

**FORM OF ESCO AND AGGREGATOR STANDARD RESIDENTIAL  
CUSTOMER AGREEMENT FOR  
ELECTRIC GENERATION SERVICE**

The following provides the required form, including guidelines for provisions that may vary between ESCOs, for the Agreement between an ESCO and a residential customer. Aggregators that use customer Agreements are also required to use this form and these guidelines with specific differences noted.

Non-residential customers have different requirements which are set forth in a separate document entitled Non-Residential Customer Agreement Requirements.

This document uses the following convention:

- Material in regular type must appear in the standard residential customer Agreement.
- Material in italics provides guidelines and requirements for inclusion in the customer Agreement.

*For Aggregators:*

- Generally, the instructions regarding ESCOs also apply to Aggregators.
- Aggregators shall use the phrase “the ESCO selected by Aggregator d/b/a Name” where “ESCO’s d/b/a Name” appears except as noted below:
  - Top section above General Information, section 6 and Signature Page should use “Aggregator” instead of “ESCO” and “Aggregator d/b/a Name” instead of “ESCO d/b/a Name”.
  - Section 12 should use the phrase “the Aggregator d/b/a Name and the ESCO selected by Aggregator d/b/a Name” instead of “ESCO d/b/a Name”.

**LONG ISLAND CHOICE PROGRAM  
FORM OF ESCO OR AGGREGATOR STANDARD RESIDENTIAL CUSTOMER AGREEMENT  
FOR ELECTRIC GENERATION SERVICE**

This Agreement ("Agreement") is made and entered into as of \_\_\_\_\_, 199\_\_, by and between (ESCO's d/b/a Name), an Energy Service Company ("ESCO") or Aggregator and \_\_\_\_\_ (Customer's name) ("you") for a service period starting \_\_\_\_\_, 199\_\_.

ESCO Name: \_\_\_\_\_  
ESCO License No. \_\_\_\_\_  
ESCO Business Address: \_\_\_\_\_  
\_\_\_\_\_

Customer Name: \_\_\_\_\_  
Customer Account No. \_\_\_\_\_  
Customer Service Address: \_\_\_\_\_  
\_\_\_\_\_

ESCO Telephone No.: \_\_\_\_\_  
ESCO Fax No.: \_\_\_\_\_

Customer Telephone No.: \_\_\_\_\_  
Customer Fax No.: \_\_\_\_\_

**GENERAL INFORMATION**

- The Long Island Power Authority ("Authority") is responsible for establishing and overseeing the Long Island Choice Program ("LI Choice" or "LI Choice Program"). The Authority's subsidiary, LIPA, is the owner and operator of the electric transmission and distribution system on Long Island. The Authority sets LIPA's rates. LIPA will deliver the Electric Generation Service purchased from (ESCO d/b/a Name) under this Agreement across the LIPA system to your residence.

*If ESCO*

- \_\_\_\_\_ (ESCO's d/b/a Name) is licensed by the Authority to offer and supply Electric Generation Service to retail customers under the terms and conditions of the LI Choice Program.

*If Aggregator*

- \_\_\_\_\_ (Aggregator's d/b/a Name) is licensed as an Aggregator by the Authority to enroll customers and arrange for their Electric Generation Service to be supplied by a Licensed Energy Service Company ("ESCO") under the terms and conditions of the LI Choice Program.

*Both ESCO and Aggregator*

- \_\_\_\_\_ (ESCO's d/b/a Name or Aggregator's d/b/a Name) sets the charges that you will pay for Electric Generation Service and related Other Services which you request and receive under the terms and conditions of this Agreement.
- A lottery may be conducted to select customer accounts for participation in the LI Choice Program. If this customer account is not selected in the lottery, this Agreement will be null and void.

**TERMS AND CONDITIONS OF SERVICE**

*If ESCO*

1. **(ESCO's d/b/a Name) as Customer's Agent** - The customer designates \_\_\_\_\_ (ESCO's d/b/a Name) as its agent for receiving customer billing information from LIPA and for procuring and scheduling the transmission and ancillary services necessary to deliver Electric Generation Service purchased by you to LIPA's system.

If Aggregator

**(Aggregator's d/b/a Name) as Customer's Agent** - The customer designates \_\_\_\_\_ (Aggregator's d/b/a Name) as its agent for transferring the customer to a Licensed ESCO. The Licensed ESCO will act as the customer's agent for receiving customer billing information from LIPA and for procuring and scheduling the transmission and ancillary services necessary to deliver Electric Generation Service purchased by you to LIPA's system.

## 2. Service Charges

*The ESCO must itemize any service charges, special terms and conditions of service, penalties, and fees for this customer under this Agreement, describe each, and clearly indicate the one-time or monthly charges or credits associated with each. The print size for this section must be larger than the print in the rest of the Agreement.*

- (a) **Electric Generation Service Charges** - These charges represent the ESCO's d/b/a Name price for electricity as delivered to you exclusive of LIPA's charges to you for delivery of that electricity. The charges for Electric Generation Service are not regulated by the Authority and depend upon the Terms and Conditions of Service between you and ESCO's d/b/a Name.

*Itemize the Electric Generation Services the ESCO is including in its bill, the per unit price at the customer's meter and the total line item charge for each service. The ESCO must include any variable pricing conditions and limits if charging a variable rate. Example: The customer will pay (ESCO's unit price) per kWh for Electric Generation Service.*

- (b) **Other Service Charges** - Any charges or fees related to providing Electric Generation Service under this Agreement.

*Itemize the Other Services the ESCO is including in its bill, the per unit price, and the total line item charge for each service. The ESCO must include any variable pricing conditions and limits if charging a variable rate, and may charge customers only for services they have requested and received. An itemized list of Other Service Charges could include, but would not be limited to, the following:*

- *service initiation charge(s)*
- *special metering equipment charge(s)*
- *special metering service charge(s)*
- *special meter reading charge(s)*
- *customer charge(s)*
- *service charge(s)*
- *minimum usage provisions*
- *late payment charge(s)*
- *charges that apply if LIPA terminates delivery services to the customer*
- *sign-up bonuses or limited time offers (monetary)*
- *add-ons or exclusions (monetary)*

## 3. Purchase and Sale of Electric Generation Service

You will buy Electric Generation Service for the residence at the street address and for the LIPA customer account number above from \_\_\_\_\_ (ESCO's d/b/a Name) under this Agreement with no fixed expiration date.

- a. *The ESCO may not change the terms and conditions of the Agreement, including pricing, during the earlier of the first nine (9) months of the Agreement, or until the end of Phase I of the LI Choice Program.*
- b. *To change the terms and conditions of the Agreement, the customer must be notified of any proposed changes in any bills the customer receives during the three months before the proposed new terms and conditions would become effective. At least 60 days prior to the date when the new terms and conditions would become effective, the ESCO must provide the new terms and conditions to the customer and clearly inform the customer in a notice that the customer may terminate the existing Agreement before the new terms and conditions become effective. The ESCO must also obtain a written acceptance of the new terms and conditions from the Customer before they become effective.*
- c. *If the ESCO does not obtain the customer's written acceptance of the new terms and conditions, the ESCO must continue to deliver under the old terms and conditions until the Agreement is terminated under the terms of section 6 below.*
- d. *Any provision or mechanism in an Agreement which adjusts the pricing of products or services during the course of the Agreement (such as indexed pricing) is not considered a change in the terms and conditions if such provisions or mechanisms are provided for in the original Agreement.*

*The ESCO shall list and explain the specific terms and conditions associated with Agreement expiration and renewal.*

#### **4. Customer Billing**

*The Agreement must contain one or both of the following options.*

*Option 1 - "You will receive two bills for your service: one from LIPA for delivery and other services it provides, and one from \_\_\_\_\_ (ESCO's d/b/a Name) for Electric Generation Service and related Other Services which you have requested and received under this Agreement."*

*Or, Option 2 - "You will receive a statement from LIPA identifying the delivery and other services it provides you. You will then be billed for LIPA's services on the ESCO's d/b/a Name itemized customer bill."*

*The ESCO shall provide all rules, terms and conditions applicable to customer billing, including a sample customer bill, and at minimum, the conditions under which any of the following may occur:*

- (a) *Assessments of penalties, fees or charges, such as late payment charges.*
- (c) *Initiation of collection procedures.*
- (d) *Termination or cancellation for non-payment.*

#### **5. Deposit Requirements**

*The ESCO shall specify any customer deposit requirements, including the period for which any deposit is required and the interest rate, if any, the ESCO will pay on customer deposits.*

## 6. Agreement Termination or Cancellation

*An ESCO may not charge the customer a fee for termination or cancellation.*

- (a) You may terminate or cancel this Agreement for any reason effective at the end of any calendar month, if you give the ESCO d/b/a Name at least 15 calendar days notice.
- (b) ESCO's d/b/a Name may terminate or cancel this Agreement with you upon at least 15 calendar days written notice to you. The cancellation will become effective at the end of the month following the 15-day notice period. ESCO's d/b/a Name may terminate or cancel the Agreement for the following reasons:
  - Non-performance by you, which includes non-payment, and theft of service.
  - ESCO's d/b/a Name gives you notice of termination under the notice provisions of the Agreement.
- (c) In recognition of the Authority's responsibility to set the terms and conditions of the LI Choice Program, you and ESCO's d/b/a Name agree to abide by any decision of the Authority to cancel this Agreement.

*The ESCO shall itemize and fully explain all terms and conditions regarding termination or cancellation of this Agreement. The applicable provisions of this Agreement shall continue in effect after termination or cancellation of this Agreement to the extent necessary to provide for final billing, billing adjustments, payments, disposition of any outstanding claims and related matters.*

## 7. Assignment of Agreement

- (a) You may not assign or transfer your rights or obligations under this Agreement.

*If ESCO*

- (b) ESCO's d/b/a Name may assign or transfer its rights or obligations under this Agreement only to another ESCO licensed by the Authority and after first informing you in writing of such transfer or assignment. The new ESCO must assume all rights and obligations under the terms and conditions of this Agreement. After the notice of assignment or transfer is sent to you, you may terminate an assigned or transferred Agreement if you provide notice in accordance with section 6 above.

*If Aggregator*

- (b) Aggregator's d/b/a Name is an Aggregator who enrolls customers to be served by an ESCO. By entering into this Agreement, you are authorizing Aggregator d/b/a Name to select an ESCO for you. When the Aggregator d/b/a Name selects an ESCO to serve you, you will be notified by your Aggregator d/b/a Name and will receive information about the ESCO, including the ESCO's name, address, phone number, disclosure statement, product label, and its dispute resolution process.

## 8. Low Income Customer Protections

*The ESCO may establish a Low Income Protection Program. If the ESCO chooses to do so, the ESCO shall list and explain all low income customer protection measures for qualifying customers, such as assistance in managing the payment of overdue bills to prevent ESCO termination or cancellation of this Agreement due to customer non-performance. If the ESCO does not offer Low Income Customer Protections, the Agreement shall so state.*

## 9. Dispute Resolution Procedures

If you have a question or complaint regarding the ESCO's d/b/a Name terms and conditions of service, a bill issued by the ESCO's d/b/a Name, or any other dispute regarding this Agreement, you should contact the ESCO's d/b/a Name by calling this toll-free number, ESCO's customer service number; and attempt to resolve any issues with the ESCO's d/b/a Name representative. A copy of ESCO's d/b/a Name dispute resolution process was provided to you with this Agreement.

If you believe that ESCO d/b/a Name has engaged in any unfair or unethical business practices, please call the Authority at this toll-free number, (877) ASK-LIPA or (877) 275-5472.

*The ESCO shall provide a complete description of its dispute resolution process in a separate document provided with the Agreement.*

## 10. Applicable Law

This Agreement shall be construed in accordance with and be governed by the laws of the State of New York without regard to the conflicts of law provisions thereof.

## 11. Confidentiality of Customer Information

Customer to check one box.

For the purposes of this section, the term "Customer Information" relates to your energy usage history, billing history or any other customer information provided to ESCO's d/b/a Name by either LIPA or you.

- The ESCO's d/b/a Name may use Customer Information **only** for the purpose of providing Electric Generation Service and related Other Services to me under this Agreement.
- The ESCO's d/b/a Name may use Customer Information for marketing other services and merchandise to me by the ESCO's d/b/a Name or companies affiliated with it, but **may not** make Customer Information available to other companies or people.
- The ESCO's d/b/a Name **may** use and make available Customer Information to other companies or people for any commercial purposes.

**12. Signature Section**

We have reviewed the terms of this Agreement and understand that by signing it we are entering into a binding contract.

**You may cancel this Agreement any time during the 7 calendar days following your date of signature, by calling ESCO's d/b/ Name at (ESCO's toll-free number).**

**(ESCO's d/b/a Name) will provide a copy of this Agreement for your records at the time it is given to you for your signature. A copy of the Agreement signed by you and ESCO d/b/a Name will be given to you within 15 calendar days after receipt of the Agreement with your signature.**

\_\_\_\_\_  
*(Customer's Signature)*

\_\_\_\_\_  
*(Date)*

\_\_\_\_\_  
*(Customer's Name - please print)*

\_\_\_\_\_  
*(ESCO's d/b/a Name)*

\_\_\_\_\_  
*(ESCO's Authorized Representative Signature)*

\_\_\_\_\_  
*(Date)*

\_\_\_\_\_  
*(ESCO's Authorized Representative Name - please print)*