Direct Energy Power-To-Go Terms of Service

We are glad you have chosen Direct Energy, LP (hereafter referred to as “Direct Energy”, “we” or “us”) to be your Retail Electric Provider (“REP”). This Terms of Service (“Agreement”) explains Direct Energy’s responsibilities and rights as your Electric Provider and your rights and responsibilities as our customer. This Agreement includes your Electricity Facts Label (“EFL”) and Your Rights as a Customer.

Contact Information: Direct Energy, LP: Direct Energy Customer Service Representatives are available to help you Monday through Saturday from 7:30 a.m. to 8:00 p.m. CST. Toll-free for residential customers: 1-877-866-6601. Write to us at Direct Energy, P.O. Box 180, Tulsa, OK 74101-0180 or e-mail us at powertogohelp@directenergy.com

Release of Customer Information: By enrolling with Direct Energy, you authorize that we may obtain any information that we think we will need or find helpful to provide the best possible electric service, which may include address, telephone number, account number(s), historical usage data, payment and credit bureau reports and other information, whether from you, a third party, your Transmission and Distribution Utility (“TDU”) or current REP.

Who to contact if there’s a power outage: In the event of a widespread power outage in your area, please call your TDU to report the power outage, available twenty-four (24) hours a day. It is helpful to have your ESI-ID available at the time of the call. Contact your TDU at:

- Oncor Electric Delivery - Phone: 1-888-313-4747
- CenterPoint Electric Delivery – Phone: 1-(713)-207-2222

Term and Renewal of Service: This Agreement will be effective as of the initial meter read date following completion of enrollment with us. Your electricity service with Direct Energy is day to day and continues each day unless cancelled by you or by Direct Energy as provided in this Agreement.

Your Right to Cancel: In the event of a switch from another REP, you have the right to cancel your selection of Direct Energy as your REP without penalty or fee of any kind within three (3) federal business days after you receive your Agreement. You may rescind by calling Customer Service. If you have not cancelled your selection of Direct Energy by the end of the three (3) federal business days after you receive your Agreement, the delivery of electricity service by Direct Energy may only be cancelled under the terms in this Agreement.

 Interruption of Electricity Service: You are required to have a positive balance on your account except as otherwise authorized in this Agreement. If your account balance is equal to or less than $0.00, Direct Energy may request that the TDU interrupt your electricity service. When this happens, your electricity service will cease until you restore a positive balance to your account. In some circumstances, Direct Energy will not interrupt your electricity service in accordance with Section 25.498(j) of the Public Utility Commission of Texas (“PUCT”) rules, http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.498/25.498.pdf even if your account balance is equal to or less than $0.00. In such instances, interruption of electricity service may be delayed until the next eligible business day. Interruption will be considered the same as disconnection in this Agreement. If service is interrupted, you may be assessed a disconnect/reconnect fee at the time of interruption. See Appendix A for the amount of the fee. Direct Energy strongly recommends that you have at least $25.00 on your account balance each day to avoid interruption.

Customer Account Updates: Direct Energy will communicate with you through an Account Update process. At the time of enrollment with us, you must select an Account Update method that is either e-mail or text messaging (standard text messaging charges may apply as charged by your phone service provider).

Account Updates contain account information which may include:
Your Direct Energy Power-To-Go℠ account balance and/or recent electricity usage, which may be reduced by all known charges and fees that have been incurred, including charges based on estimated usage.
- The most recently available energy consumption information as provided by the TDU (which may contain delayed information and usage estimated by the REP in a reasonable manner for the time period in which the TDU has not provided actual or estimated usage data)
- Current price
- Estimated time and/or days of electricity service remaining
- Confirmation of valid prepayments and/or other notices related to your account.

Account Update Delivery Failure: Direct Energy is not obligated to resend Account Updates to you, even if the message could not be delivered for any reason. You are solely responsible for contacting Customer Service to provide us with updated and
correct contact information if: (1) the information for your chosen method of Account Updates contact has changed; (2) your chosen method of Account Updates is not functioning properly; (3) your chosen method of Account Updates is no longer valid; or (4) at any time after you have begun receiving service from Direct Energy, forty-eight (48) hours pass in which you do not receive an Account Update. After multiple repeated failures to send you an account update, we may cease to send account updates until you contact Customer Service and provide updated and working contact information.

Billing and Payment: You will not receive a bill from us. Instead, Direct Energy (or an authorized pay station) will provide you a purchase receipt that will show you the amount of prepayment added to your account or confirmation number Direct Energy will send confirmation of the prepayment through an Account Update. Please note that cash payments are only accepted through our authorized pay stations. See http://www.directenergy.com/powertogo for locations. Credit card payments are accepted online at www.directenergy.com/powertogo or by phone at 1-877-866-6601. A Payment Transaction Fee may be assessed each time you add prepayments to your account. Prepayments made to us by sending a check or going to a pay station that is not listed at http://www.directenergy.com/powertogo will not be accepted by Direct Energy. If for some reason your prepayment is processed, you agree and acknowledge that there will be a delay in posting the prepayment to your account. If your account balance is equal to or below $0.00 during this delay, Direct Energy may contact the TDU to interrupt your service.

You may request that we send you a Summary of Usage and Payment (SUP), which will be delivered through the US postal service. You may be assessed a Document Processing fee (up to $2.95) for such request. Upon request, an SUP shall be provided to an energy assistance agency in accordance with Section 24.498(h)(6) of the PUCT rules. http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.498/25.498.pdf).

Warning Notice on $0.00 Balance: You will be sent a warning notice one to seven (1-7) calendar days before your account balance is estimated to reach $0.00 through an Account Update.

Electricity Pricing: Product prices are subject to change and may increase without notice for any reason, including but not limited to: (1) there are changes to TDU Delivery Charges or TDU Surcharges; (2) there are changes to the Electric Reliability Council of Texas ("ERCOT") or Texas Regional Entity ("TRE") administrative fees charged to loads; (3) changes resulting from federal, state or local laws that impose new or modified fees or costs on a REP that are beyond the REP's control; (4) we determine in our sole discretion that the rate class or type of service originally designated by ERCOT, us, or you is incorrect; or (5) we determine in our sole discretion that the price should change, subject to the provisions in the attached EFL. Pricing features and product details of the product can also be changed under the Changes to Terms of Service provision of this Agreement. Nothing in this section shall preclude us from offering a new contract to you at any other time during the contract term. Additional product information available in the "Product Type Section" of this document.

How to Access Information about Your Account: Access your account 24 hours a day online by visiting http://www.directenergy.com/powertogo or by phone at 1-877-866-6601. There will be a charge of up to $5.00 to speak to a Direct Energy customer care representative.

Other Fees and Charges: A detailed list of Other Fees and Charges is attached as Appendix A at the end of this Terms of Service document. Any applicable Fees and Charges will be automatically deducted from your account at the time it is assessed by Direct Energy.

Outstanding Account Balance: If, for any reason, you continue to receive electricity service when your account balance is equal to or less than $0.00, your account will continue to accrue all charges for the electricity service received. When your account balance is equal to or less than $0.00, Direct Energy may request that the TDU interrupt your electricity service. If the TDU performs interruption of your electricity service, then any costs incurred on your account while waiting for the TDU to perform an interruption may result in an increased outstanding account balance owed on your account. Unless stated in this Agreement, any account balance less than $0.00 must be paid in full before your electricity service will resume.

Insufficient Funds & Returned Payments: We charge a $25.00 fee on all returned electronic payments or rejected credit card payments that were not processed because of: (1) insufficient funds; (2) a lack of available credit; (3) stopped payment; or (4) any other reason(s) for returns. Any electronic transfer returned by a bank for insufficient or unavailable funds will be treated as if we received no valid prepayment at all. We are not responsible for notifying you of returned electronic payments. If no valid prepayment is received and your balance is equal to or less than $0.00, Direct Energy may request that your TDU interrupt your electricity service.

Deferred Payment Plan: If at any time your account balance has a negative balance of $50.00 or more due to an extreme weather emergency, under billing, or during a state of disaster declared by the governor pursuant to Texas Government Code §418.014, if the customer is in an area covered by the declaration and the commission directs that deferred payment plans be offered, you may be eligible to enroll in a Deferred Payment Plan ("Payment Plan"). You must contact Customer Service to request enrollment in the Payment Plan. You must repay your Payment Plan balance over time as part of future prepayments, up to 50% of all future prepayments being used to pay the Payment Plan balance until the plan is fully paid. If you establish a Payment Plan we
may put a switch-hold on your account that will be removed after your deferred balance is paid and processed. If you are disconnected for nonpayment while a switch-hold is in place a payment will be required to resume service and you may not obtain services from another provider until you pay the total deferred balance. If you establish a Payment Plan, we’ll confirm the details of the plan in writing. You have the right to satisfy the Payment Plan before the prescribed time.

Prior Account Deferred Payment Plan: If you are transferring to this product from another Direct Energy product, you may have an option of a Prior Account Deferred Payment Plan (“Payment Plan”) upon meeting our eligibility requirements. The Payment Plan allows you to transfer your existing and/or prior outstanding balance and unbilled balance to your Payment Plan balance. If you choose not to set up this plan, you may pay off your prior outstanding balance and unbilled balance in full. If you establish this plan, we may ask you to pay a down payment. You must repay your Payment Plan over time as part of future prepayments, with up to 50% of all future prepayments being used to pay the Payment Plan balance until the plan is fully paid. If you establish a Payment Plan we may put a switch-hold on your account that will be removed after your deferred balance is paid and processed.

Failure to adhere to the terms agreed to in the Payment Plan will result in the entire Payment Plan balance becoming immediately due and automatically being deducted from your account balance. If this results in your balance being equal to or less than $0.00, Direct Energy may request that your TDU interrupt your electricity service. If you are disconnected for nonpayment while a switch-hold is in place a payment will be required to resume service and you may not obtain services from another provider until you pay the total deferred balance. If you establish a Payment Plan, we’ll confirm the details of the plan in writing.

Outstanding Debts: We may collect any outstanding debts related to your account, including amounts related to a Deferred Payment Plan or Prior Account Deferred Payment Plan if you do not honor the terms of each plan. We may use debt collection agencies to collect any outstanding balances on your account. We, or anyone acting on our behalf, reserve the right to assess and collect from you, as a current or former customer, or other responsible persons any and all costs, fees or charges related to the collection of delinquent balances, including but not limited to commissions, costs, fees and attorneys’ fees incurred when recovering outstanding balances through the use of any collection agency or an attorney.

Termination of Agreement by Customer: Direct Energy Fixed Product Termination: After the rescission period described above in the “Your Right to Cancel” section expires, we reserve the right to assess a cancellation fee specified in your EFL if you cancel your service under this Agreement prior to the expiration of your initial term, or if your service is cancelled by us due to your breach of the terms of this Agreement. If you would like to terminate your agreement with Direct Energy to switch to another REP, you must initiate electricity service with another REP. Moving out of your residence is considered a termination of your agreement with Direct Energy. If you wish to terminate your service on a specific date, you must provide a minimum of three (3) business days’ notice from that date. Allowing your electricity service to remain interrupted for a period of more than ten (10) calendar days is considered a termination of your agreement. However if you are subject to a switch-hold you will not be able to buy electricity from another provider until you have fulfilled the terms of your Deferred Payment Plan.

We will notify you at least thirty (30) calendar days (or one billing cycle) prior to the end of the initial term with a contract expiration notice. At the end of your initial term, unless a renewal term greater than one (1) month is established with your affirmative consent, your Agreement will expire. If you take no action your service will automatically continue under a variable priced, month-to-month plan with no cancellation penalty. As long as you are on the variable priced, month-to-month plan, the Energy charge and/or daily Base charge may change at any time and from time-to-time at Direct Energy’s sole discretion. While your electricity price under the variable price product will not change more than once a month, it may vary on a month-to-month basis as determined by us. Your actual price for electric service and your actual electricity usage will be shown on your Account Update. This will be used to calculate your daily usage amount.

Direct Energy Variable or Indexed Products Termination (including but not limited to Direct Energy Variable, Free Power Saturday Indexed, and Free Power Sunday Indexed Products): As a buyer of a variable or indexed price product, including the Free Power Day products, you may terminate this agreement with Direct Energy without penalty at any time for any reason. If you wish to terminate your agreement with Direct Energy to switch to another REP, you must initiate electricity service with another REP. Moving out of your residence is considered a termination of your agreement with Direct Energy. If you wish to terminate your service on a specific date, you must provide a minimum of three (3) business days’ notice from that date. Allowing your electricity service to remain interrupted for a period of more than ten (10) calendar days is considered a termination of your agreement. However if you are subject to a switch-hold you will not be able to buy electricity from another provider until you have fulfilled the terms of your Deferred Payment Plan.

Change in Terms and Conditions: Direct Energy will provide written notice at least fourteen (14) calendar days in advance of any material change in the terms and conditions of your agreement for electric service unless the change benefits you. If you object to the change(s) in the Agreement before they become effective, you may terminate the agreement with Direct Energy by initiating service in your name with another REP. Pricing may change as provided in the Agreement and does not constitute a material change of electricity service by Direct Energy. You will be able to find the most current agreement at http://www.directenergy.com/powertogo.

Closeout Balance and Refunds: There will be no refund of any account balance unless you terminate electricity service
with Direct Energy. If you terminate electricity service with Direct Energy (either by moving out or by switching your service to another REP), or we terminate electricity service with you, you are then entitled to a refund of the account credit, minus any outstanding balance accrued, any amounts owed under any payment plan (described above) and/or fees assessed until the date your electricity service with Direct Energy ends. Direct Energy refers to this amount as the “Closeout Balance”. If you are moving out, you are responsible for contacting Customer Service and requesting that Direct Energy close out your account, including recording the Closeout Balance at the time your service officially ends. If you are switching to another REP, your Closeout Balance will be determined by DIRECT ENERGY on the last day of your service with Direct Energy. Please note that there will be a $2.50 Refund Check Fee for all refund checks mailed to you which will be automatically deducted from your Closeout Balance prior to issuing you a refund. If your Closeout Balance is equal to or less than $5.00, you must contact Direct Energy and request a refund within thirty (30) calendar days of the last day of your service with Direct Energy, otherwise you agree to allow Direct Energy to donate this amount to an energy payment assistance program.

Deposits and Credit Checks: Direct Energy will not require a security deposit. Acceptance of prepayment is solely for your convenience and will not be considered a deposit by Direct Energy. Direct Energy may not require a credit check at the time of enrollment.

Interest on Prepayment: Direct Energy will not pay interest on any account balances. Direct Energy reserves the right to set a maximum limit on your account balance.

LITE-UP Texas: Direct Energy offers discounted electrical service to eligible customers that qualify for LITE-UP Texas, a program that reduces the monthly cost of electricity for qualified low-income individuals during certain months of the year. Qualified customers will automatically receive a discounted rate for energy consumption during the qualifying period. If you are a qualified customer and you enrolled after the qualifying period, you will receive your discounted rate in the next qualifying period. Verification of eligibility and discounted rates will be shown via Account Updates. LITE-UP Texas Self-Enrollment Discount form and FAQ can be accessed at http://www.puc.state.tx.us/consumer/lowincome/Assistance.aspx or by calling 1-866-454-8387.

Assistance Agencies and Bill Payment Assistance: Should you need assistance paying for your electricity service, contact 1-877-399-8939 or go to http://www.tdhca.state.tx.us/ea/index.htm for a list of assistance agencies. At your request or the request of an assistance agency, Direct Energy will provide you with your recent usage and payment history. Direct Energy will work with assistance agencies as necessary, and if you qualify, to assist you in maintaining your electricity service. We may initiate disconnection of service if we have not received payment from the energy assistance agency within forty-five (45) calendar days of our receipt of the commitment, or if after applying the payment your balance is less than or equal to $0.00.

Under billing: Direct Energy reserves the right to correct any prior daily bills due to missing or erroneous customer charges that may arise as a result of: (1) meter errors; (2) miscalculations of taxes; (3) errors in collections at the authorized pay station; or (4) other errors and omissions. If the under billed amount is not paid according to the above, and your balance is equal to or less than $0.00, Direct Energy may request that your TDU interrupt your electricity service.

Disconnection of Service Without Prior Notice: Direct Energy may, at any time, authorize disconnection of a customer’s electric service without prior notice where any of the following conditions exist:

- A known dangerous condition exists (the disconnection may continue until the condition no longer exists);
- There has been an attempt to bypass the TDU meter to gain electricity without payment, or tamper with other TDU or Direct Energy equipment; or
- There is evidence of actual or attempted theft of service.

Critical Care Residential Customer or Chronic Condition Residential Customer: Direct Energy will not be able to provide (or continue to provide) this product to you if you indicate that your TDU has designated you as a critical care residential customer or chronic condition residential customer, or if an interruption of electricity service will cause a person residing in your residence to become seriously ill or more seriously ill. Critical Care Residential Customer and Chronic Condition Residential Customer are defined in Section 25.497 of the PUCT rules http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.497.pdf. In order to be designated a critical care residential customer or a chronic condition residential customer, a customer must have the PUCT application form approved by the TDU. If Direct Energy becomes aware that you have become designated as a critical care residential customer or chronic condition residential customer, or that an interruption of service will cause you or a person residing at the customer’s residence to become seriously ill, we will work with you to transition you to another Direct Energy product or REP in a manner that avoids a service disruption; all eligibility requirements apply.

Non-Discrimination Policy: Direct Energy will not deny service based on a customer’s race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of a customer/applicant in an economically distressed geographic area, or qualification for low income or energy efficiency services. Direct Energy will not use a credit score, credit history, or utility payment data as the basis for determining the price for electric service.

Warning on Cost Responsibility for TDU Service Call: If you report a power outage in your area that results in a service
call by the TDU, you will be charged the full amount of the TDU discretionary charges incurred IF the outage is determined by the TDU to be caused by your error (such as an interruption due to insufficient pay-as-you-go-credit) and not the TDU’s transmission and distribution equipment.

**Force Majeure:** We will make commercially reasonable efforts to provide your electric service but do not guarantee a continuous supply of electricity. Certain causes and events are out of our reasonable control and may result in interruptions in service. We do not transmit or distribute electricity or control whether you have an advanced meter (or whether it is functioning correctly). We are not liable for damages caused by acts of God, changes in laws, rules, or regulations or other acts of any governmental authority (including the PUCT; ERCOT; or TRE), accidents, strikes, labor troubles, required maintenance work, inability to access the local distribution utility system, nonperformance by the TDU or any other cause beyond our reasonable control.

**LIMITATIONS OF LIABILITIES:** LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURe OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES. NEITHER OF US WILL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES. WE ARE NOT LIABLE FOR INTERRUPTIONS TO OR SHORTAGES OF ELECTRICITY SUPPLY NOR ANY ASSOCIATED LOSS OR DAMAGE RESULTING THEREFROM. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OF ANY LIABILITY OR DAMAGE. THERE ARE NO THIRD-PARTY BENEFICIARIES TO THIS AGREEMENT.

**ELECTRIC PROVIDER REPRESENTATIONS AND WARRANTIES:** WE WILL MEET THE QUALITY STANDARD OF THE APPLICABLE TDU AND WILL BE SUPPLIED FROM A VARIETY OF SOURCES. WE MAKE NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT, AND WE EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**Miscellaneous:** This Agreement is subject to applicable laws and supersedes any previous promises, understandings and agreements. If any provision of this Agreement is deemed invalid, illegal or otherwise unenforceable, we agree that it shall be modified to the minimum extent necessary to render it valid, legal and enforceable. If a provision cannot be modified in a manner that would make it valid, legal and enforceable, the provision shall be severed from the Agreement, and all other provisions shall remain in full force and effect. Any failure on our part to enforce any of the terms of this Agreement or to exercise any right under these terms and conditions shall not be considered a waiver of our right to enforce each and every such term or exercise such right or any other right under these terms and conditions. You may not assign this Agreement without our prior written consent. We may: (a) Transfer or sell this Agreement or your account in connection with any financing; (b) Transfer this Agreement to any of our affiliates; (c) Transfer or assign this Agreement to anyone succeeding to all or substantially all of our assets or of our business segment; and (d) Transfer this Agreement to another Utility Commission-certified Electric Provider. After assignment, we will have no further obligations under this Agreement.

**APPENDIX A - Other Fees and Charges:** The following table contains typical fees and charges that may be assessed by either the TDU or DIRECT ENERGY. You may be obligated to pay nonrecurring fees as required or allowed by PUCT rules, including, but not limited to, fees and charges for establishing, switching, or maintaining electric service. Charges for required, nonrecurring fees will be automatically applied to your account balance when assessed.

This list does not represent all TDU or Direct Energy fees and charges. For questions about these or any other fees and charges, please contact Customer Service at the toll-free number: 1-877-866-6601.

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<thead>
<tr>
<th>Direct Energy Power-To-Go Fees</th>
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<tbody>
<tr>
<td>Account Updates Resend Fee</td>
<td>$2.95</td>
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<tr>
<td>Closeout Balance Refund Check Fee</td>
<td>$2.50</td>
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<tr>
<td>Early Cancellation Fee (Fixed Rate Products only)</td>
<td>See EFL</td>
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<tr>
<td>Document Processing Fee</td>
<td>Up to $2.95</td>
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<tr>
<td>Premium Contact Fee</td>
<td>Up to $5.00</td>
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<tr>
<td>Payment Transaction Fee at an authorized payment station</td>
<td>Up to $2.95</td>
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<tr>
<td>Micropayment Convenience Fee for payments less than $25 made online or via telephone</td>
<td>Up to $4.95</td>
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<tr>
<td>Insufficient Funds Fee or Returned Payment Fee</td>
<td>$25.00</td>
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PRODUCT TYPE SECTION

MONTH TO MONTH PRODUCTS:

Variable: The EFL includes details about Direct Energy’s variable price product that includes an Energy Charge per kWh and daily Base Charge. The average price for electric service reflects the applicable Energy Charge, the applicable daily Base Charge (for thirty (30) calendar days) and all existing recurring charges excluding state and local sales taxes, and the State Miscellaneous Gross Receipts Tax reimbursement. The Energy Charge may change if there are: changes to TDU delivery charges or regulatory charges; or changes in law that impose new or modified fees that are out of our control. In addition, the Energy Charge and/or daily Base Charge may change at any time and from time-to-time at Direct Energy’s sole discretion. A change in Energy Charge and/or daily Base Charge does not constitute a material change of the delivery of electric service by Direct Energy. Your actual price for electric service and your actual electricity usage will be shown on your Account Update. This will be used to calculate your daily usage amount.

INDEXED PRODUCTS:

Free Power Saturday and Free Power Sunday: The EFL includes details about Direct Energy’s Free Power Day Products, which are indexed price products that include an Energy Charge per kWh (specific to the day of the week or the time of day) and daily Base Charge (also specific to the day of the week or time of day). The average price for electric service reflects the applicable Energy Charge, the applicable daily Base Charge (for thirty (30) calendar days) and all existing recurring charges excluding state and local sales taxes, and the State Miscellaneous Gross Receipts Tax reimbursement. The Energy Charge may change if there are: changes to TDU delivery charges or regulatory charges; or changes in law that impose new or modified fees that are out of our control. In addition, the Energy Charge and/or daily Base Charge may change at any time and from time-to-time at Direct Energy’s sole discretion. A change in Energy Charge and/or daily Base Charge does not constitute a material change of the delivery of electric service by Direct Energy. Your actual price for electric service and your actual electricity usage will be shown on your Account Update. This will be used to calculate your daily usage amount.