Green Mountain Energy Company Disclosure Statement

This Disclosure Statement, including the Product Summary and General Terms and Conditions, together with the Enrollment Authorization, are an agreement for energy generation service, between you and Green Mountain Energy Company (Green Mountain). Your electric distribution company (EDC) and provider of last resort is PPL.

### Product Summary

<table>
<thead>
<tr>
<th>Product</th>
<th>Pollution Free™ Efficient with Nest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Length of the agreement</td>
<td>Fixed Term of 12 months</td>
</tr>
<tr>
<td>Per kWh Price</td>
<td>9.4¢ per kWh for 12 months*</td>
</tr>
<tr>
<td>Fixed Price or Variable Price</td>
<td>Fixed Price*</td>
</tr>
<tr>
<td>Customers who use:</td>
<td></td>
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<tr>
<td>Will pay for the first month:</td>
<td></td>
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<tr>
<td>500 kWh of electricity</td>
<td>9.4¢ per kWh</td>
</tr>
<tr>
<td>1000 kWh of electricity</td>
<td>9.4¢ per kWh</td>
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<tr>
<td>2000 kWh of electricity</td>
<td>9.4¢ per kWh</td>
</tr>
<tr>
<td>Renewable content</td>
<td></td>
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</tbody>
</table>

Green Mountain ensures that electricity equal to 100% of your electricity usage is produced by wind power generation facilities located in the United States.*

*Please refer to the attached General Terms and Conditions below for details. Prices effective as of 6/28/2013

### General Terms and Conditions

This Disclosure Statement, including these General Terms and Conditions and Product Summary, together with your signed written enrollment form, electronic online enrollment record or recorded telephonic voice enrollment confirming your enrollment (the Enrollment Authorization), are an agreement for electric generation service, between you and Green Mountain.

**Background:** Green Mountain is licensed by the Pennsylvania Public Utility Commission (PUC) to offer and supply electric generation services in Pennsylvania. Our PUC license number is 4-2011-2229050. We set the generation prices and charges that you pay. The PUC regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services. You will receive a single bill from your EDC that will contain your EDC charges and Green Mountain charges.

**Right of Rescission:** You may cancel this Agreement at any time before midnight of the third business day after first receiving this Disclosure Statement. Contact Green Mountain by phone at 1-800-286-5856, email at PACustomerCare@greenmountain.com, or mail to Green Mountain Energy Company, P.O. Box 7476, Philadelphia, PA 19152.

**Definitions:**

- **Agreement:** This Disclosure Statement (including these General Terms and Conditions and Product Summary), as well as your Enrollment Authorization, and any amendments to these documents from time to time.
- **Commission:** The Pennsylvania Public Utility Commission (PUC).
- **Disclosure Statement:** The Product Summary and these General Terms and Conditions, collectively.
- **Distribution Charge:** Charge for delivering electricity over a distribution system to the home or business from the transmission system.
- **EDC:** Electric Distribution Company.
- **Generation Charge:** Charge for production of electricity.
- **Initial Term:** The Initial Term is the time period during which you will receive a fixed price (if you have a fixed term Agreement with us).
- **kWh:** Kilowatt hour. This is a measurement of your use of electricity.
- **PJM:** PJM Interconnection, LLC (or its successor).
- **PJM region:** Area served by the PJM-operated electric transmission system, including all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.
- **Transmission Charge:** Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

### Terms of Service

**1. Basic Service Prices:** Fixed Price / Fixed Term Agreement – If you are enrolled on a fixed term product, you agree to pay the price per kWh described in the Product Summary. Each month your bill for electricity will be calculated by multiplying this price per kWh by the amount of electricity used in the billing cycle. Your price will not include Transmission Charges and estimated total state taxes, including gross receipts tax, but excludes federal, state and local taxes (other than state gross receipts tax). These items are in addition to your price. Month-to-Month Variable Price Agreement – If you are enrolled on a month-to-month product, the price is subject to change each month. Your price for the initial month is the price described in the Product Summary. This price includes Transmission Charges and estimated total state taxes, including gross receipts tax, but excludes federal, state and local taxes (other than state gross receipts tax). These items are in addition to your price. The price may vary on a monthly basis beginning after the first month, with no advance notice, based on an evaluation of a number of factors that affect your total price of electricity. These factors may include, but are not limited to: the cost to supply electricity in the PJM market (including energy, capacity, settlement, ancillary services, renewable energy, Distribution Charges and other PJM market-related factors); applicable fees, charges, costs and expenses; expected margins; competitive prices and other market and business conditions. To learn your current variable price, please call us at 800-286-5856.

**2. Length of Agreement:** Fixed Price / Fixed Term Agreement – You will buy your electricity generation service for the street address specified in your Enrollment Authorization from Green Mountain Energy Company beginning on a date set by your EDC (within 1 – 2 billing cycles) and will continue for months the length of the agreement specified in the Product Summary above. Month-to-Month Variable Price Agreement – You will buy your electricity generation service for the street address specified in your Enrollment Authorization from Green Mountain beginning on the date set by your EDC and will continue on a month-to-month basis, until cancelled by you or Green Mountain as described in Section 5.

**3. Product:** Pollution Free™ and Pollution Free Efficient electricity: If you have an Agreement for Green Mountain’s Pollution Free or Pollution Free Efficient electricity, included in the purchase of your product, Green Mountain ensures that 100% of your electricity usage is produced by wind power generation facilities located in the United States.

**Pollution Free® Gold electricity:** If you have an Agreement for Green Mountain’s Pollution Free Gold electricity, included in the purchase of your product, Green Mountain ensures that electricity equal to at least 5% of your electricity usage is produced by solar power generation facilities located in Pennsylvania and electricity equal to up to 95% of your electricity usage is produced by wind power generation facilities located in Pennsylvania.

All Products: Electricity is the product of a mix of generation energy sources that is delivered over a system of wires. You will not have electricity from a specific generation facility delivered directly to your service address, but Green Mountain ensures that the applicable percentage of your electricity usage is offset by the generation of energy from renewable resources on an annual basis. Green Mountain does so by purchasing and retiring ‘renewable energy attributes’ or ‘renewable energy certificates’ representing the environmental attributes associated with the applicable amount of renewable energy generation from the renewable sources specified for your product. Your purchase helps support the development and operation of renewable energy in the areas specified for your product. Green Mountain may take up to three months following the close of a calendar year to make up any deficiency in the renewable resource content for this product. Information on generation energy sources for your product, energy efficiency, environmental impacts or historical billing data is available upon request.

**4. Green Mountain Energy™ Sun Club:** The Green Mountain Energy Sun Club program promotes the development of solar technology by funding and building solar power installations for non-profit organizations. If you have an Agreement for Green Mountain’s Pollution Free Gold electricity, included in the purchase of your product, Green Mountain will contribute $2.50 to the Sun Club program on your behalf for each full month that you remain a Pollution Free Gold customer.
5. Cancellation: Customer Initiated Cancellation: You may cancel your Agreement to purchase electricity by providing 30 days advance notice. To cancel this Agreement, please call Green Mountain Energy Company at 1-800-286-5856. You will be responsible for all Green Mountain charges incurred up to the date of cancellation. In addition, if you have a fixed term Agreement with us and you cancel this Agreement before the end of your Initial Term, you will also be responsible for the $100 early cancellation fee mentioned below. Non-Payment: If your electric service is terminated by your EDC, then this Agreement is cancelled on the date that your electric service is terminated. You will owe us for amounts unpaid for our charges for electric generation service up to the date of termination. In addition, if you have a fixed term Agreement with us of 6 months and this Agreement is cancelled before the end of your Initial Term, you will also be responsible for the $100 early cancellation fee. If you have a fixed term Agreement with us of 12 months and this Agreement is cancelled before the end of your Initial Term, you will also be responsible for the $295 early cancellation fee. Company Initiated Cancellation: If we cancel this Agreement for any reason other than for your non-payment, we will follow applicable rules in providing notice to you. Customer Move: If you move from the address listed above, this Agreement is cancelled.

6. Penalties, Fees and Exceptions: IF YOU HAVE A VARIABLE PRICE/MONTH-TO-MONTH TERM AGREEMENT WITH US, THERE IS NO CANCELLATION FEE. IF YOU HAVE A FIXED PRICE / FIXED TERM AGREEMENT OF 6 MONTHS WITH US AND YOU CANCEL THIS AGREEMENT AFTER THE THREE (3) DAY RESCISSION PERIOD REFERENCED ABOVE AND BEFORE THE END OF YOUR INITIAL TERM, WE WILL CHARGE YOU A $100 CANCELLATION FEE. IF YOU HAVE A FIXED PRICE / FIXED TERM AGREEMENT OF 12 MONTHS WITH US AND YOU CANCEL THIS AGREEMENT AFTER THE THREE (3) DAY RESCISSION PERIOD REFERENCED ABOVE AND BEFORE THE END OF YOUR INITIAL TERM, WE WILL CHARGE YOU A $295 CANCELLATION FEE.

7. Billing and Payment; Taxes: You will receive a single bill from your EDC that will contain EDC charges and Green Mountain charges. Failure to pay your bills on time may result in late payment penalties and in discontinuation of service.

8. Taxes: Except as otherwise provided in this Agreement or required by law, all taxes of whatsoever kind, nature and description, due and payable with respect to your performance of your obligations under this Agreement, will be paid by you.

9. Renewal Provision/Agreement Expiration/Change in Terms: If you have a fixed term Agreement with us and it is approaching the expiration date, we will send you two advance written notices, explaining your options, in separate mailings between 45 and 90 days before the expiration date. If we propose to change our terms of service in any type of agreement, we will send you two advance written notices in separate mailings between 45 and 90 days before the effective date of the changes.

10. Dispute Procedures: If you have any questions, concerns or complaints about your bill, please contact us by calling our Customer Care Representatives at 1-800-286-5856 or by emailing us at PACustomerCare@greenmountain.com, if for any reason you are not satisfied with our response, you may contact the Pennsylvania PUC at P.O. Box 3265, Harrisburg, PA 17105-3265 or by calling 1-800-692-7380.

11. Power Outages and Emergencies: In an electrical emergency or a power outage, immediately contact your EDC using the phone numbers below:

- Duquesne Light Company: 1-888-393-7000
- PPL Electric Utilities: 1-800-342-5775
- Met-Ed: 1-888-544-4877
- West Penn Power: 1-800-2544-4877
- PECO: 1-800-841-4141
- Penn Power: 1-800-544-4877
- Penlec: 1-888-544-4877

12. Limitations of Liability and Warranty/Force Majeure: YOU AGREE THAT EVENTS OF FORCE MAJEURE MAY RESULT IN INTERRUPTIONS IN SERVICE AND THAT WE WILL NOT BE RESPONSIBLE FOR SUPPLYING ELECTRICITY TO YOU AND WE WILL NOT BE LIABLE FOR THOSE INTERRUPTIONS. YOU AGREE THAT EVENTS OF FORCE MAJEURE OR OTHERWISE WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY; AND NEITHER OF US IS LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES. WE MAKE NO REPRESENTATIONS OR WARRANTIES AND WE EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

13. Authorization to Release Customer Information; Agency: By entering into this Agreement, you authorize Green Mountain to obtain information that we may need to provide electricity service to you, including your account information, usage history, rate class, meter reading data, account number, address, phone, and whether you are on a budget billing plan. We will not give or sell your personal information to any unaffiliated third-party unless you provide us with your consent or unless we are required to do so by law. By entering into this Agreement, you authorize Green Mountain to take such actions as may be necessary to establish your electricity EDC services with your EDC.

14. Title, Risk of Loss and Indemnity: Title to the electricity will pass from Green Mountain to you when we deliver it to the delivery point for your EDC. Green Mountain will cease to have title to and risk of loss related to the electricity when it is delivered to the delivery point for your EDC.

15. Regulatory Changes: If there is a future change in any applicable law, rule, regulation, order, filed tariffs, market rules or pricing structure whereby Green Mountain is prevented, prohibited or frustrated from carrying out the terms of this Agreement, in its sole discretion Green Mountain will have the right to cancel this Agreement by giving notice to you as required under applicable law. If there is a future change in any applicable law, rule, regulation, order, filed tariffs, market rules or pricing structure, or in charges or new charges, imposed by your EDC, PIM, the Commission or any governmental agency, whereby Green Mountain incurs additional charges or costs as a result of such changes, then Green Mountain will have the right in its sole discretion to (i) adjust your price to reflect such additional charges or costs to Green Mountain by giving two advance written notices in separate mailings between 45 and 90 days before the proposed effective date, and (ii) if you do not accept such proposed price change, cancel this Agreement by giving notice to you as required under applicable law.

16. Other Provisions: This Disclosure Statement (including these General Terms and the Product Summary) along with your Enrollment Authorization or Renewal Letter constitutes your entire Agreement between you and Green Mountain with regard to your purchase of electric generation and other related services from Green Mountain. This Agreement supersedes all prior agreements between us, either written or oral. This Agreement is subject to any Law enacted during the term of this Agreement. “Law” means any law, legislation, statute, regulation, rule, tariff, decision, writ, order, decree or judgment, or any interpretations by any court, agency or instrumentality that has jurisdiction. You may not assign this Agreement, in whole or in part, or any of your rights or obligations under this Agreement without our prior written consent. Green Mountain may, without your consent: (i) assign, sell or pledge this Agreement or any interpretations by any court, agency or instrumentality that has jurisdiction. You may not assign this Agreement, in whole or in part, or any of your rights or obligations under this Agreement without our prior written consent.

17. Contact Information

- Electric Generation Supplier Name: Green Mountain Energy Company
- P.O. Box 7476, Philadelphia, PA 19101
- 1-800-286-5856
- www.greenmountain.com

Your EDC and provider of last resort can be contacted by phone at:

- Duquesne Light Company: 1-888-393-7100
- PPL Electric Utilities: 1-800-342-5775
- Met-Ed: 1-888-545-7741
- West Penn Power: 1-800-686-0021
- PECO: 1-800-8494-4000
- Penn Power: 1-800-720-3600
- Penlec: 1-888-544-4877

Public Utility Commission (PUC): 1-800-692-7380

18. Universal Service Program: Your EDC 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. Information on your EDC’s Universal Service Program can be obtained by contacting your EDC at the phone numbers listed above in Section 17.