



TERM	RETAIL NATURAL GAS SERVICE CHARGES	CANCELLATION FEE	CONTRACT RENEWAL	OTHER
12 monthly billing cycle(s) ("Term").	\$0.4550 per Ccf for Retail Natural Gas Service. Price excludes taxes, Distribution Service charges and other non-bypassable NGDC charges and fees.	You may cancel within the 7-business day rescission period without penalty. <u>If you terminate after the rescission period, you will incur a fee equal to the number of months remaining in the Term multiplied by \$10.</u> See Section 6 for details.	Unless AEP Energy automatically renews your Agreement with advance written notice, your Agreement will continue on a month-to-month basis, and you will pay a variable price per Ccf. You will not be subject to a cancellation fee while taking service on a month-to-month basis, but you may be if renewed at a fixed term. See Section 8 for details.	N/A

CONDITIONS. These Terms and Conditions (this "Agreement") are your ("Customer's") agreement with AEP Energy, Inc. ("AEP Energy") for Retail Natural Gas Service. Please keep a copy of this Agreement for your records. AEP Energy is certified by the Public Utilities Commission of Ohio ("PUCO") to offer and supply the commodity portion of your natural gas service in Ohio. As a Competitive Retail Natural Gas Service ("CRNGS") provider, AEP Energy will supply the commodity portion of your natural gas service, and your gas utility will continue to be your Natural Gas Distribution Company ("NGDC" or "Gas Utility") and will deliver the natural gas to you. Your NGDC also will continue to read your meter, provide your monthly bill and respond to emergencies.

DEFINITIONS. "Competitive Retail Natural Gas Service Provider" means an entity that supplies commodity natural gas to retail customers in Ohio. "Retail Natural Gas Service" means the sale of commodity natural gas to retail customers. "Non-bypassable utility charges and fees" means those NGDC charges and fees payable by you regardless of whether the NGDC or a CRNGS provides Retail Natural Gas Service. "Distribution Service" means the physical delivery of natural gas to customers by the NGDC.

RIGHT OF RESCISSION. Once you have been enrolled to receive commodity natural gas from AEP Energy, your NGDC will send you a confirmation letter. You have the right to rescind your enrollment without penalty within seven (7) business days following the postmark date of the confirmation letter by contacting your NGDC and following the instructions contained in

the letter. This right of rescission only applies when you initially switch to AEP Energy and not upon renewal. Your NGDC will not send a confirmation notice upon any renewal of this Agreement.

TERMS AND CONDITIONS OF SERVICE

- 1. Eligibility.** Residential customer accounts that are on residential rates codes and are not enrolled in the Percentage of Income Plan Program (PIPP) are eligible for this offer from AEP Energy. AEP Energy reserves the right to refuse enrollment to any residential customer who is not current on their NGDC charges. In the event the NGDC's retail natural gas choice program is terminated or materially changed in any manner prior to the end of the Term, AEP Energy may terminate this Agreement, without penalty to either party.
- 2. Price.** Starting with the first billing cycle of this Agreement through the last billing cycle of the initial Term, the price will be as stated above under the heading "Retail Natural Gas Service Charges." You are responsible for, and your price does not include, applicable state and local taxes and/or NGDC charges, which will be billed by the NGDC. Note that if, due to a change in market conditions, we wish to lower the price per Ccf or Mcf charged to you under this Agreement, we may do so without your consent, provided there are no other changes to the terms and conditions of this Agreement. AEP Energy will pass through to you any storage, transportation, fuel shrinkage and other charges, which may be variable, related to AEP Energy's providing Retail Natural Gas Service to you and any additional or increased fees or charges that are beyond AEP Energy's reasonable control.

These fees and charges include, but are not limited to, fees for switching, disconnecting, reconnecting or maintaining Retail Natural Gas Service or equipment, changes to storage, transportation, fuel shrinkage or other component charges, changes to retail natural gas customer access programs or any other that are imposed or changed by any statute, rule, regulation, order or other law, or procedure, tariff, rate class or other process or charge, promulgated by any governmental authority or NGDC, natural gas pipeline company or other regulated service provider. These fees and charges will be passed through to you and added to your pricing.

3. Term (Length of Agreement). Your service from AEP Energy will begin with the next available meter-reading following: a) the seven (7) business day rescission period; b) the acceptance of the enrollment request by AEP Energy (at its discretion and consistent with Paragraph 7 below), and c) processing of the enrollment by your NGDC, and will continue for the Term, unless otherwise terminated or renewed, ending on the meter read for the last month of service.

4. Billing. You will continue to receive a single bill, typically on a monthly basis, from your NGDC that will contain both your NGDC and AEP Energy charges. Your NGDC's normal billing standards apply, including budget billing. Failure by you to pay your NGDC bill or meet any agreed-upon payment arrangement could result in service termination in accordance with your NGDC's tariff and the termination of your contract with AEP Energy. AEP Energy reserves the right to issue an invoice to you directly. Such invoice would contain AEP Energy's charges for gas and may also contain applicable taxes and all of the NGDC's applicable charges. If AEP Energy bills you directly and you fail to pay according to the terms specified on the invoice(s), a late fee of 1.5% per month on all past-due amounts, or the maximum legally allowed interest rate, whichever is lower, will apply. If AEP Energy bills you directly for services provided, AEP Energy may terminate this Agreement with fourteen (14) days written notice should you fail to pay the bill or meet any agreed-upon payment arrangements, and any applicable early termination fees will apply.

5. Switching Fees. AEP Energy will pay any currently-charged switching fee charged by your NGDC pursuant to its Public Utilities Commission of Ohio-approved tariff.

6. Cancellation/Termination Provisions/Failure to Pay. If this Agreement is not rescinded during the rescission period, enrollment will be sent to your NGDC. This Agreement automatically terminates, without penalty, if the location for which you have requested service is not served by the NGDC, if you move outside the NGDC's service territory or to an area not served by AEP Energy, or if you relocate inside the NGDC's service territory and the NGDC does not have contract portability. Any failure to pay your bill shall be deemed a breach of this Agreement permitting AEP Energy to terminate this Agreement upon fourteen (14) days advance written notice. There will be a charge as specified in "Cancellation Fee" above if you terminate this Agreement for any other reason, except as expressly provided herein, or breach this Agreement in accordance with the preceding sentence. In addition to any applicable Cancellation Fee, you will remain responsible to pay AEP Energy for any

commodity natural gas supply used before this Agreement is cancelled or terminated for any reason, as well as any late fees. Should you cancel commodity natural gas service with AEP Energy and switch your service to another supplier or back to your NGDC, an NGDC switching fee may apply under the NGDC's tariff and the NGDC may charge a price for your service other than the standard rate that applies to other NGDC customers.

7. Customer Consent and Information Release Authorization. By accepting this offer from AEP Energy, you understand and agree to the terms and conditions of this Agreement with AEP Energy. You authorize AEP Energy to obtain information from the NGDC that includes, but is not limited to: your billing history, payment history, historical and expected natural gas usage, and meter-readings. AEP Energy reserves the right to check your credit with a consumer credit reporting agency to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered executed by AEP Energy following: a) acceptance of your enrollment request by AEP Energy; b) the end of the seven (7) business day rescission period, and c) acceptance of enrollment by your NGDC.

8. Contract Renewal. Upon expiration of the initial Term and unless AEP Energy renews for a fixed term in accordance with the following sentence, this Agreement will automatically renew on a month-to-month basis at a variable price per Ccf, based upon the Henry Hub natural gas futures contract settlement price for the relevant period, as determined by the NGDC (as published by the New York Mercantile Exchange (NYMEX)), plus an adder of up to \$0.500 per Ccf for Retail Natural Gas Service. Notwithstanding the preceding sentence, if AEP Energy chooses to renew this Agreement for a fixed term, then AEP Energy will send advance written notice not less than 45 days prior to the end of the initial term of this Agreement, and this Agreement shall be automatically renewed for the renewal term with the revised terms and conditions, unless you notify AEP Energy in writing rejecting the renewal term on such terms and conditions no later than five (5) business days after receipt of such notice. Pricing excludes taxes, Distribution Service charges and other non-bypassable NGDC charges and fees. No cancellation fee will apply during any renewal Term on a month-to-month basis, but a cancellation fee may apply during a fixed term renewal, as specified in the renewal notice. At any time after the initial Term during a month-to-month renewal, Customer may contact AEP Energy to enroll in a then-current fixed price plan.

9. Dispute Procedures. Contact AEP Energy with any questions concerning the terms of service by phone at 1-866-258-3782 (toll-free) M-F 8AM – 7PM EST or in writing at AEP Energy, PO Box 3489, Chicago, IL 60654. Our web address is AEPenergy.com. If your complaint is not resolved after you have called AEP Energy and/or your NGDC, or for general utility information, residential and business customers may contact the public utilities commission of Ohio (PUCO) for assistance at 1-800-686-7826 (toll free) from eight a.m. to five p.m. EST weekdays or at <http://www.puco.ohio.gov>. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). The Ohio consumers' counsel (OCC) represents residential utility customers in matters before the PUCO. The OCC can be

contacted at 1-877-742-5622 (toll free) from eight a.m. to five p.m. EST weekdays, or at <http://www.pickocc.org>. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service).

10. Miscellaneous. You have the right to request from AEP Energy, twice within a 12-month period, up to 24 months of payment history, without charge. AEP Energy may not disclose your customer account number or any customer information for any purpose other than for operation, maintenance, assignment, and transfer of your account, or for performing collection and credit reporting activities, and may not disclose or use your social security number for any purpose other than to perform a credit check, without your express written or electronic authorization. AEP Energy assumes no responsibility or liability for the following items that are the responsibility of the NGDC: operation and maintenance of the NGDC's system, any interruption of service, termination of service, or deterioration of the NGDC's service. In the event of a loss of service, you should contact your NGDC. You are responsible for providing AEP Energy with accurate account information. If said information is incorrect, AEP Energy reserves the right to re-price the applicable account(s). Any notice, demand or other communication to be given hereunder, including, without limitation, any renewal or termination notice, shall be in writing and delivered to the address or email address maintained on file for you. By entering this Agreement, you represent and agree that the account served by AEP Energy under this Agreement is a residential account, in the NGDC's service territory, and you are not an existing AEP Energy customer. AEP Energy reserves the right, at any time, to not enroll or to terminate service to customer locations that do not meet the preceding criteria, including those that consume more than 5,000 Ccf per year, and return you to the NGDC (or previous AEP Energy product, if applicable) with no penalty to AEP Energy. This limitation applies to related accounts that individually may not exceed the 5,000 Ccf per year limit, but collectively may.

11. Warranty and Force Majeure. AEP Energy warrants title and the right to all commodity natural gas sold hereunder. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ARISING OUT OF ANY COURSE OF DEALING OR PURPOSE OR USAGE OF TRADE. AEP Energy will make commercially reasonable efforts to provide your commodity natural gas service, but does not guarantee a continuous supply of natural gas. Certain causes and events are out of the reasonable control of AEP Energy and may result in interruptions in service. AEP Energy is not liable for damages caused by acts of God, changes in laws, rules or regulations or

other acts of any governmental authority (including the PUCO), accidents, strikes, labor troubles, required maintenance work, inability to access the NGDC's system, nonperformance by the NGDC or any other cause beyond AEP Energy's reasonable control.

12. REMEDIES. UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN, ANY LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO DIRECT, ACTUAL DAMAGES AS THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, WHETHER IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISIONS OR OTHERWISE IN CONNECTION WITH THIS AGREEMENT. THE LIMITATIONS IMPOSED ON REMEDIES AND DAMAGE MEASUREMENT WILL BE WITHOUT REGARD TO CAUSE, INCLUDING NEGLIGENCE OF ANY PARTY, WHETHER SOLE, JOINT, CONCURRENT, ACTIVE OR PASSIVE; PROVIDED NO SUCH LIMITATION SHALL APPLY TO DAMAGES RESULTING FROM THE WILLFUL MISCONDUCT OF ANY PARTY.

13. Customer Liability and Indemnification of AEP Energy. You assume full responsibility for commodity natural gas supplied to you at the point(s) where the NGDC delivers it to you and on your side of the delivery point(s), and agree to and shall indemnify, defend, and hold harmless AEP Energy, its parent company and all of its affiliates, and all of their respective managers, members, officers, directors, shareholders, associates, employees, servants, and agents from and against all claims, losses, expenses, damages, demands, judgments, causes of action, and suits of any kind (hereinafter collectively referred to as "Claims"), including Claims for personal injury, death, or damages to property occurring at the delivery point(s) or on your side of the delivery point and upon the premise(s), arising out of or related to the natural gas supplied to you and/or your performance under the Agreement.

14. Assignment. You shall not assign this Agreement or its rights hereunder without the prior written consent of AEP Energy. AEP Energy may, without your consent, assign this Agreement to another CRNGS provider, including any successor, in accordance with the rules and regulations of the PUCO.

15. Choice of Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio without giving effect to any conflicts of law principles which otherwise might be applicable.

16. Contact Information. AEP Energy, PO Box 3489, Chicago, IL 60654. For more information call (866) 258-3782 or visit AEPenergy.com.