

Attachment 1

Revised Sales Agreement

**SPARK ENERGY, LLC
 MASS MARKET (RESIDENTIAL AND SMALL COMMERCIAL) CUSTOMER DISCLOSURE STATEMENT**

Price Plan	<p align="center">Fixed-Rate Plan</p> <p>Fixed Rate Plans are limited to a price no greater than the trailing 12-month average utility supply rate plus a premium of no more than 5%.</p>
Rate	«Rate»¢ per «UoM» - «Name»
Monthly Administrative Fee	«Monthly Fee»
Term of Agreement	«Term Length» «Term Type»
Customer Rescind Process	Residential customers or customers solicited via door-to-door sales may rescind this Agreement by calling 1-877-547-7275 within three (3) business days of receipt of these Terms of Service without penalty.
Termination Procedures	You may cancel this Agreement at any other time by calling Spark Energy, but you will be required to pay the early termination fee described below. You may also cancel this Agreement without being assessed an early termination or cancellation fee if you move to another location and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. You will be responsible for all payments due hereunder until the cancellation of electric generation service is completed. Spark Energy may terminate this Agreement at any time with at least fifteen (15) calendar days' notice to you after complying with applicable regulations.
Early Termination Fee	There will be an Early Termination Fee (ETF) of «ETF» if you cancel prior to the end of your Term. The ETF shall be applied per meter for commercial customers not solicited via door-to-door sales. For all residential customers and customers solicited via door-to-door sales, the ETF will be no greater than \$100 if the remaining term is less than 12 months and no greater than \$200 if the remaining term is 12 months or more.
Late Payments	Late fees are calculated and billed by the Local Distribution Utility at a rate of 1.5% per month on overdue balances.
Agreement Renewal	You will receive a written notification 30 to 60 days prior to the expiration date. After the Initial Term, unless your affirmative consent is attained, this Agreement will automatically renew on a variable guaranteed savings rate until terminated by either party.
Guaranteed Savings	This Agreement offers no guaranteed savings and your rate may be higher than the utility rate.

New York State Public Service Commission

Your Rights as an Energy Services Company Consumer

ESCO Consumers Bill of Rights

Customers can purchase energy from an Energy Services Company (ESCO) or from a traditional utility. If you choose to purchase energy from an ESCO you are entitled to:

- A clear description of the services offered by the ESCO.
- Receive energy delivery and 24 hour emergency services from your utility company.
- Clear procedures for switching energy suppliers, including information about the enrollment process.
- Disclosure, in simple and clear language, of the terms and conditions of the agreement between you and the ESCO including:
 - price and all variable charges or fees;
 - length of the agreement;
 - terms for renewal of the agreement;
 - cancellation process and any early termination fees, which are limited by law; and
 - conditions, if any, under which the ESCO guarantees cost savings.
- Rescind an agreement with an ESCO within three days of receiving the agreement, if you are a residential customer.
- A description of how pre-payment agreements work, if offered.
- Notice from the ESCO, no less than thirty days prior to the contract renewal date, of the renewal terms and the options you have as a customer.
- A fair and timely complaint resolution process.
- Provision of any written documents (contracts, marketing materials, and this ESCO Consumers Bill of Rights) in the same language used to enroll you as a customer.

If you are a residential customer you are also entitled to the rights and protections of the Home Energy Fair Practices Act (HEFPA) which requires that all utility customers be treated fairly with regard to application for service, customer billing, and complaint procedures. For more information go to www.dps.ny.gov/resright.html.

ESCOs that do not assure these consumer rights could lose their eligibility to provide service in New York. For consumer complaints that cannot be resolved with the company, you may contact the New York Department of Public Service (DPS). DPS complaints may be directed as follows: Website: www.dps.ny.gov/complaints; Phone: DPS Helpline at 1-800-342-3377 (M-F 8:30a - 4:00p); or Mail: Office of Consumer Services, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223.

You can find more information about your energy alternatives by visiting: www.AskPSC.com

New York Residential and Small Commercial Terms of Service

This is an agreement for electric service between Spark Energy, LLC (“Spark Energy”, “Company” or “We”) and you (“You” or “Customer”), for the service address or addresses set forth in your Welcome Letter or Electric Service Agreement. Together, the Customer Disclosure Statement (CDS), the Terms of Service set forth herein, and your Welcome Letter or Electric Service Agreement (ESA), if any, collectively describe your agreement with respect to your purchase of electric service from Company (Agreement). In the event of any conflict between the terms of the CDS and the terms of the Welcome Letter or Electric Service Agreement, the CDS terms will govern. You will be bound by all the provisions of the Agreement, as they may be amended from time to time. Company is approved by the New York State Public Service Commission to offer and supply electric services in New York. We will supply the energy and set the supply prices and charges that you pay. Your Local Distribution Utility will continue to deliver the electricity to you and respond to leaks and emergencies. The Public Service Commission regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

Definitions:

- Local Distribution Utility (LDU) – A gas or electric corporation owning, operating, or managing electric or gas facilities for the purpose of distributing gas or electricity to end users.
- Generation Charge – Charge for production of electricity.
- Public Service Commission (PSC) – the New York State Public Service Commission.
- New York Independent System Operator (NYISO) – The independent entity that operates the bulk transmission system in New York.
- Transmission Charge – Charge for moving high voltage electricity from a generation facility to the distribution lines of an LDU.

Right of Rescission - Residential customers and customers solicited via door-to-door sales have the right to rescind this Agreement within three (3) business days after receipt of the Customer Disclosure Statement and Terms of Service without penalty.

Terms of Service

1. Basic Service Prices.

Fixed-Rate Plan: You will pay the fixed rate per kWh as specified in your CDS for the length of the Term. Your fixed rate will be no greater than 5% above the LDU’s posted 12-month historical rolling average of LDU default supply rates on the day you execute this Agreement. This rate will remain applicable for the Term regardless of subsequent changes in the LDU’s average rates. You may also pay a monthly administrative fee, the amount of which, if applicable, is disclosed in your CDS.

The rate you pay Company will include the Generation Charge and Transmission Charge. This plan does not include renewable content above the minimum amount required. Your price does not include applicable New York sales tax, use tax, local tax or gross receipt taxes imposed by New York State Tax Law. You are responsible for any and all taxes (whether passed through to you on the LDU’s bill as a separate line item, or included in the price of electricity, as required by law, rule or regulation) and LDU charges for delivery and distribution services. Except as otherwise provided in this Agreement or as 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. If you are a tax-exempt entity, you must provide Company with the necessary certificates and other documentation to qualify for such status.

2. Billing. Company’s services are only a portion of your total monthly bill for the delivery of electricity. Your LDU will continue to issue a monthly bill and the bill will include both your Transmission Charge and your Generation Charge, and any other charges incurred in accordance with this Agreement. Your LDU may provide Company your customer billing and payment information as part of the billing process. Bills will continue to be based on actual or estimated meter readings. Unless otherwise provided herein, your payment terms and late payment penalties will be governed by the terms of the LDU’s tariff. Company does not pay or arrange for the payment of any outstanding debts owed by you to the LDU or a previous Energy Service Company (“ESCO”).

3. Length of Agreement (Term) (No Guarantee of Switch Period). The Term of this Agreement is shown on your CDS. With the exception of a new meter installation or special meter reading date, you will buy your electric service for the service addresses set forth in your Welcome Letter or Electric Service Agreement from Company on the next regularly scheduled meter reading date available and will continue to do so for the entire Term. Customer acknowledges that Company cannot guarantee a switch of Customer’s account by a specific date and hereby holds harmless Company from any liability for, or arising out of, delays in this process.

4. Penalties, Fees and Exceptions.

Mass Market (residential and small commercial) customers and customers solicited via Door-to-Door Sales as defined in the New York State Uniform Business Practices: If you cancel or terminate this Agreement prior to the end of the Term, you will pay an early termination fee of no more than \$100 if your agreement has a term of less than 12 months remaining

and no more than \$200 if your agreement has a term of more than 12 months remaining, if applicable to your plan, unless such early termination fee is waived or otherwise modified in writing by Company. The amount of your early termination fee, if applicable, is disclosed in your CDS.

Commercial Customers not solicited via Door-to-Door Sales: You will pay an early termination fee, if applicable to your plan, if you cancel or terminate this Agreement prior to the end of the Term, unless such early termination fee is waived or otherwise modified in writing by Company. The amount of your early termination fee, if applicable to your plan, is disclosed in your CDS.

Notwithstanding the foregoing, you may cancel this Agreement without being assessed an early termination or cancellation fee if you move to another location outside of your LDU's service territory and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. You will be responsible for amounts due, up to the switch date, of all outstanding charges incurred prior to cancellation by you. Any early termination fee may automatically be applied to your credit card or bank account depending on the automatic payment arrangements made during enrollment.

If you default in the prompt payment of amounts due under this Agreement, you will be liable for any and all fees or charges, including reasonable attorney fees and court costs, incurred in connection with the collection of delinquent balances. Company may use the services of debt collection agencies, consumer reporting agencies, and other remedies as allowed by law to collect any unpaid balances on your account.

You will be assessed a fee of \$30.00 for payments returned for insufficient funds or credit card transaction not processed due to insufficient funds or credit availability by any method of payment including, but not limited to, bank or personal check, automatic payment plan account deduction or credit/debit card.

5. Cancellation Provisions. You may cancel this Agreement without any penalty any time before midnight of the third business day after the date of your enrollment. Upon cancellation of the Agreement, Company will provide a cancellation number. After such third business day, you may cancel this Agreement at any time by calling Company at 1-877-547-7275, but you will be required to pay the early termination fee described in Section 4 above if applicable. You may also cancel this Agreement without penalty if you move to another location outside of your LDU's service territory and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. If you request to cancel this Agreement, the cancellation will not take effect until the next actual meter read date following the date Company notifies your LDU. You will be responsible for all payments due hereunder until the cancellation of electric generation service is completed. If for any reason Company is no longer able to economically continue this Agreement, Company may terminate this Agreement at any time with at least fifteen (15) calendar days' notice to you after complying with applicable regulations. This Agreement may be cancelled at the sole discretion of Company if you fail to meet any of the terms and conditions of this Agreement or if any of the information you have provided to Company is or becomes untrue. Upon early termination of this Agreement by Company, your available remedies will be limited as provided in Sections 9, 10 and 11 of this Agreement. If this Agreement is canceled, expires, or is otherwise terminated, you will receive uninterrupted service from the LDU until you designate another provider of electric generation service or service is shut off by the LDU. Only the LDU may shut off your electric service.

6. Agreement Expiration/Renewal/Change in Terms. If you have a fixed term Agreement approaching the expiration date, or whenever we propose to change the terms of service, you will receive a written notification that precedes either the expiration date or the effective date of the proposed changes. These notifications will explain your options going forward. If you do not respond to a notice of expiration, your service with Company will automatically renew on a month-to-month basis at a variable guaranteed savings rate until (i) you provide affirmative consent for another offer from Company, (ii) you enroll with another ESCO, or (iii) either you or Company return your account to the Utility's default supply service. The initial term of a fixed term agreement will expire on the meter read date in the last month of the initial Term.

If your Agreement renews at the end of the Term, you may terminate the contract without penalty if you object within three (3) business days after receipt of the first billing statement with renewed terms. If there is a change in law or regulation that renders this product non-compliant with applicable rules and laws, Company reserves the right to cancel this Agreement in accordance with Section 5 or obtain your affirmative consent to amend this Agreement to ensure compliance.

7. Information Release and Authorization, Credit Review. By accepting the Agreement, you authorize Company to obtain information from the LDU through the Term including, but not limited to, account name, account number, billing address, service address, telephone number, standard offer service type, historical and future electric usage, rate classification, meter readings, characteristics of electric service, and billing and payment information. You (and your signatory, if signatory is noted as your spouse/civil union partner) agree to Company obtaining a credit report and investigating your (and, if applicable, signatory's) credit rating, credit history and Utility bill payment status and history. We are not obligated to accept, or continue performing, this Agreement if you do not meet our credit requirements. You further authorize Company to release that information to third parties who need to use or be aware of such information in connection with your electric service under the Agreement, as well as to Company's affiliates and business partners for marketing purposes. You further authorize Company, its affiliates, and its third party

vendors, including marketing vendors, to communicate with you at the contact information included in your enrollment or contact information received at any time during the relationship of the parties, for future communications, including but not limited to communications through telephone call, voicemail, text message, pre-recorded message and electronic mail. By signing (including by voice or electronic affirmation or adoption) or otherwise accepting the Agreement and providing your phone number, you authorize Company to cause the transmission of text messages to the phone number you provide using an autodialer. Consent is not a condition of purchase. Message and data rates may apply. Text STOP to withdraw consent. Text HELP for help. These authorizations shall remain in effect as long as the Agreement (including any renewal) is in effect and for six years thereafter consistent with the statute of limitations for contractual disputes and may be used by Company in connection with any ongoing business or legal purpose with respect to its obligations under the Agreement, or to offer additional products or services to Customer during the Term or at any time in the six year period after the Agreement terminates, or as contained in any derivative work created by Company in association with its business as a retail energy provider. You may rescind these authorizations at any time by either calling Company at 1-877-547-7275 or providing written notice to Company at 12140 Wickchester Lane, Suite 100, Houston, TX 77079. Company reserves the right to reject your enrollment or terminate the Agreement if you fail to meet minimum or maximum threshold electric consumption levels as determined by Company.

8. Dispute Procedures. The services provided by Company to Customer are governed by the terms and conditions of this Agreement and HEFPA for residential customers. In the event of a billing dispute or a disagreement involving Company's service hereunder, the parties will use their best efforts to resolve the dispute. Customer should contact Company by telephone or in writing as provided above. For consumer complaints that cannot be resolved with Company, you may contact the New York Department of Public Service (DPS). DPS complaints may be directed as follows: Website: www.dps.ny.gov/complaints; Phone: DPS Helpline at 1-800-342-3377 (M-F 8:30a - 4:00p); or Mail: Office of Consumer Services, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223. Customer must pay the bill in full, except for the specific disputed amount, during the pendency of the dispute, and such payment shall be refunded if warranted by the decision of DPS.

9. Warranties. COMPANY 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.

10. Limitation of Liability. You 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. COMPANY WILL NOT 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. YOU HEREBY WAIVE ALL OTHER REMEDIES AT LAW OR IN EQUITY. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT. To the extent any damages required to be paid hereunder are liquidated, the parties acknowledge that the damages are not intended and shall not be construed as a penalty, such damages are difficult or impossible to determine, that otherwise obtaining an adequate remedy is inconvenient or impossible, and that the liquidated damages constitute a reasonable approximation of the harm or loss. IN THE EVENT CUSTOMER FAILS TO REPORT A DISPUTE WITHIN THIRTY (30) DAYS OF THE DISPUTED OCCURRENCE OR THE DATE OF THE DISPUTED BILLING STATEMENT, CUSTOMER WAIVES ANY AND ALL RIGHTS TO ASSERT THE DISPUTE AND ANY DISPUTED INVOICE SHALL BE DEEMED CORRECT FOR ALL PURPOSES. THIS THIRTY (30) DAY REQUIREMENT SHALL TAKE PRIORITY OVER ALL OTHER PROVISIONS OF THIS AGREEMENT.

11. MANDATORY ARBITRATION AND CLASS ACTION WAIVER AGREEMENT.

(a) Scope of the Arbitration Agreement. Any legal dispute between the parties concerning or arising out of your enrollment, purchase, these Terms of Service, or the relationship among the parties ("Dispute") shall be resolved by one arbitrator through binding arbitration using the process explained below. The parties understand and agree that they are waiving their rights to sue or go to court to assert or defend their rights. However, either party may bring an individual claim in small claims court consistent with the jurisdictional and dollar amount limitations that may apply, so long as maintained as an individual claim. The term "Dispute" refers to any dispute, action, claim, or other controversy between us, whether in contract, warranty, tort, statute, regulation, ordinance, or any other legal or equitable basis.

(b) Informal Dispute Resolution. Either party asserting a Dispute shall first try in good faith to resolve it by providing written notice as specified below to the other party describing the facts and circumstances (including any relevant documentation) and allowing the receiving party 30 days in which to respond. Notice shall be made by first class or registered mail (1) to Company at 12140 Wickchester Lane, Suite 100, Houston, TX 77079 or (2) to you at the postal address on file with us. Both you and Company agree

that this dispute resolution procedure is a condition precedent which must be satisfied before initiating any arbitration against the other party.

(c) **Right to Opt Out of this Arbitration Agreement. YOU MAY OPT OUT OF THIS ARBITRATION AGREEMENT WITHIN THE FIRST 30 DAYS AFTER THE EARLIEST OF THE FIRST TIME YOU (A) ENROLL AND BEGIN PURCHASING SERVICES FROM COMPANY; OR (B) SIGN UP FOR ANY FURTHER PROGRAM OR SERVICE PROVIDED BY COMPANY. YOU MAY ALSO OPT OUT OF THIS ARBITRATION AGREEMENT WITHIN 30 DAYS AFTER WE NOTIFY YOU REGARDING A MATERIAL CHANGE TO THIS ARBITRATION AGREEMENT.** You may opt out by sending an email through Company's website at sparkenergy.com or by sending a letter to 12140 Wickchester Lane, Suite 100, Houston, TX 77079. You should include your printed name, mailing address, and the words "Reject Arbitration."

(d) **How Arbitration Works.** Either party may initiate arbitration, which shall be conducted by the American Arbitration Association ("AAA"), under the AAA Commercial or Consumer rules, as applicable, in effect at the time the Claim is filed ("AAA Rules"). For information on how to file a claim, copies of the AAA Rules and forms can be located at www.adr.org, or by calling 1-800-778-7879. Arbitration shall take place in the county of your residence, as determined by your mailing address on file with us. We agree to pay or reimburse all costs associated with any arbitration between the parties, including filing fees and arbitrator fees, and agree to waive any right to recover an award of attorneys' fees and costs against you. The arbitrator's decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction.

(e) **Waiver of Right to Bring Class Action & Representative Claims.** All Disputes, whether resolved informally, in small claims court, or through arbitration, shall be brought on an individual basis. Disputes must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, or similar proceeding ("Class Action"). The parties expressly waive any ability to maintain any Class Action in any forum, and the arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any entity or person not a party to the arbitration. Any claim that all or part of this Class Action waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. **THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.**

(f) **Governing Law.** This Arbitration Agreement shall be governed by the Federal Arbitration Act and interpreting federal law. To the extent state law applies to any aspect of this provision or the Claim, the law of your residence, as determined by your mailing address on file with us, shall apply. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator's award; any such suit may be brought only in the federal court encompassing the county where the arbitration took place, or if any such court lacks jurisdiction, in any state court that has jurisdiction. The arbitrator, and not any federal, state or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability or formation of this Arbitration Agreement including any claim that all or any part of the Arbitration Agreement is void or voidable. However, the preceding sentence shall not apply to the clause above entitled "Waiver of Right to Bring Class Action & Representative Claims."

12. Force Majeure: If Company is rendered unable to perform, in whole or in part, by a Force Majeure event, its performance under this Agreement will be excused for the duration of such event. "Force Majeure" means any act or event that is beyond the reasonable control of Company that adversely affects, interrupts, or precludes its performance. In addition, acts of other parties, including without limitation, RTOs, aggregators, pipeline operators, other suppliers, qualified scheduling entities, LDUs, and the respective employees and agents of such parties, will also be deemed to be events of Force Majeure.

13. Miscellaneous.

(a) **Customer Protections for Residential Customers.** The services provided by Company to Customer are governed by the terms and conditions of this document and the New York Public Service Commission rules and regulations (Orders) including the Uniform Business Practices Act ("UBP") and other applicable requirements including the New York State Home Energy Fair Practices Act ("HEFPA" for residential customers.). In the event of non-payment of any charges owed to Company, you may be subject to termination of electricity service and the suspension of distribution service under procedures approved by the PSC. You may obtain additional information by contacting Company at 1-877-547-7275 or the PSC by the means provided at the bottom of these Terms of Service.

(b) Energy delivery shall continue to be provided by your LDU. Your electric service will be provided in accordance with your existing connection requirements unless you request a change by the LDU and pay for the cost of that change. You may not resell or use any electric power provided under this Agreement as an auxiliary or supplement to any other source of power. The supply of electric power under this Agreement will be measured at the delivery point by the LDU providing the delivery service in accordance with the terms of the applicable tariff for electric generation service. Company and you will be bound by the measurement from the meters owned, installed, maintained and read by the LDU.

(c) This Agreement will be governed by, interpreted, construed and enforced in accordance with the laws of the State of New York, without regard to principles of conflicts of laws.

(d) A wet, electronic, or faxed signature on an Electric Service Agreement, or a voice recorded verification of authorization, is an agreement to initiate service and begin enrollment with Company. These Terms of Service, along with your Welcome Letter or Electric Service Agreement, constitute the entire agreement between you and Company relating to the subject matter hereof and supersede any other agreements, written or oral, between you and Company concerning the subject matter of the Agreement.

(e) You may not assign this Agreement or your obligations under this Agreement without Company's prior written consent. Upon providing at least thirty (30) calendar days' notice to you and the LDU, Company may assign this Agreement, together with all rights and obligations hereunder, to (i) Company's electricity supplier, or such supplier's designee, (ii) an affiliate of Company or to any other person succeeding to all or substantially all of Company's assets, (iii) in connection with any financing or other financial arrangement, or (iv) to another Energy Services Company.

(f) Any failure by Company to enforce any term or condition of your electric generation service or otherwise exercise any right it may have under this Agreement will not be deemed a waiver of any rights to thereafter enforce any or all of the terms or conditions of your service or to exercise rights under this Agreement.

(g) Should any provision of this Agreement for any reason be declared invalid or unenforceable by final and applicable order by a court or any regulatory body having jurisdiction, such decisions shall not affect the validity of the remaining portions, and the remaining portions shall remain in effect as if this Agreement had been agreed to without the invalid portion. If any provision of this Agreement is declared invalid, the remainder of this Agreement will be construed so as to give effect to its original intent and effect as near as possible.

(h) The provisions of this Agreement concerning payment, limitation of liability, waivers, arbitration and waiver of class actions will survive the termination or expiration of this Agreement.

(i) The parties may execute the Agreement in counterparts, each of which is deemed an original and all of which constitute the same instrument.

14. Contact Information. In the event of an after-hours emergency, you can contact Company to hear a recorded message containing the emergency contact numbers for your LDU.

Energy Services Company:

Spark Energy, LLC
12140 Wickchester Lane, Suite 100
Houston, TX 77079
1-877-54 SPARK (77275)
www.sparkenergy.com
Hours of Operation: Monday through Friday (except holidays), 9:00 a.m. to 5:00 p.m. Eastern Standard Time

Local Distribution Utility &
Provider of Last Resort:

Orange & Rockland
390 W. Route 59
Spring Valley, NY 10977
www.oru.com

In the case of an outage, call:

1-800-434-4100

Rochester Gas & Electric Corporation

390 W. Route 59
Spring Valley, NY 10977
Self Service: 1-800-743-2110
www.rge.com

In the case of an outage, call:

1-800-743-1701

New York State Electric and Gas (NYSEG)

1-800-572-1111
P.O. Box 5224
Binghamton, NY 13902
www.nyseg.com

In the case of an outage, call:

1-800-572-1121

Consolidated Edison of New York (Con Ed)

Cooper Station
P.O. Box 138
New York, NY 10276-0138
1-800-752-6633
www.coned.com
1-800-752-6633

In the case of an outage, call:

National Grid (Niagara Mohawk)

Customer Service Center
300 Erie Boulevard West
Syracuse, NY 13202-4250
1-800-642-4272
www.nationalgridus.com
1-800-867-5222

In the case of an outage, call:

Central Hudson Gas & Electric Corporation (Cenhud)

245 South Ave.
Poughkeepsie, NY 12601
1-800-527-2714
www.cenhud.com
1-800-527-2714

In the case of an outage, call:

Public Service Commission:

New York State Public Service Commission
Office of Consumer Services
NYS Department of Public Service
3 Empire State Plaza
Albany, NY 12223
1-800-342-3377
www.dps.ny.gov

Competitive Energy Hotline:

1-888-697-7728

15. Written Notice. Written notice includes, but is not limited to, notice by electronic mail to a valid e-mail address provided by you. By entering into this Agreement, you authorize us to send written notices to you through electronic mail as permitted by rule and law. The decision to send written notices to you via electronic mail is at our sole discretion. If the e-mail address you provide to us at enrollment becomes invalid, you agree to timely provide us with an updated, valid e-mail address to which we will send written notices. You are solely responsible for providing us with a valid e-mail address.

**SPARK ENERGY, LLC
 MASS MARKET (RESIDENTIAL AND SMALL COMMERCIAL) CUSTOMER DISCLOSURE STATEMENT**

Price Plan	Renewably-Sourced, «Fixed-Rate Plan OR Variable-Rate Plan» «Renewable Content%» of the energy provided under this agreement shall be derived from renewable resources as specified in this agreement. See Section 1.
Rate	«Rate»¢ per «UoM» - «Name» «IF VARIABLE, THEN: The Renewably-Sourced, Variable Rate Plan is a month-to-month plan based on a variable rate methodology which shall reflect, for each month, the cost of electricity obtained from all sources (including energy, capacity, settlement, ancillaries), related transmission if applicable, and other market-related factors, plus all applicable taxes, fees, charges or other assessments, and Company's costs, expenses and margins. There is no limit to the variable generation rate, and it may be higher than that charged by the Utility. »
Monthly Administrative Fee	«Monthly Fee»
Term of Agreement	«12, 24, or 36» «Term Type» or «This Agreement will continue until terminated by either party»
Customer Rescind Process	Residential customers or customers solicited via door-to-door sales may rescind this Agreement by calling 1-877-547-7275 within three (3) business days of receipt of these Terms of Service without penalty.
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Early Termination Fee	For a fixed rate, there will be an Early Termination Fee (ETF) of «ETF» if you cancel prior to the end of your Term. The ETF shall be applied per meter for commercial customers not solicited via door-to-door sales. For all residential customers and customers solicited via door-to-door sales, the ETF will be no greater than \$100 if the remaining term is less than 12 months and \$200 if the remaining term is 12 months or more. There are no early termination fees on variable rate plans.
Late Payments	Late fees are calculated and billed by the Local Distribution Utility at a rate of 1.5% per month on overdue balances.
Agreement Renewal	«If you have a fixed term contract approaching the expiration date, you will receive a written notification 30 to 60 days prior to the expiration date. After the Initial Term, unless your affirmative consent is attained, this Agreement will automatically renew on a variable guaranteed savings rate until terminated by either party.» OR FOR A VARIABLE RENEWABLY SOURCED

	AGREEMENT «This Agreement will continue until terminated by either party.»
Guaranteed Savings	This Agreement offers no guaranteed savings and your rate may be higher than the utility rate.

New York State Public Service Commission
Your Rights as an Energy Services Company Consumer

ESCO Consumers Bill of Rights

Customers can purchase energy from an Energy Services Company (ESCO) or from a traditional utility. If you choose to purchase energy from an ESCO you are entitled to:

- A clear description of the services offered by the ESCO.
- Receive energy delivery and 24 hour emergency services from your utility company.
- Clear procedures for switching energy suppliers, including information about the enrollment process.
- Disclosure, in simple and clear language, of the terms and conditions of the agreement between you and the ESCO including:
 - price and all variable charges or fees;
 - length of the agreement;
 - terms for renewal of the agreement;
 - cancellation process and any early termination fees, which are limited by law; and
 - conditions, if any, under which the ESCO guarantees cost savings.
- Rescind an agreement with an ESCO within three days of receiving the agreement, if you are a residential customer.
- A description of how pre-payment agreements work, if offered.
- Notice from the ESCO, no less than thirty days prior to the contract renewal date, of the renewal terms and the options you have as a customer.
- A fair and timely complaint resolution process.
- Provision of any written documents (contracts, marketing materials, and this ESCO Consumers Bill of Rights) in the same language used to enroll you as a customer.

If you are a residential customer you are also entitled to the rights and protections of the Home Energy Fair Practices Act (HEFPA) which requires that all utility customers be treated fairly with regard to application for service, customer billing, and complaint procedures. For more information go to www.dps.ny.gov/resright.html.

ESCOs that do not assure these consumer rights could lose their eligibility to provide service in New York. For consumer complaints that cannot be resolved with the company, you may contact the New York Department of Public Service (DPS). DPS complaints may be directed as follows: Website: www.dps.ny.gov/complaints; Phone: DPS Helpline at 1-800-342-3377 (M-F 8:30a - 4:00p); or Mail: Office of Consumer Services, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223.

You can find more information about your energy alternatives by visiting: www.AskPSC.com
New York Residential and Small Commercial

Customer Disclosure Statement and Terms of Service

This is an agreement for electric service between Spark Energy, LLC ("Spark Energy", "Company" or "We") and you ("You" or "Customer"), for the service address or addresses set forth in your Welcome Letter or Electric Service Agreement. Together, this Customer Disclosure Statement (CDS), including the terms of service set forth herein, and your Welcome Letter or Electric Service Agreement (ESA) collectively describe your agreement with respect to your purchase of electric service from Company (Agreement). In the event of any conflict between the terms of the CDS and the terms of the Welcome Letter or Electric Service Agreement, the CDS terms will govern. You will be bound by all the provisions of the Agreement, as they may be amended from time to time. Company is approved by the New York State Public Service Commission to offer and supply electric services in New York. We will supply the energy and set the supply prices and charges that you pay. Your Local Distribution Utility will continue to deliver the electricity to you and respond to leaks and emergencies. The Public Service Commission regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

Definitions:

- Local Distribution Utility (LDU) – A gas or electric corporation owning, operating or managing electric or gas facilities for the purpose of distributing gas or electricity to end users.
- Generation Charge – Charge for production of electricity.
- Public Service Commission (PSC) – the New York State Public Service Commission.
- New York Independent System Operator (NYISO) – The independent entity that operates the bulk transmission system in New York.
- Transmission Charge – Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

Right of Rescission - Residential customers and customers solicited via door-to-door sales have the right to rescind this Agreement within three (3) business days after receipt of the Customer Disclosure Statement and Terms of Service.

Terms of Service

1. Basic Service Prices.

Your rate plan will be as specified in your CDS.

Renewably-Sourced, Fixed-Rate Plan: You will pay the fixed rate per kWh as specified in your CDS for the length of your Term. You may also pay a monthly administrative fee, the amount of which, if applicable, is disclosed in your CDS.

Renewably-Sourced, Variable-Rate Plan: You will pay the variable rate per kWh as specified in your CDS for the length of your Term. THE RENEWABLY-SOURCED, VARIABLE RATE PLAN IS A MONTH-TO-MONTH PLAN BASED ON A VARIABLE RATE METHODOLOGY WHICH SHALL REFLECT, FOR EACH MONTH, THE COST OF ELECTRICITY OBTAINED FROM ALL SOURCES (INCLUDING ENERGY, CAPACITY, SETTLEMENT, ANCILLARIES), RELATED TRANSMISSION IF APPLICABLE, AND OTHER MARKET-RELATED FACTORS, PLUS ALL APPLICABLE TAXES, FEES, CHARGES OR OTHER ASSESSMENTS, AND COMPANY'S COSTS, EXPENSES AND MARGINS. THERE IS NO LIMIT TO THE VARIABLE GENERATION RATE, AND IT MAY BE HIGHER THAN THAT CHARGED BY THE UTILITY. You may also pay a monthly administrative fee, the amount of which, if applicable, is disclosed in your CDS.

The minimum required renewable content of this plan will be at least 50% greater than the New York State Renewable Energy Standard for each year of the term. The renewable content of this plan will not exceed 100%. Company will satisfy the minimum requirements of this plan by purchasing Renewable Energy Credits ("RECs"), other qualifying renewable attributes, or making Alternative Compliance Payments ("ACPs") to match a specified percentage of your energy usage. Any RECs, renewable attributes, or electricity supporting the minimum renewable content of this plan will be sourced from renewable resources, including solar thermal, photovoltaics, on land and offshore wind, hydroelectric, geothermal electric, geothermal ground source heat, tidal energy, wave energy, ocean thermal, and fuel cells which do not utilize a fossil fuel resource in the process of generating electricity, or other qualifying renewable resources as may be recognized by a governmental authority having jurisdiction over this agreement or the services to be provided hereunder.

The rate you pay Company will include the Generation Charge and Transmission Charge and include the renewable content of your plan. Your price does not include applicable New York sales tax, use tax, local tax or gross receipt taxes imposed by New York State Tax Law. You are responsible for any and all taxes (whether passed through to you on LDU's bill as a separate line item or as part of the price of electricity, as required by law, rule or regulation) and LDU charges for delivery and distribution services. Except as otherwise provided in this Agreement or as 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. If you are a tax-exempt entity, you must provide Company with the necessary certificates and other documentation to qualify for such status.

2. Billing. Company's services are only a portion of your total monthly bill for the delivery of electricity. Your LDU will continue to issue a monthly bill and the bill will include both your Transmission Charge and your Generation Charge, and any other charges incurred in accordance with this Agreement. Your LDU may provide Company your customer billing and payment information as part of the billing process. Bills will continue to be based on actual or estimated meter readings. Unless otherwise provided herein,

your payment terms and late payment penalties will be governed by the terms of the LDU's tariff. Company does not pay or arrange for the payment of any outstanding debts owed by you to the LDU or a previous Energy Service Company ("ESCO").

3. Length of Agreement (Term) (No Guarantee of Switch Period). The Term of this Agreement is shown on your CDS. With the exception of a new meter installation or special meter reading date, you will buy your electric service for the service addresses set forth in your Welcome Letter or Electric Service Agreement from Company on the next regularly scheduled meter reading date available and will continue to do so for the entire Term. Customer acknowledges that Company cannot guarantee a switch of Customer's account by a specific date and hereby holds harmless Company from any liability for, or arising out of, delays in this process.

4. Penalties, Fees and Exceptions.

Mass Market (residential and small commercial) customers and customers solicited via Door-to-Door Sales as defined in the New York State Uniform Business Practices: If you cancel or terminate this Agreement prior to the end of the Term, you will pay an early termination fee of no more than \$100 if your agreement has a term of less than 12 months remaining and no more than \$200 if your agreement has a term of more than 12 months remaining, if applicable to your plan, unless such early termination fee is waived or otherwise modified in writing by Company. The amount of your early termination fee, if applicable, is disclosed in your CDS.

Commercial Customers not solicited via Door-to-Door Sales: You will pay an early termination fee, if applicable to your plan, if you cancel or terminate this Agreement prior to the end of the Term, unless such early termination fee is waived or otherwise modified in writing by Company. The amount of your early termination fee, if applicable to your plan, is disclosed in your CDS.

Notwithstanding the foregoing, you may cancel this Agreement without being assessed an early termination or cancellation fee if you move to another location outside of your LDU's service territory and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. You will be responsible for amounts due, up to the switch date, of all outstanding charges incurred prior to cancellation by you. Any early termination fee may automatically be applied to your credit card or bank account depending on the automatic payment arrangements made during enrollment.

If you default in the prompt payment of amounts due under this Agreement, you will be liable for any and all fees or charges, including reasonable attorney fees and court costs, incurred in connection with the collection of delinquent balances. Company may use the services of debt collection agencies, consumer reporting agencies, and other remedies as allowed by law to collect any unpaid balances on your account.

You will be assessed a fee of \$30.00 for payments returned for insufficient funds or credit card transaction not processed due to insufficient funds or credit availability by any method of payment including, but not limited to, bank or personal check, automatic payment plan account deduction or credit/debit card.

5. Cancellation Provisions. You may cancel this Agreement without any penalty any time before midnight of the third business day after the date of your enrollment. Upon cancellation of the Agreement, Company will provide a cancellation number. After such third business day, you may cancel this Agreement at any time by calling Company at 1-877-547-7275, but you will be required to pay the early termination fee described in Section 4 above if applicable. You may also cancel this Agreement without penalty if you move to another location outside of your LDU's service territory and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. If you request to cancel this Agreement, the cancellation will not take effect until the next actual meter read date following the date Company notifies your LDU. You will be responsible for all payments due hereunder until the cancellation of electric generation service is completed. If for any reason Company is no longer able to economically continue this Agreement, Company may terminate this Agreement at any time with at least fifteen (15) calendar days' notice to you after complying with applicable regulations. This Agreement may be cancelled at the sole discretion of Company if you fail to meet any of the terms and conditions of this Agreement or if any of the information you have provided to Company is or becomes untrue. Upon early termination of this Agreement by Company, your available remedies will be limited as provided in Sections 9, 10 and 11 of this Agreement. If this Agreement is canceled, expires, or is otherwise terminated, you will receive uninterrupted service from the LDU until you designate another provider of electric generation service or service is shut off by the LDU. Only the LDU may shut off your electric service.

6. Agreement Expiration/Renewal/Change in Terms. If you have a fixed term Agreement approaching the expiration date, or whenever we propose to change the terms of service, you will receive a written notification that precedes either the expiration date or the effective date of the proposed changes. These notifications will explain your options going forward. If you do not respond to a notice of expiration, your service with Company will automatically renew on a month-to-month basis at a variable guaranteed savings rate until (i) you provide affirmative consent for another offer from Company, (ii) you enroll with another ESCO, or (iii) either you or Company return your account to the Utility's default supply service. The initial term of a fixed term agreement will expire on the meter read date in the last month of the initial Term.

If your Agreement renews at the end of the Term, you may terminate the contract without penalty if you object within three (3) business days after receipt of the first billing statement with renewed terms. If there is a Change in Law or Regulation as defined in Section 7 that renders this product non-compliant with applicable rules and laws, Company reserves the right to cancel this Agreement in accordance with Section 5 or obtain your affirmative consent to amend this Agreement to ensure compliance.

7. Information Release and Authorization, Credit Review. By accepting the Agreement, you authorize Company to obtain information from the LDU through the Term including, but not limited to, account name, account number, billing address, service address, telephone number, standard offer service type, historical and future electric usage, rate classification, meter readings, characteristics of electric service, and billing and payment information. You (and your signatory, if signatory is noted as your spouse/civil union partner) agree to Company obtaining a credit report and investigating your (and, if applicable, signatory's) credit rating, credit history and Utility bill payment status and history. We are not obligated to accept, or continue performing, this Agreement if you do not meet our credit requirements. You further authorize Company to release that information to third parties who need to use or be aware of such information in connection with your electric service under the Agreement, as well as to Company's affiliates and business partners for marketing purposes. You further authorize Company, its affiliates, and its third party vendors, including marketing vendors, to communicate with you at the contact information included in your enrollment or contact information received at any time during the relationship of the parties, for future communications, including but not limited to communications through telephone call, voicemail, text message, pre-recorded message and electronic mail. By signing (including by voice or electronic affirmation or adoption) or otherwise accepting the Agreement and providing your phone number, you authorize Company to cause the transmission of text messages to the phone number you provide using an autodialer. Consent is not a condition of purchase. Message and data rates may apply. Text STOP to withdraw consent. Text HELP for help. These authorizations shall remain in effect as long as the Agreement (including any renewal) is in effect and for six years thereafter consistent with the statute of limitations for contractual disputes and may be used by Company in connection with any ongoing business or legal purpose with respect to its obligations under the Agreement, or to offer additional products or services to Customer during the Term or at any time in the six year period after the Agreement terminates, or as contained in any derivative work created by Company in association with its business as a retail energy provider. You may rescind these authorizations at any time by either calling Company at 1-877-547-7275 or providing written notice to Company at 12140 Wickchester Lane, Suite 100, Houston, TX 77079. Company reserves the right to reject your enrollment or terminate the Agreement if you fail to meet minimum or maximum threshold electric consumption levels as determined by Company.

8. Dispute Procedures. The services provided by Company to Customer are governed by the terms and conditions of this Agreement and HEFPA for residential customers. In the event of a billing dispute or a disagreement involving Company's service hereunder, the parties will use their best efforts to resolve the dispute. Customer should contact Company by telephone or in writing as provided above. For consumer complaints that cannot be resolved with Company, you may contact the New York Department of Public Service (DPS). DPS complaints may be directed as follows: Website: www.dps.ny.gov/complaints; Phone: DPS Helpline at 1-800-342-3377 (M-F 8:30a - 4:00p); or Mail: Office of Consumer Services, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223. Customer must pay the bill in full, except for the specific disputed amount, during the pendency of the dispute, and such payment shall be refunded if warranted by the decision of DPS.

9. Warranties. COMPANY 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.

10. Limitation of Liability. You 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. COMPANY WILL NOT 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. YOU HEREBY WAIVE ALL OTHER REMEDIES AT LAW OR IN EQUITY. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT. To the extent any damages required to be paid hereunder are liquidated, the parties acknowledge that the damages are not intended and shall not be construed as a penalty, such damages are difficult or impossible to determine, that otherwise obtaining an adequate remedy is inconvenient or impossible, and that the liquidated damages constitute a reasonable approximation of the harm or loss. IN THE EVENT CUSTOMER FAILS TO REPORT A DISPUTE WITHIN THIRTY (30) DAYS OF THE DISPUTED OCCURRENCE OR THE DATE OF THE DISPUTED BILLING STATEMENT, CUSTOMER WAIVES ANY AND ALL RIGHTS TO ASSERT THE DISPUTE AND ANY DISPUTED INVOICE SHALL BE DEEMED CORRECT FOR ALL PURPOSES. THIS THIRTY (30) DAY REQUIREMENT SHALL TAKE PRIORITY OVER ALL OTHER PROVISIONS OF THIS AGREEMENT.

11. MANDATORY ARBITRATION AND CLASS ACTION WAIVER AGREEMENT.

(a) **Scope of the Arbitration Agreement.** Any legal dispute between the parties concerning or arising out of your enrollment, purchase, these Terms of Service, or the relationship among the parties (“Dispute”) shall be resolved by one arbitrator through binding arbitration using the process explained below. The parties understand and agree that they are waiving their rights to sue or go to court to assert or defend their rights. However, either party may bring an individual claim in small claims court consistent with the jurisdictional and dollar amount limitations that may apply, so long as maintained as an individual claim. The term “Dispute” refers to any dispute, action, claim, or other controversy between us, whether in contract, warranty, tort, statute, regulation, ordinance, or any other legal or equitable basis.

(b) **Informal Dispute Resolution.** Either party asserting a Dispute shall first try in good faith to resolve it by providing written notice as specified below to the other party describing the facts and circumstances (including any relevant documentation) and allowing the receiving party 30 days in which to respond. Notice shall be made by first class or registered mail (1) to Company at 12140 Wickchester Lane, Suite 100, Houston, TX 77079 or (2) to you at the postal address on file with us. Both you and Company agree that this dispute resolution procedure is a condition precedent which must be satisfied before initiating any arbitration against the other party.

(c) **Right to Opt Out of this Arbitration Agreement.** **YOU MAY OPT OUT OF THIS ARBITRATION AGREEMENT WITHIN THE FIRST 30 DAYS AFTER THE EARLIEST OF THE FIRST TIME YOU (A) ENROLL AND BEGIN PURCHASING SERVICES FROM COMPANY; OR (B) SIGN UP FOR ANY FURTHER PROGRAM OR SERVICE PROVIDED BY COMPANY. YOU MAY ALSO OPT OUT OF THIS ARBITRATION AGREEMENT WITHIN 30 DAYS AFTER WE NOTIFY YOU REGARDING A MATERIAL CHANGE TO THIS ARBITRATION AGREEMENT.** You may opt out by sending an email through Company’s website at sparkenergy.com or by sending a letter to 12140 Wickchester Lane, Suite 100, Houston, TX 77079. You should include your printed name, mailing address, and the words “Reject Arbitration.”

(d) **How Arbitration Works.** Either party may initiate arbitration, which shall be conducted by the American Arbitration Association (“AAA”), under the AAA Commercial or Consumer rules, as applicable, in effect at the time the Claim is filed (“AAA Rules”). For information on how to file a claim, copies of the AAA Rules and forms can be located at www.adr.org, or by calling 1-800-778-7879. Arbitration shall take place in the county of your residence, as determined by your mailing address on file with us. We agree to pay or reimburse all costs associated with any arbitration between the parties, including filing fees and arbitrator fees, and agree to waive any right to recover an award of attorneys’ fees and costs against you. The arbitrator’s decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction.

(e) **Waiver of Right to Bring Class Action & Representative Claims.** All Disputes, whether resolved informally, in small claims court, or through arbitration, shall be brought on an individual basis. Disputes must be brought in the parties’ individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, or similar proceeding (“Class Action”). The parties expressly waive any ability to maintain any Class Action in any forum, and the arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any entity or person not a party to the arbitration. Any claim that all or part of this Class Action waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. **THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.**

(f) **Governing Law.** This Arbitration Agreement shall be governed by the Federal Arbitration Act and interpreting federal law. To the extent state law applies to any aspect of this provision or the Claim, the law of your residence, as determined by your mailing address on file with us, shall apply. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator’s award; any such suit may be brought only in the federal court encompassing the county where the arbitration took place, or if any such court lacks jurisdiction, in any state court that has jurisdiction. The arbitrator, and not any federal, state or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability or formation of this Arbitration Agreement including any claim that all or any part of the Arbitration Agreement is void or voidable. However, the preceding sentence shall not apply to the clause above entitled “Waiver of Right to Bring Class Action & Representative Claims.”

12. Force Majeure: If Company is rendered unable to perform, in whole or in part, by a Force Majeure event, its performance under this Agreement will be excused for the duration of such event. “Force Majeure” means any act or event that is beyond the reasonable control of Company that adversely affects, interrupts, or precludes its performance. In addition, acts of other parties, including without limitation, RTOs, aggregators, pipeline operators, other suppliers, qualified scheduling entities, LDUs, and the respective employees and agents of such parties, will also be deemed to be events of Force Majeure.

13. Miscellaneous.

(a) **Customer Protections for Residential Customers.** The services provided by Company to Customer are governed by the terms and conditions of this document and the New York Public Service Commission rules and regulations (Orders) including the Uniform Business Practices Act (“UBP”) and other applicable requirements including the New York State Home Energy Fair Practices Act (“HEFPA” for residential customers.). In the event of non-payment of any charges owed to Company, you may be

subject to termination of electricity service and the suspension of distribution service under procedures approved by the PSC. You may obtain additional information by contacting Company at 1-877-547-7275 or the PSC by the means provided at the bottom of these Terms of Service.

(b) Energy delivery shall continue to be provided by your LDU. Your electric service will be provided in accordance with your existing connection requirements unless you request a change by the LDU and pay for the cost of that change. You may not resell or use any electric power provided under this Agreement as an auxiliary or supplement to any other source of power. The supply of electric power under this Agreement will be measured at the delivery point by the LDU providing the delivery service in accordance with the terms of the applicable tariff for electric generation service. Company and you will be bound by the measurement from the meters owned, installed, maintained and read by the LDU.

(c) This Agreement will be governed by, interpreted, construed and enforced in accordance with the laws of the State of New York, without regard to principles of conflicts of laws.

(d) A wet, electronic, or faxed signature on an Electric Service Agreement, or a voice recorded verification of authorization, is an agreement to initiate service and begin enrollment with Company. These Terms of Service, along with your Welcome Letter or Electric Service Agreement, constitute the entire agreement between you and Company relating to the subject matter hereof and supersede any other agreements, written or oral, between you and Company concerning the subject matter of the Agreement.

(e) You may not assign this Agreement or your obligations under this Agreement without Company's prior written consent. Upon providing at least thirty (30) calendar days' notice to you and the LDU, Company may assign this Agreement, together with all rights and obligations hereunder, to (i) Company's electricity supplier, or such supplier's designee, (ii) an affiliate of Company or to any other person succeeding to all or substantially all of Company's assets, (iii) in connection with any financing or other financial arrangement, or (iv) to another Energy Services Company.

(f) Any failure by Company to enforce any term or condition of your electric generation service or otherwise exercise any right it may have under this Agreement will not be deemed a waiver of any rights to thereafter enforce any or all of the terms or conditions of your service or to exercise rights under this Agreement.

(g) Should any provision of this Agreement for any reason be declared invalid or unenforceable by final and applicable order by a court or any regulatory body having jurisdiction, such decisions shall not affect the validity of the remaining portions, and the remaining portions shall remain in effect as if this Agreement had been agreed to without the invalid portion. If any provision of this Agreement is declared invalid, the remainder of this Agreement will be construed so as to give effect to its original intent and effect as near as possible.

(h) The provisions of this Agreement concerning payment, limitation of liability, waivers, arbitration and waiver of class actions will survive the termination or expiration of this Agreement.

(i) The parties may execute the Agreement in counterparts, each of which is deemed an original and all of which constitute the same instrument.

14. Contact Information. In the event of an after-hours emergency, you can contact Company to hear a recorded message containing the emergency contact numbers for your LDU.

Energy Services Company:

Spark Energy
12140 Wickchester Lane, Suite 100
Houston, TX 77079
1-877-54 SPARK (77275)
www.sparkenergy.com
Hours of Operation: Monday through Friday (except holidays), 9:00 a.m. to 5:00 p.m. Eastern Standard Time

Local Distribution Utility &
Provider of Last Resort:

Orange & Rockland
390 W. Route 59
Spring Valley, NY 10977
www.oru.com
1-800-434-4100

In the case of an outage, call:

Rochester Gas & Electric Corporation
390 W. Route 59
Spring Valley, NY 10977
Self Service: 1-800-743-2110

In the case of an outage, call: www.rge.com
1-800-743-1701

New York State Electric and Gas (NYSEG)
1-800-572-1111
P.O. Box 5224
Binghamton, NY 13902
www.nyseg.com
In the case of an outage, call: **1-800-572-1121**

Consolidated Edison of New York (Con Ed)
Cooper Station
P.O. Box 138
New York, NY 10276-0138
1-800-752-6633
www.coned.com
In the case of an outage, call: **1-800-752-6633**

National Grid (Niagara Mohawk)
Customer Service Center
300 Erie Boulevard West
Syracuse, NY 13202-4250
1-800-642-4272
www.nationalgridus.com
In the case of an outage, call: **1-800-867-5222**

Central Hudson Gas & Electric Corporation (Cenhud)
245 South Ave.
Poughkeepsie, NY 12601
1-800-527-2714
www.cenhud.com
In the case of an outage, call: **1-800-527-2714**

Public Service Commission: New York State Public Service Commission
Office of Consumer Services
NYS Department of Public Service
3 Empire State Plaza
Albany, NY 12223
1-800-342-3377
www.dps.ny.gov

Competitive Energy Hotline: 1-888-697-7728

15. Written Notice. Written notice includes, but is not limited to, notice by electronic mail to a valid e-mail address provided by you. By entering into this Agreement, you authorize us to send written notices to you through electronic mail as permitted by rule and law. The decision to send written notices to you via electronic mail is at our sole discretion. If the e-mail address you provide to us at enrollment becomes invalid, you agree to timely provide us with an updated, valid e-mail address to which we will send written notices. You are solely responsible for providing us with a valid e-mail address.



**SPARK ENERGY, LLC
RESIDENTIAL AND SMALL COMMERCIAL CUSTOMER DISCLOSURE STATEMENT**

	New York Electric Guaranteed Savings Plan
Price Plan	This is a month-to-month variable plan with guaranteed savings. You will save 1% versus the price you would pay if you were a full-service customer of the Local Distribution Utility for the same period.
Rate	<p>The Guaranteed Savings Plan monthly variable rate is based on a variable rate methodology which shall reflect, for each month, the cost of electricity obtained from all sources (including energy, capacity, settlement, ancillaries), related transmission if applicable, renewable energy costs, and other market-related factors, plus all applicable taxes, fees, charges or other assessments, and Company's costs, expenses and margins. Your total monthly electricity costs under Company's pricing structure may be greater than or less than the costs that you would have incurred if you had continued to purchase electricity from the LDU or another ESCO.</p> <p>Variable products guarantee savings in relation to what you would have paid as a full-service customer of the Local Distribution Utility on an annual basis, or with greater frequency, and provide a charge, credit, or refund if, necessary.</p>
Term of Agreement	Continues until cancelled by either party.
Customer Rescind Process	Residential customers or customers solicited via door-to-door sales may rescind this Agreement by calling 1-877-547-7275 within three (3) business days of receipt of these Terms of Service without penalty.
Termination Procedures	You may cancel this Agreement at any other time by calling Spark Energy. You will be responsible for all payments due hereunder until the cancellation of electric generation service is completed. Spark Energy may terminate this Agreement at any time with at least fifteen (15) calendar days' notice to you after complying with applicable regulations.
Early Termination Fee	This Agreement does not include an early termination fee.
Late Payments	Late fees are calculated and billed by the Local Distribution Utility at a rate of 1.5% per month on overdue balances.
Agreement Renewal	This Agreement will automatically continue on a month-to-month basis at a variable rate until terminated by either party.
Guaranteed Savings	You will save 1% versus the price you would pay if you were a full-service customer of the utility for the same period. See Section 1 for details.

New York State Public Service Commission

Your Rights as an Energy Services Company Consumer

ESCO Consumers Bill of Rights

Customers can purchase energy from an Energy Services Company (ESCO) or from a traditional utility. If you choose to purchase energy from an ESCO you are entitled to:

- A clear description of the services offered by the ESCO.
- Receive energy delivery and 24 hour emergency services from your utility company.
- Clear procedures for switching energy suppliers, including information about the enrollment process.
- Disclosure, in simple and clear language, of the terms and conditions of the agreement between you and the ESCO including:
 - price and all variable charges or fees;
 - length of the agreement;
 - terms for renewal of the agreement;
 - cancellation process and any early termination fees, which are limited by law; and
 - conditions, if any, under which the ESCO guarantees cost savings.
- Rescind an agreement with an ESCO within three days of receiving the agreement, if you are a residential customer.
- A description of how pre-payment agreements work, if offered.
- Notice from the ESCO, no less than thirty days prior to the contract renewal date, of the renewal terms and the options you have as a customer.
- A fair and timely complaint resolution process.
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You can find more information about your energy alternatives by visiting: www.AskPSC.com

New York Residential and Small Commercial Customer Disclosure Statement and Terms of Service

This is an agreement for electric service between Spark Energy, LLC ("Spark Energy", "Company" or "We") and you ("you" or "Customer"), for the service address or addresses set forth in your Welcome Letter or Electric Service Agreement ("ESA"). Together, this Customer Disclosure Statement (CDS), including the terms of service set forth herein, and your Welcome Letter or ESA collectively describe your agreement with respect to your purchase of electric service from Company (Agreement). In the event of any conflict between the terms of the CDS and the terms of the Welcome Letter or Electric Service Agreement, the CDS terms will govern. You will be bound by all the provisions of the Agreement, as they may be amended from time to time. Company is approved by the New York State Public Service Commission to offer and supply electric services in New York. We will supply the energy and set the supply prices and charges that you pay. Your Local Distribution Utility will continue to deliver the electricity to you and respond to leaks and emergencies. The Public Service Commission regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

Definitions:

- Local Distribution Utility (LDU) – A gas or electric corporation owning, operating or managing electric or gas facilities for the purpose of distributing gas or electricity to end users.
- Generation Charge – Charge for production of electricity.
- Public Service Commission (PSC) – the New York State Public Service Commission.
- New York Independent System Operator (NYISO) – The independent entity that operates the bulk transmission system in New York.
- Transmission Charge – Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

Right of Rescission - Residential customers and customers solicited via door-to-door sales have the right to rescind this Agreement within three (3) business days after receipt of the Customer Disclosure Statement and Terms of Service.

All customers have ten (10) business days after enrollment to cancel this Agreement without penalty.

Terms of Service

1. Basic Service Prices.

Your rate plan will be as specified in your CDS.

Guaranteed Savings Plan: You will pay the variable rate per kWh as specified in your CDS for the length of your Term. This Agreement guarantees that you will save 1% versus the price you would pay if you were a full-service customer of the LDU beginning from the meter read date after you enroll in this plan.

The Guaranteed Savings Plan monthly variable rate is based on a variable rate methodology which shall reflect, for each month, the cost of electricity obtained from all sources (including energy, capacity, settlement, ancillaries), related transmission if applicable, renewable energy costs, and other market-related factors, plus all applicable taxes, fees, charges or other assessments, and Company's costs, expenses, and margins. Your total monthly electricity costs under Company's pricing structure may be greater than or less than the costs that you would have incurred if you had continued to purchase electricity from the LDU or another ESCO.

If the amount you pay Company for your electricity supply under the Guaranteed Savings Plan is greater than 99% of what you would have paid for electricity supply with the LDU, then Company will pay/credit you the amount within sixty (60) days of the end of the three-month period following the meter read date upon which your service commenced and each subsequent three month period ("True Up"). If the Company owes you \$10 or less at the end of any True Up period, then Company will apply the True Up amount to the calculation for the subsequent True Up period. Company reserves the right to invoice you separately from the LDU billing process or adjust the LDU bill if Company pricing during the True Up period resulted in savings in excess of 1%. A True Up will also be calculated upon termination of this Agreement for any reason. The True Up calculation is based on electricity supply costs only and does not include costs for distribution, transmission, transportation, taxes, billing fees, capacity, ancillary services charges, LDU fees, PSC charges, or NYISO charges.

The True Up calculation compares the charges and credits associated with your selection of Company's Guaranteed Savings Plan to the LDU's published supply rates which are made up of all rate components, including but not limited to: Electricity Supply Reconciliation Mechanism, Gas Cost Factor, Government Surcharges, Gross Receipts Tax Rate, Merchant Function Charge, MFC Net Loss Revenue, MFC Supply Charge, MFC Surcharge and MSC Adjustment Factors, bill credits, and taxes on supply for the same three-month or shorter period that you are enrolled in the Guaranteed Savings Plan. Due to variations in meter read schedules and billing cycles, some True Up calculation periods may exceed three (3) months. You are responsible for all LDU charges for recovery of renewable energy costs, such as the purchase of renewable energy credits (RECs) and zero-emissions credits (ZECs) from NYSEERDA. The evaluation and notification of savings will typically be completed within sixty (60) days following the third consecutive month on the plan and for each subsequent three-month period. If service is discontinued in the middle of a True Up period, the evaluation and notification of savings will follow the same schedule as if you remained a customer.

The rate you pay Company will include the Generation Charge and Transmission Charge. You are responsible for any and all taxes (whether passed through to you on LDU's bill as a separate line item or as part of the price of electricity, as required by law, rule or regulation) and LDU charges for delivery and distribution services. Except as otherwise provided in this Agreement or as 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. If you are a tax-exempt entity, you must provide Company with the necessary certificates and other documentation to qualify for such status.

2. Billing. Company's services are only a portion of your total monthly bill for the delivery of electricity. Your LDU will continue to issue a monthly bill and the bill will include both your Transmission Charge and your Generation Charge, and any other charges incurred in accordance with this Agreement. Your LDU may provide Company your customer billing and payment information as part of the billing process. Bills will continue to be based on actual or estimated meter readings. Unless otherwise provided herein, your payment terms and late payment penalties will be governed by the terms of the LDU's tariff. Company does not pay or arrange for the payment of any outstanding debts owed by you to the LDU or a previous Energy Service Company ("ESCO"). Company reserves the right to invoice you separately from the LDU billing process or adjust the LDU bill if Company pricing during the True Up period resulted in savings in excess of 1%.

3. Length of Agreement (Term) (No Guarantee of Switch Period). The Term of this Agreement is shown on your CDS. With the exception of a new meter installation or special meter reading date, you will buy your electric service for the service addresses set forth in your Welcome Letter or Electric Service Agreement from Company on the next regularly scheduled meter reading date available and will continue to do so for the entire Term. The estimated start date of the Agreement is approximately forty-five (45) days following the date of your enrollment with Company. Customer acknowledges that Company cannot guarantee a switch of Customer's account by a specific date and hereby holds harmless Company from any liability for, or arising out of, delays in this process.

4. Penalties, Fees and Exceptions.

This Agreement does not include an early termination fee.

Notwithstanding the foregoing, you may cancel this Agreement if you move to another location outside of your LDU's service territory and provide a forwarding address and, if required, reasonable evidence that you no longer occupy the service address. You will be responsible for amounts due, up to the switch date, of all outstanding charges incurred prior to cancellation by you.

If you default in the prompt payment of amounts due under this Agreement, you will be liable for any and all fees or charges, including reasonable attorney fees and court costs, incurred in connection with the collection of delinquent balances. Company may use the services of debt collection agencies, consumer reporting agencies, and other remedies as allowed by law to collect any unpaid balances on your account.

You will be assessed a fee of \$30.00 for payments returned for insufficient funds or credit card transaction not processed due to insufficient funds or credit availability by any method of payment including, but not limited to, bank or personal check, automatic payment plan account deduction or credit/debit card.

5. Cancellation Provisions. You may cancel this Agreement at any time without paying an early termination fee by calling Company at 1-877-547-7275. Upon cancellation of the Agreement, Company will provide a cancellation number. If you request to cancel this Agreement, the cancellation will not take effect until the next actual meter read date following the date Company notifies your LDU. You will be responsible for all payments due hereunder until the cancellation of electric generation service is completed. If for any reason Company is no longer able to economically continue this Agreement, Company may terminate this Agreement at any time with at least fifteen (15) calendar days' notice to you after complying with applicable regulations. This Agreement may be cancelled at the sole discretion of Company if you fail to meet any of the terms and conditions of this Agreement or if any of the information you have provided to Company is or becomes untrue. Upon early termination of this Agreement by Company, your available remedies will be limited as provided in Sections 9, 10, and 11 of this Agreement. If this Agreement is canceled, expires, or is otherwise terminated, you will receive uninterrupted service from the LDU until you designate another provider of electric generation service or service is shut off by the LDU. Only the LDU may shut off your electric service.

6. Agreement Expiration/Renewal/Change in Terms. Your agreement will continue on a guaranteed savings plan until (i) you select another offer from Company, (ii) you enroll with another ESCO, or (iii) either you or Company return your account to the Utility's default supply service. If there is a change in law or regulation that renders this product non-compliant with applicable rules and laws, Company reserves the right to cancel this Agreement in accordance with Section 5 or obtain your affirmative consent to amend this Agreement with 30 days' notice to ensure compliance.

7. Information Release and Authorization, Credit Review. By accepting the Agreement, you authorize Company to obtain information from the LDU through the Term including, but not limited to, account name, account number, billing address, service address, telephone number, standard offer service type, historical and future electric usage, rate classification, meter readings, characteristics of electric service, and billing and payment information. You (and your signatory, if signatory is noted as your spouse/civil union partner) agree to Company obtaining a credit report and investigating your (and, if applicable, signatory's) credit

rating, credit history and Utility bill payment status and history. We are not obligated to accept, or continue performing, this Agreement if you do not meet our credit requirements. You further authorize Company to release that information to third parties who need to use or be aware of such information in connection with your electric service under the Agreement, as well as to Company's affiliates and business partners for marketing purposes. You further authorize Company, its affiliates, and its third party vendors, including marketing vendors, to communicate with you at the contact information included in your enrollment or contact information received at any time during the relationship of the parties, for future communications, including but not limited to communications through telephone call, voicemail, text message, pre-recorded message and electronic mail. By signing (including by voice or electronic affirmation or adoption) or otherwise accepting the Agreement and providing your phone number, you authorize Company to cause the transmission of voice mails, phone calls, and text messages to the phone number you provide using an autodialer. Consent is not a condition of purchase. Message and data rates may apply. Text STOP to withdraw consent from text messages. Text HELP for help with text messages. These authorizations shall remain in effect as long as the Agreement (including any renewal) is in effect and for six years thereafter consistent with the statute of limitations for contractual disputes and may be used by Company in connection with any ongoing business or legal purpose with respect to its obligations under the Agreement, or to offer additional products or services to Customer during the Term or at any time in the six year period after the Agreement terminates, or as contained in any derivative work created by Company in association with its business as a retail energy provider. You may rescind these authorizations at any time by either calling Company at 1-877-547-7275 or providing written notice to Company at 12140 Wickchester Lane, Suite 100, Houston, TX 77079. Company reserves the right to reject your enrollment or terminate the Agreement if you fail to meet minimum or maximum threshold electric consumption levels as determined by Company.

8. Dispute Procedures. The services provided by Company to Customer are governed by the terms and conditions of this Agreement and HEFPA for residential customers. In the event of a billing dispute or a disagreement involving Company's service hereunder, the parties will use their best efforts to resolve the dispute. Customer should contact Company by telephone or in writing as provided above. For consumer complaints that cannot be resolved with Company, you may contact the New York Department of Public Service (DPS). DPS complaints may be directed as follows: Website: www.dps.ny.gov/complaints; Phone: DPS Helpline at 1-800-342-3377 (M-F 8:30a - 4:00p); or Mail: Office of Consumer Services, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223. Customer must pay the bill in full, except for the specific disputed amount, during the pendency of the dispute, and such payment shall be refunded if warranted by the decision of DPS.

9. Warranties. COMPANY 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.

10. Limitation of Liability. You 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. COMPANY WILL NOT 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. YOU HEREBY WAIVE ALL OTHER REMEDIES AT LAW OR IN EQUITY. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT. To the extent any damages required to be paid hereunder are liquidated, the parties acknowledge that the damages are not intended and shall not be construed as a penalty, such damages are difficult or impossible to determine, that otherwise obtaining an adequate remedy is inconvenient or impossible, and that the liquidated damages constitute a reasonable approximation of the harm or loss. IN THE EVENT CUSTOMER FAILS TO REPORT A DISPUTE WITHIN THIRTY (30) DAYS OF THE DISPUTED OCCURRENCE OR THE DATE OF THE DISPUTED BILLING STATEMENT, CUSTOMER WAIVES ANY AND ALL RIGHTS TO ASSERT THE DISPUTE AND ANY DISPUTED INVOICE SHALL BE DEEMED CORRECT FOR ALL PURPOSES. THIS THIRTY (30) DAY REQUIREMENT SHALL TAKE PRIORITY OVER ALL OTHER PROVISIONS OF THIS AGREEMENT.

11. MANDATORY ARBITRATION AND CLASS ACTION WAIVER AGREEMENT.

(a) Scope of the Arbitration Agreement. Any legal dispute between the parties concerning or arising out of your enrollment, purchase, these Terms of Service, or the relationship among the parties ("Dispute") shall be resolved by one arbitrator through binding arbitration using the process explained below. The parties understand and agree that they are waiving their rights to sue or go to court to assert or defend their rights. However, either party may bring an individual claim in small claims court consistent with the jurisdictional and dollar amount limitations that may apply, so long as maintained as an individual claim. The term "Dispute" refers to any dispute, action, claim, or other controversy between us, whether in contract, warranty, tort, statute, regulation, ordinance, or any other legal or equitable basis.

(b) **Informal Dispute Resolution.** Either party asserting a Dispute shall first try in good faith to resolve it by providing written notice as specified below to the other party describing the facts and circumstances (including any relevant documentation) and allowing the receiving party 30 days in which to respond. Notice shall be made by first class or registered mail (1) to Company at 12140 Wickchester Lane, Suite 100, Houston, TX 77079 or (2) to you at the postal address on file with us. Both you and Company agree that this dispute resolution procedure is a condition precedent which must be satisfied before initiating any arbitration against the other party.

(c) **Right to Opt Out of this Arbitration Agreement.** **YOU MAY OPT OUT OF THIS ARBITRATION AGREEMENT WITHIN THE FIRST 30 DAYS AFTER THE EARLIEST OF THE FIRST TIME YOU (A) ENROLL AND BEGIN PURCHASING SERVICES FROM COMPANY; OR (B) SIGN UP FOR ANY FURTHER PROGRAM OR SERVICE PROVIDED BY COMPANY. YOU MAY ALSO OPT OUT OF THIS ARBITRATION AGREEMENT WITHIN 30 DAYS AFTER WE NOTIFY YOU REGARDING A MATERIAL CHANGE TO THIS ARBITRATION AGREEMENT.** You may opt out by sending an email through Company's website at sparkenergy.com or by sending a letter to 12140 Wickchester Lane, Suite 100, Houston, TX 77079. You should include your printed name, mailing address, and the words "Reject Arbitration."

(d) **How Arbitration Works.** Either party may initiate arbitration, which shall be conducted by the American Arbitration Association ("AAA"), under the AAA Commercial or Consumer rules, as applicable, in effect at the time the Claim is filed ("AAA Rules"). For information on how to file a claim, copies of the AAA Rules and forms can be located at www.adr.org, or by calling 1-800-778-7879. Arbitration shall take place in the county of your residence, as determined by your mailing address on file with us. We agree to pay or reimburse all costs associated with any arbitration between the parties, including filing fees and arbitrator fees, and agree to waive any right to recover an award of attorneys' fees and costs against you. The arbitrator's decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction.

(e) **Waiver of Right to Bring Class Action & Representative Claims.** All Disputes, whether resolved informally, in small claims court, or through arbitration, shall be brought on an individual basis. Disputes must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, or similar proceeding ("Class Action"). The parties expressly waive any ability to maintain any Class Action in any forum, and the arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any entity or person not a party to the arbitration. Any claim that all or part of this Class Action waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. **THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.**

(f) **Governing Law.** This Arbitration Agreement shall be governed by the Federal Arbitration Act and interpreting federal law. To the extent state law applies to any aspect of this provision or the Claim, the law of your residence, as determined by your mailing address on file with us, shall apply. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator's award; any such suit may be brought only in the federal court encompassing the county where the arbitration took place, or if any such court lacks jurisdiction, in any state court that has jurisdiction. The arbitrator, and not any federal, state or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability or formation of this Arbitration Agreement including any claim that all or any part of the Arbitration Agreement is void or voidable. However, the preceding sentence shall not apply to the clause above entitled "Waiver of Right to Bring Class Action & Representative Claims."

12. Force Majeure: If Company is rendered unable to perform, in whole or in part, by a Force Majeure event, its performance under this Agreement will be excused for the duration of such event. "Force Majeure" means any act or event that is beyond the reasonable control of Company that adversely affects, interrupts, or precludes its performance. In addition, acts of other parties, including without limitation, RTOs, aggregators, pipeline operators, other suppliers, qualified scheduling entities, LDUs, and the respective employees and agents of such parties, will also be deemed to be events of Force Majeure.

13. Miscellaneous.

(a) **Customer Protections for Residential Customers.** The services provided by Company are governed by the terms and conditions of this document and the Home Energy Fair Practices Act ("HEFPA"). In the event of non-payment of any charges owed to Company, you may be subject to termination of electricity service and the suspension of distribution service under procedures approved by the Public Service Commission. You may obtain additional information by contacting Company at 1-877-547-7275 or the PSC by the means provided at the bottom of these Terms of Service.

(b) Energy delivery shall continue to be provided by your LDU. Your electric service will be provided in accordance with your existing connection requirements unless you request a change by the LDU and pay for the cost of that change. You may not resell or use any electric power provided under this Agreement as an auxiliary or supplement to any other source of power. The supply of electric power under this Agreement will be measured at the delivery point by the LDU providing the delivery service in accordance with the terms of the applicable tariff for electric generation service. Company and you will be bound by the measurement from the meters owned, installed, maintained and read by the LDU.

- (c) This Agreement will be governed by, interpreted, construed and enforced in accordance with the laws of the State of New York, without regard to principles of conflicts of laws.
- (d) A wet, electronic, or faxed signature on an Electric Service Agreement, or a voice recorded verification of authorization, is an agreement to initiate service and begin enrollment with Company. These Terms of Service, along with your Welcome Letter or Electric Service Agreement, constitute the entire agreement between you and Company relating to the subject matter hereof and supersede any other agreements, written or oral, between you and Company concerning the subject matter of the Agreement.
- (e) You may not assign this Agreement or your obligations under this Agreement without Company's prior written consent. Upon providing at least thirty (30) calendar days' notice to you and the LDU, Company may assign this Agreement, together with all rights and obligations hereunder, to (i) Company's electricity supplier, or such supplier's designee, (ii) an affiliate of Company or to any other person succeeding to all or substantially all of Company's assets, (iii) in connection with any financing or other financial arrangement, or (iv) to another Energy Services Company.
- (f) Any failure by Company to enforce any term or condition of your electric generation service or otherwise exercise any right it may have under this Agreement will not be deemed a waiver of any rights to thereafter enforce any or all of the terms or conditions of your service or to exercise rights under this Agreement.
- (g) Should any provision of this Agreement for any reason be declared invalid or unenforceable by final and applicable order by a court or any regulatory body having jurisdiction, such decisions shall not affect the validity of the remaining portions, and the remaining portions shall remain in effect as if this Agreement had been agreed to without the invalid portion. If any provision of this Agreement is declared invalid, the remainder of this Agreement will be construed so as to give effect to its original intent and effect as near as possible.
- (h) The provisions of this Agreement concerning payment, limitation of liability, waivers, arbitration and waiver of class actions will survive the termination or expiration of this Agreement.
- (i) The parties may execute the Agreement in counterparts, each of which is deemed an original and all of which constitute the same instrument.

14. Contact Information. Information regarding Company's generation energy sources, energy efficiency, environmental impacts, or historical billing data is available upon request. Residential customers and commercial customers are entitled to receive at no charge and at least once a year, historical billing data from whomever reads their meter for billing purposes. In the event of an after-hours emergency, you can contact Company to hear a recorded message containing the emergency contact numbers for your LDU.

Energy Services Company:

Spark Energy, LLC
12140 Wickchester Lane, Suite 100
Houston, TX 77079
1-877-54 SPARK (1-877-547-7275)
www.sparkenergy.com
Hours of Operation: Monday through Friday (except holidays), 9:00 a.m. to 5:00 p.m. Eastern Standard Time

Local Distribution Utility &
Provider of Last Resort:

Orange & Rockland
390 W. Route 59
Spring Valley, NY 10977
www.oru.com
1-800-434-4100

In the case of an outage, call:

Rochester Gas & Electric Corporation
390 W. Route 59
Spring Valley, NY 10977
Self Service: 1-800-743-2110
www.rge.com
1-800-743-1701

In the case of an outage, call:

New York State Electric and Gas (NYSEG)
1-800-572-1111
P.O. Box 5224
Binghamton, NY 13902

In the case of an outage, call: www.nyseg.com
1-800-572-1121

Consolidated Edison of New York (Con Ed)
Cooper Station
P.O. Box 138
New York, NY 10276-0138
1-800-752-6633
www.coned.com
In the case of an outage, call: **1-800-752-6633**

National Grid (Niagara Mohawk)
Customer Service Center
300 Erie Boulevard West
Syracuse, NY 13202-4250
1-800-642-4272
www.nationalgridus.com
In the case of an outage, call: **1-800-867-5222**

Central Hudson Gas & Electric Corporation (Cenhud)
245 South Ave.
Poughkeepsie, NY 12601
1-800-527-2714
www.cenhud.com
In the case of an outage, call: **1-800-527-2714**

Public Service Commission: New York State Public Service Commission
Office of Consumer Services
NYS Department of Public Service
3 Empire State Plaza
Albany, NY 12223
1-800-342-3377
www.dps.ny.gov

Competitive Energy Hotline: 1-888-697-7728

15. Written Notice. Written notice includes, but is not limited to, notice by electronic mail to a valid e-mail address provided by you. By entering into this Agreement, you authorize us to send written notices to you through electronic mail as permitted by rule and law. The decision to send written notices to you via electronic mail is at our sole discretion. If the e-mail address you provide to us at enrollment becomes invalid, you agree to timely provide us with an updated, valid e-mail address to which we will send written notices. You are solely responsible for providing us with a valid e-mail address.

Attachment 2

Billing Format



12140 Wickchester In, Ste 100
Houston, TX 77079

Account Number:

Statement Date:

Due Date:

01/14/2021

02/04/2021

Service For:



Invoice #

Utility Account Number:

Account Summary:

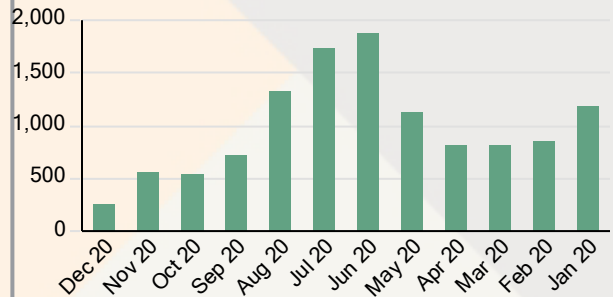
Previous Amount Due	\$125.76
Payments Received	\$0.00
Late Payment Penalty	\$0.00
Current Charges	\$20.15

Amount Due \$145.91

Questions about your bill?

Phone: **1-877-54-SPARK** (877-547-7275)
M-F 8AM-7PM and Sat 9AM-12PM Central Time
customercare@sparkenergy.com
www.sparkenergy.com
NYS PSC License # DOS-1025

Monthly Usage History



Plan Information

Plan Name: Residential Evergreen No MSF
Expiration Date: 01/21/2021
Promo Code: NYSEGR8

Important Messages

Please return this portion with your payment. Make checks payable to Spark Energy, LLC. Allow 2-3 business days for payment processing. Thank you.

Account Number:

Due Date:

Amount Due:

Amount Enclosed:



02/04/2021

\$145.91

\$ _____

To make an automated payment
call: 1-877-54-SPARK (877-547-7275)



Spark Energy, LLC
P.O. Box 3015
Houston, TX 77253



12140 Wickchester Ln, Ste 100
Houston, TX 77079

Account Number:

Statement Date:

Due Date:

01/14/2021

02/04/2021

Definition of terms:

- [REDACTED] charge: A charge assessed to recover a Transmission and Distribution Utility's (TDU) charges for Advanced Metering Systems that are not recovered in the TDU's [REDACTED] metering charge.
- Competition transition charge: A charge assessed to help your TDU recover some of the costs that occurred because of deregulation.
- Demand charge: A fee your TDU charges if your energy usage is unusually high.
- Energy charge: A charge based on the amount of electricity (kWh) consumed times the rate.
- Energy efficiency cost recovery factor: A charge assessed to recover a TDU's costs for energy efficiency
- Estimated Usage Charges (E): The estimated amount of kWh that the invoiced service period is based on.
- Gross Receipts Reimb.: A fee assessed to recover the miscellaneous gross receipts tax imposed on retail electric providers operating in an incorporated city or town having a population of more than 1,000.
- Kilowatt-hour (kWh): A kilowatt-hour (kWh) is a unit of measurement for electricity usage over a period of time. One kWh is equal to using 1000 watts of power for one hour.
- Late payment charge: Fees assessed if your payment is not received in full by the due date on your bill.
- Meter charge: A charge assessed to recover a TDU's charges for monitoring and recording your electricity usage.
- Monthly Fee: A charge assessed during each billing cycle that's not based on your demand or energy consumption.
- PUC Assessment: A fee imposed by the Public Utility Commission.
- Sales tax: A tax that is on goods and services in the state of Texas.
- TDU Surcharges: Charges from your transmission and distribution utility (TDU) to cover the expenses they incur by running and maintaining the electrical grid to distribute power to your home.

Ways to Pay

- Online: Pay with credit card or ACH online at <http://www.sparkenergy.com>. Also, sign up to authorize automatic payments each month.
- Mail: Send your payment along with this payment stub in the envelope provided.
- Phone: Pay with credit card or ACH by calling 1-877-54(SPARK) for automated phone or with a customer service representative.
- Pay Centers: You can pay with cash. Go to Wal-Mart or find the nearest pay center to you on <http://www.sparkenergy.com> or call customer service at 1-877-54(SPARK).



12140 Wickchester In, Ste 100
Houston, TX 77079

Account Number:

Statement Date:

Due Date:

01/14/2021

02/04/2021

Usage Detail

	Billing Period	No. Days In Period	Previous Meter Read	Current Meter Read	Usage (kWh)	Multiplier	Demand
	12/17/2020 - 12/23/2020	6	53873.00	53985.00	112.0000	1.00	0

For emergencies or power outages please contact your local distribution company:

NEW YORK STATE ELECTRIC AND GAS (NYSEG)

P.O. BOX 5224

BINGHAMTON, NY 13902

1-800-572-1121

www.nyseg.com

Current Charges

Energy Charges (18.6667 kWh @ \$0.1799)	\$3.36
Energy Charges (93.3333 kWh @ \$0.1799)	\$16.79
Total Current Charges	\$20.15

Attachment 3

Customer Authorization



Procedures Used to Obtain Authorization to Access Customer Historical Usage or Credit Information

Customer Authorization Process

The distribution utility or MDSP shall provide information about a specific customer requested by Spark Energy as authorized by the customer authorized to receive the information.

1. Spark Energy shall obtain customer authorization to request information, in accordance with the procedures in UBP Section 5, Changes in Service Providers, Attachments 1, 2, and 3. Spark Energy shall inform its customers of the types of information to be obtained, to whom it will be given, how it will be used, and how long the authorizations will be valid. The authorization is valid for no longer than six months unless the sales agreement provides for a longer time.

2. A distribution utility and a MDSP shall assume that Spark Energy obtained proper customer authorization if Spark Energy is eligible to provide service and submits a valid information request.

3. Spark Energy shall retain, for a minimum of two years, verifiable proof of authorization for each customer. Verification records shall be provided by Spark Energy, upon request of the DPS staff, within five calendar days after a request is made. Spark Energy shall store such records in accordance with its customary record retention policies and in compliance with all laws.

4. Upon request of a customer, a distribution utility and/or MDSP shall block access Spark Energy to information about the customer.

5. Spark Energy shall comply with statutory and regulatory requirements pertaining to applicable state and federal do-no-call registries.

Customer Information Provided to Spark Energy¹

1. *Release of Information.* A distribution utility and a MDSP shall use the following practices for transferring customer information to Spark Energy.

a. A distribution utility shall provide the information in the Billing Determinant Information Set upon acceptance of Spark Energy' enrollment request and the information in the Customer Contact Information Set and the Credit Information Set, upon Spark Energy' request.

¹ Upon enrollment of a customer, Spark Energy shall receive usage data and any subsequent changes, corrections and adjustments to previously supplied data or estimated consumption for a period, at the same time that the distribution utility validates them for use. Spark Energy issuing consolidated bills is entitled to receive billing information, in accordance with UBP Section 9, Billing and Payment Processing.



b. The distribution utility or MDSP shall respond within two business days to valid requests for information as established in EDI transaction standards and within five business days to requests for data and information for which an EDI transaction standard is not available. The distribution utility or MDSP shall provide the reason for rejection of any valid information request.

2. *Customer Contact Information Set.* The distribution utility or MDSP, to the extent it possesses the information, shall provide, upon Spark Energy' request, consumption history for the customer's electric account. Consumption history for an electric account shall include:

1. Customer's service address;
2. Electric or gas account indicator;
3. Sales tax district used by the distribution utility;
4. Rate service class and subclass or rider by account and by meter, where applicable;
5. Electric load profile reference category or code, if not based on service class;
6. Usage type (e.g., kWh or therm), reporting period, and type of consumption (actual, estimated, or billed);
7. Twelve months, or the life of the account, whichever is less, of customer data via EDI and, upon separate request, an additional 12 months, or the life of the account, whichever is less, of customer data via EDI or an alternative system at the discretion of the distribution utility or MDSP, and, where applicable, demand information (a distribution utility may provide data for a standard 24 months or life of the account, whichever is less, as part of its customer contract information set); if the customer has more than one meter associated with an account, the distribution utility or MDSP shall provide the applicable information, if available, for each meter; and
8. Electronic interval data in summary form (billing determinants aggregated in the rating periods under a distribution utility's tariffs) via EDI, and if requested in detail, via an acceptable alternative electronic format.

3. *Billing Determinant Information Set.* Upon acceptance of Spark Energy' enrollment request, a distribution utility shall provide the following billing information for an electric account, as applicable (however, as specified in the EDI standard for an enrollment request and response, the distribution utility may transmit additional data elements, based upon the request, the responding distribution utility, and the commodity type):

- a. customer's service address, and billing address, if different;
- b. electric account indicator;
- c. meter reading date or cycle and reporting period;
- d. billing date or cycle and billing period;



- e. meter number, if available;
- f. distribution utility rate class and subclass, by meter;
- g. description of usage measurement type and reporting period;
- h. customer's load profile group, for electric accounts only;
- i. life support equipment indicator;
- l. customer's location based marginal pricing zone, for electric accounts only; and,
- m. budget billing indicator.⁶

4. *Credit Information Set.* The distribution utility or MDSP shall provide credit information for the most recent 24 months or life of the account, whichever is less, upon receipt of Spark Energy' electronic or written affirmation that the customer provided authorization for release of the information to Spark Energy. Credit information shall include number of times a late payment charge was assessed and incidents of service disconnection.

Direct Customer Information

A Direct Customer shall receive usage data and any subsequent changes, corrections and adjustments to previously supplied data, and estimated consumption for a period, at the same time that the distribution utility validates them for use. The distribution utility or MDSP shall make available, upon request, to an electric Direct Customer, a class load profile for its service class.

Charges for Customer Information

No distribution utility or MDSP shall impose charges upon Spark Energy or Direct Customers for provision of the information described in this Section. The distribution utility may impose an incremental cost-based fee, authorized in tariffs for Spark Energy' request for customer data for a period in excess of 24 months or for detailed interval data per account for any length of time.

Unauthorized Information Release

Spark Energy, its employees, agents, and designees, are prohibited from selling, disclosing or providing any customer information obtained from a distribution utility or MDSP, in accordance with this Section, to others, including their affiliates, unless such sale, disclosure or provision is required to facilitate or maintain service to the customer or is specifically authorized by the customer or required by legal authority. If such authorization is requested from the customer, Spark Energy shall, prior to authorization, describe to the customer the information it intends to release and the recipient of the information.

Spark Energy' Contractual Language for Obtaining Historical and Credit Information

Information Release and Authorization, Credit Review. By accepting the Agreement, you authorize Company to obtain information from the LDU through the Term including, but not limited to, account name, account number, billing address, service address, telephone number, standard offer service type, historical and future electric usage, rate classification, meter readings, characteristics of electric service, and billing and payment information. You (and your signatory, if signatory is noted as your spouse/civil union partner) agree to Company obtaining a credit report and investigating your (and, if applicable, signatory's) credit rating, credit history and Utility bill payment status and history. We are not obligated to accept, or continue performing, this Agreement if you do not meet our credit requirements. You



further authorize Company to release that information to third parties who need to use or be aware of such information in connection with your electric service under the Agreement, as well as to Company's affiliates and business partners for marketing purposes. You further authorize Company, its affiliates, and its third party vendors, including marketing vendors, to communicate with you at the contact information included in your enrollment or contact information received at any time during the relationship of the parties, for future communications, including but not limited to communications through telephone call, voicemail, text message, pre-recorded message and electronic mail. By signing (including by voice or electronic affirmation or adoption) or otherwise accepting the Agreement and providing your phone number, you authorize Company to cause the transmission of text messages to the phone number you provide using an autodialer. Consent is not a condition of purchase. Message and data rates may apply. Text STOP to withdraw consent. Text HELP for help. These authorizations shall remain in effect as long as the Agreement (including any renewal) is in effect and for six years thereafter consistent with the statute of limitations for contractual disputes and may be used by Company in connection with any ongoing business or legal purpose with respect to its obligations under the Agreement, or to offer additional products or services to Customer during the Term or at any time in the six year period after the Agreement terminates, or as contained in any derivative work created by Company in association with its business as a retail energy provider. You may rescind these authorizations at any time by either calling Company at 1-877-547-7275 or providing written notice to Company at 12140 Wickchester Lane, Suite 100, Houston, TX 77079. Company reserves the right to reject your enrollment or terminate the Agreement if you fail to meet minimum or maximum threshold electric consumption levels as determined by Company.

Attachment 4

Internal Procedures



Spark Energy's Procedures to Prevent Slamming and Cramming

1. All marketing representatives will be required to clearly identify that they are marketing on behalf of Spark Energy
2. Identify that the individual being marketing to is authorized to purchase commodity for the account.
3. Follow specific procedures codified in Section 5, Attachments 1, 2 and 3 and Section 10 of the Uniform Business Practices.
4. Spark Energy will monitor marketing scripts and review telemarketing calls to maintain service quality
5. Cramming will be prevented as Spark Energy will use utility consolidated billing in the service territories where it operates, thereby limiting the items included on the bill.
6. Spark Energy will implement and follow the provisions of the Marketing Training and Quality Assurance program.
7. Spark Energy' marketing representatives will display the appropriate Photo Identification.

Attachment 5

Rate Methodology and Monthly Savings

Rate Methodology and Monthly Savings Memorandum

I. Introduction

Spark Energy, LLC (“Company” or “Spark Energy”) submits this memorandum to explain its Guaranteed Savings Product (“GSP”), its rate methodology and monthly reconciliation process, as well as other procedures and examples of customer account reconciliations to ensure its guaranteed savings properly meet all requirements of law.

Spark Energy has established an internal committee to oversee the Company GSP. This committee is headed by the Chief Operating Officer to ensure that the GSP is managed in accordance with all applicable regulations. The committee includes members from the following departments: legal, regulatory, finance, supply, sales, customer service, and operations. The membership of these department is to ensure broad Company monitoring of the GSP.

The Committee has established processes to administer a GSP in compliance with the New York State Public Service Commission’s Order Adopting Changes to the Retail Access Energy Market and Establishing Further Process issued on December 12, 2019 (“Reset Order”); these processes include:

- (i) a monthly process for setting the initial rate for GSP customers that will substantially track their default utility rate;
- (ii) a quarterly reconciliation process to ensure customers paid less than the utility, and receive the 1% discount from the default utility rate (“Discount”) they were guaranteed;
- (ii) a process to credit customers in the event they don’t receive the full Discount; and
- (iii) a process for informing the customer of their savings.

II. Rate Methodology

1. Setting the Initial Forecasted Rate. Each month the Company will set the customer’s initial rate by forecasting the Price to Compare (“PTC”), using the most applicable, most recent and relevant default utility available. The Committee’s goal is two part in setting the rate: (1) to track as relatively consistent as it can with the customer’s default utility rate, based on current, available data, and (2) to avoid customers overpaying and then receiving large refunds.

2. Forecasting Data. Initial forecasted rates will be calculated for each customer class in each utility jurisdiction in the following manner. For each customer, the Company would identify the applicable service class, load profile, and load zone. The Company would then download various Commission-authorized tariff statements applicable to each utility, including the Statement of Supply Service Charges, daily supply price (if applicable), as well as the Merchant Function Charge Statement, tariff surcharges, and base rate elements. See **Attachment to Memo - Example Data Sources.**

While the specific calculation to predict the utility’s forecasted rate varies slightly among utilities based on their individual tariff arrangements, load profiles, and regional distinctions, the underlying methodology will remain the same. See **Excel Spreadsheet Provided Labeled “Excel 1”, Tabs 1-5**. The Company would analyze these filings to recreate what would be charged to a customer in any given month, including the rates, reconciliation mechanisms, and merchant function charges, and then apply the gross receipts tax applicable to that customer’s location in order to determine the anticipated

III. Reconciliation

1. **Reconciliation.** Each quarter, the Company will perform a reconciliation process to ensure that consumers receive the correct Discount. The reconciliation will be performed for customers flowing on a GSP as well as customers that terminated service under the GSP during the relevant quarter.

2. **Guaranteed Savings Rate.** The ultimate rate guaranteed to customers is the Guaranteed Savings Rate (“GS Rate”) and it is calculated as follows:

$$GS\ Rate = PTC\ Rate - (PTC\ Rate * 0.01)$$

In performing the reconciliation, the Company will use the published PTC, the applicable incumbent utility default supply prices posted for each month during the reconciliation period on the New York Public Service Commission’s Power to Choose web site. For small commercial customers, the PTC Rate will be calculated by using the most recent utility filings for the rate components and other factors that comprise the utility default supply price applicable to the specific small commercial customer.

The examples we provide in the excel spreadsheet shows examples of the quarterly reconciliation for a residential electric account with actual usage following the pricing methodology described above. For your convenience, we have also provided a reconciliation example below for an actual residential electric customer in the Central Hudson service territory:

Utility	Commodity	MonthYear	F_Usageld	UsageStartDate	UsageEndDate	UsageVolume	ModelPTC	PublishedPTC	Amount Owed	Cumulative	Reconcile Pmt/Debit
CENHUD	ELECTRIC	6/1/19	208074934	6/14/19	7/18/19	179	\$ 0.0562	\$ 0.0563	\$ 0.10	\$ 0.10	
CENHUD	ELECTRIC	7/1/19	208275003	7/18/19	8/14/19	304	\$ 0.0598	\$ 0.0598	\$ 0.17	\$ 0.27	
CENHUD	ELECTRIC	8/1/19	206744792	8/14/19	9/17/19	228	\$ 0.0679	\$ 0.0680	\$ 0.14	\$ 0.41	\$ 0.41
CENHUD	ELECTRIC	9/1/19	212321681	9/17/19	10/14/19	168	\$ 0.0522	\$ 0.0522	\$ 0.08	\$ 0.08	
CENHUD	ELECTRIC	10/1/19	213394903	10/14/19	11/14/19	97	\$ 0.0482	\$ 0.0483	\$ 0.04	\$ 0.13	
CENHUD	ELECTRIC	11/1/19	214312306	11/14/19	12/13/19	147	\$ 0.0527	\$ 0.0526	\$ 0.08	\$ 0.21	\$ 0.21
CENHUD	ELECTRIC	12/1/19	216837270	12/13/19	1/17/20	82	\$ 0.0597	\$ 0.0597	\$ 0.05	\$ 0.05	
CENHUD	ELECTRIC	1/1/20	217752095	1/17/20	2/14/20	95	\$ 0.0632	\$ 0.0632	\$ 0.06	\$ 0.11	
CENHUD	ELECTRIC	2/1/20	220082030	2/14/20	3/17/20	163	\$ 0.0628	\$ 0.0628	\$ 0.10	\$ 0.21	\$ 0.21
CENHUD	ELECTRIC	3/1/20	220702942	3/17/20	4/16/20	126	\$ 0.0637	\$ 0.0637	\$ 0.08	\$ 0.08	
CENHUD	ELECTRIC	4/1/20	221333813	4/16/20	5/18/20	199	\$ 0.0680	\$ 0.0681	\$ 0.13	\$ 0.20	
CENHUD	ELECTRIC	5/1/20	221862804	5/18/20	6/16/20	214	\$ 0.0479	\$ 0.0479	\$ 0.10	\$ 0.31	\$ 0.31

3. Situations of Overpayment by Customer

While our goal is to set the rate so that there are minimal, or no overpayments by customers, if the event there are overpayments, the following processes will be conducted in each quarterly reconciliation period:

- *Customer Overpayments of \$10 and greater* – Prompt payment at end of reconciliation period
- *Customer Overpayments of less than \$10* - Overpayment amount rolls to next quarter to be used in next customer reconciliation calculation

For customer terminations and annual customer lifecycles, prompt payment will be made:

- *Customer Terminates GSP* – any amount customer overpaid will be promptly paid to customer
- *Annual Customer Lifecycle* - – any amount customer overpaid will be promptly paid to customer

Refunds will be issued directly to the customer in the form of a credit on the customer's bill, if technically feasible, a preloaded Visa or MasterCard¹, or, if requested, a check. Credits will be issued to customers within sixty (60) days of the end of each reconciliation period; provided that, the utility timely files the required default supply pricing data, to ensure the customer receives a savings of at least 1% off the utility default supply rate.

4. Situations of Underpayment by Customer

If a customer pays less than they would have paid on utility default supply less a 1% discount during a reconciliation period (“Underpayment”), then the Underpayment will be carried over to the next reconciliation period. The Company reserves the right to invoice customers for any Underpayment in an amount equal to or greater than \$20. The Company may either invoice customers directly or adjust a customer's utility consolidated bill, if technically feasible, to collect the Underpayment. If a customer terminates service under the GSP, the customer will be invoiced for the full balance of any Underpayment during the final reconciliation.

IV. Informing Customer of their Savings

The Company will engage in robust public consumer education during its sales and consumer communication opportunities. When the product is offered, explanations of the calculations will be made. In addition, a consumer direct e-mail intake system will be set up for customers to request their savings calculations at any time. If a customer e-mails savings@sparkenergy.com, they will receive their calculations within a week. A website landing page will also be constructed to provide this information. If a customer does not have access to e-

¹ Preloaded credit cards provide maximum flexibility to customers and have no transaction fees. With a preloaded credit card, there is no need for customers to engage in in-person transactions in order to deposit checks into bank accounts during the Covid-19 pandemic. In addition, a customer may request payment by check if they so desire.

mail, we will provide them with our customer center to call in their request, and it will be processed also within a week, and mailed to them.

V. Reporting

The Company will use the data used to calculate individual customer account reconciliations for each reconciliation period to generate an Annual Report showing the disposition of each customer served on a GSP during the compliance year. Quarterly data will be aggregated to demonstrate that each customer served on a GSP during the compliance year received at least a 1% discount off the utility default supply price for the period during which each customer flowed on a GSP. **See Excel Spreadsheet Provided Labeled “Excel 1”, Tab 5.**

The Companies will file the Annual Report with Department of Public Service (“DPS”) Staff, in accordance with any guidance communicated by DPS Staff and by the applicable due date. The data will be provided in an Excel file following a similar format to the data contained in **Excel Spreadsheet Provided Labeled “Excel 2”.**

Attachment to Memo

Example Data Sources

RGE Electric Price To Compare

Components

NYSEG and RGE have the same approach and share a common parent.

RG&E's electric Price To Compare has these components:

- [Supply Charge](#)
 - This is calculated daily by NYSEG for each rate class
- [Merchant Function Charge](#)

These components do not include Gross Receipts Tax or other taxes.

Supply Charge

The Supply Charge is published on the RG&E web site at <https://ebiz1.rge.com/cusweb/opcosupplyprice.aspx>

Choose the appropriate service classification and hit Submit:

View RG&E Prices

RG&E Supply Service consists of variable electricity supply and transition charges and a fixed delivery charge as well as additional mandated charges and taxes. You may choose to purchase your electricity supply from a supplier other than RG&E (also known as an energy services company or ESCO). If you purchase your supply from an ESCO what you pay for your electricity supply will depend upon your agreement with your ESCO.

Usage History

View your usage history.

[View](#)

Service Classification

What is my [service classification](#)?

Residential:

[SC1 - Residential](#) ▼

OR

Non-Residential:

Select a Service Classification... ▼

[Submit](#)

For previous daily Supply Charge rates, go to <https://ebiz1.rge.com/cusweb/OPCOSupplyPrice.aspx>, select the appropriate Service Classification and at the bottom the history is available:

Daily Supply Charges History

For a range of **daily supply charges** back to January 1, 2007, enter your date range and press **Show History** below.

From

To

Show History

Enter the desired period through a date picker (end date inclusive) and click 'Show History'. The daily Supply Charge history will then be displayed:

Pricing History for RG&E Supply Service

RG&E SC1 - Residential

Change Service Classification

Date	RG&E Supply Charge
	\$/kwh
11/01/2020	0.0364791
11/02/2020	0.0405658
11/03/2020	0.0405658
11/04/2020	0.0405658
11/05/2020	0.0405658
11/06/2020	0.0405658
11/07/2020	0.0364838
11/08/2020	0.0364828
11/09/2020	0.0405658

The values can be averaged for an average Supply Charge to use as the input to the final calculation.

Merchant Function Charge

To find the current rate, start at the electric tariff page for *New York State Electric & Gas Corporation* (NYSEG), which is PSC #18 (there are two entries):

https://ets.dps.ny.gov/ets_web/search/searchShortcutEffective.cfm?companyID=3823176&serviceType=ELECTRIC&psc_num=18

To view documents within your browser, you must have the free Adobe Acrobat Reader.
[Download Acrobat Reader.](#)

Effective Electric Tariff Documents This page can be bookmarked					
Company	PSC #	Tariff Documents			
		Leaves	Supplements	Statements	Addenda
Rochester Gas and Electric Corporation	18	(Leaves)	(Supplements)	(Statements)	

Then go to 'Statements':

Results For Rochester Gas and Electric Corporation
Service Type: ELECTRIC, PSC Number: 18, Status: EFFECTIVE

Statement(s)								
Type Code	Type	Doc #	Case #	Received Date	Effective Date	File	Size	Submission Details
CES	Clean Energy Standard	4		03/13/2020	04/01/2020	STATEMENT 4.PDF	187.74 KB	Submission Details
DISC	A/R Discount Rate	18	19-E-0380	11/30/2020	12/01/2020	STATEMENT 18.PDF	110.51 KB	Submission Details
DLM	Dynamic Load Management Surch	3		04/23/2020	05/01/2020	STATEMENT 3.PDF	116.41 KB	Submission Details
MFC	Merchant Function Charge	124		11/24/2020	12/01/2020	STATEMENT 124.PDF	368.28 KB	Submission Details
RAM	Rate Adjustment Mechanism	4		05/27/2020	07/01/2020	STATEMENT 4.PDF	116.84 KB	Submission Details
RDM	Revenue Decoupling Mechanism	4		06/30/2020	08/01/2020	STATEMENT 4.PDF	155.41 KB	Submission Details
RSSS	Reliability Support Services Surcharge	3		07/26/2019	08/01/2019	STATEMENT 3.PDF	10.43 KB	Submission Details
RTS	Revenue Tax Surcharge Statement	7		12/07/2005	01/01/2006	STATEMENT 7.PDF	7.84 KB	Submission Details
SBC	System Benefits Charge	27	19-E-0380	11/30/2020	12/01/2020	STATEMENT 27.PDF	286.66 KB	Submission Details
TCS	Transition Charge Statement	74		11/19/2020	12/01/2020	STATEMENT 74.PDF	186.10 KB	Submission Details
TSS	Tax Sur-credit	1	17-M-0815	09/26/2018	10/01/2018	STATEMENT 1.PDF	168.20 KB	Submission Details
VDER-CR	VDER Cost Recovery	3		06/25/2020	07/01/2020	STATEMENT 3.PDF	120.37 KB	Submission Details

Then select 'Merchant Function Charge' statement file:

Merchant Function Charge Statement

For customers taking service under the RG&E Supply Service (RSS) rate or Hourly Pricing with supply provided by RG&E, pursuant to RG&E's Supply Service Options, General Information Section 12 of Schedule PSC No. 19 - Electricity, the following Merchant Function Charge is applicable to energy supplied [all kilowatt-hours (kWhs)] under the service classifications listed below.

	Non Demand billed (Hedged) \$ per kWh	Non Demand billed (Non-Hedged) \$ per kWh	Demand billed \$ per kWh
Monthly Electric Supply Cost	\$0.042553	\$0.042137	\$0.037022
Uncollectible Factor	2.574800%	2.574800%	0.183200%
1 Uncollectible Charge (Monthly Electric Supply Cost * Uncollectible Factor)	\$0.001096	\$0.001085	\$0.000068
2 Working Capital - Purchase Power	\$0.000099	\$0.000099	\$0.000099
3 Working Capital - Commodity Hedges	\$0.000326	-	-
4 Credit & Collections and Call Center	\$0.000578	\$0.000578	\$0.000578
5 Administrative Charge	\$0.001212	\$0.001212	\$0.001212
6 Prior Period Reconciliation	\$0.000105	(\$0.000151)	(\$0.000159)
Total MFC Rate per kWh	\$0.003416	\$0.002823	\$0.001798

Service Classification Nos. 1, 2 and 6 will be billed the "Non-Demand billed (hedged)" MFC rate.

All Street Lighting Service Classifications (Nos. 1, 2, and 3) will be billed the "Non-Demand billed (hedged)" MFC rate.

Service Classification Nos. 4 will be billed the "Non-Demand billed (non-hedged)" MFC rate.

Service Classification Nos. 3, 7, 8 and 9 will be billed the "Demand billed" MFC rate.

For Service Classification Nos. 10, 11, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.

The Merchant Function Charge rate for residential and small commercial is the *Non Demand billed (Hedged)*: the total is at the bottom.

Calculation

$$\text{Utility Price To Compare} = (\text{Supply Charge} + \text{Merchant Function Charge}) / (1 - \text{GRT}\%)$$

where GRT% is the local applicable Gross Receipts Tax.

Historic Rates

Merchant Function Charge

Historic rates are available in cancelled statements filed with the DPS available at:

Supply Charge

See above for historic Supply Charge daily rates, choose the historic period of interest.

NYSEG Electric Price To Compare

Components

NYSEG and RGE have the same approach and share a common parent.

NYSEG's electric Price To Compare has these components:

- [Supply Charge](#)
 - This is calculated daily by NYSEG for each rate class and region
- [Merchant Function Charge](#)

These components do not include Gross Receipts Tax or other taxes.

Supply Charge

The Supply Charge is published on the NYSEG web site at <https://ebiz1.nyseg.com/cusweb/opcosupplyprice.aspx>

Choose the appropriate service classification, region (load zone), and hit Submit:

NYSEG Supply Service consists of variable electricity supply and transition charges and a fixed delivery charge. You may choose to purchase your electricity supply from a supplier other than NYSEG (also known as an energy services company or ESCO). If you purchase your supply from an ESCO what you pay for your electricity supply will depend upon your agreement with your ESCO. Your NYSEG delivery and transition charges will remain the same with any choice you make.

Usage History

View your usage history.

[View](#)

Service Classification

What is my [service classification](#)?

Residential:

Select a Service Classification... ▼

OR

Non-Residential:

Select a Rate... ▼

Select your region:

Unsure of your region? [Click here.](#)



East



West



Lower Hudson Valley

[Submit](#)

For previous daily Supply Charge rates, go to <https://ebiz1.nyseg.com/cusweb/OPCOSupplyPrice.aspx>, select the appropriate Service Classification and region and at the bottom the history is available:

Daily Supply Charges History

For a range of **daily supply charges** back to January 1, 2007, enter your date range and press **Show History** below.

From

To

Show History

Enter the desired period through a date picker (end date inclusive) and click 'Show History'. The daily Supply Charge history will then be displayed:

NYSEG 12001 - Residential Change Service Classification

Prices are effective for the West region.

Date	NYSEG Supply Charge
	\$/kwh
12/07/2020	0.0376584
12/08/2020	0.0376584
12/09/2020	0.0376584
12/10/2020	0.0376584
12/11/2020	0.0376584
12/12/2020	0.0342171
12/13/2020	0.0342173
12/14/2020	0.0376584
12/15/2020	0.0376584
12/16/2020	0.0376584

The values can be averaged for an average Supply Charge to use as the input to the final calculation.

Merchant Function Charge

To find the current rate, start at the electric tariff page for *New York State Electric & Gas Corporation* (NYSEG), which is PSC #120 (there are two entries):

https://ets.dps.ny.gov/ets_web/search/searchShortcutEffective.cfm?companyID=3569018&serviceType=ELECTRIC&psc_num=120

Home	Tariff Search	Other PSC Documents	PSC Website	Help		
<p>To view documents within your browser, you must have the free Adobe Acrobat Reader. Download Acrobat Reader</p>						
Effective Electric Tariff Documents This page can be bookmarked						
Company		PSC #	Tariff Documents			
			Leaves	Supplements	Statements	Addenda
New York State Electric & Gas Corporation		120	[Leaves]	[Supplements]	[Statements]	[Addenda]

Then go to 'Statements':

Results For New York State Electric & Gas Corporation Service Type: ELECTRIC, PSC Number: 120, Status: EFFECTIVE								
Statement(s)								
Type Code	Type	Doc #	Case #	Received Date	Effective Date	File	Size	Submission Details
CCA	Community Choice Aggregation	2	14-M-0224	01/03/2018	01/06/2018	STATEMENT 2.PDF	13.22 KB	Submission Details
CES	Clean Energy Standard	4		03/13/2020	04/01/2020	STATEMENT 4.PDF	188.88 KB	Submission Details
DISC	A/R Discount Rate	14	19-E-0378	12/01/2020	12/01/2020	STATEMENT 14.PDF	280.39 KB	Submission Details
DLC	Direct Load Control	2		03/12/2020	05/01/2020	STATEMENT 2.PDF	113.48 KB	Submission Details
DLM	Dynamic Load Management Surch	3		04/23/2020	05/01/2020	STATEMENT 3.PDF	181.07 KB	Submission Details
EIR	Economic Incentive Rate	56	09-E-0227	10/01/2009	10/02/2009	STATEMENT 56.PDF	9.65 KB	Submission Details
MFC	Merchant Function Charge	127		11/24/2020	12/01/2020	STATEMENT 127.PDF	369.95 KB	Submission Details
RAD	Residential Agricultural Disc.	76		11/18/2020	12/01/2020	STATEMENT 76.PDF	373.79 KB	Submission Details
RAM	Rate Adjustment Mechanism	2		05/27/2020	07/01/2020	STATEMENT 2.PDF	184.60 KB	Submission Details
RDM	Revenue Decoupling Mechanism	12		06/30/2020	08/01/2020	STATEMENT 12.PDF	165.71 KB	Submission Details
RSS	Reliability Services Statement	9		11/20/2017	12/01/2017	STATEMENT 9.PDF	14.39 KB	Submission Details
SBC	System Benefits Charge	20	19-E-0378	12/01/2020	12/01/2020	STATEMENT 20.PDF	291.00 KB	Submission Details
SC	Supply Charge	3	07-E-0479	11/20/2008	01/01/2009	STATEMENT 3.PDF	7.17 KB	Submission Details
TCS	Transition Charge Statement	194		11/19/2020	12/01/2020	STATEMENT 194.PDF	339.50 KB	Submission Details
TCV	Transition Charge for Variable Price Option	39		12/28/2006	01/01/2007	STATEMENT 39.PDF	8.47 KB	Submission Details
TS	Transition Surcharge	1	03-E-1552	10/22/2003	12/01/2003	STATEMENT 1.PDF	8.33 KB	Submission Details
TSP	Tax Surcharge Percentages	45		03/16/2020	04/01/2020	STATEMENT 45.PDF	31.23 KB	Submission Details

Then select 'Merchant Function Charge' statement file:

Merchant Function Charge Statement

For customers taking service under the NYSEG Supply Service (NSS) rate or Hourly Pricing with supply provided by NYSEG, pursuant to NYSEG's Supply Service Options, General Information Section 25 of Schedule PSC No. 120 - Electricity, the following Merchant Function Charge is applicable to energy supplied [all kilowatt-hours (kWhs)] under the service classifications listed below.

	Non-Demand billed (Hedged) \$ per kWh	Non-Demand billed (Non-Hedged) \$ per kWh	Demand billed \$ per kWh
Monthly Electric Supply Cost	\$0.048364	\$0.045122	\$0.040676
Uncollectible Factor	<u>1.51800%</u>	<u>1.51800%</u>	<u>0.22360%</u>
1 Uncollectible Charge (Monthly Electric Supply Cost * Uncollectible Factor)	\$0.000734	\$0.000685	\$0.000091
2 Working Capital - Purchase Power	\$0.000111	\$0.000111	\$0.000111
3 Working Capital - Commodity Hedges	\$0.000318	-	-
4 Credit & Collections and Call Center	\$0.000727	\$0.000727	\$0.000727
5 Administrative Charge	\$0.001205	\$0.001205	\$0.001205
6 Prior Period Reconciliation	<u>\$0.000110</u>	<u>(\$0.000128)</u>	<u>(\$0.000134)</u>
Total MFC Rate per kWh	\$0.003205	\$0.002600	\$0.002000

For further information regarding the Merchant Function Charge see General Information Section 25 of PSC No. 120 - Electricity.
 Service Classification Nos. 1, 5, 6, and 9 will be billed the "Non-Demand billed (hedged)" MFC rate.
 Service Classification Nos. 8 and 12 will be billed the "Non-Demand billed (non-hedged)" MFC rate.
 All Street Lighting Service Classifications (Nos. 1, 2, 3, and 4) will be billed the "Non Demand billed (hedged)" MFC rate.
 Service Classification Nos. 2, 3, and 7 will be billed the "Demand billed" MFC rate.
 For Service Classification Nos. 11, 13, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.

The Merchant Function Charge rate for residential (SC1) is the *Non Demand billed (Hedged)*: the total is at the bottom.

The Merchant Function Charge rate for small commercial (SC2) is the *Demand billed*: the total is at the bottom.

Calculation

Utility Price To Compare = (Supply Charge + Merchant Function Charge) / (1 - GRT%)

where GRT% is the local applicable Gross Receipts Tax.

Historic Rates

Merchant Function Charge

Historic rates are available in cancelled statements filed with the DPS available at:

Supply Charge

See above for historic Supply Charge daily rates, choose the historic period of interest.

NIMO Electric Price To Compare

Price To Compare structure

Customers taking supply from the utility are charged:

- Supply Service Charge
- Clean Energy Standard Surcharge
- Merchant Function Charge (MFC)

Supply Service Charge consists of:

- Electricity Supply Cost (ESCost)
- Electricity Supply Reconciliation Mechanism (ESRM)
- Special Provisions
- Capacity Tag Charge Billing Rate (for demand meters only)
- SC1 Voluntary TOU are can be charged a SuperPeak Summer Capacity Rate

The MFC for electric customers consists of the following components which are set annually and are effective from April 1st each year:

- Electric Supply Procurement Charge (\$/kWh)
- Electric Supply Credit & Collection Charge (\$/kWh)
- Electricity Supply Uncollectible Expense Factor (%age)
- Working Capital on Purchased Power Costs Factor (%age)

Sources

Supply Service Charge

<https://www.nationalgridus.com/Upstate-NY-Home/Rates/Rate-Statements>

Once you click on the link above scroll down and select Supply Service Charge Statements. All the previous months will be displayed. Select the ones that are -220 for the month you want, such as [statsc111-220.pdf](#)

Merchant Function Charge ▼

Non-Underground Residential Distribution (Non-URD) ▼

Reliability Service Charge Statement (RSS) ▼

Renewable Portfolio Surcharge Statement (RPS) ▼

Revenue Decoupling Statement (RDM) ▼

Revenue Tax Surcharges Statements (RTS) ▼

Supply Service Charge Statements ▲

- **STATSC111-220** (Effective November 30, 2020)
- **STATSC111-214** (Effective November 30, 2020)
- **STATSC110-220** (Effective October 28, 2020)
- **STATSC110-214** (Effective October 28, 2020)
- **STATSC109-220** (Effective September 28, 2020)
- **STATSC109-214** (Effective September 28, 2020)
- **STATSC108-220** (Effective August 28, 2020)
- **STATSC108-214** (Effective August 28, 2020)

This statement lists, for each service class and load zone, these commodity rates:

- Electricity Supply Cost (ESCost)
- Electricity Supply Reconciliation Mechanism (ESRM)

NIAGARA MOHAWK POWER CORPORATION
 STATEMENT OF SUPPLY SERVICE CHARGES

FOR THE BILLING MONTH OF DECEMBER 2020
 Applicable to Billings Under P.S.C. No. 220 Electricity

EFFECTIVE: NOVEMBER 30, 2020 FOR BATCH BILLINGS
 EFFECTIVE: DECEMBER 1, 2020 FOR CALENDAR MONTH BILLINGS

All rates are dollars/kWh unless stated otherwise

Commodity Rates

Rule 46.1.1 Electricity Supply Cost (ESCost)

Service Classification	ISO Zone (Subzone #)	Region	Period	Billed Rate ESCost
S.C. No. 1	A - West (1)	Frontier	All Hours	0.02405
	B - Genesee (29)	Genesee	All Hours	0.02293
	C - Central (2)	Central	All Hours	0.02379
	D - North (31)	Adirondack	All Hours	0.01937
	E - Mohawk V (3)	Utica	All Hours	0.02371
	F - Capital (4)	Capital	All Hours	0.03587
S.C. No. 2ND	A - West (1)	Frontier	All Hours	0.02417
	B - Genesee (29)	Genesee	All Hours	0.02298
	C - Central (2)	Central	All Hours	0.02384
	D - North (31)	Adirondack	All Hours	0.01935
	E - Mohawk V (3)	Utica	All Hours	0.02376
	F - Capital (4)	Capital	All Hours	0.03600

Rule 46.3 Electricity Supply Reconciliation Mechanism (ESRM) - not applicable to NYPA-served load

Service Classification	Region	Supply Reconciliation Balance	New Hedge Adjustment	Balance of the ESRM	Billed Rate ESRM	
S.C. No. 1	A - West (1)	Frontier	0.000000	0.010009	0.004351	0.014360
	B - Genesee (29)	Genesee	0.000000	0.010009	0.005003	0.015012
	C - Central (2)	Central	0.000000	0.010009	0.005111	0.015120
	D - North (31)	Adirondack	0.000000	0.010009	0.004010	0.014019
	E - Mohawk V (3)	Utica	0.000000	0.010009	0.005047	0.015056
	F - Capital (4)	Capital	0.000000	0.005692	0.006058	0.011750
S.C. No. 2ND	A - West (1)	Frontier	0.000000	0.010009	0.004389	0.014398
	B - Genesee (29)	Genesee	0.000000	0.010009	0.005128	0.015137
	C - Central (2)	Central	0.000000	0.010009	0.005009	0.015018
	D - North (31)	Adirondack	0.000000	0.010009	0.004047	0.014056
	E - Mohawk V (3)	Utica	0.000000	0.010009	0.005012	0.015021
	F - Capital (4)	Capital	0.000000	0.005692	0.006281	0.011973
S.C. Nos. 1 Special Provision L, 1C, 2ND Spec Prov O, 2D, and 3	All Zones			0.003371	0.003371	
S.C. Nos. 2D Special Provision P, 3 Spec Provs L, N, and 3A	All Zones			0.000300	0.000300	

Clean Energy Standard Surcharge

From the same [Rate Statements](#) page, choose the '-220' statement for Clean Energy Standard Surcharge (CESS) such as [stat-220-cess-04.pdf](#)

Electric

12 Month Trailing Average of Supply Rates

Clean Energy Standard Surcharge (CESS)

- STAT 214 CESS-04 CleanEnergyStd Supply (Effective Mar 31, 2020)
- STAT 220 CESS-04 CleanEnergyStd Supply (Effective Mar 31, 2020)
- STAT 214 CESS-03 CleanEnergyStd Supply (Effective Mar 29, 2019)
- STAT 220 CESS-03 CleanEnergyStd Supply (Effective Mar 29, 2019)
- STAT 214 CESS-02 CleanEnergyStd Supply (Effective Mar 29, 2018)
- STAT 220 CESS-02 CleanEnergyStd Supply (Effective Mar 29, 2018)
- STAT 214 CESD-01 CleanEnergyStd Delivery (Effective Apr 1, 2017)
- STAT 214 CESS-01 CleanEnergyStd Supply (Effective Apr 1, 2017)
- STAT 220 CESD-01 CleanEnergyStd Delivery (Effective Apr 1, 2017)
- STAT 220 CESS-01 CleanEnergyStd Supply (Effective Apr 1, 2017)

P.S.C. 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE: MARCH 31, 2020

STATEMENT TYPE: CESS
STATEMENT NO. 4

NIAGARA MOHAWK POWER CORPORATION
STATEMENT OF CLEAN ENERGY SUPPLY - SUPPLY CHARGES

Applicable to Billings Under P.S.C. No. 220 Electricity

EFFECTIVE: MARCH 31, 2020 for Batch Billings
EFFECTIVE: APRIL 1, 2020 for Calendar Month Billings

All rates are dollars/kWh

Supply Rates

Rule 46.3.5 Clean Energy Standard - Supply Charge (CESS)

Service Classification	Zone	Billed Rate
All service classifications	All Zones	CESS 0.00446

This lists the single [Clean Energy Standard - Supply Charge \(CESS\)](#) for all zones and rate classes.

Merchant Function Charge

From the same [Rate Statements](#) page, choose the '-220' statement for Merchant Function Charge such as [statmfc15220.pdf](#)

Merchant Function Charge ▲

- (MFC)-15 PSC **220**
- (MFC)-15 PSC 214
- (MFC)-14 PSC **220**
- (MFC)-14 PSC 214
- (MFC)-13 PSC **220**
- (MFC)-13 PSC 214
- (MFC)-12 PSC **220**
- (MFC)-12 PSC 214
- (MFC)-11 PSC **220**
- (MFC)-11 PSC 214
- (MFC)-10 PSC **220**
- (MFC)-10 PSC 214

PSC NO. 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: APRIL 1, 2020

STATEMENT TYPE: MFC
STATEMENT NO. 15

MERCHANT FUNCTION CHARGE ("MFC") STATEMENT
APPLICABLE TO BILLINGS UNDER P.S.C. NO. 220 ELECTRICITY

	Non-Demand (SC1, SC1C, SC2ND)	Demand (SC2D, SC3, SC3A)
Electricity Supply Uncollectible Expense Factor	2.30%	0.20%
Working Capital on Purchased Power Costs Factor	0.537%	0.537%
Electricity Supply Procurement Charge	\$0.00021	\$0.00021
Electricity Supply Credit and Collection Charge	\$0.00031	\$0.00002

This will download a PDF with:

- Electricity Supply Uncollectible Expense Factor
- Working Capital on Purchased Power Costs Factor

Calculations

Using the inputs gathered above, the utility PTC can be calculated.

Note that all inputs are exclusive of Gross Receipts Tax (GRT).

Merchant Function Charge = $WC * (ESCost + ESRM) + Uncollectible * (ESCost + ESRM + CESS)$

Utility Price To Compare = $(ESCost + ESRM + CESS + MFC) / (1 - GRT\%)$

where

- ESCost = Electricity Supply Cost
- ESRM = Electricity Supply Reconciliation Mechanism
- CESS = Clean Energy Standard - Supply Charge
- WC = Working Capital on Purchased Power Costs Factor
- Uncollectible = Electricity Supply Uncollectible Expense Factor
- MFC = Merchant Function Charge
- GRT% = Applicable Gross Receipts Tax Rate

Samples

Sample calculated values for SC2 non-demand in 2020 as of 12/17/2020:

UtilityShortName	MSCEffectiveDate	ESCost	ESRM	CES	Uncollectible	WorkingCapital	Me
NIMO	11/1/2020	0.02617	0.0003	0.00446	0.0310%	0.537%	0.0
NIMO	10/1/2020	0.0283	0.000611	0.00446	0.0310%	0.537%	0.0
NIMO	9/1/2020	0.03556	0.0022	0.00446	0.0310%	0.537%	0.0
NIMO	8/1/2020	0.04156	0.00295	0.00446	0.0310%	0.537%	0.0
NIMO	7/1/2020	0.04317	0.00416	0.00446	0.0310%	0.537%	0.0

NIMO	6/1/2020	0.03405	0.008678	0.00446	0.0310%	0.537%	0.0
NIMO	5/1/2020	0.03362	0.004788	0.00446	0.0310%	0.537%	0.0
NIMO	4/1/2020	0.01796	0.01008	0.00446	0.0310%	0.537%	0.0
NIMO	3/1/2020	0.02178	0.004794	0.00409	0.0300%	0.539%	0.0
NIMO	2/1/2020	0.024460	0.010342	0.00409	0.0300%	0.539%	0.0
NIMO	1/1/2020	0.03788	0.0036	0.00409	0.0300%	0.539%	0.0

Attachment 6

Policies



Policies and Procedures for New York Guaranteed Savings Product

Committee Purpose and Procedures

Spark Energy has established a multi-departmental committee to direct and oversee the New York Guaranteed Savings Product (“GSP”) in compliance with the New York State Public Service Commission’s Order Adopting Changes to the Retail Access Energy Market and Establishing Further Process issued on December 12, 2019 (“Reset Order”).

This committee is headed by the Chief Operating Officer and includes members from the following departments: legal, regulatory, finance, supply, sales, customer service, and operations. The membership of these department is to ensure broad Company monitoring of the GSP.

Several processes have been established to ensure the GSP is managed in accordance with regulatory requirements. These processes include:

- (i) a monthly process for setting the initial rate for GSP customers that will substantially track their default utility rate;
- (ii) a quarterly reconciliation process to ensure customers paid less than the utility, and receive the 1% discount from the DU Rate (“Discount”) they were guaranteed;
- (ii) a process to credit customers in the event they don’t receive the full Discount; and
- (iii) a process for informing the customer of their savings.

The committee will meet:

- Monthly to ensure the initial rate set is reasonable to obtain the Company’s objectives to comply with the Reset Order and to review any issues related to the GSP. The policy of the Committee is that the forecasted rate for the GSP is to ensure the customer realizes savings without the need for large refunds.
- Quarterly to review the quarterly reconciliation results and ensure procedures have been followed and customers realize the Discount. The policy of the Committee is that the reconciliation or refund should be viewed as a backstop to ensure the customer realizes savings, not as the main mechanism to effectuate the savings.
- Annually to review the annual customer reconciliation results are accurate and ensure customers are refunded in compliance with the NY Reset Order.



The Company's methods and methodologies for the GSP are described in the Company's *Rate Methodology and Monthly Savings Memorandum* which has been approved by senior management. The Company's models have been created in excel spreadsheets which are overseen by the Supply Department and Operations Departments personal on the Committee.

Attachment 7

Compliance Report

See Submitted "Excel 2" Spreadsheet Example

Attachment 8

Calculations

**See Submitted "Excel 1" Spreadsheet Example
Tab "Specimen"**