

## **Natural Gas Supply Agreement**

(Washington Gas Light Company - DC)

## Constellation NewEnergy - Gas Division, LLC District of Columbia License #GA-06-2

Under the terms of this Natural Gas Supply Agreement ("Agreement"), Constellation NewEnergy - Gas Division, LLC ("Constellation") will supply to Customer and Customer shall purchase from Constellation 100% of Customer's natural gas needs for the accounts listed below. The utility will continue to deliver the natural gas supplied by Constellation. By signing below, Customer acknowledges that this Agreement is an agreement to initiate natural gas service and to begin enrollment with Constellation. This Agreement also includes the General Terms and Conditions attached hereto.

TERM: Constellation will begin supplying your natural gas on the meter read date during the month of <<Month YYYY>>. If for some

after the	e utility processes y	our enrollment. This	Agreement will continue nis Agreement or any rer	for months ("P	rimary Term"),	unless the Agreeme	
PRICE (	your selected opt	ion is noted with an	"x" in the applicable bo	ox):			
	<b>Fixed Price Contract:</b> This is a fixed price contract. The price for natural gas supplied by Constellation to Customer's accounts is <b>\$ per therm</b> for the Primary Term of this Agreement for all volumes. This price does <u>not</u> include line loss The price for all natural gas supplied to Customer's accounts following the Primary Term of this Agreement will be a Monthly Variable Price as described in the General Terms and Conditions.						
	<b>Fixed Price Contract - Burnertip:</b> This is a fixed price contract. The price for natural gas supplied by Constellation Customer's accounts is <b>\$ per therm</b> for the Primary Term of this Agreement for all volumes. This price does include lil loss. The price for all natural gas supplied to Customer's accounts following the Primary Term of this Agreement will be monthly variable price as described in the General Terms and Conditions.						e line
	<b>Fixed Basis Contract:</b> This is a variable price contract. The monthly price for natural gas supplied by Constellation to Customer's accounts for the Primary Term of this Agreement is 100% of settlement price of the New York Mercantil Exchange (NYMEX) Natural Gas Futures – Henry Hub Contract for the last trading day of each month plus \$ petherm. This price does <u>not</u> include line loss. The price for all natural gas supplied to Customer's accounts following the Primary Term of this Agreement will be a monthly variable price as described in the General Terms and Conditions.						
	Constellation to C Mercantile Exchar per therm. This	ustomer's accounts fonge (NYMEX) Natural price does include lin	s is a variable price of or the Primary Term of the Gas Futures – Henry Hu ne loss. The price for a a monthly variable price to	this Agreement is 100 b Contract for the last Il natural gas supplied	% of settleme trading day of d to Customer	nt price of the New each month plus \$ s accounts following	York
		above does not included utility's price in any	ude any utility distribution particular month.	n charges, utility bala	ncing fees or	taxes. This price ma	y be
			LIST OF ACCOUN	TS			
Customer Name		Tax ID Number	Account Location	LDC	Rate Class	LDC Account Number	
					I		1



## IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized representatives.

Customer:	Constellation NewEnergy – Gas Division, LLC
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:
Address:	
Facsimile:	
Telephone:	
Email:	

## Constellation NewEnergy – Gas Division, LLC Natural Gas Supply Agreement (Washington Gas Light Company - DC) General Terms and Conditions

- 1. Contract Term and Renewal; Representations and Warranties: The Primary Term of this Agreement is set forth above. The price of gas supplied to Customer's accounts following the Primary Term will be a Monthly Variable Price, unless otherwise agreed in writing. The "Monthly Variable Price" will be a variable price that may or may not change at our discretion for each calendar month during which Constellation serves Customer's account(s). If Customer receives one bill from the utility that includes Constellation's charges, for any utility that pro-rates between months, if a billing cycle spans across multiple calendar months, the utility will apply the applicable Monthly Variable Prices pro-rated based on the utility's billing methodology. The Monthly Variable Price will be set in Constellation's discretion and may vary from month to month based on Constellation's assessment of applicable market conditions, historic and projected supply and hedging costs, prior months pricing and balancing costs, projected average customer bill amounts and utility pricing. The Monthly Variable Price may include the following additional costs: balancing costs, transportation costs, storage costs, pooling charges, credit costs and a profit margin determined in Constellation's discretion that may or may not vary from month to month. The Monthly Variable Price can be inherently volatile and may exceed available fixed rates, utility rates and other third party supplier rates, so consideration should be given to whether you would prefer a new fixed rate versus the potential volatility and increased costs of month to month variable rates. The Monthly Variable Price does not include any fees, taxes or charges directly assessed by the Utility. Either party may terminate supply of natural gas beyond the Primary Term upon thirty (30) days written notice of termination to the other party.
- 2. Billing. Customer will be billed for natural gas usage and related products and services supplied under the Agreement in one of the following ways based on availability and eligibility of each account, which may change from time to time: (a) Dual Billing: Customer will receive two invoices, one from Constellation for the natural gas supply and one from the utility for the amounts payable by Customer for services provided by the utility ("Delivery Charges"); or (b) Utility Consolidated Billing: Customer will receive one invoice from the utility that includes both the natural gas supply charges and the Delivery Charges.
- 3. Taxes. Customer is responsible for all Taxes related to the sale purchase, and delivery of natural gas to Customer's business. "Taxes" means all taxes, assessments, duties, fees, levies premiums or any other charges of any kind, whether direct or indirect, and whether imposed on Customer or that Constellation passes through to Customer, relating to the sale, purchase or delivery of natural gas, together with all interest, penalties or other additional amounts imposed, including but not limited to gross receipts, utility taxes, sales, consumption, use, value added, per therm, commercial activity or other privilege tax, and any other tax (whether in effect as of the effective date of this agreement) imposed by any governmental entity. If Customer is exempt from any Taxes, Customer shall provide Constellation with a valid exemption certificate prior to the issue date of Customer's first invoice. All Taxes invoiced to Customer under this Agreement will be included on the invoice or in the applicable price as allowed by law.
- 4. Estimates and Volume Adjustment. Constellation's ability to invoice Customer is dependent on the utility's ability to furnish Constellation with all necessary information, including Customer's metered usage. Constellation may invoice accounts based upon Customer's estimated monthly usage as supplied by the utility. In such event there will be a volumetric adjustment following account termination or on receipt of all necessary information to reconcile Customer's estimated usage with Customer's actual usage during the contract period. Volume adjustments for purposes of reconciliation will be priced at a market rate equal to a monthly variable price based on prevailing market conditions in effect at the time of the adjustment.
- **5. Payment.** Constellation's invoices will be sent to Customer in accordance with Constellation's normal billing cycle, as adjusted from time to time. Constellation's invoices are due and payable on the 20<sup>th</sup> day after the date of invoice without offset or reduction of any kind, to the address set forth on the invoice. Invoices not paid on or before the payment date will accrue interest daily on outstanding amounts from the payment date until paid in full, at the lesser of 1.5% per month or the highest rate permitted by law. Customer agrees to pay Constellation's reasonable attorneys' fees and costs incurred to collect all unpaid balances. The parties are entitled to verifiable billing adjustments requested within two (2) years of the date of the applicable invoice. For billing inquiries contact Constellation at (833) 848-6938.
- **6. Delivery Point**: All natural gas sold will be delivered to an existing or future point of interconnection between the Customer's utility distribution system and a third party pipeline supplying natural gas to the utility (the "Delivery Point"). Title and risk of loss related to natural gas transfer from Constellation to Customer at the Delivery Point.
- 7. **Financial Responsibility:** Constellation's acceptance of this Agreement is conditioned upon Constellation's review of Customer's creditworthiness, approval of which shall be in Constellation's sole discretion and in addition, any transaction under this Agreement is conditioned upon Customer maintaining such creditworthiness during the term of the Agreement. If Constellation has reasonable grounds: (i) to believe that Customer's creditworthiness has become unsatisfactory; or (ii) for insecurity with respect to Customer's

performance under the Agreement, Constellation may demand, in writing, adequate assurance of future performance from Customer in a form, in an amount, from an issuer, and for a term, all as reasonably satisfactory to CNEG ("Adequate Assurance"). To satisfy a demand, Customer shall provide Adequate Assurance to Constellation within five (5) Business Days of the date of the written demand. Also, if such Adequate Assurance is not provided within such period, in addition to any and all other remedies available under this Agreement, Customer grants Constellation an automatic first priority security interest in and lien on all gas purchased on Customer's behalf, whether in storage or otherwise, and Constellation shall have the right to use the same to satisfy or offset the payment of any indebtedness, unpaid account balance or damages owed by Customer to Constellation.

- 8. Indemnification and Limitations: Customer will defend and indemnify Constellation against all losses, costs and expenses, including court costs and reasonable attorney's fees, arising out of claims regarding payment, personal injury or property damage from or related to the gas ("Claims") or other charges thereon which are incurred or attach at and after the Delivery Point. Constellation will defend and indemnify Customer against all losses, costs and expenses, including court costs and reasonable attorney's fees, arising out of claims of title, personal injury or property damage from or related to the gas or other charges thereon which are incurred or attach before the Delivery Point. Notwithstanding any other provision of the Agreement to the contrary, the entire liability of each party for any and all Claims will be limited to direct actual damages only, subject in all cases to an affirmative obligation on the part of each party to mitigate its damages, and neither party will be liable for any consequential, exemplary, special, incidental or punitive damages, including, without limitation, lost opportunities or lost profits not contemplated by Section 11 below. Customer acknowledges and agrees that the utility is exclusively responsible for the gas distribution and delivery system, that Constellation has no independent control over their systems and will have no liability for any of their acts or omissions.
- 9. Failure to Deliver or Receive Gas. The sole and exclusive remedy of the parties in the event of a breach of an obligation to deliver or receive gas shall be the following: (a) If Constellation fails to deliver gas for a reason other than Force Majeure, Constellation shall pay Customer the "Replacement Cost," which is the amount Customer actually pays to replace the undelivered gas less the amount Customer would have paid under this Agreement for such gas. (b) If Customer fails to receive or pay for gas for a reason other than Force Majeure, Customer shall pay Constellation the "Revenue Loss," which is the amount that Constellation would have received for the sale of the unreceived gas pursuant to this Agreement less (i) the amount actually received by Constellation in an alternate sale, plus any incremental costs, or (ii) if no alternate sale takes place, the amount Constellation would have received by reselling such gas at spot market prices at or near the Delivery Point(s), as determined by Constellation in a commercially reasonable manner. Constellation and Customer shall exercise commercially reasonable efforts to mitigate any Revenue Loss or Replacement Cost, respectively. If the calculation of the Replacement Cost or Revenue Loss results in a negative number, then the amount shall be deemed to equal zero.
- 10. Event of Default. An "Event of Default" means any one of the following: (a) Customer's failure to make, when due, any payment required under the Agreement if not paid within 5 business days (or such longer period required by applicable law) following written notice to Customer that a payment is past due; (b) any representation or warranty made by a party in the Agreement is false or misleading in any material respect when made or ceases to remain true in all material respects during the term of the Agreement, if not cured within 5 business days after written notice from the other party; (c) Customer fails to provide the Assurance Amount as provided in this Agreement; (d) the failure by a party to perform any material obligation set forth in this Agreement (other than the events that are otherwise specifically covered as a separate Event of Default hereunder or a failure to deliver or receive gas) which is not cured within 5 business days after receipt of written notice thereof; or (e) a party: (i) makes an assignment or any general arrangement for the benefit of creditors; (ii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed for it or any substantial portion of its property or assets (iii) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law for the protection of creditors, or has such petition filed against it; (iv) otherwise becomes bankrupt or insolvent (however evidenced); (v) is unable to pay its debts as they fall due; or (vi) is dissolved (other than pursuant to a consolidation, amalgamation or merger).
- 11. Remedies Upon Event of Default. If an Event of Default occurs with respect to a party (the "Defaulting Party"), the other party (the "Non-Defaulting Party") may in addition to all remedies available to it at law or in equity, in its discretion, at any time, (i) withhold any payments or suspend any deliveries hereunder and/or (ii) terminate the Agreement in whole or solely with respect to those accounts adversely affected by such Event of Default, upon written notice to the Defaulting Party setting forth the effective date of termination (the "Early Termination Date"). The Early Termination Date shall be no less than 15 calendar days from the date of written notice of termination. If this Agreement is terminated, the Non-Defaulting Party will in good faith calculate a termination payment as set forth below and the owing party shall pay such amount within 3 Business Days of receipt of notice of the amount due. The parties acknowledge and agree that any termination payment under the Agreement constitutes a reasonable approximation of harm or loss, and is not a penalty or punitive in any respect. As of the Early Termination Date, the Non-Defaulting Party shall determine: (i) the difference between the Contract Value and the Market Value, such that the difference shall be due to the Customer if the Market Value

exceeds the Contract Value and to Constellation if the opposite is the case; and (ii) the amount owed (whether or not then due) by each party with respect to all gas delivered and received. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under this Section, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other. The "Contract Value" shall be the price that would have been paid for the gas under this Agreement had it not been terminated early multiplied by the amount of gas (the "Terminated Volumes"), as determined by the Non-Defaulting Party, that would have been delivered under this Agreement had it not been terminated early. The "Market Value" shall be the amount, as of the Early Termination Date, a third party would pay for the Terminated Volumes at the Delivery Point(s) at current market prices. The Non-Defaulting Party may determine the Market Value of a terminated transaction by reference to information either available to it internally or supplied by one or more third parties including, without limitation, any or all of the settlement prices of NYMEX gas futures contracts, quotations from leading dealers, energy swap agreements or physical gas trading markets, similar sales or purchases, and any other bona fide offers from either third parties or affiliates of the party, all as commercially available to the party and adjusted for the length of the term and differences in transportation costs and other factors, as the party reasonably determines. The Non-Defaulting Party shall not be required to enter into a replacement transaction in order to determine or be entitled to a termination payment.

- 12. Agency and Information Release Authorization: Customer designates Constellation as its agent for administering contracts with all transporters and utilities necessary to supply Customer's accounts. Customer authorizes Constellation to aggregate Customer's gas supply requirements with those of other customers. Throughout the term, Customer authorizes Constellation to obtain information from the utility that includes, but is not limited to, account name, account number, billing address, service address, telephone number, standard offer service type, historical and future natural gas usage, rate classification, meter readings, characteristics of natural gas service and, when charges under this Agreement are included on the utility bill, billing and payment information from the utility. Customer authorizes Constellation to release that information to third parties who need to use or be aware of such information in connection with Customer's natural gas supply service, as well as to its affiliates and subcontractors for marketing purposes. These authorizations shall remain in effect as long as this Agreement (including any renewal) is in effect. Customer may rescind these authorizations at any time by either calling Constellation at (833) 848-6938 or providing written notice to Constellation. Constellation reserves the right to reject Customer's enrollment or terminate the agreement if Customer rescind these authorizations, if I fail to meet or maintain satisfactory credit standing as determined by Constellation, or if I fail to meet minimum or maximum threshold natural gas consumption levels as determined by Constellation, in which case Customer may be required to pay an early termination payment described in Section 11. If Customer fails to remit payment in a timely fashion, Constellation may report the delinquency to a credit-reporting agency.
- **13. Applicable Laws:** This Agreement is subject to all local, state, and federal laws and orders, directives, rules, and regulations of governmental bodies and officials having jurisdiction. The rights of the parties will be governed and construed in accordance with the laws of the State of Maryland, without giving effect to principles relating to conflict of laws.
- **14. Utility Tariffs and Operating Procedures:** This Agreement is subject to the tariff and operating procedures of the applicable utility. Constellation may terminate this Agreement if there is an amendment or addition to any applicable utility's tariff or operating procedure that materially effects the terms of this Agreement, including without limitation, changes to utility balancing and cashout charges, penalties, or related provisions.
- 15. Disputes and Remedies: For questions about bills or any other matters with respect to Constellation's natural gas service, Customer may contact Constellation by calling Customer Care at 1-833-848-6938; by sending a letter to Constellation NewEnergy Gas Division, LLC, P.O. Box 4911, Houston, TX 77210-4911 or by sending an email to home@constellation.com. Constellation will refer all complaints to a representative who in good faith will use reasonable efforts to reach a mutually satisfactory solution. If Customer is still not satisfied, Customer may contact a Constellation supervisor, and he or she will respond promptly. BOTH PARTIES WAIVE ANY RIGHT TO A TRIAL BY JURY OR TO INITIATE OR BECOME A PARTY TO ANY CLASS ACTION CLAIMS IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT.
- 16. Force Majeure: Notwithstanding any other provision of this Agreement, where a party is unable to carry out any obligation under the Agreement due to a Force Majeure event (other than a payment obligation, which will not be excused for Force Majeure), the Agreement will remain in effect but such obligation will be suspended for the period necessary as a result of the Force Majeure, provided that: (i) the Claiming Party gives the other Party as soon as possible written notice describing the particulars of the Force Majeure; (ii) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the Claiming Party uses commercially reasonable efforts to remedy its inability to perform. "Force Majeure" means an event that is not within the reasonable control of the Party claiming Force Majeure ("Claiming Party"), and that by the exercise of due diligence, the Claiming Party is unable to overcome the event in a commercially reasonable manner, and such event will not be deemed a breach or default under the Agreement. Force Majeure includes, but is not limited to, acts of God; fire; war; terrorism; flood; earthquake; civil disturbance; sabotage; facility failure; strike; curtailment, disruption or interruption of supply by a supplier or distribution or

transportation by a Transporter (including without limitation as the result of an operational flow order or similar restriction); declaration of emergency by a pipeline or utility; regulatory, administrative, or legislative action, or action or restraint by court order or governmental authority; or any act or omission of a third party not under the control of the Claiming Party (including without limitation the utility).

- 17. Warranties: CUSTOMER ACKNOWLEDGES AND AGREES THAT NO WARRANTY, DUTY, OR REMEDY, WHETHER EXPRESSED, IMPLIED, OR STATUTORY, IS GIVEN OR INTENDED TO ARISE OUT OF THIS AGREEMENT EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, AND CONSTELLATION SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.
- 18. Miscellaneous: Customer may not assign this Agreement without Constellation's prior written consent. This Agreement may be assigned by Constellation to another non-utility energy services company upon thirty (30) days written notice to Customer. This Agreement contains the entire understanding of the parties with respect to the matter contained herein. This Agreement may be amended only in a writing executed by all parties. No delay or failure by a party to exercise any right or remedy to which it may become entitled herein will constitute a waiver of that right or remedy. If any portion of this Agreement, or application thereof to any person or circumstance, is held legally invalid, the remainder will not be affected and will be valid and enforced to the fullest extent permitted by law and equity, and there will be deemed substituted for the invalid provisions such provisions as will most nearly carry out the mutual intent of the parties as expressed in this Agreement to the fullest extent permitted by applicable law. Any payments due under this Agreement, and all provisions relating to the payment and collection thereof, shall survive termination for any reason. Customer may direct questions or requests for information about this Agreement to Constellation at (833) 848-6938, or email Constellation at home@constellation.com.
- **19. EMERGENCY.** In the event of a gas leak or other gas emergency, contact Washington Gas Light Company at (703) 750-1400 or local emergency services at 911.