

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Illinois Commerce Commission	:	
On Its Own Motion	:	
	:	Docket No. 15-0512
Amendment of 83 Ill. Adm. Code 412 and	:	
83 Ill. Adm. Code 453	:	
	:	

**VERIFIED REPLY COMMENTS OF THE
ENVIRONMENTAL LAW & POLICY CENTER**

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November 19, 2015

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ENVIRONMENTAL LAW & POLICY CENTER**

The Environmental Law & Policy Center (“ELPC”), pursuant to the Administrative Law Judge’s Notice of Continuance of Hearing and Notice of Schedule dated September 30, 2015, hereby files these Verified Reply Comments in the above entitled proceeding. The Illinois Commerce Commission (“ICC”) has the authority to promulgate additional restrictions and disclosure requirements with respect to electricity products marketed as “renewable,” “green,” etc., and revisions to 83 Ill. Adm. Code § 412.190 are necessary to protect consumers from misleading advertising and ensure that they have complete information about electricity products. The minimal burden from more thorough regulation is vastly outweighed by the benefit to the public.

Substantively, it is important that Retail Electric Suppliers (“RESs”) are required to purchase registered renewable energy credits or certificates (“RECs”) from the current year for electricity advertised as “renewable,” “green,” etc. in order to meet customer expectations and prevent renewable attributes from being double-counted. Feasibility concerns from the industry regarding disclosures could be addressed through alternative disclosure requirements, including disclosure of past and future intended resource mix and location. In addition, ELPC reiterates its position that minimum renewable energy percentages should be required for electricity marketed

as “renewable,” “green,” etc. Finally, ELPC would also like to bring attention to issues surrounding automatic renewal clauses and propose customer protection options.

I. The ICC has authority to regulate marketing practices of RESs and require disclosures with respect to electricity products advertised as “renewable,” “green,” etc.

In its Initial Comments, the Illinois Competitive Energy Association (“ICEA”) claims that the ICC lacks the authority to regulate RESs as set out in the ICC staff’s proposed amendments to 83 Ill. Adm. Code Parts 412 and 453, including the disclosure requirements included in staff’s additions to 83 Ill. Adm. Code § 412.190. ICEA Init. Com. at 8-15, 42. ELPC agrees with the Verified Initial Comments of the ICC staff on this point: the ICC has clear authority to regulate RESs as proposed. As noted by ICC staff, the ICC has broad authority to regulate RESs under 220 ILCS 5/8-501, which provides that “[t]he Commission shall prescribe rules and regulations for the performance of any service or the furnishing of any commodity of the character furnished or supplied by any public utility.” Further, the Illinois legislature explicitly found that “[t]he restructuring of the electricity industry will create a new electricity market with new marketers and sellers offering new goods and services, many of which the average consumer will not be able to readily evaluate,” and explained that the General Assembly intended that “electricity consumers be provided with sufficient and reliable information so that they are able to compare and make informed selections of products and services provided in the electricity market.” 220 ILCS 5/16-117(a).

Moreover, ICEA itself acknowledged that RESs are subject to 220 ILCS 5/16-115A(e)(i), which states that “[a]ny marketing materials which make statements concerning prices, terms and conditions of service shall contain information that adequately discloses the prices, terms and conditions of the products or services that the alternative retail electric supplier is offering or

selling to the customer.” ICEA Init. Com. at 11. The disclosures proposed by the ICC staff, as well as the additional marketing restrictions and disclosure requirements proposed by ELPC, implement this provision and are well within the ICC’s authority.

II. Amendments and additions to 83 Ill. Adm. Code § 412.190 are necessary to provide customers with adequate information and prevent deceptive or misleading advertising, and the benefits outweigh the minimal burden on RESs.

A. Real examples prove the necessity and importance of greater disclosures to inform consumers and prevent deceptive or misleading advertising.

The Retail Energy Supply Association (“RESA”) questions the need for many of the proposed amendments to Part 412, including requirements under § 412.190, while ICEA also expressed skepticism regarding benefits from the proposed amendments. *See, e.g.*, RESA Init. Com. at 3; ICEA Init. Com. at 3, 39. The need for these provisions, however, is very real. Just two months ago, Chicago Crain’s Business reported on the misleading advertising practices of Ethical Energy, explaining that this “one small company peddling green energy is the No. 1 source of questions to Chicago’s main consumer advocate on utility matters.” Steve Daniels, *Clean-Energy Firm’s Marketing Prompts Consumer Questions*, Crain’s Chicago Business (Sept. 19, 2015), available at <http://www.chicagobusiness.com/article/20150919/ISSUE01/309199995/clean-energy-firms-marketing-prompts-consumer-questions>.

The Attorney General (“AG”) stated in its Initial Comments that “there is abundant evidence that certain RES’s have engaged in sales practices that are, at a minimum, confusing for consumers,” and noted a specific example of misleading marketing related to electricity advertised as “green.” AG Init. Com. at 2, 11. The Citizens Utility Board (“CUB”) explained that in its experience, “residential consumers do not have the tools necessary to effectively weed through aggressive and often misleading marketing information about energy offers to make a truly informed choice.” CUB Init. Com. at 2. ELPC has also heard from an interested consumer

who submitted informal comments to the ICC about her own unsuccessful attempts to find adequate information to evaluate various “green” offerings from RESs. Clearly, additional disclosures and marketing regulations are necessary.

B. The benefits of comprehensive disclosure requirements outweigh the minimal burden on RESs.

RESA claims in its Initial Comments that the ICC staff’s proposed amendments increase the burden and expense of compliance for RESs, and that RESs will accordingly be less able to compete with the default service from public utilities. RESA Init. Com. at 4-5. Comprehensive disclosure requirements with respect to electricity products marketed as “renewable,” etc. would create minimal costs for RESs. Most of the requirements proposed by staff and ELPC are as easy as adding additional text to marketing materials that the RES has already chosen to produce. The benefit to consumers, on the other hand, is substantial. Many Illinois residents are concerned about the environmental impacts, including climate change, caused by conventional electricity generation, and are interested in the development of renewable energy resources. For example, a recent Sierra Club poll found that 63% of Illinois voters think that climate change is a somewhat or very serious problem, and over half believe that the state should invest more money in renewable energy resources.¹ Additional disclosures can help ensure that customers fully understand their options and can make an informed decision in line with their values and preferences. Moreover, the Illinois legislature has explicitly stated its intent that “electricity consumers be provided with sufficient and reliable information so that they are able to compare and make informed selections of products and services provided in the electricity market.” 220 ILCS 5/16-117(a). The benefit of increased disclosures justifies the minimal burden on RESs.

¹ <http://content.sierraclub.org/press-releases/2015/11/eve-us-senate-votes-new-polling-illinois-shows-strong-support-clean-power>.

Further, RESA's concerns about a competitive market are misplaced. RESs' ability to market "green" products provides a significant opportunity to distinguish themselves from the default utility product, as well as from each other. Moreover, an effective competitive market requires complete knowledge on behalf of consumers; if customers do not understand what they are purchasing, the market is not efficient.

III. Section 412.190 should require RESs to purchase registered RECs from the current year for any electricity advertised as "renewable," "green," etc.

A. Products and services such as carbon offsets, smart thermostats, energy efficiency, etc. may not be advertised as providing electricity that is "renewable," "green," etc.

ICEA and RESA both express concerns about advertising restrictions for environmentally beneficial products and services that are related to electricity use, such as carbon offsets, smart thermostats, energy efficiency, etc. ICEA Init. Com. at 39-40; RESA Init. Com. at 19. ICEA questions whether the terms "renewable," "green," "environmentally friendly," etc. should be restricted to electricity backed by RECs. Importantly, products and services like carbon offsets, smart thermostats, energy efficiency, demand response, and distributed generation do not ensure that the actual electricity being sold is any less environmentally damaging than electricity from conventional energy sources. For example, energy efficiency measures reduce the overall amount of electricity used, but the electricity purchased by someone who implements energy efficiency measures is no less carbon-intensive than that same amount of electricity would be if that person did not use energy efficiency. Of course, products and services like energy efficiency, smart thermostats, etc. can have significant environmental benefits. RESs should be permitted to truthfully advertise the environmental benefits of these services and products; they simply may not claim that the actual electricity itself is "renewable," "green," or

“environmentally friendly.” A RES should only be permitted to advertise electricity as “renewable,” “green,” etc. if it obtains the requisite RECs.²

B. Section 412.190 should require RESs to obtain registered RECs for the current year from a reputable tracking system for any electricity marketed as “renewable,” “green,” etc.

ICEA argues in its Initial Comments that RESs should be able to support claims that an electricity product is “renewable,” “green,” etc. with RECs that do not meet the requirements for compliance with the Illinois Renewable Portfolio Standard (“RPS”), as long as the RECs meet the requirements of Section 1-10 of the Illinois Power Agency Act. ICEA Init. Com. at 40. “For instance,” ICEA states, “a REC generated from anaerobic digestion that is not registered with PJM-GATS or M-RETS (or is registered but not within the U.S. footprint) is not RPS eligible.” *Id.* ICEA states that such a REC should still count for purposes of marketing electricity as “renewable,” “green,” etc. It is critical that any REC used to support a claim that electricity is “renewable,” “green,” etc. should be registered with and obtained through a reputable tracking system, such as PJM’s Generation Attribute Tracking System (GATS), the Midwest Renewable Energy Tracking System (M-RETS), or Green-e. This will ensure that the RECs are legitimate and the environmental attributes of the renewable energy are not double-counted.

Further, unbundled RECs used to support claims of electricity being “renewable,” “green,” etc. should be from the current year. ELPC mentioned REC vintage in its Initial Comments, and although other parties did not discuss the issue in their Initial Comments, ELPC believes it is important to emphasize this point. Requiring current REC vintage would be consistent with likely customer assumptions, and would prevent RESs from purchasing large

² ELPC agrees with the Attorney General that Part 412 should include a definition for “REC.” ELPC would suggest that a reference simply be made to the definition of “REC” included in the Illinois Power Agency Act at 20 ILCS 3855/1-5. Similarly, ELPC supports the proposed definition of “renewable energy resources” that references the Illinois Power Agency Act.

quantities of RECs from previous years and using those RECs to support “green” advertising claims in later years.

IV. Alternative disclosure requirements could be used to address feasibility concerns.

ICEA and RESA expressed concerns with the feasibility of some of the disclosure requirements proposed by ICC staff. ICEA Init. Com. at 41-42; RESA Init. Com. at 18-19. As they explain, many RESs do not purchase RECs ahead of time for electricity marketed as “renewable,” “green,” etc., as the number of customers signed up for a specific electricity product may change over the year and total electricity usage may be uncertain. *Id.* Further, RESs often purchase RECs throughout the year based on price fluctuations, and “may purchase different types of RECS . . . based on the market price.” REA Init. Com. at 19.

These concerns could be addressed by providing alternatives for some of the disclosure requirements. ELPC proposes that RESs be allowed to choose to not make a specific claim about the renewable energy resource mix and resource location that it will use for electricity advertised as “renewable,” etc. if and only if the RES discloses on all marketing material the anticipated mix and resource location for the current year and the actual mix and resource location for the previous year. In addition, the RES would be required to notify its customers at the end of the year which renewable energy resources were actually utilized, the percentage of each resource, and the location of the resources. RESs would also have to post this information on their websites. Importantly, RESs would not be permitted to use the above method to avoid disclosing the total percentage of renewable energy utilized up-front. The alternative disclosure requirements would only apply to the mix of renewable energy resources and resource location.

Importantly, if a RES decided to make specific marketing claims up-front, it would be required to meet those claims. For example, if a RES marketed its electricity as being supported

by 100% Illinois wind RECs, it could not later decide to use Illinois solar RECs or wind RECs from a different state. ELPC believes this is a fair way to balance the feasibility concerns of the industry and the public interest in disclosure requirements.

V. Section 412.190 should include minimum renewable energy percentage requirements of 100% for electricity marketed as “renewable” and 50% for electricity advertised as “green,” “environmentally friendly,” etc.

ELPC reiterates its position that section 412.190 should include minimum renewable energy percentage requirements in order to reduce misleading advertising and consumer confusion. ELPC agrees with the Attorney General’s Initial Comments that any electricity marketed as “renewable” must either be supported 100% by RECs, or must clearly state that it is only “X% renewable.” ELPC’s Initial Comments differ from the Attorney General’s on the proper minimum percentage requirement for electricity marketed as “green,” “environmentally friendly,” etc. The Attorney General would require 100% renewable energy, while ELPC would require only 50% renewable energy, with the exact percentage clearly stated. ELPC continues to believe that this approach is appropriate, since “green” and “environmentally friendly” are less specific and do not necessarily connote 100% renewable energy.

VI. ICC rules should provide greater customer protections with regard to automatic contract renewals.

The current proposed rules should be strengthened to offer greater protection to customers with respect to automatic contract renewals. Proposed § 412.115(10) states that, “The UDS shall disclose whether and how the contract renews with or without affirmative action by the customer.” Similarly, § 412.110(f) requires that the ARES disclose “any applicable renewal clause.” However, neither of these sections goes far enough to protect customers from being renewed at terms that change the material terms of service.

ELPC believes that this renewal issue has not received the attention it deserves in the Initial Comments. Commonly referred to as rollover contracts, many RES contracts contain clauses that allow them to raise prices or change any terms they want with only minimal notice and little opportunity for the customer to opt out of the renewal if they do not like the new terms. *See Sample Customer Agreement from Just Energy (attached as Exhibit A).* Many RES contracts only require the RES to notify the customer that their contract terms are changing 30 days before the contract expires.

The renewal or rollover clause often allows the utility to significantly raise the rate—or in the case of electricity marketed as “renewable,” or “green,” a renewal clause may allow the RES to change the percentage of renewable electricity. Whether a customer signs up with an RES because they want electricity from renewable energy sources, or because of the price, the RESs should not be able to make material changes without the customer’s active consent. ELPC supports Citizens Utility Board’s (“CUB”) recommendation that the customer “must take affirmative action to renew the contract by the end of the initial contract term, or that customer will be returned to utility supply.” CUB Init. Com. at 5. If the Commission does not want to go this far, then it should only allow the RESs to renew a customer automatically at the same terms and conditions as the current contract. Under no circumstance should the RESs be permitted to require a customer to cancel a contract in writing.

VII. Conclusion

The ICC clearly has the authority to more thoroughly regulate RESs’ marketing practices, and greater disclosures are necessary to protect the public and allow consumers to make fully informed decisions. The benefit to the public far outweighs the minimal burden on the RESs. Section 412.190 should require RESs to purchase registered RECs for any electricity advertised

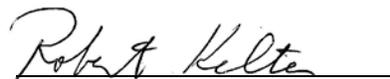
as “renewable,” “green,” etc. Feasibility concerns raised by the industry could be addressed through alternative disclosure requirements. ELPC reaffirms its opinion on requiring minimum renewable energy percentages for electricity marketed as “renewable,” “green,” etc. Finally, ELPC believes regulations regarding automatic contract renewals should be modified to provide greater customer protection.

Dated: November 19, 2015

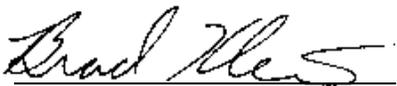
Respectfully submitted,



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AFFIDAVIT OF RACHEL GRANNEMAN

I, Rachel Granneman, affirm that I have personal knowledge of the contents of these *Verified Reply Comments of the Environmental Law & Policy Center*, which are, to the best of my knowledge, true and accurate.



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Sworn or affirmed before me
this 19 day of November 2015.


Notary Public
My commission expires: 2017



Uniform Disclosure Statement

- a) This Agreement is with Commerce Energy Inc. d/b/a Tara Energy (“Tara Energy”).
- b) Tara Energy is an independent seller of power and energy service, certified by the Illinois Commerce Commission, and is not representing or acting on behalf of the electric utility, governmental bodies or consumer groups.
- c) I am between the age of 18 and 75.
- d) My Utility will remain responsible for the delivery of power and energy to my premise and will continue to respond to any service calls and emergencies. Switching to Tara Energy will not impact my electric service reliability.
- e) The Illinois Commerce Commission can be contacted at 1.800.524.0795 for complaints.
- f) This is a FIXED RATE Agreement. My Electricity Price will be a an introductory variable price, the Intro Price, for the first billing cycle and thereafter be a Fixed Rate. The Fixed Rate was provided during the online enrollment process. No other charges will be billed by Tara Energy. I will be charged by ComEd for their delivery services.
- g) This agreement does not guarantee financial savings.
- h) The length of this Agreement (the “Term”) was provided during the online enrollment process. At the end of my Term, I may be automatically renewed with new Terms and Conditions. Tara Energy will provide renewal notices as required in advance of my Term End Date in accordance with Illinois governing law.
- i) **If I cause this Agreement to end early, I will be charged an Exit Fee of \$50. See “Ending this Agreement Early” and “Exit Fee” in my Terms and Conditions. To request cancellation, I can contact Tara Energy by telephone, mail, e-mail or fax. The Exit Fee will be waived if cancellation is made by directly contacting Tara Energy.**
- j) **I may rescind the Agreement without paying an “Exit Fee”:**
 - **By contacting Tara Energy before my enrollment is sent to my Utility (usually about 3 business days).**
 - **By contacting Tara Energy (1.888.990.8577) or my Utility (1.800.334.7661) within 10 calendar days of my Utility receiving instructions to enroll me with Tara Energy. I will receive a written notice from the Utility confirming a switch to Tara Energy. This notice will include the last date that I am allowed to rescind this Agreement.**
 - **Tara Energy extends my right to cancel this Agreement without exit fees up to 30 days after the date of my first bill under this Agreement.**
- k) I have received, reviewed, and agree to the attached General Terms and Conditions forming part of this Agreement.

I acknowledge that I am the Account Holder or legally authorized person to execute an Agreement on behalf of the Account Holder. I understand that by electronically signing this Agreement, I am switching the Electricity supplier for this account to Tara Energy. I understand that Electricity purchased for this account by Tara Energy will be delivered through ComEd’s transmission system. The Account Holder, or the person who signed this Agreement on behalf of the Account Holder, may cancel this Agreement for any reason without exit fees up to 30 days after the date of the first bill through written or verbal notification to Tara Energy.

**GENERAL TERMS AND CONDITIONS
(RESIDENTIAL, SMALL OR MEDIUM COMMERCIAL CUSTOMERS)**

1. Key Defined Terms. **Agreement:** Collectively, the Customer Agreement (front page, any enrollment correspondence and/or online registration materials and/or welcome letter), the Uniform Disclosure Statement, these General Terms and Conditions and any Schedule of Multiple Locations. **Breach:** You will be in Breach if you (i) violate a term of this Agreement or your Utility's tariffs or policies; or (ii) switch to another retail electricity supplier, including the Utility. **Customer:** The account holder named on the Customer Agreement. Also referred to as "I", "my", "you" and "your". **Electricity:** Electricity commodity that we will supply to your Location. **ICC:** Illinois Commerce Commission. **Intro Price:** The rate we charge you for Electricity during the first billing cycle of the Agreement following the Start Date, as listed on the Customer Agreement. The Intro Price is based on the published Utility Price for the associated month. The Intro Price is a discount price from the Utility Price that is offered by Tara Energy. **Location:** The electricity account listed on the Customer Agreement relating to your premises for service. **Medium Volume Customer (MVC):** A Customer that uses between 50,000 and 180,000 kWh annually, or is otherwise accepted by Tara Energy to qualify under this Agreement. **Price:** As set out on the Customer Agreement, the Electricity Price and TaraGreen Electricity Price, as applicable. **Small Volume Customer (SVC):** A Customer that uses less than 50,000 kWh annually. **Tara Energy:** Commerce Energy Inc., d/b/a Tara Energy. Also referred to as "we", "our" or "us". **TaraGreen™:** our green energy option for electricity ("TaraGreen Electricity"). **Utility:** Your local distribution utility (Commonwealth Edison Company).

2. Notice of Appointment of Tara Energy as your Agent. You give us the exclusive right to act as your agent in making all supply and delivery arrangements with your Utility and others so that we may provide your full Electricity consumption requirements to the Location. You agree, now and throughout the Term, that you: (a) are not, and will not be, bound by an agreement for your Location with a electricity supplier other than us; and (b) will not cancel or modify our appointment as your exclusive agent.

3. Acceptance, Verification. This Agreement takes effect when we verify your authorization to switch your electricity account to Tara Energy and is conditional upon our acceptance of it. Our acceptance is at our sole discretion and depends, in part, on whether: (a) your Utility accepts our request to enroll you; (b) we can verify your information by recorded phone call (or other means acceptable to us and permitted by Illinois law); (c) you are creditworthy; and (d) you are not already enrolled with us (existing customers can only enter into this Agreement if it is a "re-contract", as may be reflected by a capital letter "R" in the upper right corner of the Customer Agreement, or if it is a renewal contract effective after the End Date of your Initial Term). You consent to the recording of phone calls related to this Agreement.

4. Term. The Term of this Agreement begins on the "Start Date" and expires on the "End Date" (if no selection is made, it is deemed the longer of the available options). **Start Date:** the day we begin supplying Electricity to your Location under this Agreement. If you are a new Customer, it will be between 15 and 120 days from signing. If however, your Location is currently enrolled under an existing agreement with us (and this is a re-contract or renewal), the Start Date is the day following the end of your current agreement. The Start Date may be delayed (for reasons such as the Agreement being improperly completed, not submitted to Tara Energy, not implemented by the Utility, etc.) at our discretion. **End Date:** our last day of Electricity supply to your Location under this Agreement (it will be the Term from the Start Date, plus any time needed to obtain a final meter read). A new Term will begin if you choose the Blend & Extend Option or if this Agreement is renewed.

5. Renewal. This Agreement may be automatically renewed with new Terms and Conditions. We will provide renewal notices in advance of your Term Expiration Date in accordance with Illinois governing law.

6. TaraGreen. We will purchase and retire renewable energy certificates or attributes ("green energy") equivalent to your electricity usage multiplied by the TaraGreen Power participation level you selected up to 100%. You can request (a) to change your level or (b) to discontinue your participation at any time, so long as you are not in Breach of this Agreement at the time of the request. We can suspend or discontinue TaraGreen at any time. If TaraGreen is discontinued by you or by us, you will then stop paying for it but the rest of this Agreement will remain in effect. Green energy that we purchase and retire on your behalf will: (a) relate to green energy produced in the year you pay for TaraGreen (plus or minus 12 months) and (b) remain our legal property.

7. Charges (and Credits) under this Agreement. We will supply you with Electricity and TaraGreen for the Location, as applicable. You agree to pay for the related charges, plus taxes.

7.1 Electricity Charge. For the first billing cycle from the Start Date you will be charged your Electricity consumption (in kWh) multiplied by your Intro Price. After the Intro Price period expires, you will be charged your Electricity consumption (in kWh) multiplied by a Fixed Rate. **7.2 TaraGreen Electricity Charge.** Your Electricity consumption (in kWh) multiplied by your TaraGreen Electricity Price. **7.3 Utility Charges (Credits).** You will continue to be responsible for any regulated Utility delivery and other charges (or credits) pursuant to your Utility's tariffs on file with the Illinois Commerce Commission. **7.4 Taxes.** You will pay lawful taxes that may apply to the charges.

8. Billing, Payment. Your Utility will normally bill you on our behalf, but we have the right to bill you directly, which may be exercised in our sole discretion. You agree to pay all amounts on your bill by the stated due date. If you fail to do so, then your Utility will charge you a late payment fee. We can correct a billing error up to 15 months after the original erroneous bill and you will then receive a forward credit or debit on your bill. **Budget Billing:** You can choose to be billed under the budget billing (level payment) plan administered by your Utility. Contact your Utility for details.

9. Blend & Extend Option. You can request this option if, in the future, your Price for Electricity differs from the price we are offering to new customers, for Agreements like yours. To qualify, your Term must be greater than 2 years and your request must be made at least 6 months prior to the End Date. If we accept your request, we will offer you a new blended Price (based on a weighted average of your Price and the future posted price) and a new Term. All terms of this Agreement except for the Price and Term will remain the same. You can request this option no more than once per 2 year period. Contact us for details.

10. Ending this Agreement Early, Default. If this Agreement ends early, for any reason, you must still pay all amounts charged to you up to the early End Date. **Your Right to Cancel:** You can end this Agreement, without paying an Exit Fee, within 30 days of the date of your first bill under this Agreement. You may cancel this Agreement via verbal or written communication to Tara Energy at any time and an Exit Fee will not apply. This Agreement will not be processed if you cancel this Agreement at any time prior to midnight of the tenth business day after your Utility sends a notice confirming you have switched your electricity supply to Tara Energy. If this Agreement has already been processed by your Utility, then it may take between 1-2 additional billing cycles for cancellation to take effect. **Our Right to Cancel:** We can end this Agreement, at no cost to us, if: (a) required/allowed by law; (b) the Utility is unable to service your Location; (c) a legislative or regulatory change materially alters our ability to perform this Agreement; (d) you move; or (e) you fall into "Default". You will be given 15 calendar days' prior notice. You will be in Default if you (i) breach a term of this Agreement or your Utility's rules; or (ii) switch to another electricity supplier, including the Utility.

11. Exit Fee. You may cancel this Agreement via verbal or written communication to Tara Energy at any time and no Exit Fee will apply. If you switch to another supplier or cancel this Agreement via verbal or written communication to your Utility more than 30 days after the issuance of your first bill with Tara Energy as your supplier, an Exit Fee of \$50 (the "Exit Fee") will apply. You understand that it may take us 1-2 billing cycles to complete the switch back to default supply.

12. Customer Information, Credit Review. You authorize us to access, use and update information about you (including contact, billing and credit history, and consumption information), and to obtain it from and provide it to your Utility, our affiliates and our service providers. You (and signatory, if signatory is noted as your spouse/civil union partner) agree to Tara Energy obtaining a credit report and investigating your (and, if applicable, signatory's) credit rating, credit history and Utility bill payment status and history. We are not obligated to accept, or continue performing, this Agreement if you do not meet our credit requirements. We will send you a letter by regular mail if we do not accept this Agreement for credit reasons. You may cancel our right to obtain or use your information at any time but, if you do, we have the right to end this Agreement and charge you the Exit Fee. You authorize us to provide information about you to our affiliates, business partners and service providers. We (our affiliates, business partners and service providers) can communicate with you about other products and services offered by us, our affiliates and business partners. You will promptly notify us in advance of any change to your information that is relevant to this Agreement (the Utility may also advise us of any such change) and agree that incorrect Customer information can be corrected.

13. Limitation of Liability. Our liability under this Agreement is limited to direct actual damages. We are not liable for incidental, consequential, punitive, or indirect damages, lost profits or lost business or for any act or omission of your Utility.

14. Disputes. Both parties will, in good faith, use reasonable efforts to resolve a dispute under this Agreement. If unresolved, you can refer it to the ICC at 1.800.524.0795 or via website www.icc.illinois.gov.

15. Amendment, Assignment. We may amend this Agreement by sending you written notice. Unless required by Governing Law (including, for example, a Utility tariff change or other regulatory order), you will have 30 days to reject the amendment, in writing. We will not amend the Term or Price without your consent. We may assign all or any part of our interest in this Agreement, including to another alternative electricity supplier, without your consent. You cannot assign your rights or obligations without our consent.

16. Moves. You will give us 45 days notice before you move or change your Location (each, a "move"). If you move, we may, in our sole discretion: (a) end this Agreement; or (b) apply this Agreement to your new Location provided your new Location (1) is within the State of Illinois; (2) is in a Utility service territory with an electricity choice program; and (3) requires electricity service. If the latter, then: (i) your new location will be a Location bound by this Agreement; (ii) you authorize us to deal with your Utility in this regard; and (iii) if Governing Law requires that you give us additional written authorization at the time of the move, you will have the option of providing it to us or paying the Exit Fee.

17. Inability to Perform. You accept that certain events beyond our control, including force majeure events declared by your direct or indirect suppliers, may affect our ability to supply Electricity or TaraGreen Electricity at your Price. If this happens, we may, without liability: (a) temporarily supply them to you at the market price available to us; or (b) suspend this Agreement until as soon as we are reasonably able to resume performance. This Agreement will otherwise remain in full effect.

18. Notice. We will send notices to your billing address (as may be amended from time to time). At our discretion (if, for example, there is a fault with regard to your billing address), we may instead send notices to your service address (as may be amended). When providing us with notice, you must send it to our address listed on the Customer Agreement, in a manner by which you will be able to give proof of delivery upon request. If a change in Governing Law necessitates that a group of customers be given a general notice, we may give it by posting it on our website at taraenergy.com.

19. Governing Law. The laws of the State of Illinois govern this Agreement.

20. Miscellaneous. This Agreement contains the entire agreement between you and Tara Energy concerning the supply of Electricity and TaraGreen Electricity to your Location, as applicable. It can only be amended if agreed to by Tara Energy's head office in a written notice to, or recorded telephone call with, you. Electronic signatures are equivalent to original signatures. The contents of our marketing materials do not form any part of the Agreement, and were not relied on by you. If any part of this Agreement is deemed unenforceable, we can make the minimal changes for it to be legal and enforceable. If this Agreement is not implemented within 15 months of signing, it will be deemed terminated at no cost to either you or us. During the Term, if changes in Governing Law result in certain costs or credits being shifted from your Utility or other similar or regulatory bodies (such as the ICC) to Tara Energy, or vice versa, these costs or credits will be passed through to you at no markup. This Agreement benefits and binds the parties and their respective successors and assigns. No delay by us to exercise our rights will constitute a waiver of such rights.

21. Emergency. In an emergency situation relating to your electricity supply, call your Utility. ComEd: **1.800.334.7661**.

22. Utility Contact Information. You can reach your Utility at the following number: ComEd: **1.800.334.7661**.

23. Tara Energy Contact Information. P.O. Box 2210, Buffalo, New York 14240-2210. Phone 1.888.990.8577. Fax 1.888.548.7690. On-line taraenergy.com

Tara Energy



Executive Vice President