



Virginia Retail Energy

Natural Gas Supply Terms and Conditions of Service

By receiving natural gas supply service from Virginia Retail EnergySM, licensed by the Virginia State Corporation Commission (the “SCC”), license number G-50, you are agreeing to be bound by the terms and conditions of service set forth below, including provisions regarding Binding Arbitration, and in your welcome letter, Disclosure Statement with applicable attachments, and other enrollment correspondence (collectively, your “Contract”). **Please review the general sections that apply to all service plans, as well as sections that apply to the specific price plan you are enrolled in, to ensure that you understand each provision.**

THIS CONTRACT AFFECTS YOUR RIGHTS. PLEASE REVIEW IT CAREFULLY. In particular, please review the Binding Arbitration agreement set forth on Page 4 below. It requires you to resolve any Disputes (as defined in the “Binding Arbitration” section below) with Virginia Retail Energy regarding your Contract through individual Binding Arbitration. You will not be allowed to resolve any Disputes with Virginia Retail Energy about your Contract through a jury trial or a class action.

Natural Gas Service – You must be a regulated utility retail natural gas customer account holder to establish an account with and receive service from Virginia Retail Energy. Virginia Retail Energy will submit your enrollment request to the local distribution utility (the “Utility”). After your successful enrollment with Virginia Retail Energy and confirmation by the Utility, Virginia Retail Energy will supply your natural gas under this Contract until your service is cancelled by you, the Utility, or Virginia Retail Energy. Virginia Retail Energy is not responsible for Utility delays in processing your enrollment or cancellation request. This Contract governs your pricing with Virginia Retail Energy during the term of your Contract, but the timing of application of those prices to your Utility bill may be impacted by the timing of your Utility meter read cycles. In addition, because meter read cycles may differ from the start and end dates of your fixed price or PriceCap® plan Contract, you may not receive the same number of bills as the number of months in your Contract with Virginia Retail Energy. In other words, because of the Utility meter read cycles, the actual term of your Contract could be longer or shorter than the term specified in your Disclosure Statement. The Utility will deliver the natural gas you purchase from Virginia Retail Energy to your premises, read your meter, provide emergency services, and issue your bill each month. The Utility will separately set out those charges for those services. Virginia Retail Energy’s charges for natural gas will appear as a separate line item(s) on your bill. Sales tax will appear separately. Please note that the transfer of title occurs at the Utility’s city gate.

For new customers, your Contract begins on your effective date as established by the Utility, which is based on your meter reading date, and continues for the period specified in your Disclosure Statement. For existing Virginia Retail Energy customers choosing a new price plan, your Contract is effective upon the date your price plan change request is processed by Virginia Retail Energy, and continues for the length of your Contract, unless a later effective date is determined between you and Virginia Retail Energy (e.g., if you are on a current fixed price or PriceCap plan Contract with Virginia Retail Energy and you request a new fixed, PriceCap or variable plan Contract with Virginia Retail Energy, your Contract will generally take effect the day following the expiration of your current fixed price or PriceCap plan Contract).

CUSTOMER’S RIGHT TO CANCEL – You may cancel this Contract without penalty by notifying Virginia Retail Energy at 1-800-205-9985, or your Utility prior to the close of business on the 10th day following the mailing of notice by your Utility of an enrollment request.

Virginia Retail Energy Plans – Your plan, per-therm price and other pricing terms are specified in your Disclosure Statement. Virginia Retail Energy’s plans fall into three categories – variable, PriceCap, and fixed. Virginia Retail Energy’s prices are not regulated by the SCC. Sales tax and Utility distribution service and other charges are not included in the price per therm.

Virginia Retail Energy may from time to time offer promotional or discounted prices. Customers enrolling in a promotional offer may be subject to natural gas consumption limitations. If you exceed the consumption limitation at any time during your Contract duration, Virginia Retail Energy reserves the right to terminate your plan upon 30 days’ written notice. In that event, Virginia Retail Energy will send you a letter notifying you of this fact and your available options. You will not be charged an early termination charge under these circumstances. If you take no action, you will be automatically placed on Virginia Retail Energy’s Variable Plan at the standard rate in effect at that time. Please read the terms of the offer for more details.

Variable Plans: With a Virginia Retail Energy variable plan, gas service is billed on a month-to-month basis at a price per therm of natural gas that may change or remain the same based on market conditions. Many factors influence retail natural gas pricing, including wholesale gas costs, which can be impacted by the weather; general market conditions; transportation costs; operating expenses; and other factors. Virginia Retail Energy sets its prices each month based on the most current information available, including, but not limited to, the NYMEX prices for that month. Virginia Retail Energy cannot predict the volatility of the market or what its customers will pay for gas in the future. There is no limit on how much the price per therm may change from one billing cycle to the next. The pricing on a variable plan may be higher or lower than on another plan. Under a variable plan, you may switch to another Virginia Retail Energy plan for which you qualify at any time at no additional charge. You, the Utility, or Virginia Retail Energy may terminate service under a variable plan as further detailed below, subject to applicable SCC regulations.

PriceCap Plans: With a PriceCap plan, during the term of your Contract, your variable monthly per therm price for the term set forth in your Disclosure Statement is the sum of (1) the Henry Hub Natural Gas Futures prompt month settlement price as published on the CME Group's website three (3) business days prior to the delivery month, and (2) a flat cents-per-therm charge set forth in your Disclosure Statement. Notwithstanding the foregoing, your monthly price per therm will not exceed the maximum price per therm "cap" set forth in your Disclosure Statement for the term set forth in your Disclosure Statement. In addition to your per therm charge, a monthly administration fee set forth in your Disclosure Statement will be charged each month. When you select a PriceCap plan, you commit to remain with Virginia Retail Energy at the applicable PriceCap pricing terms for the term of your Contract. This Contract governs your pricing with Virginia Retail Energy during the term of your Contract, but the timing of application of those prices to your Utility bill may be impacted by the timing of your Utility meter read cycles. In addition, because meter read cycles may differ from the start and end dates of your PriceCap price plan Contract, you may not receive the same number of bills as the number of months in your Contract with Virginia Retail Energy. The pricing on a PriceCap plan may be higher or lower than on another plan.

Although Virginia Retail Energy's currently available PriceCap pricing terms may change at any time, the pricing terms and conditions for the term of your Contract will be Virginia Retail Energy's PriceCap pricing terms in effect at the time you selected your PriceCap plan. In the event the index price ceases to be published for any reason, a replacement index will be selected by Virginia Retail Energy at its discretion and you will be notified of such selection.

Fixed Plans: With a fixed plan, customers are under Contract for a fixed price per therm during the term of the Contract. There is no variability in price with a fixed plan Contract. In addition to your fixed price per therm charge, a monthly administrative fee may be charged, as detailed in your Disclosure Statement. This Contract governs your pricing with Virginia Retail Energy during the term of your Contract, but the timing of application of those prices to your Utility bill may be impacted by the timing of your Utility meter read cycles. In addition, because meter read cycles may differ from the start and end dates of your fixed price plan Contract, you may not receive the same number of bills as the number of months in your Contract with Virginia Retail Energy. When you select a fixed plan, you commit to remain with Virginia Retail Energy at the same price for the term of your Contract.

Although Virginia Retail Energy's currently available pricing may change at any time, the pricing for the term of your Contract will be Virginia Retail Energy's pricing terms in effect at the time you selected your fixed plan. The pricing on a fixed plan may be higher or lower than on another plan.

Contract Renewal Provisions for Fixed and PriceCap Plans

Virginia Retail Energy reserves the right to make changes to the terms of this Contract, including pricing terms, term length, price plan and early termination charge, after expiration of your current term. Such notice will be made at least 30 calendar days prior to the changes becoming effective.

Fixed plan Contracts and PriceCap Contracts will **automatically renew on a month-to-month** basis on Virginia Retail Energy's Variable Plan at the standard price in effect at that time, unless Virginia Retail Energy provides you with notice, as set forth above, that the Contract will renew for a longer term at a new fixed price or PriceCap pricing, as applicable. Virginia Retail Energy will send notice of renewal of fixed plan and PriceCap plan Contracts at least 30 calendar days prior to such automatic renewal, under the same or different terms and conditions, including the applicable early termination charge, if any, and the new fixed price or PriceCap pricing, if applicable, as well as any other applicable pricing terms.

This Contract shall automatically renew in accordance with the terms and conditions stated in your notice unless you notify Virginia Retail Energy between the time of receipt of notice and the expiration of your current Contract. You can also call Virginia Retail Energy during that time period to request another Virginia Retail Energy plan Contract to take effect the day following the expiration of your current Contract. If you select a fixed plan for your new Contract, you will receive the fixed price in effect when you contact Virginia

Retail Energy and make your selection. If you select a PriceCap plan for your new Contract, you will receive the pricing terms in effect when you contact Virginia Retail Energy and make your selection.

If you cancel your Contract after receiving such notice but prior to the effective date of automatic renewal, you will be obligated under this Contract until the end of the then-current term; provided, however, that depending on the Utility's cancellation procedures, it may take up to 60 days for your account to be returned to the Utility or switched to another supplier, and during that time the renewal pricing and terms shall apply to service provided by Virginia Retail Energy. If you do terminate this Contract and do not initiate another Contract with Virginia Retail Energy, you can choose another gas supplier or, if you do not choose another gas supplier, you will return to the Utility for service. If you decide not to renew your contract with Virginia Retail Energy, whether you select another plan with us, return your natural gas service to the Utility or choose another natural gas supplier, in order to avoid an early termination charge on your current Contract, if applicable, please be sure any changes you make take effect after your current Contract term expires.

Virginia Retail Energy Early Termination Charges

12 Month Fixed or 12 Month PriceCap Plan:

If your fixed or PriceCap plan Contract is terminated during the initial term of your Contract, except as specifically provided in your Virginia Retail Energy Contract at the time of enrollment, Virginia Retail Energy may assess you an early termination charge of \$100 for residential customers or \$250 for commercial customers if your termination occurs more than six months prior to its scheduled expiration date, or \$50 for residential customers or \$125 for commercial customers if your termination occurs six months or less prior to its scheduled expiration date. Such charge is intended to compensate Virginia Retail Energy for losses and expenses it estimates it will incur as the result of the early termination of a customer's fixed or PriceCap plan.

6 Month Fixed or 6 Month PriceCap Plan:

If your fixed or PriceCap plan Contract is terminated during the initial term of your Contract, except as specifically provided in your Virginia Retail Energy Contract at the time of enrollment, Virginia Retail Energy may assess you an early termination charge of \$50 for residential customers or \$125 for commercial customers. Such charge is intended to compensate Virginia Retail Energy for losses and expenses it estimates it will incur as the result of the early termination of a customer's fixed or PriceCap plan.

Billing/Collections – Your Virginia Retail Energy gas charges will be billed by the Utility based on your price plan, along with the Utility's charges for its services. You acknowledge that your billing and payment information may be provided to Virginia Retail Energy by the Utility. Virginia Retail Energy reserves the right to bill you directly for our services, including any applicable early termination charges.

By enrolling with Virginia Retail Energy for gas service and entering into this Contract, you agree to pay Virginia Retail Energy's charges in accordance with the Utility's payment procedures that are set forth in the General Service Provisions in the Utility's tariff. If you do not pay your bills in accordance with those payment procedures, or if you fail to comply with any agreed-upon payment arrangement, then the Utility's service may be terminated in accordance with the Utility's tariffs and SCC regulations, in which case your Virginia Retail Energy service and this Contract also will be terminated. Virginia Retail Energy also will have the right to terminate this Contract for non-payment upon 15 days' written notice to you. In the event of termination of this Contract, you are required to pay the balance owed, including any applicable early termination charges billed by Virginia Retail Energy. In addition, Virginia Retail Energy will have the right to pursue collections of any and all outstanding balances.

Customer Service/Dispute Procedures – Virginia Retail Energy is not responsible for resolving disputes with the Utility. However, if you have questions or complaints concerning your Virginia Retail Energy service, you may call Virginia Retail Energy toll-free at 1-800-205-9985, Monday-Friday from 8 a.m. to 5 p.m. ET, excluding national holidays. You also may contact Virginia Retail Energy by mail at P.O. Box 78760, Atlanta, GA 30357 or by e-mail at customerservice@virginiaretailenergy.com. In the event of a Dispute with Virginia Retail Energy, you first should contact a Virginia Retail Energy customer service representative within 30 days of receipt of your bill. If your complaint is not resolved, you may contact Virginia Retail Energy's customer care center and ask for a customer service supervisor. You must pay your bill in full, except for the specific disputed amount, during the pendency of the Dispute. If a resolution cannot be reached with Virginia Retail Energy, you may contact the SCC's Division of Public Utility Regulation at 1-800-552-7945 for assistance. If the Dispute is not resolved within 45 days, the parties may seek all avenues of relief as may be available pursuant to this Contract.

Upon your request, Virginia Retail Energy will provide you with a copy of its Dispute Resolution Procedure.

Emergency Service – In the event of a gas leak, service interruption or other emergency, Virginia Retail Energy customers should immediately call the Utility (Washington Gas Light, 1-800-752-7520) and emergency personnel.

Contract Cancellation/Termination – In addition to other rights specifically identified in this Contract, including without limitation, Virginia Retail Energy's right to terminate due to non-payment upon at least 15 days' notice, you or Virginia Retail Energy may terminate this Contract by providing 30 days' prior notice to the other party. You may terminate in writing or by calling Virginia Retail Energy at 1-800-205-9985. You may also terminate by switching to another supplier or returning to Utility sales service. Depending on the Utility's cancellation procedures, it may take up to 60 days for your account to be returned to the Utility or switched to another supplier. You acknowledge that you are accountable for all Virginia Retail Energy charges until your switch to the Utility or another supplier is effective or you discontinue natural gas service. The Binding Arbitration provisions of this Contract shall survive termination of this Contract or of your gas service.

If your fixed or PriceCap plan is terminated prior to its scheduled expiration, early termination charges may apply as described under "Virginia Retail Energy Early Termination Charges" above. Termination of your Contract will occur automatically if any of the following occurs: (i) you change your natural gas provider at your current premises; (ii) your service is disconnected for nonpayment; or (iii) you voluntarily discontinue the plan or disconnect your service. If you elect to terminate this Contract or otherwise cause the termination of this Contract after the initial 10 business day period as described above, but prior to the end of the term of this Contract, you may no longer be eligible to enroll again in the plan at your current residence or at any other service address in your name. Virginia Retail Energy reserves the right to restrict eligibility for the plan at its discretion for any reason not prohibited by applicable law and regulations, including a customer's action to terminate any prior agreement with Virginia Retail Energy before the end of its established term.

Credit Check/Information Release Authorization/Contact Info/Call Monitoring – As a Virginia Retail Energy customer, you authorize Virginia Retail Energy to obtain and review information regarding your credit history from credit reporting agencies and information from the Utility that includes, but is not limited to, your account number, billing information, consumption history, usage and payment history. This information may be used by Virginia Retail Energy to determine whether it will commence and/or continue to provide your natural gas supply service and for other internal business purposes. Virginia Retail Energy reserves the sole right to determine if your credit standing is satisfactory for originating gas supply service under this Contract. Virginia Retail Energy may require you to be current with your Utility payments as a condition of originating or of continuing service in connection with this Contract.

Your acceptance of this Contract will constitute authorization for the release of this information to, and use of this information by, Virginia Retail Energy in accordance with the foregoing. You authorize Virginia Retail Energy to provide such information to third parties, such as suppliers and service providers as may be allowed or required by Contract and by law, to serve and bill you. You also authorize Virginia Retail Energy to utilize such information to offer products and services of Virginia Retail Energy, its affiliates and its third party marketing partners to you, and to share your information with our affiliates to allow them to market their products and services to you, unless you have withdrawn or withheld that consent by providing notice to Virginia Retail Energy. This authorization will remain in effect during the term of this Contract, including any renewal.

By providing your contact information to Virginia Retail Energy (name, address, telephone number, fax number, e-mail address, etc.) you acknowledge that you are consenting to be contacted by mail, telephone, fax, voicemail, or e-mail by Virginia Retail Energy, a third party on behalf of Virginia Retail Energy, or an associated company. Virginia Retail Energy may monitor and record telephone calls to our Customer Care Center for quality assurance purposes. All calls for new service are recorded in compliance with SCC guidelines.

Entire Agreement – This Contract, including any enrollment correspondence, Disclosure Statement with applicable attachments, constitutes the entire Contract between you and Virginia Retail Energy with respect to its subject matter and supersedes all prior written and oral Contracts and representations made with respect to the subject matter. If any provision of the Contract shall be deemed unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from the remaining provisions, which shall remain in full force and effect.

Virginia Retail Energy will notify you at least 30 days prior to the effective date of material changes to this Contract, including any changes to provisions governing price or pricing methodology. Unless you notify Virginia Retail Energy that you intend to terminate your Contract, the changes will automatically take effect.

Regulatory Changes – This Contract is subject to present and future legislation, orders, rules, regulations and decisions of any governmental authority having jurisdiction over this Contract or the services to be provided hereunder. If at some future date there is a change in any applicable law, rule, regulation, or pricing structure whereby Virginia Retail Energy is prevented, prohibited, or frustrated from carrying out the terms of this Contract, then at its sole discretion Virginia Retail Energy will have the right to cancel this Contract on not less than 30 days' notice to you.

Extraordinary Events – If an event occurs that delays or makes it impossible for Virginia Retail Energy to perform this Contract, such as an act of God, extraordinary weather occurrence, a facility outage on the Utility system or interstate pipeline systems, a failure to perform by the Utility, war, civil disturbance, or national emergency, performance under this Contract by Virginia Retail Energy will be excused for the duration of the event. Under such conditions, Virginia Retail Energy may elect to discontinue service immediately, without notice.

Measurement – You and Virginia Retail Energy agree to accept for purposes of accounting for quantity, quality and measurement, the foregoing as they are reported by the Utility.

Assignment – You may not assign your interests in and obligations under this Contract without the express written consent of Virginia Retail Energy. Virginia Retail Energy may sell, transfer, pledge, or assign the accounts, revenues, or proceeds hereof in connection with any financial agreement and may assign this Contract to another energy supplier or other entity as authorized by the SCC.

In the event of an assignment, Virginia Retail Energy will provide notification to you at least 30 days in advance of such assignment.

Limitation of Liability and Disclaimer of Warranty – Virginia Retail Energy is not responsible for any losses or damages resulting from any actions or policies of, or associated with, the Utility, including interruption of service, termination of service, defective service, or operation and maintenance of the Utility’s system, nor is Virginia Retail Energy responsible for damages sought because of in-home or building damage. The remedy in any claim by you against Virginia Retail Energy will be solely limited to direct actual damages. All other remedies at law or in equity are hereby waived by you. In no event will either Virginia Retail Energy or you be liable for consequential, incidental, indirect, special, or punitive damages. These limitations apply without regard to the cause of any liability or damages. There are no third-party beneficiaries to this Contract. VIRGINIA RETAIL ENERGY MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH HEREIN, AND VIRGINIA RETAIL ENERGY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE.

Binding Arbitration – You and Virginia Retail Energy agree that any and all disputes, controversies and claims (“Dispute(s)”) arising out of or related to this Contract or to your gas service from Virginia Retail Energy that cannot be resolved through the Customer Service/Dispute Procedures described above will be resolved exclusively through binding arbitration by the American Arbitration Association (“AAA”) (“Binding Arbitration”) or small claims court. Individual claims filed in a small claims court are not subject to arbitration, as long as the matter stays in small claims court. If a small claims court matter is appealed to any other court, then the appeal will be resolved exclusively through Binding Arbitration. Binding Arbitration means that you and Virginia Retail Energy will have a fair hearing before a neutral arbitrator instead of in a court with a judge or jury. Binding Arbitration is more informal than a lawsuit in court. Binding Arbitration is subject to very limited review by courts. Arbitrators can award the same damages and relief that a court can award. The decision of the arbitrator will be final and binding, and the arbitrator’s award may be confirmed and entered as a judgment by any court of competent jurisdiction. The Binding Arbitration for commercial customers will be governed by the Commercial Dispute Resolution Procedures and for residential customers by the Consumer Arbitration Rules of the AAA, as modified by this Contract.

This agreement to arbitrate is intended to be broadly interpreted. It includes, but is not limited to:

- claims arising out of or relating to any aspect of the relationship between us, whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory;
- claims that arose before this or any prior agreement (including, but not limited to, claims related to advertising);
- claims that are currently the subject of pending litigation, including claims that are currently the subject of purported class action litigation in which you are, or are not, a member of a certified class;
- claims that may arise after the termination of this Contract.

You can initiate Binding Arbitration by filing a Claim Form with the AAA and by sending a copy of the Claim Form to Virginia Retail Energy at P.O. Box 78760, Atlanta, GA 30357. [The Claim Form](#) is available on the AAA website, www.adr.org, on the Virginia Retail Energy website, www.virginiaretailenergy.com, or by calling Virginia Retail Energy at 1-800-205-9985. You can complete the Claim Form on the AAA website or you can mail the Claim Form to AAA Case Filing Services, 1101 Laurel Oak Road, Suite 100, Voorhees, New Jersey 08043, with a copy to Virginia Retail Energy. You do not need to send payment to the AAA, Virginia Retail Energy will pay the filing fee upon receipt of a copy of the Claim Form.

The Binding Arbitration shall be conducted by a single arbitrator who shall be mutually agreed upon by the parties; provided, however, that if the parties are unable to agree then the arbitrator shall be selected by the AAA in accordance with its rules. The Binding Arbitration will take place in the county where you are billed or in a mutually agreed location. If the amount of the claim is \$25,000 or less, you may choose whether the arbitration takes place in person, by telephone, or on written submissions. If the amount of the claim is more than \$25,000, the type of hearing shall be determined by the AAA rules. The arbitrator will make his/her decision in writing, but need not provide a statement of reasons unless requested by either party, in which event the arbitrator will provide a concise statement of the essential findings and conclusions on which the award is based.

Virginia Retail Energy will pay all Binding Arbitration filing fees and arbitrator's costs. You are responsible for all additional costs that you incur in the Binding Arbitration, including, but not limited to, attorney's fees (if you choose to be represented by an attorney) and expert witness fees. You shall not be required to reimburse Virginia Retail Energy for the filing fees and Binding Arbitration costs paid by it unless the arbitrator determines that your claim was frivolous. Notwithstanding anything to the contrary in this Binding Arbitration provision, Virginia Retail Energy will pay all fees and costs that it is required by law to pay, including payment of your attorney's fees and litigation costs if required by applicable law. In addition, if the arbitration award is greater than Virginia Retail Energy's last settlement offer or if Virginia Retail Energy did not make a settlement offer, Virginia Retail Energy will pay twice the amount of your attorney's fees, reimburse the expenses reasonably incurred by your attorney in pursuing your claim and a \$7,500 minimum recovery; provided, however, that you may not recover duplicative awards of attorney's fees and expenses. Although under some laws Virginia Retail Energy may have the right to an award of attorney's fees and expenses if it prevails, Virginia Retail Energy agrees not to seek such an award.

Both you and Virginia Retail Energy expressly waive the right to bring a class action claim. All parties to the Binding Arbitration must be individually named. There shall be no right or authority for any claims to be arbitrated or litigated on a class action or consolidated basis or on bases involving claims brought in a representative capacity on behalf of the general public (such as a private attorney general), other recipients of gas service from Virginia Retail Energy, or other persons similarly situated.

You and Virginia Retail Energy agree that where the amount at issue is a small claim within the jurisdiction of the General District Court and is an individual and not a class action claim, you or Virginia Retail Energy may elect to proceed in that court. This Binding Arbitration agreement does not preclude you from bringing issues to the attention of federal, state, or local agencies. Such agencies can, if the law allows, seek relief against Virginia Retail Energy on your behalf.

This Contract evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This Binding Arbitration provision shall survive termination of this Contract.

Choice of Law and Venue – This Contract shall be construed under and shall be governed by the laws of the Commonwealth of Virginia without regard to the application of its conflicts of law principles, except that the Federal Arbitration Act shall govern the arbitrability and the arbitration of all Disputes. Venue for any lawsuit brought to enforce any term or condition of this Contract or to construe the terms hereof shall lie exclusively in the Commonwealth of Virginia, including in a United States District Court in Virginia having jurisdiction over the case.

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