric Generation Supplier Contract Summary** **PPL Electric Utilities**

| | | | |
|---|---|---|---|
| Electric Generation Supplier Information | Frontier Utilities Northeast, LLC (“Frontier Utilities”)<br>1-877-636-3450; www.FrontierUtilities.com<br>Your Electric Generation Supplier sets your supply prices and charges. | | |
| Price Structure | Fixed | | |
| Generation/Supply Price: | 8.5 ¢/kWh | | |
| For a Customer Who Uses: | 500 kWh per Month | 1000 kWh per Month | 2000 kWh per Month |
| The Estimated Monthly per kWh Rate Is: | 8.5 ¢/kWh | 8.5 ¢/kWh | 8.5 ¢/kWh |
| Monthly Electric Management Fee | $0 | | |
| Statement Regarding Savings | A fixed generation price may not always provide savings. | | |
| Deposit Requirements | None | | |
| Incentives | None | | |
| Contract Start Date | Service with Frontier Utilities will begin on the meter read date set by your Electric Distribution Company (unless the parties otherwise agree). | | |
| Contract Term/Length | 3 months | | |
| Cancellation/Early Termination Fees | None | | |
| Renewal Terms | You will receive two (2) separate written notifications prior to the expiration of your contract term (or any proposed change to your terms of service). An Initial Notice shall be provided between forty-five (45) and sixty (60) days prior to the expiration your contract (or any proposed change to your terms of service). The Options Notice shall be provided at least thirty (30) days prior to the expiration date of your contract (or any proposed change to your terms of service). Unless a renewal term greater than one month is established with your affirmative consent, your contract will automatically continue under the Frontier Utilities month-to-month plan, which has a variable rate that can change at the sole discretion of Frontier Utilities. You may cancel the month-to-month plan at any time without cancellation penalty. | | |
| Electric Distribution Company Information | PPL Electric Utilities<br>1-800-342-5775; www.pplelectric.com<br>Your Electric Distribution Company is responsible for distribution charges, as well as any emergencies, leaks, outages, etc. | | |

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## Pennsylvania Service Territory Electricity Disclosure Statement and Terms of Service

**For Pennsylvania Residents & Businesses with a "Small" Non-Residential EDC Rate Classification and A Peak Demand of Less Than 25kW**

This is a contract for electric generation service between Frontier Utilities Northeast, LLC ("Frontier Utilities" or "Frontier") and you, the Customer, for electricity services. Together, the Disclosure Statement and Terms of Service comprise your contract with respect to your purchase of electric generation service from Frontier Utilities ("Contract") and supersede any prior agreements, written or oral. You agree to be bound by all the provisions of the Contract, as they may be amended from time to time.

**Background:** Frontier Utilities is an Electric Generation Supplier ("EGS") licensed by the Pennsylvania Public Utility Commission to offer and supply electric generation services in Pennsylvania. Our PUC license number is A-2013-2387060. Generation prices and charges are set by the electric generation supplier you have chosen. Your Electric Distribution Company ("EDC") will deliver the electric generation to you. The Public Utility Commission ("PUC") regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services. The words "we," "us," and "our" refer to Frontier Utilities, and the words "you" and "your" refer to the Customer. Please retain this Contract for your records.

**Right of Rescission: You may rescind this Contract without fees or penalties within three (3) business days of receiving this Disclosure Statement. You can rescind by contacting your local EDC, either in writing, orally, or electronically via email. Please provide your name, address, phone number, and account number and a statement that you are rescinding your Contract.**

**Definitions of Basic Service Charges**:

- Distribution Charge – Charged for delivering electricity from the electric distribution company to your home or business. The distribution charge is regulated by the Public Utility Commission. This charge will vary according to how much electricity you use.
- Generation Charge – Charged for producing electricity. Generation prices and charges are set by your EGS you have chosen, which is Frontier Utilities. This charge will vary according to how much electricity you use.
- Transmission Charge – Charged transporting electricity from the source of supply to the electric distribution company. The Federal Energy Regulatory Commission regulates retail transmission prices and services. This charge will vary with your source of supply.

**Variable Price Plans:** Upon expiration of the initial term and unless the customer elects to renew to a new fixed term, this agreement will automatically renew on a month-to-month basis at a variable price per kWh. The variable price will be based upon the generally prevailing market prices plus an adder that is determined solely at the discretion of Frontier Utilities and may vary, without limits, from one month to the next. You will receive notice of any price change no less than 30 days before the change will take effect. You may monitor the Price for Variable Rate Plans by visiting www.frontierutilities.com, or by calling Customer Care at 1-877-636-3450. However, historical pricing is not indicative of present or future pricing.

Your Price per kWh will include all applicable components for the state and EDC where the service is being provided such as, but not limited to:

- Generation Charge,
- Ancillary Charges,
- Cost of Capacity,
- Line losses,
- Adder (determined solely at the discretion of Frontier Utilities), and
- Gross receipts tax, sales and use tax for services provided under this Contract.

Your Price per kWh does not include

- Delivery and Distribution Charges as charged by the EDC,
- Applicable state or local tax or other EDC charges (e.g., out of cycle meter reading fees, meter test fees, disconnection and reconnection fees, etc.), for which you are also responsible.
- A Monthly Electric Management Fee, the amount of which, if applicable, is specified in the above Disclosure Chart.

**Fixed Price Plans:** For customers on a fixed plan, you will pay the Fixed Price per kWh specified in the above Disclosure Chart for the Term of this Contract.

Your Price per kWh will include all applicable components for the state and EDC where the service is being provided such as, but not limited to:

- Generation Charge,
- Ancillary Charges,
- Cost of Capacity,
- Line losses,
- Adder (determined solely at the discretion of Frontier Utilities), and
- Gross receipts tax, sales and use tax for services provided under this Contract.

Your Price per kWh does not include

- Delivery and Distribution Charges as charged by the EDC,
- Applicable state or local tax or other EDC charges (e.g., out of cycle meter reading fees, meter test fees, disconnection and reconnection fees, etc.), for which you are also responsible.

- A Monthly Electric Management Fee, the amount of which, if applicable, is specified in the above Disclosure Chart.

You acknowledge that the price plan selected during enrollment ("Price Plan") is subject to our verification of your EDC service territory, service class and historical usage/demand levels. If we find your meter(s) do not match the EDC territory, service class or usage/demand thresholds as stated during enrollment, we may switch you to an appropriate Price Plan for your meter, as determined in our sole discretion, by providing you with fourteen (14) days advance written notice of the change in Price Plan. You will have the right to cancel this Contract without fees or penalties prior to the date of the change in Price Plan as stated in your notice. If you do not cancel your Contract with us before the date stated in your notice, the change in Price Plan will become effective as of the date stated in your notice.

**Pricing Notice for Commercial Customers Only:**

Material Adverse Change: In the event Customer's total power usage under the Agreement for any calendar month during the Term should ever (i) exceed the power quantities for such month (as listed in Exhibit B) by more than 25% (an "Excess Usage Event"), or (ii) be less than 75% of the power quantities for such month (an "Under Usage Event") then upon the second such occurrence of either an Excess Usage Event or Under Usage Event, Frontier shall have the right to bill for any future Excess Usage Event or Under Usage Event as follows:

Excess Usage Event: If Customer's total consumption of Power for all Premises in a calendar month exceeds 125% of the total amount listed in Exhibit B for such month, then Frontier may charge Customer 105% of the Market Price (as defined below) multiplied by the Excess Quantity. The "Excess Quantity" shall mean [(the aggregated quantities actually consumed by Buyer during the month) minus (125% of the aggregated monthly contract usage quantities listed on Exhibit B for the applicable month)].

Under Usage Event: Except to the extent caused by a Force Majeure event or Frontier's breach, if Customer's total consumption of Power for all service addresses in a calendar month is less than 75% of the total amount listed in Exhibit B for such month, then, in addition to paying for the Power actually consumed, Customer agrees to pay Seller for the cost of liquidating the Shortfall Quantity. The "Shortfall Quantity" shall mean [(75% of the aggregated monthly contract usage quantities listed on Exhibit B for the applicable month) minus (the actual aggregated quantities consumed by Customer during the month)]. The cost of liquidating the Shortfall Quantity shall be calculated as follows: [(the Shortfall Quantity) multiplied by (the Contract Price minus 95% of the Market Price)].

Market Price: The "Market Price", for purposes of Excess Usage Events and Under Usage Events shall be the Load Weighted Average of the Real Time Settlement Point Price(s) (RTSPP) for the applicable load zone(s) where the Premises are located in the applicable month; plus all charges as reasonably determined by Frontier Utilities associated with Ancillary Services, Renewable Energy Credit Charge, Frontier Margin, Congestion (including but not limited to the Reliability Unit Commitment charges), Line Losses (Transmission and Distribution provider), Market Clearing Price for Capacity, PJM Administration Fee/ISO Fees, and UFE. For any interval in which the RTSPP is less than zero, the value of the RTSPP shall be deemed to be zero. The Load Weighted Average shall be equal to the sum of the total usage of each Premise inside a load zone divided by the sum of total usage for all Premises.

**Other Pricing Information**: For 100% renewable price plans, we purchase and retire Renewable Energy Certificates ("RECs") to offset 100% of your electricity usage.

**Length of Contract ("Term"):** This agreement shall be binding as of the date that your enrollment or re-enrollment is accepted by us, which will not be before the expiration of your 3-day right of rescission as described above. Your service with us will begin on the meter read date set by your EDC (unless you and we otherwise agree), sometimes taking up to two billing cycles to complete, and will continue for a period specified in the above Disclosure Chart. The Contract will end on your meter read date at the end of such period.

**Expiration of Term/Change in Terms:** If you have a fixed term contract with us and it is approaching the end of your Term or whenever we propose to change our terms of service, we will send you advance notices either in your bill or in separate mailings. An Initial Notice will be sent between forty-five (45) and sixty (60) days before the end date of your Contract. The Options Notice shall be provided to you at least thirty (30) days prior to the expiration date of the fixed term contract. We will explain your options in these advance notices.

**Billing and Payment:** You will receive a single bill from your EDC for the cost of your electric generation (as described above), as well as the EDC's Delivery Charges and state and local taxes. Your payment will be due to the EDC by the date specified in the bill. If you do not pay your bill in full by the due date, you will be subject to the EDC's late payment policies and procedures, including imposition of late fees, interest and other charges as described in the EDC's filed tariff(s). You agree to accept the measurements as determined by the EDC for purposes of determining your electricity usage. If the EDC is unable to read your meter, the EDC will estimate your usage and your charges will be calculated accordingly and adjusted on a future bill. We reserve the right to include or cause to be included in any subsequent bill, adjustments to the charges for electric generation service related to previous billings, previous billing errors, meter read errors, miscalculation of taxes or other errors or omissions, whether such bills are issued by your EDC or by us.

**Cancellation and Cancellation Fee:**

Your Right to Cancel - After the expiration of your Right of Rescission but prior to the end of the Term, as specified in the Disclosure Chart, you may cancel this Contract at any time by sending an email to care@frontierutilities.com or fax to 1-866-926-8193, but you will be charged the Cancellation

Fee specified in your Disclosure Statement. You may cancel this Contract without penalty if you move to another location and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. Your cancellation will not be effective until the next regularly scheduled meter-reading date following the date on which we give the EDC notice of your cancellation request.

Our Right to Cancel - We may cancel this Contract if you fail to pay amounts due to us or otherwise fail to perform your obligations under this Contract. We may also cancel this Contract: (i) if your EDC is unable to read your meter for three (3) months in a row; (ii) if at any time you request separate bills from your EDC and Frontier; (iii) if the EDC removes you from their consolidated billing program and requires that Frontier Utilities bill you separately for your electric generation; (iv) if for any reason Frontier Utilities is no longer able to economically continue this Contract; or (v) if the information provided by you is or becomes untrue. We will notify you in writing at least fourteen (14) days prior to cancellation of this Contract.

**You may be charged a Cancellation Fee as indicated in the Disclosure Chart or in the following paragraphs if this Contract is terminated after the expiration of your Right to Rescission described above but prior to the end of the Term, as specified in the Disclosure Chart. If you are on a Variable-Rate product, you will not be charged an early cancellation fee.**

Early Cancellation Fee – For both Residential and Small Commercial customers, unless otherwise stated in your Contract Summary, your Early Cancellation Fee equals $10.00 times the number of months remaining in your Agreement's Initial Term.

There is no Early Cancellation Fee if you cancel your Agreement within 30 days prior to the expiration of your Agreement's Initial Term. Upon termination of this Contract, you will return to receiving default service from the EDC, unless you have selected another EGS. Regardless of the method or reason for cancellation of the Contract, you are responsible for payment of all outstanding charges incurred through the date on which the cancellation is effected by the EDC.

**Notices:** All notices and correspondence from us will be delivered to the email address that you have provided to us; if we do not have your email address, all notices and correspondence from us will be mailed to the billing address on the account (or to the service address if there are issues with the billing address).

**Customer Authorization:** You authorize us to obtain consumption, billing, and payment information from the EDC, including historical information. This authorization will remain in effect during the Term and any renewal term of this Contract. If you have utilized an agent or broker in connection with the contracting of your electricity purchases from Frontier Utilities, you authorize us to disclose information pertaining to your account to your agent or broker.

**Discrimination:** Frontier Utilities does not deny residential electric service or determine eligibility for pricing based on credit history, utility payment data or credit score. Frontier does not deny service based on a customer or applicant's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of a customer/applicant in an economically distressed geographic area, or qualification for low income or energy efficiency services.

**Customer Protections:** The services provided by Frontier Utilities are protected by the terms and conditions of this Contract and the Pennsylvania Public Utilities Commission ("PUC"). The complete text of the PUC Customer Protection Rules referenced herein can be found in the Pennsylvania Code, Title 52, Public Utilities at: http://www.pacode.com/secure/data/052/chapter54/subchapAtoc.html; and http://www.pacode.com/secure/data/052/chapter56/chap56toc.html.

**Dispute Resolution:** Please contact your EDC for billing disputes and Frontier Utilities for terms of service dispute. If the issue is not resolved to your satisfaction after speaking with the EDC or Frontier Utilities, an informal complaint may be filed through the PUC's Bureau of Consumer Services (BCS). The informal complaint may be filed by mail at: PUC, Bureau of Consumer Services, P.O. Box 3265, Harrisburg, PA 17105-3265 or toll free at 1-800-692-7380 or online at www.puc.state.pa.us.

**Force Majeure:** We will endeavor in a commercially reasonable manner to provide service, but we do not guarantee a continuous supply of electrical energy. Events that are out of our control ("Force Majeure Events") may result in interruptions in service. We will not be liable for any such interruptions. We do not generate your electricity, nor do we transmit or distribute electricity to you. Therefore, you agree that we are not liable for damages caused by Force Majeure Events, including, but not limited to, acts of God, acts of any governmental authority, including the PUC, accidents, strikes, labor trouble, required maintenance work, inability to access the EDC system, nonperformance of the EDC, delay of deregulation or changes in laws, rules, regulations, practices or procedures of any governmental authority, or any cause beyond our control. If a Force Majeure Event occurs which renders Frontier Utilities unable to perform in whole or in part under this Contract, our performance under this Contract shall be excused for the duration of such event.

**Regulatory Changes:** If at some future date there is a change in any law, rule, regulation, tariff, or regulatory structure ("Regulatory Change") which impacts any term, condition or provision of this Agreement including, but not limited to price, Frontier shall have the right to modify this Agreement to reflect such Regulatory Change by providing 30 days' written notice of such modification to the Customer.

**Warranties:** FRONTIER UTILITIES 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.

**Risk of Loss and Indemnity:** Customer 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. Customer shall indemnify, defend, and hold harmless Frontier Utilities from any and all claims for any loss, damage, or injury to persons or property, including without limitation, all consequential, exemplary, or punitive damages arising from or related to any act or incident occurring after title to the electricity has passed to you.

**Limitation of Liability: LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY AND SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND CUSTOMER HEREBY WAIVES ALL OTHER REMEDIES AT LAW OR IN EQUITY. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT. NEITHER PARTY SHALL 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. CUSTOMER HEREBY WAIVES ALL OTHER REMEDIES AT LAW OR IN EQUITY. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT.**

**Governing Law:** This Contract shall be governed by, interpreted and construed under, and enforced in accordance with the laws of the State of Pennsylvania. The provisions of the Pennsylvania Uniform Commercial Code ("UCC") shall apply to this Contract, and electricity shall be a "good" for purposes of the UCC.

**Assignment:** You may not assign the Contract, in whole or in part, or any of your rights or obligations under the Contract without our prior written consent. Frontier Utilities may, without your consent, (i) as part of any financing or other financial arrangements, assign, sell or pledge this Contract or its accounts, revenues, or proceeds, or (ii) assign this Contract to an affiliate of Frontier Utilities or to any other person or entity succeeding to all or a substantial portion of the assets of Frontier Utilities.

**Miscellaneous:** Should any provision contained herein be held unenforceable by a court of competent jurisdiction such provision shall be reformed to create a valid and enforceable provision to the maximum extent provided by law. However, if such provision cannot be reformed, it shall be deleted without affecting any other provision of this Contract. Any failure by Frontier Utilities to enforce any term or condition of this Contract, or to exercise any right under this Contract, shall not be considered a waiver of Frontier Utilities' right thereafter to enforce each and every such term and condition or to exercise any right under this Contract in the future, whether of a like kind or of a different nature. The provisions of this Contract concerning payment, limitation of liability, and waivers will survive the termination or expiration of this Contract.

**CONTACT INFORMATION:**
For questions concerning your price, service initiation, or service cancellation, please contact Frontier Utilities at the information below:

***Electric Generation Supplier (EGS)***
Frontier Utilities Northeast, LLC
Send Payments to: 5120 Woodway Drive, Suite 10015
Houston, TX 77056
Correspondence: 5161 San Felipe, Suite 320
Houston, TX 77056
TOLL FREE: 1-877-636-3450
TOLL FREE FAX: 1-866-926-8193
Email: care@frontierutilities.com
Hours of Operation: M-F, 7 a.m. to 6 p.m. (CDT)

In the event of a power outage or if you are transitioned to the provider of last resort (POLR), please contact your EDC, available using the contact information below:
***Electric Distribution Companies (EDC) & POLR:***
PECO Energy Company
2301 Market Street, Philadelphia, PA 19101
1-800-494-4000
www.peco.com

PPL Electric Utilities
827 Hausman Road, Allentown, PA 18104
1-800-342-5775
www.pplelectric.com

Duquesne Light Company
411 Seventh Avenue (6-1)
Pittsburgh, PA 15219
412-393-7100
www.duquesnelight.com

Universal Service Program: Your EDC also 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. For more information on these services call your EDC listed above.

***Pennsylvania Public Utility Commission***
P.O. Box 3265, Harrisburg, PA 17105- 3265
Utility Choice Hotline 1-800-692-7380