ELECTRIC GENERATION SUPPLIER CONTRACT SUMMARY
("Contract Summary")

RESIDENTIAL - FIXED PRICE – PENNSYLVANIA		
Electric Generation Supplier (EGS) Information	AEP Energy, Inc. 225 West Wacker Drive, Suite 700, Chicago IL 60606 AEPenergy.com | 866-258-3782 AEP Energy is responsible for the generation charges shown on your bill.	
Price Structure	Fixed Price: This Agreement is for an all-inclusive per kilowatt-hour ("kWh") price that will remain the same for the Term of the Agreement. See Paragraph 2 for details.	
Generation/Supply Price	**6.35** cents per kWh for Green-e® Energy Certified 100% wind-generated renewable energy certificates and Generation and Transmission Services and Gross Receipts Tax (GRT). Price excludes other taxes, utility Distribution Service charges and other non-bypassable utility charges and fees. See Paragraph 2 for details.	
Statement Regarding Savings	AEP Energy does not represent any guaranteed savings. The prices and charges paid to AEP Energy under this Agreement may not always provide savings to you.	
Deposit Requirements	None.	
Incentives	None.	
Contract Start Date	This Agreement will start on a meter-read date set by your EDC ("Start Date"). See Paragraph 4 for details.	
Contract Term/Length	6 monthly billing cycles ("Term").	
Cancellation/Early Termination Fees	You may cancel at any time during the Term without penalty. See **Section 7** for details.	
Renewal Terms	This Agreement may be automatically renewed with advance written notices. The Initial Notice will be sent to you 45 to 60 days prior to the expiration of this Agreement and the second notice will be sent to you no less than 30 days prior to the expiration of this Agreement. If you fail to respond to these notifications, you agree that this Agreement can be converted to a renewal agreement that will not include any cancellation/early termination fees. See Paragraph 9 for details.	
	EDC Name:	PECO Energy Company

Electric Distribution Company (EDC) Information	EDC Address:	Electric and Gas Choice Department 2301 Market Street, S14-2 Philadelphia, PA 19101
	EDC Phone:	1-215-841-3700
	EDC Website:	https://www.peco.com/Pages/Home.aspx
	Your EDC is responsible for the distribution charges shown on your bill, as well as any emergencies and electric outages.	

Electric Generation Supplier Terms and Conditions

TERM	GENERATION/ SUPPLY PRICE	CANCELLATION/ EARLY TERMINATION FEE	CONTRACT RENEWAL	OTHER
6 monthly billing cycles ("Term").	**6.35** cents per kWh for Green-e® Energy Certified 100% wind-generated renewable energy certificates and Generation and Transmission Services and Gross Receipts Tax (GRT). Price excludes other taxes, utility Distribution Service charges and other non-bypassable utility charges and fees.	You may cancel at any time during the Term without penalty. See **Section 7** for details.	Your Agreement may be automatically renewed with advance written notices. See Section 9 for details.	

These Electric Generation Supplier Terms and Conditions and the attached Contract Summary, which is incorporated herein by reference, form your agreement ("Agreement") for Retail Electric Supply with AEP Energy.

BACKGROUND

• AEP Energy, Inc. ("AEP Energy") is licensed by the Pennsylvania Public Utility Commission ("PUC") to offer and supply electric generation services in Pennsylvania. Our PUC license number is A-2009-2132755.

• As an Electric Generation Supplier ("EGS"), AEP Energy will supply the electric generation and provide applicable transmission services to your Electric Distribution Company ("EDC") based on your usage. Your EDC will then distribute or deliver the electricity to you. Your Distribution Service will remain with your EDC.

• You will receive a single bill from your EDC that will contain the EDC's charges and AEP Energy's charges.

• AEP Energy sets the generation prices and charges that you pay. The PUC regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

• This is an agreement for Retail Electric Supply (as hereinafter defined) between you and AEP Energy. **Please keep a copy of this Agreement for your records**.

• Right of Rescission – You may cancel this Agreement in writing or orally at any time before midnight of the third business day after receiving this Agreement. See Paragraph 12 for details.

DEFINITIONS:

• "Generation Charge" means the charge for producing electricity. Generation prices and charges are set by the EGS you have chosen, which is AEP Energy. The PUC does not regulate generation prices.

• "Generation Service" means the production of electricity. This service is included in the price that AEP Energy charges you, as described herein.

• "Generation-Related Charges" means those charges or costs associated with the procurement and supply of electricity.

• "Transmission Charge" means the charge for transporting electricity from the generation source to your EDC. The Federal Energy Regulatory Commission regulates retail transmission prices and services.

• "Transmission Service" means moving high voltage electricity from a generation facility to the distribution lines of an EDC. This service is included in the price that AEP Energy charges you, as described in the herein.

• "Distribution Service" means the physical delivery of electricity to customers by the EDC. The PUC regulates distribution prices and services.

• "Non-bypassable utility charges and fees" means those EDC charges and fees payable by you regardless of whether the EDC or a EGS provides Generation Service.

TERMS AND CONDITIONS OF SERVICE

1. **Eligibility.** Residential customer accounts that are on residential rates codes are eligible for this offer from AEP Energy.

2. **Price.** During the term of this Agreement, you agree to pay AEP Energy the price listed above, which is inclusive of all applicable combined Generation Charges, Transmission Charges and Transmission Services (if bypassable), Generation Service, Generation-Related Charges, energy losses, capacity, Renewable Energy Credits (RECs), if purchasing a renewable energy plan and estimated current total state taxes, including any applicable taxes, if any and including current Gross Receipts Tax ("GRT"), but

excludes applicable state and local sales taxes, and is applicable 24 hours a day ("Retail Electric Supply"). For the "Term" described in the Contract Summary, all kilowatt-hours ("kWh") of electric energy metered by the EDC shall be billed at the rate per kWh specified in the Contract Summary. In addition to AEP Energy's charges, you will be charged by your EDC for Distribution Service and other EDC charges and fees. Your price does not include any EDC or otherwise non-bypassable charges for services under the applicable electric rate tariff or any applicable (and not expressly included) taxes.

3. **Material Adverse Change.** To the extent you have a fixed rate for Retail Electric Supply from AEP Energy and performance of this Agreement becomes uneconomical for AEP Energy due to events that are beyond AEP Energy's reasonable control and/or AEP Energy is subject to additional or increased costs that are imposed by law, rule, regulation or tariff, or PUC rule or order, AEP Energy may propose change(s) to the terms of this Agreement, including, but not limited to, passing through such additional costs and, thus, increasing your price. If any of the above situations occur, AEP Energy may offer you new terms for this Agreement, in which case you will receive the notices described in Paragraph 9 below. You must indicate your acceptance of the new terms as specified in the notices. If you do not contact AEP Energy to accept the new terms, (a) this Agreement will terminate on the date specified in the notices, (b) you may be returned to your EDC for Retail Electric Supply, (c) you will not be responsible for the cancellation/ termination fee (if any) set forth above and Paragraph 7 and (d) you must still pay all AEP Energy charges through the date you are returned to your EDC or switched to another EGS for service.

4. **Term (Length of Agreement).** Your service from AEP Energy will begin with the next available meter-reading following: a) the Rescission Period; b) the acceptance of the enrollment request by AEP Energy (at its discretion and consistent with Paragraph 8 below), and c) processing of the enrollment by your EDC, and will continue for the Term, unless otherwise terminated or renewed, ending on the meter read date for the last month of service. The Term (in months) is shown above.

5. **Billing.** You will continue to receive a single bill, typically on a monthly basis, from your EDC that will contain both your EDC and AEP Energy charges, including applicable taxes. AEP Energy offers budget billing for AEP Energy's charges. If you do not pay your bill by close of business on the due date, AEP Energy may cancel this Agreement in accordance with the notice provisions set forth below in Paragraph 7. Upon cancellation you will be returned to your EDC as a customer. You will remain responsible to pay AEP Energy for any electricity used before this Agreement is cancelled as well as any late payment charges, penalties or fees. Further, your failure to pay EDC charges may result in your electric service being disconnected in accordance with the EDC tariff.

6. Penalties, Fees and Exceptions. If you do not pay the full amount owed to AEP Energy by the close of business on the day the bill is due, as set forth on the invoice, AEP Energy may charge a late payment fee up to one and one-half (1.5%) percent of the outstanding balance per month, or the maximum legally allowed interest rate, whichever is lower until such payment is received by AEP Energy. If you fail to timely pay the amounts due under this Agreement and we refer your outstanding balance to an attorney or collection agent for collection, you agree to pay reasonable fees and expenses (including attorneys' fees) that we incur in the collection process.

7. **Cancellation/Termination Provisions/Failure to Pay.** After your service begins, you may cancel this Agreement at any time during the Term for any reason, but you will be required to pay an Early Termination Fee, if any, as defined and described above. If an Early Termination Fee is imposed, you agree to pay it at the time of your request to cancel this Agreement, but no later than ten (10) days after the date you receive notice to pay it.

You may cancel this Agreement by contacting AEP Energy using the contact information set forth in Paragraph 18. At that time, you will be required to select another supplier or return to the EDC for electric generation service. When you cancel, you will remain responsible to pay AEP Energy for all kWh of electric energy used before this Agreement is cancelled, as well as any late payment charges. Your cancellation will not be effective until the next meter-reading by the EDC.

Any failure to pay undisputed amounts due to AEP Energy us or other failure to perform your obligations under this Agreement shall be deemed a breach of this Agreement permitting AEP Energy to terminate this Agreement. There will be a charge as specified above if you breach this Agreement in accordance with the preceding sentence. Even if you have not breached this Agreement, AEP Energy may decide to terminate this Agreement if there is a Material Adverse Change as described in Paragraph 3. You will not be responsible for the cancellation/termination fee (if any) set forth above and in this Paragraph 7 if we terminate for a Material Adverse Change. If we cancel this Agreement for any reason other than customer non-payment, we will follow applicable rules in providing notice to you.

This Agreement is automatically cancelled if (a) your electric service is terminated by your EDC or (b) the EDC switches your Retail Electric Supply to another EGS or to the EDC.

8. **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 EDC that includes, but is not limited to: your billing history, payment history, historical and expected electricity usage, meter-readings, and characteristics of electricity service This Agreement shall be considered executed by AEP Energy following: a) acceptance of your enrollment request by AEP Energy; b) the end of the Rescission Period, and c) acceptance of enrollment by your EDC.

9. **Contract Renewal/Change in Terms.** If you have a fixed term contract approaching the expiration date, or whenever we propose to change the terms of service in any type of contract, you will receive two separate written notification that precede either the expiration date or the effective date of the proposed changes. The initial notice will be provided 45 to 60 days prior to said dates, and the second notice will be provided no less than 30 days prior to said dates. These notifications will explain your options going forward. If you fail to respond within ten (10) days after your receipt of the second notice, you agree that this Agreement can be renewed or changed in accordance with the terms in the notices. Any renewal of this Agreement will not include any cancellation/early termination fees. Consistent with applicable rules, AEP Energy can convert a fixed term contract into either a month-to-month contract or another fixed term contract. You agree to receive notices for contract renewal and changes to terms and conditions through electronic means, where permitted under applicable law.

10. **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, you may call the PUC. The PUC can be reached toll free at 1-800-692-7380.

11. **Miscellaneous.** AEP Energy assumes no responsibility or liability for the following items that are the responsibility of the EDC: operation and maintenance of the EDC's electrical system, any interruption of service, termination of service, or deterioration of the EDC's service. In the event of a power outage, you should contact your local EDC. 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). AEP Energy reserves the right to re-price any account(s) or return you to the EDC if your rate code or meter type is changed and/or the account is no longer eligible for this program. 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. You authorize, but do not obligate AEP Energy, to exercise your government aggregation opt-out rights. This Agreement supersedes all prior written or oral agreements.

12. **RIGHT OF RESCISSION.** You have the right to rescind your enrollment without penalty within three (3) business days following your receipt of this Agreement (the "Rescission Period"). The Right of Rescission only applies when you initially switch to AEP Energy and not upon renewal. If this Agreement is not rescinded during this period, your enrollment will be sent to your EDC. A confirmation notice of enrollment with AEP Energy will be sent to you by your EDC.

13. **Warranty and Force Majeure.** AEP Energy warrants title and the right to all electricity 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 PERFORMANCE OR USAGE OF TRADE. AEP Energy will make commercially reasonable efforts to provide your electric service, but does not guarantee a continuous supply of electricity. Certain causes and events are out of the reasonable control of AEP Energy ("Force Majeure Events") 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 Commission or RTO), accidents, strikes, labor troubles, required maintenance work, inability to access the local distribution utility system, nonperformance by the EDC or any other cause beyond the control of AEP Energy's reasonable control. If a Force Majeure Event occurs which renders AEP Energy unable to perform in whole or in part under this Agreement, our performance under this Agreement shall be excused for the duration of such event.

14. **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, SPECIAL, PUNITIVE, TREBLE, 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.

15. **Customer Liability and Indemnification of AEP Energy.** You assume full responsibility for retail electricity furnished to you at the delivery point(s) and on your side of the delivery point(s), and agrees to and shall indemnify, defend, and hold harmless AEP Energy, its parent company and all of its affiliates or subcontractors, and all of their respective managers, members, officers, directors, shareholders, associates, employees, servants, and agents from and against any and all claims, losses, expenses, damages, demands, judgments, causes of action, and suits of any kind (hereinafter collectively referred to as "Claims"), including Claims for service interruptions, loss or termination of service, deterioration of electric services, 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 electricity supplied to you and/or your performance under the Agreement. AEP Energy shall cease to have title to and risk of loss related to the electricity when it is delivered to you at the delivery point(s) and on your side of the delivery points(s). Neither AEP Energy nor any of its affiliates or subcontractors will be responsible for any failure to commence or terminate electric generation service on the date specified herein due to any failure or delay in enrolling you with the EDC.

16. **Assignment.** You shall not transfer or assign this Agreement or your rights hereunder without the prior written consent of AEP Energy. AEP Energy may, without your consent, assign this Agreement to another EGS, including any successor, in accordance with the rules and regulations of the Commission.

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

18. **Contact Information.**

AEP Energy, PO Box 3489, Chicago, IL 60654. For more information, call 1-866-258-3782 or visit AEPenergy.com.

Information on generation energy sources, energy efficiency, environmental impacts or historical billing data is available from AEP Energy upon request.

In case of emergency, including electric outage, please contact your EDC. Please refer to the Contract Summary for your EDC's contact information. Please refer to the Contract Summary for your EDC's contact information.

You may contact the Pennsylvania Utility Commission, with an informal complaint or otherwise, as follows: (a) call 1-888-782-3228; or (b) PO Box 3265, Harrisburg, PA 17105-3265.

Your EDC may have programs available to customers who are on a limited or fixed income to assist them with utility bills. Some of these programs might include bill payment assistance and weatherization services. Information on your EDC's assistance program, if any, can be obtained by contacting your EDC at the number listed in the Contract Summary.

19. The electricity supply service provided to you will include renewable energy sourced from renewable resources in the amount equal to 100% of your load volume during the term of this Agreement. AEP Energy's product is a 100% nationally wind-generated electricity product and is certified by Green-e® Energy, which requires companies to provide their customers with this notice of price, terms and conditions of service. For more information about Green-e Energy, write Green-e Energy, 1012 Torney Ave, 2nd Floor San Francisco, CA 94129 or log onto www.green-e.org, or call toll-free 1-888-63-GREEN.

Utility Choice Hotline Number:

1-800-692-7380

Universal Service Program Name:

PECO Energy Company

Phone Number:

1-215-841-3700

2016 PROSPECTIVE PRODUCT CONTENT LABEL[1]

ECO-Advantage[SM] is a renewable energy certificate (REC) product. For every unit of renewable electricity generated, an equivalent amount of RECs is produced. The purchase of RECs supports renewable electricity generation, which helps reduce conventional electricity generation in the region where the renewable generator is located. You will continue to receive one electricity bill from your utility.

AEP Energy delivers a 100% Green-e® Energy Certified wind energy product. This product matches 100% of your estimated electricity usage with national Green-e Energy certified RECs. This product is made up of the following renewable resources:

Green-e Energy Certified New[2] Renewables		Generation Location
-Biomass	0%	
-Geothermal	0%	
-Eligible hydroelectric	0%	
-Solar	0%	
-Wind	100%	National supply could be sourced from any of the following states including but not limited to: Texas, Iowa, Illinois and Pennsylvania
TOTAL	100%	

1. Actual figures may vary according to resource availability. We will annually report to you the actual resource mix of the RECs you purchased during the preceding year.

2. New Renewables come from generation facilities that first began commercial operation within the past 15 years.

For comparison, the average (2010) mix of energy sources supplying the US includes: Coal (45%), Nuclear (20%), Oil (1%), Natural Gas (24%), Large Hydroelectric (6%), Other Fossil (<1%), and Renewables (4%). (from U.S. Department of Energy/Energy Information Administration)

The average home in the United States uses 900 kWh per month. [Source: U.S. EPA]

For specific information about this REC product, please contact AEP Energy, (866) 258-3782, www.AEPenergy.com.

Green-e Energy certifies that ECO-AdvantageSM meets the minimum environmental and consumer protection standards established by the non-profit Center for Resource Solutions. For more information on Green-e Energy certification requirements, write Gree-e Energy, 1012 Torney Ave, 2nd Floor, San Francisco, CA 94129, on to www.green-e.org.