

Residential WGL Energy Services, Inc. Electricity Supply - Terms & Conditions

General Conditions

WGL Energy Services, Inc. (WGL Energy Services) is licensed by the Delaware Public Service Commission (License no. 6042) to offer and supply electricity generation and transmission in Delaware and is a qualified electricity supplier under Delmarva Power's Tariff. WGL Energy Services prices are for electricity and transmission and are not regulated by the Delaware Public Service Commission. WGL Energy Services supplies electricity to your Utility company, Delmarva Power (Delmarva Power or your Utility company), based on how much you consume and Delmarva Power delivers the electricity to you using their electricity distribution wires. The distribution of electricity cannot be terminated or interrupted by Delmarva Power as a result of any dispute between you and WGL Energy Services. WGL Energy Services is a subsidiary of WGL Holdings, Inc., and an affiliate company of Washington Gas. The WGL Energy Services Electricity Supply - Offer (Offer), together with these WGL Energy Services Electricity Supply - Terms and Conditions (Terms and Conditions), constitute the entire WGL Energy Services Electricity Supply Agreement (Agreement) between you and WGL Energy Services. You must remain a Delmarva Power customer in Delaware and provide WGL Energy Services with complete and accurate information to begin and continue service.

Right of Rescission

You have the right to cancel this agreement at any time before midnight of the tenth calendar day after receiving an enrollment notification from your Utility company by contacting the WGL Energy Services Customer Care Center at 844-4 ASKWGL (844-427-5945).

Electricity Supply Service

WGL Energy Services agrees to sell you electricity supply at the price, term, wind power percentage and wind power source indicated in the Offer. These prices apply 24 hours a day and will begin on your next applicable Meter Read Date. The WGL Energy Services Fixed Price Plan will extend for the term indicated in the Offer. If you select the WGL Energy Services Variable Price Plan, the monthly price indicated is only for the first month's usage and the price for each subsequent month's usage will be determined by WGL Energy Services in response to changing market conditions and posted at www.wglenergy.com on or before the 25th day of each month.

Wind Power Service

WGL Energy Services agrees to sell you wind power at the percentage, prices and source indicated in the Offer. If you choose to purchase electricity generated from wind power when a previously executed Agreement between you and WGL Energy Services is in effect, this choice shall amend and be incorporated into your prior Agreement. Wind power is provided by WGL Energy Services by purchasing wind renewable energy certificates from wind farms consistent with the wind source and percentage indicated in the Offer.

Green-e® Energy

CleanSteps® WindPower, PA WindPower, and National WindPower from WGL Energy are Green-e Energy certified, and meet the environmental and consumer-protection standards set forth by the non-profit Center for Resource Solutions. Learn more at www.green-e.org. The prospective product content labels for 50% and 100% CleanSteps® WindPower are available at www.wglenergy.com/localpcl; labels for 50% and 100% PA WindPower are available at www.wglenergy.com/papcl; and the label for 100% National WindPower is available at www.wglenergy.com/nationalpcl. National WindPower from WGL Energy is a Renewable Energy Certificate (REC) product. A REC represents the environmental benefits of one megawatt hour (MWh) of renewable energy that can be paired with electricity. Your price includes the cost of this REC product as well as your electricity from WGL Energy. Learn more at www.wglenergy.com/RECs.

Billing and Payment

You will receive a single bill from your Utility company containing its charges and the WGL Energy Services' charges. Payments will be due and payable to your Utility according to your Utility company's billing schedule and policies. You are responsible for WGL Energy Services charges, your Utility company's charges consistent with its filed tariffs, and for all applicable taxes. If you are exempt from sales tax, you must submit a sales tax exemption form to WGL Energy Services before any exemption can be processed. WGL Energy Services may charge a late payment fee of 1%

per month on any past due balances. WGL Energy Services reserves the right to change billing methods. You will be responsible for all costs, including legal fees, associated with the collection of outstanding balances.

Net Metering

If you currently own, or plan to install during the term of this Agreement an electrical generating facility in order to supply any of your electricity usage, and the generating facility is or will be net metered by your Utility company, you must notify WGL Energy Services in order to properly enroll or continue to serve you. For any billing period during which you generate more electricity than you use, the excess kWh credits will be credited to subsequent billing periods to offset your consumption. At the end of the Annualized Billing Period, you may request payment for any excess kWh credits that have accrued. Payment will be made at the price indicated in your Offer. If the payment is less than \$25.00, then your account may be credited through monthly billing. If you do not request payment, then excess kWh credits will continue to be credited to subsequent billing periods to offset your consumption.

The WGL Energy Services Budget Bill Plan

If you select the WGL Energy Services Budget Bill Plan: Following account reconciliation with your Utility company, if any, WGL Energy Services will calculate a monthly budget amount for WGL Energy Services' electricity supply charges and combine this budget amount with your Utility company's budget amount for distribution charges. Any adjustments to your budget bill amount by WGL Energy Services or your Utility company will not necessarily occur on the same billing cycle.

Automatic and Early Contract Renewal Options

If WGL Energy Services chooses to renew your Agreement, then: Forty-five (45) days prior to the end of the term of the Agreement, WGL Energy Services shall send you a notice offering a revised Offer and Terms and Conditions for a Renewal Term. This Agreement shall be automatically renewed with the revised Offer and Terms and Conditions unless you cancel the renewal of this Agreement by notifying WGL Energy Services no later than 25 days prior to the end of the term. WGL Energy Services may also offer you an Early Renewal Option by sending you notice of a new price for a fee and upon payment of the fee, this Agreement shall be renewed at the new price for a Renewal Term. If you have been assigned a WGL Energy Services Account Manager, the preceding renewal processes will not apply, and you can expect to receive an automatic or a renewal offer with a revised Offer and Terms and Conditions from your WGL Energy Services Account Manager at least forty-five (45) days before the end of the term of the Agreement, in which case you can accept or cancel the renewal offer by directly communicating with your WGL Energy Services Account Manager.

Termination by WGL Energy Services

WGL Energy Services may terminate this Agreement on 30 days written notice as a result of the following: (1) non-payment by you; (2) changes in any legislation, regulation or Utility company tariff that adversely affect this Agreement; or (3) Acts of God. The effective termination date will occur on the next applicable meter read date, and upon termination with WGL Energy Services, you will be returned to your Utility company's service.

Early Cancellation

You may cancel this Agreement by notifying WGL Energy Services in writing by mail or by calling WGL Energy Services at 844-4 ASKWGL (844-427-5945). If you cancel this Agreement prior to the end of your term, the effective end date will be on your next applicable meter read date. Fixed Price Plan: You will be charged an early cancellation fee of \$10 per month for each month that remains in your contract term. This fee will be waived if your early cancellation is due to a change of residence or is within the applicable rescission period. Variable Price Plan: No cancellation fee applies. If you cancel this Agreement, you will have the option of returning to your Utility Company's Standard Offer Service or choosing another electricity supplier. WGL Energy Services reserves the right to deny you subsequent enrollment in any WGL Energy Services energy supply service.

Change of Residence

If you move, you may cancel your Agreement without penalty by contacting WGL Energy Services in writing by mail within thirty (30) days of such change. A final meter reading will be made at your old address and your account will be closed and finalized with your Utility company and WGL Energy Services. If you move within your Utility company's

service territory, you may have the option of signing a new Agreement with WGL Energy Services at your new residence.

Assignment

You may not assign this Agreement. WGL Energy Services may transfer, assign or sell this Agreement in connection with any financing, to any of its affiliates, to anyone succeeding in interest to all or substantially all of WGL Energy Services' assets or business, or to another supplier licensed to conduct business in your Utility company's service area.

Limitation of Liability

You understand and agree that there are no warranties, either expressed or implied, associated with this offer or the natural gas and/or electricity service sold under this Agreement. WGL Energy Services will bear no liability to you or any third party for consequential, punitive, incidental, special, or indirect damages. This Agreement constitutes the entire Agreement between you and WGL Energy Services. No statement, promise or inducement made by either party that is not contained in this Agreement shall be valid or binding.

Credit Checks

WGL Energy Services may perform a credit check and request financial data about you. WGL Energy Services reserves the sole right to determine if your credit standing is satisfactory for originating gas or electricity supply service under this Agreement. WGL Energy Services may require you to be current with your Utility company payments as a condition of originating or of continuing service in connection with this Agreement.

Information Release Authorization

Through this Agreement, you authorize WGL Energy Services to obtain information from your Utility company that includes, but is not limited to: billing information and history, payment information and history, historical and future electricity usage, meter readings, including smart meter readings, and characteristics of electricity service.

Contact Information and Dispute Resolution

WGL Energy Services can be reached by mail at: WGL Energy Services Customer Care Center, P.O. Box 7600 Hampton, VA 23666-0600. Our website is www.wglenergy.com. Please contact WGL Energy Services at the address above or call our Customer Care Center toll free at 844-4 ASKWGL (844-427-5945) Mon - Fri between 7:00 am and 7:00 pm ET, except holidays to answer questions or resolve any disputes regarding this Agreement. For emergencies pertaining to your service, please call Delmarva Power at 1-800-898-8042 (Hartford County, MD and New Castle County, DE) or 1-800-898-8045 (Kent and Sussex Counties, DE and Eastern Shore of MD). The Division of the Public Advocate's address is: 29 South State Street, Dover, DE 19904, and they can be reached at 1-888-607-2427 or on their website at <http://publicadvocate.delaware.gov>. The Public Service Commission of Delaware's address is: 861 Silver Lake Boulevard, Cannon Building, Suite 100, Dover, DE 19904, and they can be reached at 1-800-282-8574 or on their website at <http://depssc.delaware.gov/>.

WGL Energy Services reserves the right to cancel the availability of its electricity offers at any time.