

GREEN MOUNTAIN ENERGY COMPANY
TERMS OF SERVICE FOR RESIDENTIAL CUSTOMERS

REP Certificate Number 10009

1. Residential Terms of Service. Thank you for choosing Green Mountain Energy Company (“Green Mountain”, “we” or “us”) to be your retail electric provider (“REP”). This document explains the terms and conditions of your agreement to purchase electricity service from Green Mountain. Your agreement with us (“Agreement” or “Contract”) includes the Terms of Service, your enrollment authorization (in writing, by telephone, or the internet), the Electricity Facts Label (“EFL”), and the Your Rights as a Customer disclosure document (“YRAC”), as they may be amended from time to time. By accepting electric service from Green Mountain, you are entering into a contract with us and you will be bound by the terms of our Agreement. All of your electricity generation requirements at the electricity delivery point you enrolled with us will be served under this Agreement. Each point of delivery is identified by an Electric Service Identifier (“ESI ID”) assigned by the Electric Reliability Council of Texas (“ERCOT”). Please keep this Agreement for future reference.

2. Spanish Language (Idioma Español).

Your contract documents are available in Spanish by contacting us at 866-785-4668 or visit www.greenmountainenergy.com/texas/esp/products_rates.shtml.

Usted puede obtener los documentos de su contrato comunicándose con nosotros al 866-785-4668 o www.greenmountainenergy.com/texas/esp/products_rates.shtml.

3. Term of Agreement. Your contract term is stated in the Contract Term section of your EFL (“Term”). You will receive additional information about your contract expiration date in a contract expiration notice. Upon the expiration of your Term, this Agreement shall continue indefinitely on a month-to-month basis, until you switch to another provider, select another Green Mountain Energy® electricity product, or we terminate or disconnect your service. The regular monthly billing period for each ESI ID is established by your transmission and distribution service provider (“TDSP”) based on their meter read schedule. If the Contract Term stated in the EFL is “0”, “month-to-month” or “None”, your term is month-to-month.

4. Right of Rescission. If you are switching service to Green Mountain at the ESI ID (s) enrolled, you may rescind this Agreement without penalty by contacting us before midnight of the third federal business day after the date of your enrollment authorization and receipt of the contract documents. If you enroll online you will have the opportunity to print and/or save copies of your contract documents and the rescission period begins on the date of your enrollment authorization. To cancel you may call us at 800-761-4310, fax us at 866-205-4320, or e-mail us at rescission@greenmountain.com. Please include the following: 1) request to cancel contract; 2) name, address, phone number; 3) Account Number or ESI ID Number. If you notify us of your desire to cancel after the expiration of the three business day period described above, we are not required to cancel your enrollment, but you have the right to select another REP and may do so by contacting that REP. If you do select another REP in these circumstances, you will still be responsible for charges assessed by Green Mountain for our service until your switch to another REP is made, as well as any applicable early termination fee. This right of rescission does not apply if you are moving into a new premises.

5. Pricing. You agree to pay the price as indicated in the EFL and all amounts shown on your bill. Some products may require an advanced meter that records your usage more frequently and you will only be eligible for these prices if the appropriate meter and any other necessary equipment are installed at your location. Customers in certain cities that have approved TDSP surcharges for underground facilities may be billed a pass-thru of such charges in addition to the prices shown in the EFL. To determine whether your city has such a charge and what it is, please refer to the tariff for your TDSP available at <http://www.puc.texas.gov/industry/electric/rates/TDR.aspx>. You agree to pay all applicable taxes (see *Taxes* below) and any fees charged by any governmental entity.

6. Billing, Payment and Payment Arrangements.

We will provide a monthly bill that will be due and payable 16 calendar days from the date shown on the bill. You agree that we may issue bills less frequently in certain circumstances, including when we do not receive meter read usage data and/or an invoice for delivery charges from your TDSP or when you have more than one premises or meter served on your account. We will generally issue a bill no later than 30 days after we receive the usage data and any related invoices for TDSP charges from your TDSP, unless validation of the usage data and invoice received from the TDSP or other efforts to determine the accuracy of usage data or invoices delays billing past 30 days. You also agree that the number of days to issue a bill may be extended beyond 30 days to the extent necessary to support consolidated billing of more than one premises or meter on your account.

If you do not pay your bill by the due date, we may charge you a late fee of 5% on the amount for the previous month’s past-due electric service. The late fee will not apply to customers who are “LITE-UP qualified.” If you are a customer who receives food stamps, Medicaid, AFDC or SSI from the Texas Department of Human Services (“TDHS”), then you are considered “LITE-UP qualified.” You must provide evidence of enrollment in a TDHS program. Late fees will not exceed the maximum amount permitted

by Law. "Law" means any law, statute, regulation, rule, ERCOT protocol, exchange rule, decision, writ, order, decree or judgment, or any interpretations by any court, agency or instrumentality that has jurisdiction, including ERCOT.

You may pay your bill over the phone or online using electronic funds transfer or certain credit cards, and may also pay in person at one of our authorized pay stations. In addition, you may make payment by check, cashier's check, or money order through the mail. Please make sure to include the remittance slip from your bill to ensure proper and timely posting of your mailed payment. To avoid disconnection, you should not pay by mail if you have received a termination or disconnection notice. Green Mountain will not be responsible for postal or other delays and your payment may not post to your account until the end of the second business day after receipt. Any check or electronic transfer returned by a bank for insufficient funds or unavailable funds will be treated as if we received no payment at all. We may require you to pay us by money order or in cash if either (a) you have two or more returned payments in 12 months, or (b) there has been tampering with the TDSP's meter or other equipment or evidence of theft of service or fraud.

We reserve the right, to the extent allowed by PUCT rules, to adjust your bill and include any charges or credits necessary to correct or true-up any previous estimated bills, meter read errors, miscalculations of taxes, fees or other charges, billing errors, and other errors or omissions. We may calculate a bill based on estimated usage-related information absent actual meter readings from the TDSP or ERCOT. We will make adjustments on a subsequent bill based on actual meter readings and any adjustments received from your TDSP. Any estimated meter read performed in connection with a switch may not be subject to adjustment under applicable PUCT rules. A customer is obligated to pay a bill based upon an estimated meter read for the purpose of a switch. If you wish to dispute an estimated meter read made in connection with a switch, you may contact either of the REPs involved and request a review of the estimate by the TDSP. Any decision or adjustment by the TDSP is considered final. If you agree to purchase other products or services from us or you purchase products or services from third parties ("Third Party Services"), you acknowledge that the bill we provide you may include the charges for those products and services. We will apply all payments you make on your bill first to the amounts you owe us for electric service.

Please call us if you anticipate having difficulty paying your bill by the due date. You may be eligible for payment assistance or a deferred payment plan. You may contribute to our bill payment assistance program when you pay your bill each month.

If you fail to timely pay the amounts due and we refer your outstanding balance to an attorney or collection agent for collection, or file a lawsuit, or collect your outstanding balance through probate, bankruptcy or other judicial proceedings, then you agree to pay all reasonable fees and expenses (including attorney fees) that we incur in the collection process.

7. Average Billing.

You may select an average payment plan. If you choose this plan, your monthly payment will be based on the historical average usage associated with your account and the then-current price for your Green Mountain Energy[®] electricity product. To calculate the amount that you will pay each month, we add your current bill amount to your previous 11 bill amounts for your service address, if available. We then take the total and divide the amount by 12 or by the total months available for your service address. If you do not have previous bills in your name at the service address or if you do not have 11 monthly bills at the service address, we take the previous usage that is available for the service address and apply your current price to calculate your average monthly payment amount. Finally, we add or subtract 1/12th of any deferred balance that you have accumulated. The deferred balance is any difference between your average monthly payment amount and your actual monthly charges. We may recalculate your average consumption or average bill and adjust your required minimum payment periodically (which may be as frequently as every billing period), based on any difference between the total amount owed for actual usage and the payments received, or if we determine that there is a material deviation between your anticipated usage and your actual usage.

Your account will be reconciled periodically (at least annually), and we may collect under-payments associated with your billing plan over a period no less than the reconciliation period or upon termination of service to you. We will credit or refund any over-payments associated with your billing at each reconciliation and upon termination of service to you. We may initiate our normal collection activity if you fail to make a timely payment according to your billing plan. If you elect not to continue with this billing plan, any amounts due over and above the plan amounts already paid will be due and payable with your next bill, and any credit for plan amounts paid in excess will be applied to your next bill. In the event this Agreement is canceled or terminated or your electric service is disconnected, the billing plan does not affect your obligation to pay for all actual usage.

Enrollment and continued participation in this billing plan is limited to customers who are not currently delinquent in payment to Green Mountain, except that a residential customer receiving the LITE-UP rate reduction is eligible to participate even if delinquent. You are considered delinquent in payment if the date specified for payment of a bill has passed and you have not paid the full amount due. Your account balance will be due in full upon cancellation or termination of this Agreement or if your service is disconnected. Participation in this billing plan is at the ESI ID level and is not available for accounts with multiple ESI IDs. If you are receiving provider of last resort (POLR) service from Green Mountain, you may be required to select a competitive Green Mountain product in order to participate in this billing plan.

If you are delinquent in payment when the billing plan is established, we may require you to pay no greater than 50% of the delinquent amount due. We may require the remaining delinquent amount to be paid by you in equal installments over at least five billing cycles unless you agree to fewer installments, or we may include the remaining delinquent amount in the calculation of your monthly payment amount. If we require installment payments, we will provide you with a copy of your deferred payment plan in writing. If the amount of any deferred balance does not appear on each bill you receive, you may call us at any time to determine the amount that must be paid to be removed from the billing plan.

8. Itemization of Non-Recurring Fees and Charges.

You agree to pay non-recurring fees charged by the TDSP that are necessary to implement and/or maintain your electric service. Non-recurring fees charged by the TDSP may include service connection, disconnection or reconnection fees, meter test fees, special out-of-cycle meter read fees and such other fees or charges lawfully imposed by your TDSP. Non-recurring fees will appear as line items on your bill.

In addition to charges or fees specified elsewhere in this Agreement or otherwise authorized by Law, we may assess the following fees and charges:

- \$25.00 for payments returned for insufficient funds by any method of payment including, but not limited to, bank or personal check, automatic payment plan account deduction or credit/debit card payments.
- \$5.95 if you choose to pay your bill by telephone with the assistance of a live agent.
- \$5.00 per bill period for copies of billing records requested by you, except for your first request in a year.
- \$15.00 if you make an excessive number of payments (more than 5) on your account in any month.
- \$20.00 for each disconnection and termination notice we send to you.
- \$5.00 each time we call you to remind you that your payment is past-due.
- \$25.00 each time we process a transaction requesting that the TDSP disconnect service.
- \$15.00 each time we process a transaction requesting that the TDSP reconnect service.
- There may be a fee assessed by a third party for payment at one of our authorized pay stations.

9. Deposits.

This Agreement is conditioned upon you meeting Green Mountain's eligibility requirements. We will determine eligibility in compliance with §25.477 and §25.478 of the PUCT Substantive Rules (available at <http://www.puc.state.tx.us/rules/subrules/electric/index.cfm>) and Tex. Util. Code §17.008 (available at <http://www.statutes.legis.state.tx.us/SOTWDocs/UT/htm/UT.17.htm#17.008>). By applying for service, you agree that Green Mountain may review your eligibility, including requesting information from consumer credit reporting agencies and/or requesting payment history information from your previous electric provider(s) verifying your electric service payment history in order to assess your creditworthiness. In the event that you do not meet our eligibility requirements, we may refuse to provide you service or, at our option, you may be required to pay a deposit. An initial deposit may also be required to continue to receive electricity service, if you have been late paying your bill more than once during the last 12 months or your service has been disconnected for non-payment. You may be required to provide an additional deposit to continue to receive electricity service if (1) your average annual electric service bill for the last 12 months is at least twice the amount of the original estimated annual bill, and (2) a notice for disconnection has been issued in the previous 12 months. If a deposit is required, the total amount of your deposit will not exceed an amount equal to the greater of either (1) the sum of the next two months estimated billings, or (2) one-fifth of the estimated annual billing.

Deposits held more than 30 days will accrue interest from the date of receipt at the annual rate established by the PUCT. Payment of the interest may be made either annually or at the time the deposit is returned or credited to your account. Your deposit will be returned or credited to your account at such time as you have made 12 consecutive monthly payments by the specified due date; otherwise, we may keep your deposit for the entire time you receive service from us.

If you are LITE-UP qualified and are required to pay a deposit greater than \$50, you will be eligible to pay your deposit in two equal installments. You must provide evidence of enrollment in a TDHS program.

You also satisfy our eligibility requirements for service without paying a deposit if (1) you have a satisfactory credit rating through a consumer reporting agency, (2) you provide electric bill payment history information from your previous electric service provider(s) confirming your positive payment record for the previous 12 consecutive months, (3) you are at least 65 years of age and you do not have a delinquent balance with your current electric service provider, or (4) you have been a victim of family violence and can provide a certification letter by the Texas Council on Family Violence. Please contact us for additional information if you believe you may be eligible for one of these options. You may send evidence of eligibility and other information to us by using our toll-free fax number, 1-888-307-2674.

If you establish satisfactory credit with us by making timely payments for 12 consecutive months, then we will apply the deposit plus accrued interest to your account. If you do not establish satisfactory credit with us during the time you receive service from us, then we will apply the deposit plus accrued interest against the outstanding balance on your final bill. We will bill you for any remaining balance and the bill will be due upon receipt. We will make reasonable efforts to return any unclaimed credits, if a credit balance exists on your account, after payment of your final bill from us. Unless we receive your specific request, account balances that are less than \$1.00 will not be returned.

10. Canceling Your Contract. Your contract term is stated in the EFL. At the end of your contract term, you may cancel or terminate your contract by switching to a new provider. If you cancel the contract before the end of your contract term, you agree to pay the penalty or fee for early cancellation indicated in the EFL, if any, and you must select another REP to continue to receive electric service. If you move from your existing service address during the contract term and provide a forwarding address to us, you will not be responsible for the cancellation fee stated in the EFL. We may also request that you provide reasonable evidence that you no longer occupy the location covered by the contract. In order to ensure timely processing, you should notify us at least 5 days before the requested termination date. Our obligations will end after the meter read date where we are no longer designated as your REP or when

your electric service is disconnected by the TDSP. Your obligations under the contract will end when your account balance is paid in full.

11. Disconnection of Your Electric Service. WE MAY REQUEST DISCONNECTION OF YOUR ELECTRIC SERVICE IF YOU DO NOT PAY YOUR DEPOSIT OR BILL IN FULL BY THE DUE DATE ON THE DISCONNECT NOTICE. We will notify you in writing at least 10 calendar days before we disconnect electric service. We may request disconnection of your electric service without prior notice immediately under specific situations, including the existence of a dangerous condition at your service address or theft of service.

12. Contact Information. Our corporate mailing address is P.O. Box 699, Houston, Texas 77001-0699. Our customer care phone number is 1-866-785-4668. Our hours of operation are: 7:00 AM to 10:00 PM Monday through Friday and 8:00 AM to 5:00 PM Saturday Central Time. Our PUCT REP Certificate Number is 10009. Our web site is www.greenmountain.com.

13. Critical Care and Chronic Condition Customers. If you have a person permanently residing in your premise who has been diagnosed by a physician as being dependent upon an electric-powered medical device to sustain life, you may apply for designation as a Critical Care Residential Customer. If you have a person permanently residing in your premise who has been diagnosed by a physician as having a serious medical condition that requires an electric-powered medical device or electric heating or cooling to prevent the impairment of a major life function through a significant deterioration or exacerbation of the condition, you may apply for designation as a Chronic Condition Residential Customer. To be considered for such designation, the PUC-approved form must be submitted by facsimile or other electronic means to the TDSP by a physician. The TDSP will notify you of the final status of your designation as a Critical Care or Chronic Condition Residential Customer, and will notify you when such designation will expire and whether you will receive a renewal notice. The TDSP will also notify us about your status. This PUC rule can be viewed at: <http://www.puc.texas.gov/agency/ruleslaws/subrules/electric/25.497/25.497.pdf>. Designation as a Critical Care or Chronic Condition Residential Customer does not relieve you of your obligation to pay for electric service that you receive from us.

14. Power Outages and Emergencies. Please call the telephone number listed on your bill if you have an electrical emergency or a power outage.

15. Dispute or Complaints. If you have any questions, concerns, or complaints, please contact us. In the unlikely event we cannot immediately respond to your question or complaint, we will promptly investigate the matter and report our findings to you. During this time, you will not be required to pay the disputed portion of your bill. If for any reason you are not satisfied with our response, you may contact the PUCT.

16. Transfer of Delinquent Balances or Credits. If you have an outstanding balance or credit owed to Green Mountain that is due from a previous account with Green Mountain for the same class of service and is identified after you enroll for service, that balance will be transferred to your current account with Green Mountain. This previous delinquent balance amount and account number, or address, will be shown separately on your current bill for electric service.

17. Antidiscrimination. We cannot deny service or require a prepayment or deposit for service based on your race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location in an economically distressed geographic area, or qualification for low income or energy efficiency services. We also cannot use a credit score, a credit history, or utility payment data as the basis for determining the price for electric service for products with a contract term of 12 months or less.

18. Limitations of Liability. YOU AGREE THAT CAUSES AND EVENTS BEYOND OUR CONTROL, INCLUDING ACTS OF GOD, ACTS OF ANY GOVERNMENTAL AUTHORITY, ACCIDENTS, STRIKES, LABOR TROUBLE, AND EVENTS OF FORCE MAJEURE OCCURRING WITH RESPECT TO THE TDSP, ERCOT, OR OTHER THIRD PARTY SYSTEMS OR ASSETS (A FORCE MAJEURE EVENT), MAY RESULT IN INTERRUPTIONS IN SERVICE AND THAT WE WILL NOT BE LIABLE FOR THOSE INTERRUPTIONS. YOU ALSO AGREE THAT WE ARE NOT RESPONSIBLE FOR GENERATING YOUR ELECTRICITY OR FOR TRANSMITTING AND DISTRIBUTING ELECTRICITY TO YOUR SERVICE ADDRESS. FURTHERMORE, YOU AGREE THAT WE WILL NOT BE LIABLE WITH RESPECT TO ANY THIRD PARTY SERVICES; THAT OUR LIABILITY NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY; AND NEITHER OF US ARE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY OR INDIRECT DAMAGES. YOU WAIVE ALL OTHER REMEDIES AT LAW OR IN EQUITY. THESE LIMITATIONS APPLY EVEN IF THE DAMAGES RESULT FROM NEGLIGENCE, WHETHER SOLE, JOINT, CONCURRENT, OR ACTIVE OR PASSIVE. THERE ARE NO THIRD PARTY BENEFICIARIES TO THE CONTRACT.

19. REPRESENTATIONS AND WARRANTIES. GREEN MOUNTAIN ENERGY COMPANY MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT AND G1F0007c

GREEN MOUNTAIN ENERGY COMPANY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

20. Taxes. You are responsible for paying, and we may bill you for, all applicable federal, state and local taxes, fees, governmental charges, assessments, and other charges, presently or hereafter imposed on you as a purchaser of electricity, on Green Mountain as a seller of electricity, or on electricity sales transactions, including but not limited to: reimbursement of miscellaneous gross receipts tax and PUCT gross receipts assessment; municipal administrative fees; and any other generation, utility, TDSP, regulatory (including the PUCT and ERCOT), BTU or electricity taxes, fees, charges and assessments. Such taxes and other charges will be identified as a separate line item or items on your bill.

21. Unenforceability. If either party or its activities under the contract become subject to any Law enacted during the contract term that renders the contract unenforceable or illegal, then either you or Green Mountain may terminate the contract without the consent of, and upon 30 days' notice to, the other, and without any obligation, payment or otherwise (other than payment obligations for electricity previously supplied to you).

22. Assignment. You may not assign this Agreement without our prior written consent. We may assign or transfer this Agreement without your consent, which includes the right to: (a) transfer, sell, pledge, encumber, collaterally assign or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing, financial arrangement or power supply transaction; (b) assign this Agreement to any entity succeeding to all or substantially all of the business or assets of Green Mountain; and/or (c) transfer or assign this Agreement to a certified REP. In the case of (b) or (c), any such assignee shall agree in writing to be bound by the terms and conditions hereof, and upon any such assignment, Green Mountain shall have no further obligations hereunder.

23. Miscellaneous. This agreement is governed by the laws of the State of Texas. This Agreement sets forth the entire agreement between you and Green Mountain, and supersedes all previous promises and agreements. If any provision of this Agreement is deemed to be invalid or otherwise unenforceable, you and we agree that it shall be modified to the minimum extent necessary to render it valid and enforceable. If any such provision cannot be modified in a manner that would make it valid and enforceable, such provision shall be severed from this Agreement, and all other provisions hereof shall remain in full force and effect. If either of us waives any one or more defaults by the other in the performance of any of the provisions of the contract, then such waiver will not be construed as a waiver of any other default or defaults whether of a like kind or of a different nature. Obligations regarding indemnity, payment of taxes, payment for services, limitations of liability, and waivers will survive the termination of the contract indefinitely.

PRODUCT SPECIFIC TERMS

The following provisions apply to specific Green Mountain products or types of products. Only the specific section for your product or product type will apply to your contract. Your EFL contains information about your specific product type and term.

Product Specific Provisions for Fixed Rate (Term) Products:

Changes to Contract Provisions

We can make changes to the provisions of the contract at any time during the contract term with appropriate notice except for changes to your price other than stated in this section or the length of your contract term. We will notify you in writing at least 14 days before any material change to the contract will be applied to your bill or take effect. If you do not cancel the contract before the effective date of the change, the change will become effective on the date stated in the notice. Notice is not required for a change that is beneficial to you.

Your price during the contract term is only subject to change to reflect changes in the TDSP charges, changes to the ERCOT or Texas Regional Entity administrative fees charged to load or changes resulting from federal, state or local laws that impose new or modified fees or costs on REPs, including Green Mountain, that are beyond the control of REPs.

Contract Expiration Notice

A contract expiration notice will be sent to you at least 30 days (or such other minimum period as may be required by applicable Laws) before the end of your initial contract term specified in your EFL. If you do not take action to ensure that you continue to receive service upon the expiration of your contract you will continue to be served by us automatically under a default renewal product on a monthly basis after the end of your initial contract term, until you switch to another provider, select another Green Mountain electric service plan, or we terminate or disconnect your electric service.

Product Specific Provisions for Variable Price (Month- to-Month) Products:

Changes to Contract Provisions

We can make changes to the provisions of the contract at any time with appropriate notice except for changes to the length of your contract term. We will notify you in writing at least 14 days before any material change to the contract will be applied to your bill or take effect. If you do not cancel the contract before the effective date of the change, the change will become effective on the date stated in the notice. Notice is not required for a change that is beneficial to you.

Your price will vary according to a method determined by Green Mountain as set forth in your EFL.

Product Specific Provisions for Indexed Products (Month- to-Month):

Changes to Contract Provisions

We can make changes to the provisions of the contract at any time with appropriate notice except for changes to the length of your contract term. We will notify you in writing at least 14 days before any material change to the contract will be applied to your bill or take effect. If you do not cancel the contract before the effective date of the change, the change will become effective on the date stated in the notice. Notice is not required for a change that is beneficial to you.

Your price will be determined according to the method described in your EFL.

Product Specific Provisions for the Renewable Rewards[®] Product (Distributed Renewable Generation Buy-Back Program):

Subject to these terms and conditions for customers enrolled on the Renewable Rewards product, Green Mountain agrees to purchase, and you agree to sell, any excess energy delivered by your eligible renewable energy system to the grid. Green Mountain will credit your account for the value of any excess energy delivered by your system to the grid on a per kWh basis. The value of any excess energy over a monthly billing cycle shall be carried over to the following billing period and appear as a credit on your account. The kWh of excess energy shall be determined solely by reference to the out-flow information reported to Green Mountain by the TDSP for your enrolled premises.

The value of any excess energy delivered by your system to the grid (and the corresponding credit amount to be applied on your next bill) will be determined by multiplying (a) the kWh quantity of excess energy reported by the TDSP, by (b) the applicable per kWh buy-back credit amount. The applicable per kWh buy-back credit amount will be equal to the per kWh energy charge payable by you under your EFL for the Renewable Rewards product you are purchasing from Green Mountain in effect as of the last day of the applicable billing period, exclusive of any monthly base, applicable taxes and fees or other charges (such as late fees, special meter reading fees, and fees related to disconnection or connection of service).

Eligible renewable energy systems are any technology that exclusively relies on an energy source that is naturally regenerated over a short time and derived directly from the sun, indirectly from the sun, or from moving water or other natural movements and mechanisms of the environment. Renewable energy technologies include those that rely on energy derived directly from the sun, on wind, geothermal, hydroelectric, wave, or tidal energy, or on biomass or biomass-based waste products, including landfill gas. A system that relies on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources is not eligible.

To participate in Green Mountain's Renewable Rewards Buy-Back Program you must (i) have an interconnection agreement in place with your TDSP to connect your renewable energy system to the power grid; (ii) have a meter installed by your TDSP that separately measures the in-flow and out-flow of electricity to and from your home (your TDSP may assess a charge for this meter, which would be passed through to you on your Green Mountain bill); and (iii) be a Green Mountain residential electricity customer enrolled on the Renewable Rewards product. For more information about the Renewable Rewards program, please visit www.greenmountain.com/renewablerewards/.

The Buy-Back Program and these terms are subject to change and may be discontinued or modified at any time. We will provide participating customers at least 14 days advance written notice of any material change or discontinuation of the Buy-Back Program; except that (i) any changes to the price you pay for energy delivered by Green Mountain that are made pursuant to the Terms of Service for your electricity service under the Renewable Rewards product will automatically result in a change in the per kWh value for excess energy to be credited by Green Mountain under the Buy-Back Program without advance notice; and (ii) any changes to the Buy-Back Program made by Green Mountain as a result of a changes in Law or that are beneficial to you may be made without advance notice.

For customers receiving service on the Renewable Rewards product that choose to participate in our average billing plan, the monthly payment amount may be determined based solely on your usage and charges for electricity purchased from Green Mountain, without taking into account any excess renewable generation or buy-back credit.

Green Mountain's buy-back obligations will terminate in the event that (i) your agreement with Green Mountain for the electric service under the Renewable Rewards product is cancelled or terminated for any reason, including non-payment by you; or (ii) Green Mountain ceases to be the retail electric provider of record for your enrolled premises for any reason.

Upon termination of this Agreement, any buy-back credits on your account will first be applied to any outstanding amounts owed by you to Green Mountain, and any remaining credit amount will be refunded to you within 90 days after termination.

The *Renewable Rewards* Buy-Back Program is intended for residential customers with distributed renewable generation systems with a rated output capacity of 25 KW or less. Green Mountain reserves the right to require additional information from, deny participation to, or modify the program for, any customer with a system in excess of 25 KW. You acknowledge and agree that Green Mountain may contact and/or exchange information about your service, facilities and/or account with the TDSP and/or ERCOT.

Green Mountain's purchase of excess energy pursuant to the *Renewable Rewards* buy-back Program does not include any rights or interest in any renewable energy credits or other environmental attributes associated with the excess renewable energy generated and delivered to the grid by the customer's system. All such rights are retained by the customer.

As a condition to your participation in the *Renewable Rewards* Buy-Back Program, you agree to release, indemnify and hold harmless Green Mountain and its agents and employees from all liability, claims, demands, costs, or losses for personal injuries, property damage, or loss of life or property, sustained by you, your agents or family, or any third parties arising out of or in any way connected with the installation, testing, operation, maintenance, repair, replacement, removal, defect or failure of your renewable energy generation system or related equipment. These obligations shall survive termination of this agreement.

Product Specific Provisions for the SolarSPARCTM Product (the "Smart People Accelerating Renewable Change" Program):

Subject to these terms and conditions for customers enrolled on a *SolarSPARC* product, for each month of a customer's paid service on this product, Green Mountain will contribute \$4 to a fund, which we will use to help to accelerate the adoption of solar energy in Texas, by funding or partially subsidizing solar energy and solar-related projects, programs, and technologies to make solar more affordable, effective, useful, or more widely-available. In addition, *SolarSPARC* customers will receive an annual bill credit based on how long they remain enrolled on the *SolarSPARC* Product. For each June 30 or December 31 that a customer has been continuously enrolled on the *SolarSPARC* product, the customer will be entitled to receive \$11 in bill credits, with credits accumulating up to the maximum annual credit amount. The maximum annual bill credit amount a customer may receive is \$121. The credits will be issued annually in the January bill cycle to *SolarSPARC* customers in good standing at the time the credit is issued. For example, a customer that enrolls in October 2013 and remains continuously enrolled on the product will receive an \$11 bill credit in January 2014. In January 2015, that customer would receive \$33 in bill credits, and in January 2016 that customer would receive \$55 in bill credits, and so on until the maximum annual bill credit amount is reached in January 2019.

The *SolarSPARC* Program and these terms are subject to change and may be discontinued or modified at any time. We will provide participating customers at least 14 days advance written notice of any material change or discontinuation of the *SolarSPARC* Program; except that any changes to the *SolarSPARC* Program made by Green Mountain as a result of a change in Law or that are beneficial to you may be made without advance notice.

Green Mountain's obligations will terminate in the event that (i) your agreement with Green Mountain for the electric service under the *SolarSPARC* product is cancelled or terminated for any reason, including non-payment by you; or (ii) Green Mountain ceases to be the retail electric provider of record for your enrolled premises for any reason. Upon termination of this Agreement, any *SolarSPARC* credits on your account will first be applied to any outstanding amounts owed by you to Green Mountain, and any remaining credit amount will be refunded to you within 90 days after termination.

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