



## **SB 681 Electricity and Gas Suppliers – Consumer Protections**

### **UNFAVORABLE**

The Retail Energy Supply Association (RESA)<sup>1</sup> submits these comments in opposition to SB 681 and respectfully request that the Committee render an unfavorable report on this proposed legislation.

The purpose of this legislation expands the authority of the Office of People’s Counsel (OPC) to investigate and request documents from an electricity or natural gas supplier, requires an electricity supplier or natural gas supplier to provide written responses and documents to the Office of People’s Counsel, prohibits an electricity supplier or natural gas supplier from switching a customer’s rate for electricity or natural gas supply from a fixed rate contract to a variable rate contract without the customer’s written consent, limits the amount of early termination or cancellation fees a supplier may charge, requires additional billing information on the customer’s bill in the form of a table or chart and requires the Commission to order an electricity or natural gas supplier to cease and desist actions and to take affirmative actions, including monetary restitution to customers.

With respect to the expanded authority of the Office of People’s Counsel in the proposed legislation, this action seems to be not only duplicative on what authority the Commission has with respect to residential customers, it could also be deemed to be in addition and separate to and the Commission’s authority. The Commission already has authority to investigate complaints and to request documents from suppliers during a complaint investigation, and to expand this authority to the OPC could be burdensome and costly to suppliers. In recent Commission investigations into supplier activities surrounding consumer complaints the Commission seems to have given the OPC the rights and privileges to intervene and request documents for OPC to carryout

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<sup>1</sup> The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at [www.resausa.org](http://www.resausa.org).



its' responsibilities to protect the interest of residential consumers. To expand their authority seems to be a costly venture which could result in higher energy costs down the road to the ratepayers.

Requiring affirmative written consent when switching a customer from a fixed rate contract to a variable rate contract will pretty much destroy the retail energy market in Maryland. This was not the intention of the legislature 20+ years ago when retail energy choice was put into place. The Commission has a variety of consumer protection rules in place that keep consumers well informed of the agreements they are executing, and notices that inform customers of their options so they make the correct decisions for their energy needs. For example, supplier agreements must contain clear and concise price descriptions of each service being provided, including, but not limited to, any condition of variability or limits on price variability. Additionally, contracts must state that if there is not a limit on price variability, the supplier shall clearly and conspicuously state that there is not a limit on how much the price may change from one billing cycle to the next. Contracts must state duration, including the initial time period and any rollover provisions, including a description of the contract renewal procedures, and how the customer may access future pricing information. At the time of completion of the contracting process, a supplier shall provide the customer a copy of the executed contract and completed Contract Summary in the form provided by the Commission. The contract summary which is fashioned after the Schumer Box that accompanies credit card offerings, contains all of the pertinent provisions of the customer agreement, and in particular highlights the renewal provisions and informs the customer that fixed rate contracts do roll into variable rate agreements upon expiration. These summaries are provided to customer upon the initial contract execution.

Limiting early termination fees to \$50.00 would also be harmful to the retail energy market since \$50.00 in some cases may not be sufficient to handle a risk premium on fixed rate contracts with terms that are greater than one year. This would result in higher prices to customers that may desire to contract for periods in the 2 to 5 year ranges.

As for the rate information request on electricity and natural gas bills which compares supplier rates to the standard offer services, this comparison is meaningless since the comparison to the utilities price-to-compare (PTC) is not an apples to apples comparison. Utilities do not reflect in their PTC the full cost of providing standard offer service as does the supplier cost. In addition, many suppliers that operate in the state utilize the utility bills to bill for their products, which is known as Utility Consolidated Billing. The utilities would be forced to revamp their bills to accommodate the comparison, display the tables or charts and calculate the cost comparison and list the



price differentials. Utilities would incur costs to perform these changes, which we would assume eventually make their way to the pocketbooks of ratepayers.

As for the last item, which requires the Commission to order an electricity or natural gas supplier to cease and desist actions and to take affirmative actions, including monetary restitution to customers, the Commission has this authority by virtue of their ability to assess penalties to suppliers, revoke the license of the impacted supplier and order restitution as they deem necessary, and appropriate under the circumstances in each show cause case. It seems unnecessary to codify these penalties when the Commission has a track record as recently as this past August to take such action.

For the reasons discussed above, RESA respectfully requests that the committee render an unfavorable report on this legislation.

Thank you for your attention and allowing RESA to provide these comments.



**WGL**  
**Energy**

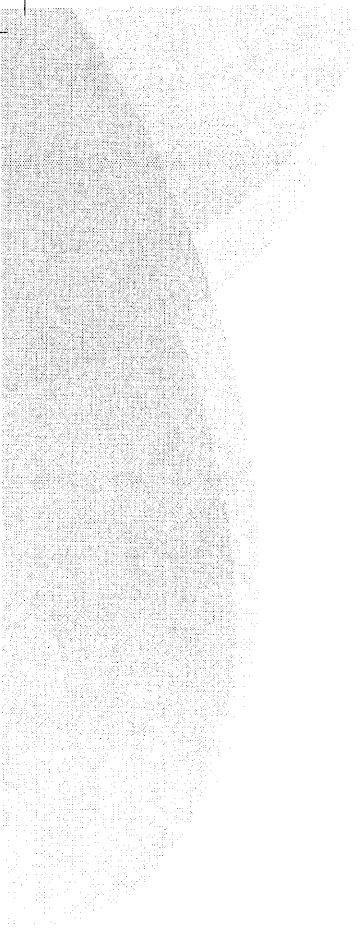
A WGL Entity

P. O. Box 1997

Chesapeake, VA 23327-9902

[WGLEnergy.com](http://WGLEnergy.com)

**Important Information About the Expiration of Your Energy Supply Contract**



## MARYLAND CONTRACT SUMMARY

Electric supply service in

BGE

**ELECTRIC GENERATION OR GAS SUPPLIER INFORMATION** Direct Energy Services, LLC  
Electric License Number: IR-719  
Natural Gas License Number: IR-791  
PO Box 180, Tulsa, OK 74101-0180  
csdirectenergy@directenergy.com ~www.directenergy.com ~ 1-888-200-7930

**PRICE STRUCTURE** Fixed, electric

\$0.06690 per KWH

### SUPPLY PRICE

### STATEMENT REGARDING SAVINGS

The supply price may not always provide savings.

Please refer to the Account Breakdown page (if any) for a listing of any applicable incentives you elected to receive.

### INCENTIVES

### CONTRACT START DATE

After you enter into this Agreement, the Initial Term of your service will begin on the meter date that your electric generation or natural gas supplier is changed to Direct Energy by the Utility Company.

### CONTRACT TERM / LENGTH

10 monthly billing cycles.

### CANCELLATION / EARLY TERMINATION FEES (per account)

NONE.

### RESCISSION

You have three (3) business days after you receive a written copy of this Agreement to cancel your enrollment with Direct Energy by calling Direct Energy using the contact information set forth in the Supplier Information section above. After the end of the Rescission Period, you can cancel service by using the contact information set forth in the Supplier Information Section above, however, you will be charged the Cancellation / Early Termination Fees and/or Device Cost Recovery Fee set forth above.

### RENEWAL TERMS

A notice will be sent to you thirty (30) days before the expiration of your Initial Term informing you of your impending automatic renewal. See your Terms and Conditions for more information.

**For additional information, please refer to your Terms and Conditions. Please retain this document for your records. If you have any questions regarding this agreement, contact your competitive supplier using the information above.**

## CONTRACT SUMMARY – WGL Energy Natural Gas Fixed Price Plan

<b>Natural Gas Supplier Information</b>	WGL Energy Services, P.O. Box 1997, Chesapeake, VA 23327-9902, <a href="http://www.wglenergy.com">www.wglenergy.com</a> , 1-844-4 ASKWGL (844-427-5945) (toll-free) Commodity prices are set by WGL Energy.
<b>Price Structure</b>	WGL Energy Fixed Price Plan (Price will not change during the contract term.)
<b>Supply Price</b>	48.0 ¢ / therm includes CleanSteps® Carbon Offsets, from WGL Energy, matched to 5% of your natural gas usage.
<b>Statement Regarding Savings</b>	This price is guaranteed not to change during the contract term, regardless of market fluctuations. Your WGL Energy Fixed Price may be higher or lower than the Washington Gas rate and may not always provide you savings.
<b>Incentives</b>	This offer does not include a promotion.
<b>Contract Start Date</b>	This contract begins on or before the next meter reading performed by Washington Gas after your enrollment has been processed.
<b>Contract Term/Length</b>	One-Year.
<b>Cancellation/Early Termination Fees</b>	\$10 for each month remaining in contract. This fee will be waived if you cancel within the 3 day rescission period, during the contract renewal period or if you move.
<b>Renewal Terms</b>	At least 45 days prior to the expiration of your fixed price contract you will receive a Renewal Notice. If you do not reply to the Renewal Notice, your contract will renew under the Renewal Notice terms.



## CONTRACT SUMMARY

### Option 1 - No Action Required

<b>CONTRACT SUMMARY</b>	<b>WGL Energy 1-Year Fixed Price Plan</b>
<b>Natural Gas Supplier Information</b>	WGL Energy Services, Inc. (WGL Energy), P.O. Box 1997, Chesapeake, VA 23327-9902 www.wglenergy.com, 844-4 ASKWGL (844-427-5945) toll-free. Commodity prices are set by WGL Energy.
<b>Price Structure</b>	WGL Energy Fixed Price Plan (Price will not change during the contract term.)
<b>Generation/Supply Price</b>	<b>\$0.495/therm.</b> To help improve the environment and support cleaner air and water, your natural gas supply includes 5% CleanSteps® Carbon Offsets, from WGL Energy.
<b>Statement Regarding Savings</b>	This price is guaranteed not to change during the contract term, regardless of market fluctuations. Your WGL Energy Fixed Price may be higher or lower than the Washington Gas rate and may not always provide you savings.
<b>Incentives</b>	There are no special promotions associated with these renewal options.
<b>Contract Start Date</b>	This contract begins with your April 2020 meter reading.
<b>Contract Term/Length</b>	<b>1-Year</b> term ending with your <b>March 2021</b> meter reading, as determined by Washington Gas.
<b>Cancellation/Early Termination Fees</b>	Cancellation fee of \$10 per month for each month that remains in your contract term.
<b>Renewal Terms</b>	At least 45 days prior to the expiration of your fixed price contract you will receive a Renewal Notice. If you do not reply to the Renewal Notice, your contract will automatically renew under the Renewal Notice terms.

### Option 2 - Call Us or Mail Form on Page 1

<b>CONTRACT SUMMARY</b>	<b>WGL Energy 1-Year Fixed Price Plan</b>
<b>Natural Gas Supplier Information</b>	WGL Energy Services, Inc. (WGL Energy), P.O. Box 1997, Chesapeake, VA 23327-9902 www.wglenergy.com, 844-4 ASKWGL (844-427-5945) toll-free. Commodity prices are set by WGL Energy.
<b>Price Structure</b>	WGL Energy Fixed Price Plan (Price will not change during the contract term.)
<b>Generation/Supply Price</b>	<b>\$0.59/therm.</b> To help improve the environment and support cleaner air and water, your natural gas supply includes 100% CleanSteps® Carbon Offsets, from WGL Energy.
<b>Statement Regarding Savings</b>	This price is guaranteed not to change during the contract term, regardless of market fluctuations. Your WGL Energy Fixed Price may be higher or lower than the Washington Gas rate and may not always provide you savings.
<b>Incentives</b>	There are no special promotions associated with these renewal options.
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For additional information, please refer to your Terms and Conditions (Page 2). Please retain this document for your records. If you have any additional questions, contact WGL Energy at 844-4 ASKWGL (844-427-5945).



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<b>Price Structure</b>	WGL Energy Fixed Price Plan (Price will not change during the contract term.)
<b>Generation/Supply Price</b>	<b>\$0.495/therm.</b> To help improve the environment and support cleaner air and water, your natural gas supply includes 5% CleanSteps® Carbon Offsets, from WGL Energy.
<b>Statement Regarding Savings</b>	This price is guaranteed not to change during the contract term, regardless of market fluctuations. Your WGL Energy Fixed Price may be higher or lower than the Washington Gas rate and may not always provide you savings.
<b>Incentives</b>	There are no special promotions associated with these renewal options.
<b>Contract Start Date</b>	This contract begins with your April 2020 meter reading.
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<b>Cancellation/Early Termination Fees</b>	Cancellation fee of \$10 per month for each month that remains in your contract term.
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<b>Statement Regarding Savings</b>	This price is guaranteed not to change during the contract term, regardless of market fluctuations. Your WGL Energy Fixed Price may be higher or lower than the Washington Gas rate and may not always provide you savings.
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<b>Contract Start Date</b>	This contract begins with your April 2020 meter reading.
<b>Contract Term/Length</b>	<b>1-Year</b> term ending with your <b>March 2021</b> meter reading, as determined by Washington Gas.
<b>Cancellation/Early Termination Fees</b>	Cancellation fee of \$10 per month for each month that remains in your contract term.
<b>Renewal Terms</b>	At least 45 days prior to the expiration of your fixed price contract you will receive a Renewal Notice. If you do not reply to the Renewal Notice, your contract will automatically renew under the Renewal Notice terms.

For additional information, please refer to your Terms and Conditions (Page 2). Please retain this document for your records. If you have any additional questions, contact WGL Energy at 844-4 ASKWGL (844-427-5945).



February 10, 2020

**NATURAL GAS SUPPLY - OFFER**

**IMPORTANT RENEWAL NOTICE**



1.1.2 1 MB 0.436 28587D11.p01 652123 1-2



Sample  
Sample  
COLUMBIA MD 21044 -2937

Current contract end date: April 2020  
Deadline for Renewal Action: March 5, 2020

RE: Natural Gas Account - 220000000000

Dear Sample

We have good news! Your Natural Gas Supply Agreement with WGL Energy Services (WGL Energy) is eligible to renew with your April 2020 meter reading. Your meter reading is determined by your utility, Washington Gas, and is referenced on your natural gas bill. Please review these offers for your next contract term.

	<b>OPTION 1: AUTO RENEWAL</b> No Action is Required	<b>OPTION 2: SPECIAL RENEWAL OFFER</b> Action is Required
<b>Product</b>	Natural Gas matched with 5% CleanSteps® Carbon Offsets from WGL Energy*	Natural Gas matched with 100% CleanSteps® Carbon Offsets from WGL Energy*
<b>New Price</b>	A guaranteed fixed price of \$0.495 per therm	A guaranteed fixed price of \$0.59 per therm
<b>Contract Term</b>	1 year: from your April 2020 billing period through your March 2021 billing period.	1 year: from your April 2020 billing period through your March 2021 billing period.
<b>Green Benefit</b>	Equivalent to planting 6 tree seedlings that grow for ten years.	Equivalent to planting 128 tree seedlings that grow for ten years. A green benefit 20 times greater than Option 1.
<b>Cancellation Fees</b>	Yes, see reverse for details. The Early Cancellation fee is \$10 per month for each month that remains on your contract.	
<b>Renewal Method</b>	Renewal will happen automatically	Notify us by March 5, 2020. See form at the bottom of this letter.

\*CleanSteps Carbon Offsets are a unique way to counterbalance the carbon footprint of your natural gas usage with verified, locally-sourced carbon offsets. Find more information at [www.wglenergy.com/offsets](http://www.wglenergy.com/offsets).

Whichever renewal option you choose, your renewal price will be reflected on your May 2020 natural gas bill. Please see the reverse side of this letter for the "WGL Energy Services, Inc. Natural Gas Supply - Terms and Conditions" that are effective beginning April 2020. **Please review the CONTRACT SUMMARY included with this letter and retain these documents for any future questions you might have.**

If you do not wish to renew or if you have questions, please call a WGL Energy Customer Advocate before **March 5, 2020** at 844- 4 ASKWGL (844-427-5945), 7 a.m. - 7 p.m. weekdays, except holidays. If you cancel, we will return your natural gas account to Utility Sales Service unless you have selected an alternative supplier.

Thank you for choosing WGL Energy as your natural gas supplier. We are proud to serve you.

Sincerely,  
WGL Energy Customer Care  
WGM.AR.157693

41845

WGL Energy delivers a full ecosystem of energy offerings provided by WGL Energy Services, Inc. and WGL Energy Systems, Inc. WGL Energy Services is not the same company as Washington Gas Light Co., a regulated utility. License IR-324

**YES, I want to choose the Special Renewal Offer**

Sample
220000000000

Deadline Date: March 5, 2020

My new price for natural gas will be \$0.59 per therm guaranteed for 12 months and will include 100% CleanSteps® Carbon Offsets from WGL Energy, starting with my April 2020 billing period and ending with my March 2021 billing period.

Signature \_\_\_\_\_

Date \_\_\_\_\_

**Please return in the enclosed envelope, fax to: 585-419-2697, contact us at 844-427-5945 or renew your account at [www.wglenergy.com](http://www.wglenergy.com).**

WGM.RO.157709

## Residential WGL Energy Services, Inc Natural Gas Supply - Terms & Conditions

### General Conditions

WGL Energy Services, Inc. (WGL Energy Services) is licensed by the Maryland Public Service Commission (License No. IR-324) to offer and supply natural gas in Maryland and is a qualified natural gas supplier under Washington Gas' Tariff. WGL Energy Services prices are for natural gas supply and are not regulated by the Maryland Public Service Commission. WGL Energy Services supplies natural gas to your Utility company, Washington Gas (Washington Gas or your Utility company), based on how much you consume and Washington Gas delivers the natural gas to you using their natural gas distribution pipelines. The distribution of natural gas cannot be terminated or interrupted by Washington Gas 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 Natural Gas Supply - Offer (Offer), together with these WGL Energy Services Natural Gas Supply - Terms and Conditions (Terms and Conditions), constitute the entire WGL Energy Services Natural Gas Supply Agreement (Agreement) between you and WGL Energy Services. You must remain a Washington Gas customer in Maryland and provide WGL Energy Services with complete and accurate information to begin and continue service.

### Natural Gas Supply Service

WGL Energy Services agrees to sell you natural gas supply at the price, term and carbon offset percentage 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](http://www.wglenergy.com) at least twelve (12) days prior to the close of your billing period.

### Carbon Offsets

WGL Energy Services agrees to sell CleanSteps® Carbon Offsets or PA Carbon Offsets as part of our natural gas supply service at the percentage and prices indicated on the Offer and from certified project sources within the District of Columbia, Delaware, Maryland, Pennsylvania, and Virginia. WGL Energy Services has entered into contracts to purchase carbon offsets from these regional project sources, which are listed at [www.wglenergy.com/offsets](http://www.wglenergy.com/offsets). If you elect to purchase gas supply service with CleanSteps® Carbon Offsets or PA Carbon Offsets at a time when a previously executed Agreement is in effect, this choice shall amend and be incorporated into your prior Agreement.

### Billing and Payment

You will receive a single bill from your Utility company containing its charges and 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 their filed tariffs, all applicable balancing and storage charges 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.

### Budget Bill Plans

If you are enrolled in your Utility company's budget bill plan, you will continue to receive budget bills following account reconciliation with your Utility company.

### Automatic and Early Contract Renewal Options

If WGL Energy Services chooses to renew your Agreement, then: at least 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. WGL Energy Services will effectuate your request on the next applicable utility enrollment/cancellation date. 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 thirty (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 changing service providers, 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 natural gas sales service or choosing another natural gas 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 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 express 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.

### 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 natural gas usage, meter readings, and characteristics of natural gas service.

### Contact Information and Dispute Resolution

WGL Energy Services can be reached by mail at: WGL Energy Services Correspondence Center, P.O. Box 1997, Chesapeake, VA 23327-9902. 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 or resolve any disputes regarding this Agreement. For emergencies pertaining to your service, please call Washington Gas at 1-800-752-7520. The Maryland Office of People's Counsel's web address is [www.opc.state.md.us](http://www.opc.state.md.us) and their toll-free phone number is 1-800-207-4055. The Public Service Commission of Maryland can be reached at 1-800-492-0474 or on their website at [www.psc.state.md.us](http://www.psc.state.md.us).

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



**WGL Energy Services, Inc. Residential Supply Agreement**

Date:

Customer Name	Business Name	Brokerage Company
Mailing Address	Account/Service/Choice ID Number SEE ATTACHMENT A	Broker/Agent ID Code
City	State	Zip
Phone	Email	Fax

<b>WGL ENERGY SUPPLY - OFFER</b>			Utility	Offer Code
<b>Plan</b> Fixed Term	<b>Price</b>	<b>Term</b> Months	Price is for generation and transmission and includes 5% WGL Energy Wind or Carbon Offsets. Price does not include Utility charges and taxes.	

**WGL Energy Services, Inc. Residential Supply Agreement**

Customer Name	Business Name	Brokerage Company
Mailing Address	Account/Service/Choice ID Number SEE ATTACHMENT A	Broker/Agent ID Code
City	State	Zip
Phone	Email	Fax

<b>WGL ENERGY SUPPLY - OFFER</b>			Utility PEM	Offer Code
<b>Plan</b> Fixed Term	<b>Price</b> \$x.x/kwh	<b>Term</b> Months	Price is for generation and transmission and includes 5% WGL Energy Wind or Carbon Offsets. Price does not include Utility charges and taxes.	

**BUYER'S RIGHT TO CANCEL.** If you, the buyer, do not want the goods or services that you have agreed to purchase, you may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form or terms & conditions for an explanation of this right.

I have read the Acknowledgment, the WGL Energy Services, Inc. Supply – Terms & Conditions. I understand and agree to these terms.

\_\_\_\_\_  
Customer Signature                      Print Name                      Title                      Date



**Acknowledgement:**

- You are of legal age and are authorized to select WGL Energy Services, Inc. as your energy supplier for all of the accounts above and/or listed in Attachment #1.
- You agree to switch all of the accounts above and/or listed in Attachment #1 to WGL Energy Services, Inc. for your Electric or Gas supply.
- WGL Energy Services, Inc. is not the same company as your Utility or Distribution Companies and is an authorized energy supplier for Customer Choice.
- WGL Energy Services, Inc. is not the same company as Washington Electric or WGL Holdings, Inc. WGL Energy Services, Inc. is a subsidiary of WGL Holdings Inc., and an affiliate company of Washington Electric.
- Your Utility and Distribution Companies will remain the same. They will receive your Electric from WGL Energy Services, Inc. and deliver it to you. And if you ever have an emergency, you can still call your Utility or Distribution Company as always.
- Regular distribution and utility charges and taxes still apply. All WGL Energy Services, Inc. charges will be conveniently shown on your Utility or Distribution Company bill.
- You have received and understand the terms and conditions that explain the details of WGL Energy Services' offers, including cancellation fee and renewal provisions.
- You understand that if your current supplier contract has termination fees, you would be responsible to pay such fees, if applicable.
- WGL Energy Services, Inc. offers were made in a clear and understandable manner.
- BUYER'S RIGHT TO CANCEL. I understand that I have the right to cancel this Agreement by signing and returning the attached Notice to Cancel document within three days of my signature

February 10, 2020

**NATURAL GAS SUPPLY - OFFER**

**IMPORTANT RENEWAL NOTICE**



1.1.2.1 MB 0.436 28587D11.p01 652123 1-2



Sample  
Sample  
COLUMBIA MD 21044 -2937

Current contract end date: April 2020  
Deadline for Renewal Action: March 5, 2020

RE: Natural Gas Account - 220000000000

Dear Sample

We have good news! Your Natural Gas Supply Agreement with WGL Energy Services (WGL Energy) is eligible to renew with your April 2020 meter reading. Your meter reading is determined by your utility, Washington Gas, and is referenced on your natural gas bill. Please review these offers for your next contract term.

	<b>OPTION 1: AUTO RENEWAL</b> No Action is Required	<b>OPTION 2: SPECIAL RENEWAL OFFER</b> Action is Required
<b>Product</b>	Natural Gas matched with 5% CleanSteps® Carbon Offsets from WGL Energy*	Natural Gas matched with 100% CleanSteps® Carbon Offsets from WGL Energy*
<b>New Price</b>	A guaranteed fixed price of \$0.495 per therm	A guaranteed fixed price of \$0.59 per therm
<b>Contract Term</b>	1 year: from your April 2020 billing period through your March 2021 billing period.	1 year: from your April 2020 billing period through your March 2021 billing period.
<b>Green Benefit</b>	Equivalent to planting 6 tree seedlings that grow for ten years.	Equivalent to planting 128 tree seedlings that grow for ten years. A green benefit 20 times greater than Option 1.
<b>Cancellation Fees</b>	Yes, see reverse for details. The Early Cancellation fee is \$10 per month for each month that remains on your contract.	
<b>Renewal Method</b>	Renewal will happen automatically	Notify us by March 5, 2020. See form at the bottom of this letter.

\*CleanSteps Carbon Offsets are a unique way to counterbalance the carbon footprint of your natural gas usage with verified, locally-sourced carbon offsets. Find more information at [www.wglenergy.com/offsets](http://www.wglenergy.com/offsets).

Whichever renewal option you choose, your renewal price will be reflected on your May 2020 natural gas bill. Please see the reverse side of this letter for the "WGL Energy Services, Inc. Natural Gas Supply - Terms and Conditions" that are effective beginning April 2020. **Please review the CONTRACT SUMMARY included with this letter and retain these documents for any future questions you might have.**

If you do not wish to renew or if you have questions, please call a WGL Energy Customer Advocate before **March 5, 2020** at 844- 4 ASKWGL (844-427-5945), 7 a.m. - 7 p.m. weekdays, except holidays. If you cancel, we will return your natural gas account to Utility Sales Service unless you have selected an alternative supplier.

Thank you for choosing WGL Energy as your natural gas supplier. We are proud to serve you.

Sincerely,  
WGL Energy Customer Care  
WGM.AR.157693

41845

WGL Energy delivers a full ecosystem of energy offerings provided by WGL Energy Services, Inc. and WGL Energy Systems, Inc. WGL Energy Services is not the same company as Washington Gas Light Co., a regulated utility.  
License IR-324

**YES, I want to choose the Special Renewal Offer**

Sample
220000000000

Deadline Date: March 5, 2020

My new price for natural gas will be \$0.59 per therm guaranteed for 12 months and will include 100% CleanSteps® Carbon Offsets from WGL Energy, starting with my April 2020 billing period and ending with my March 2021 billing period.

Signature \_\_\_\_\_

Date \_\_\_\_\_

**Please return in the enclosed envelope, fax to: 585-419-2697, contact us at 844-427-5945 or renew your account at [www.wglenergy.com](http://www.wglenergy.com).**

**WGM.RO.157709**

## Residential WGL Energy Services, Inc Natural Gas Supply - Terms & Conditions

### General Conditions

WGL Energy Services, Inc. (WGL Energy Services) is licensed by the Maryland Public Service Commission (License No. IR-324) to offer and supply natural gas in Maryland and is a qualified natural gas supplier under Washington Gas' Tariff. WGL Energy Services prices are for natural gas supply and are not regulated by the Maryland Public Service Commission. WGL Energy Services supplies natural gas to your Utility company, Washington Gas (Washington Gas or your Utility company), based on how much you consume and Washington Gas delivers the natural gas to you using their natural gas distribution pipelines. The distribution of natural gas cannot be terminated or interrupted by Washington Gas 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 Natural Gas Supply - Offer (Offer), together with these WGL Energy Services Natural Gas Supply - Terms and Conditions (Terms and Conditions), constitute the entire WGL Energy Services Natural Gas Supply Agreement (Agreement) between you and WGL Energy Services. You must remain a Washington Gas customer in Maryland and provide WGL Energy Services with complete and accurate information to begin and continue service.

### Natural Gas Supply Service

WGL Energy Services agrees to sell you natural gas supply at the price, term and carbon offset percentage 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](http://www.wglenergy.com) at least twelve (12) days prior to the close of your billing period.

### Carbon Offsets

WGL Energy Services agrees to sell CleanSteps® Carbon Offsets or PA Carbon Offsets as part of our natural gas supply service at the percentage and prices indicated on the Offer and from certified project sources within the District of Columbia, Delaware, Maryland, Pennsylvania, and Virginia. WGL Energy Services has entered into contracts to purchase carbon offsets from these regional project sources, which are listed at [www.wglenergy.com/offsets](http://www.wglenergy.com/offsets). If you elect to purchase gas supply service with CleanSteps®/rtyD Carbon Offsets or PA Carbon Offsets at a time when a previously executed Agreement is in effect, this choice shall amend and be incorporated into your prior Agreement.

### Billing and Payment

You will receive a single bill from your Utility company containing its charges and 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 their filed tariffs, all applicable balancing and storage charges 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.

### Budget Bill Plans

If you are enrolled in your Utility company's budget bill plan, you will continue to receive budget bills following account reconciliation with your Utility company.

### Automatic and Early Contract Renewal Options

If WGL Energy Services chooses to renew your Agreement, then: at least 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. WGL Energy Services will effectuate your request on the next applicable utility enrollment/cancellation date. 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 thirty (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 changing service providers, 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 natural gas sales service or choosing another natural gas 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 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 express 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.

### 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 natural gas usage, meter readings, and characteristics of natural gas service.

### Contact Information and Dispute Resolution

WGL Energy Services can be reached by mail at: WGL Energy Services Correspondence Center, P.O. Box 1997, Chesapeake, VA 23327-9902. 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 or resolve any disputes regarding this Agreement. For emergencies pertaining to your service, please call Washington Gas at 1-800-752-7520. The Maryland Office of People's Counsel's web address is [www.opc.state.md.us](http://www.opc.state.md.us) and their toll-free phone number is 1-800-207-4055. The Public Service Commission of Maryland can be reached at 1-800-492-0474 or on their website at [www.psc.state.md.us](http://www.psc.state.md.us).

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

**Natural Gas Supply Update**  
*Please retain for your records*

February 19, 2020

Sample  
Sample  
Olney, MD 20832-1813

**YOUR CUSTOMER INFORMATION**

**Account Address:** Sample, Olney, MD, 20832-1813  
**Washington Gas Number:** 2200000000  
**WGL Energy Customer Number:** 2200000000  
**WGL Energy Services Natural Gas Supply - Offer:** 48.0¢ per therm  
**Current Term:** One-Year  
**CleanSteps Carbon Offsets Percentage\*:** 5%  
**Email Address:** smz42@aol.com

Dear Sample:

Thank you for choosing WGL Energy Services (WGL Energy) as your natural gas supplier for a WGL Energy Fixed Price Plan. We're looking forward to helping you better manage your energy bill.

You'll find your Customer Information at the top of this page. Terms and Conditions are provided on the back of this letter. **Please review the CONTRACT SUMMARY included with this letter and retain these documents for any future questions you might have.**

Here's what to expect in the next few weeks:

- 1. UTILITY LETTER:** The first thing you'll receive is a letter from your utility company, Washington Gas, confirming you've chosen WGL Energy as your new natural gas supplier. If all of the information is correct, this letter doesn't require a response.
- 2. WGL ENERGY SUPPLY CONFIRMATION:** You'll then receive a letter from us letting you know when WGL Energy will start supplying your natural gas. No response is required.
- 3. NATURAL GAS DELIVERY:** Washington Gas remains responsible for delivering the natural gas supplied by WGL Energy and for responding to emergencies. There will be no disruption of your natural gas service.
- 4. BILLING:** WGL Energy natural gas supply charges will begin appearing on your Washington Gas bill the month after your WGL Energy natural gas supply starts.

If you have any questions, please call a Customer Advocate toll free at 1-844-4 ASKWGL (844-427-5945), weekdays, 7 a.m.-7 p.m., except holidays. Thank you again for choosing WGL Energy.

Sincerely,  
WGL Energy Customer Care Center

**\*To help our customers improve the environment and support cleaner air and water, 5% of your natural gas usage is matched with CleanSteps® Carbon Offsets, from WGL Energy.**

WGL Energy Services prices are for natural gas supply only. Prices are not regulated by the Maryland Public Service Commission and do not include distribution, balancing or other utility charges and taxes. (MD License no. IR-324). WGL Energy delivers a full ecosystem of energy offerings provided by WGL Energy Services, Inc. and WGL Energy Systems, Inc.