

Frontier Utilities, LLC

REP CERT #10169

Texas Residential Terms of Service (TOS)

Effective Date: *October 10, 2013*

Version: *TOS_FRN_101013_ENGLISH*

Welcome To Frontier Utilities

Thank you for choosing Frontier Utilities as your Retail Electric Provider ("REP"). This document explains the terms and conditions of your agreement to purchase electricity from us (the "Agreement"). Your Agreement consists of the Terms of Service, Your Rights as a Customer (YRAC), and your Energy Facts Label (EFL). As your Retail Electric Provider (REP), we will arrange for the delivery of electricity from your Transmission and Distribution Service Provider (TDSP), the company whose poles and wires bring power to your home or business.

Important Contact Details

Mail:

Frontier Utilities, 5161 San Felipe, Suite 320, Houston, TX 77056

Phone: 866-926-8192

Fax: 866-926-8193

Web: www.frontierutilities.com

Email: info@frontierutilities.com

Operating Hours: 8am–5pm CST, Monday-Friday

Power outages & emergencies (24 hours / 7 days)

TDSP service territories

CenterPoint 800-332-7143

AEP 866-223-8508

Oncor 888-313-4747

TNMP 888-866-7456

Sharyland 956-668-9551

If you would like to receive this information in Spanish, please call us at 1-866-926-8192. *Usted puede obtener el mismo documento impreso detallando los Terminos de Servicio en espanol comunicandose con nosotros al 1-866-926-8192.*

Right of Rescission: If you are switching service from another REP to us, you may cancel this agreement without penalty or fee within the first 3 federal business days after you receive this Agreement. You may cancel the Agreement by:

- (i) calling us at 1-866-926-8192
- (ii) writing us at 5161 San Felipe, Ste 320, Houston, TX 77056;
- (iii) sending us a fax at 1-866-926-8193; or,
- (iv) sending us an e-mail at support@frontierutilities.com no later than midnight of the 3rd federal business day.

Please include:

- a your name and service address,
- b your Frontier Utilities account number or Electric Service Identifier ("ESI");
- c the personal identification number ("PIN") we provided you upon enrolling; and,
- d a statement that you are cancelling your Agreement under this 3-day rescission right.

The right of rescission is not applicable to an applicant requesting a move-in.

Supply of electricity:

We agree to sell electricity and Related Services to you at your premises and you agree to purchase electricity from us on the terms and conditions as set out in this agreement. The quantity of electricity supplied by us to you will be the amount measured by the meter at your premises.

Commencement of agreement: The Commencement date of this agreement is the date that you accept our offer to supply you with electricity. If you are currently supplied by another REP, then by entering this agreement you have given your consent to transfer to us. You will continue to be supplied by that REP until the transfer to us is complete.

Commencement of service: Your service under this Agreement will begin on your next meter read date (unless you require new service), which is set by your TDSP. If you are currently receiving service from another REP, we do not charge a switch or enrollment fee. However, we will bill you for any charges to implement your electricity service imposed by your Transmission & Distribution Service Provider (TDSP) which may include, but are not limited to, a service connection fee, reconnection fee, meter test fee, an out-of-cycle or similar special meter read fee or priority fees if any of these services are performed on an expedited basis. We will not be liable for, nor are we able to commit to, an exact date for the commencement of service with us.

Acceptance of you as a customer: These Terms of Service are conditioned on our acceptance of you as our customer. You will purchase electricity for the ESI ID and service address you have identified and in accordance with the terms and conditions in this Agreement. Following completion of an enrollment with us, you may be required to post a deposit or complete a Quality Control or Third Party Verification call before your request for service can be processed. In the event you fail to provide a deposit or additional information required to process your enrollment within ten (10) days of such request, we reserve the right to refuse to honor the terms of this Agreement. We may refuse to provide electric service under one or more of the provisions set forth under Subchapter (R) §25.477 of the Public Utility Commission of Texas ("PUCT") Customer Protection Rules for Retail Electric service - <http://www.puc.state.tx.us/rules/subrules/electric/25.477/25.477.pdf>. If denied service under one of these provisions, you will be notified. In the event that there is a change in the terms of this agreement between the time you enroll for service and the time that your enrollment is actually processed by us, we reserve the right to deny service under these Terms of Service.

Credit checks & deposits: We may use credit reporting agencies to document and evaluate your credit and/or payment history. If



you do not meet our credit standards or cannot demonstrate satisfactory credit as defined in Substantive Rule 25.478 of the PUCT rules - <http://www.puc.state.tx.us/rules/subrules/electric/25.478/25.478.pdf>, we may require a deposit from you. If a deposit is required, the amount shall not exceed the greater of either the sum of your estimated billings for the next two months or one-fifth of your estimated annual billing. Frontier Utilities may require an additional deposit from you once you are an existing customer if a disconnection notice has been issued in the previous twelve (12) months, and/or if your average actual billings over the previous twelve (12) months are at least twice the amount of the originally estimated annual billings. Your service may be disconnected if a deposit is not paid within ten (10) calendar days of the date of the request for deposit. We will apply any cash deposit held on your behalf plus any accrued interest (calculated at the PUCT-approved rate) to the outstanding balance on your final bill, or to your current balance when you have paid bills for service for twelve (12) consecutive months without having any late payments.

Customers that are 65 or over, medically indigent, or are the victims of family violence and can provide a certification letter by the Texas Council on Family Violence as defined in the Texas Family Code 71.004 (see website for more details at www.statutes.legis.state.tx.us) may not be required to pay a deposit. Customers who qualify for rate reduction programs who are required to pay a deposit greater than \$50 may pay the deposit in two equal installments. You may arrange for a guarantor to enter into a guarantee agreement with Frontier Utilities in lieu of paying a cash deposit. Please contact Frontier Utilities if you would like more information on the requirements of a guarantee agreement. Please contact Frontier Utilities or the PUCT for more information about deposit requirements and establishment of satisfactory credit.

Term of agreement & termination: The minimum time period this Agreement will be in effect (Term) is shown on the Electricity Facts label (EFL). This agreement shall be effective on the date of your enrollment with Frontier Utilities. You will be responsible for amounts due to Frontier Utilities for consumption used by you up to the date that the termination of this Agreement becomes effective. Please provide us with written or verbal notice of your intent to terminate this Agreement and your forwarding address, if applicable. In order to ensure timely processing, at least ten (10) business days advance notice is required. Early termination fees may apply to Term products as per the EFL. Termination fees do not apply if moving during contract period and proper documentation of such move is submitted in writing. In such instance, customer is responsible for all usage and fees until Frontier Utilities receives the required documentation of move. We reserve the right to terminate this agreement at any time without penalty to you or to us in response to changing market conditions.

Contract Expiration Notice: Frontier Utilities will send you an expiration notice at least 14 days prior to the date of contract expiration but no more than 45 days in advance of the expiration. Frontier Utilities will provide you with the Terms of Service, EFL and YRAC and the amount of any charges for service provided automatically in the expiration notice. If you do not renew the Agreement before the expiration date, your electric service with Frontier Utilities will continue with Frontier Utilities' current month-to-month plan offering. You will be able to cancel the renewal month-to-month plan at any time with no penalty fee.

Our cancellation rights: We may cancel this agreement immediately if within the first 7 days of the energized date, we find the information about your residence to be inaccurate, causing the price you pay to be less than the price you should have paid for accurate data of your residence. We will notify you prior to disconnection allowing you to pay the difference before service is interrupted. We may also cancel this Agreement for any lawful reason upon 10 days prior written notice. This Agreement will be cancelled automatically if:

- (i) we terminate your service for nonpayment or
- (ii) your service is disconnected and you are not reconnected within 5 days after disconnection.

There are circumstances under which the law permits us to cancel the Agreement immediately and without prior written notice to you (e.g. fraud or misrepresentation by you in enrolling for service under this Agreement). If this Agreement is cancelled for such a reason you may not receive any prior notice. Cancellation is in addition to any other remedies we may have at law or in equity including, but not limited to, termination or disconnection of your service as described in this Agreement. If we cancel this Agreement because you have not paid for charges owed to us or broken your promises in this Agreement, your service will be disconnected. Regardless of whether you or we cancel this Agreement, if you want to obtain service from another REP, you must contact them directly. Cancellation does not excuse your obligation to pay us all outstanding fees and charges under this Agreement. "Cancellation", "cancel", and "cancelled" mean ending this Agreement. The terms "terminate" and "termination" refers to transfer of your service from us to the appropriate default service provider without a scheduled interruption of service. "Disconnect" or "disconnection" refers to the physical interruption of delivery of electricity.

Communication: Frontier provides a number of ways to stay in touch with you as a customer. The communication types include but are not limited to recorded or live calls to a landline or cell phone, mail, or electronic communication via email, and texting to your

cell phone. These various forms of communication are provided to keep you up to date on the status of your account, as well as, promotions that could positively affect the amount you are paying monthly.

You agree to keep your phone number(s) and email information up to date in the Frontier Utilities system so that Frontier Utilities is able to communicate effectively with you. We will not charge you for communicating via email or text message but the standard carrier/ISP rates apply and are your sole responsibility. Frontier may send opt-in texts to your mobile phone. Once you opt-in to receive texts, Frontier may send you periodic texts for purposes including, but not limited to, account status, outages, emergencies, marketing and promotions.

Billing: We will send you a bill every month for your electricity. The monthly bill will be due and payable in full within sixteen (16) calendar days of the date of the bill. You agree to pay the Price and all other amounts shown on the invoice from us in a timely manner in accordance with these Terms of Service.

If payment is not received by the due date on the bill, a onetime 5% late fee will be applied to the balance as defined in Substantive Rule 25.480 of the PUCT rules, <http://puc.state.tx.us/rules/subrules/electric/25.480/25.480.pdf>. Acceptance by us of any partial payment from you will not relieve you of your obligation to pay the full amount owed. We reserve the right to have included on your monthly bills any charges or credits necessary to correct any billing errors. If any such charge causes a problem for you, please call us. We reserve the right to pursue all legal methods to collect any amounts lawfully owed. In the event that you fail to pay your bill in accordance with this Agreement, you agree to pay reasonable collection costs and expenses (including attorney's fees) we incur as a result of our attempt to collect any amounts you owe. We will make reasonable efforts to return any unclaimed credits if a credit balance exist on your account after payment of your final bill from us. You will be charged a fee for payments returned or dishonored.

If you have any questions or a dispute regarding the charges on your bill or payments with respect to your account, please call us at 1-866-926-8192. If we are unable to respond to your question or dispute, we will investigate the matter promptly and report our findings to you. You will not be required to pay the disputed portion of your charges while we investigate. If you are not satisfied with our response you may contact the Public Utility Commission of Texas ("PUCT"). For more information on your rights in the event you have a dispute with your bill or information on how to contact the Public Utility Commission of Texas, please see the "Your Rights as a Customer" document accompanying this Agreement.

Estimated meter readings: We may be required to use estimated meter readings to generate bills in the event that an error or omission in the monthly meter reading exists. If your bill is based on an estimated meter reading, it will be noted on our bill.

Consult Your EFL to verify if you are on a Variable Rate Plan or Fixed Rate Plan:

Variable Rate Postpaid Plans: We charge you for the electricity provided on a per kilowatt hour ("kWh") basis as per the EFL for your plan. This rate (price per kWh) is subject to change for reasons including, but not limited to, a change in the TDSP charges or a change in the cost of fuel used to produce energy during the term of this Agreement. This rate includes all recurring TDSP charges for the delivery of electricity and other related fees allowed to be charged by the PUCT or the Electric Reliability Council of Texas ("ERCOT"); your price will increase if the TDSP increases its charges for the delivery of your electricity. Increases in TDSP charges are regulated by the PUCT and are therefore not controlled by us. This price does not include taxes. We may adjust your commodity charge without further notice to you at the sole discretion of Frontier Utilities. We reserve the right to assess a surcharge to recover costs associated with the procurement of electricity. Any surcharge assessed would be in addition to changes in the commodity price.

Fixed Term Postpaid Plans: We charge you for the electricity provided on a per kilowatt hour ("kWh") basis as per the EFL for your plan. This rate includes all recurring TDSP charges for the delivery of electricity and other related fees allowed to be charged by the PUCT or the Electric Reliability Council of Texas ("ERCOT"). Your price will increase if ERCOT, the TDSP, or Texas Regional Entity increases its charges for the delivery of your electricity. Charges resulting from federal, state, or local laws or regulatory actions that impose new or modified fees or cost are outside of our control. This price does not include taxes.

Other Charges and Fees: You may be required to pay nonrecurring fees (e. g. service connection fee, meter test fee or special meter reading fee, move-in fee or switch fee) specified by the TDSP or by us. All nonrecurring fees may appear as a separate line item on your invoice. You agree to pay such adjustments and nonrecurring fees as shown on the Invoice. In the event that the PUCT permits any changes in fees charged by the TDSP, or if ERCOT permits any changes, increases, or adds new fees to the fees, we reserve the right to adjust the price per kWh accordingly with or without advance notice. The rate is available at any time by calling us at our customer service number or viewing our website at www.frontierutilities.com. The rate will also be provided in your monthly bill. You must pay all applicable federal, state and local taxes and charges. These taxes and charges will be identified on your bill.

Possible nonrecurring fees: You may be charged a disconnect fee of up to \$30 if you are disconnected for non-payment. You may be charged a reconnect fee of up to \$30 to have your service restored. Other TDSP charged non-recurring fees will be passed thru if applicable - Move-In Fee, Priority Move-In Fee, Out-of-Cycle Switch Fee, Meter Test Fee, Tampering Fee and any other fee charged by the TDSP – fee amounts vary as set by your TDSP. You may be charged up to \$35 for any payment returned for non-sufficient funds by any method of payment including, but not limited to, bank or personal check, automatic payment plan account deduction or credit/debit card. You may be charged up to \$35 each for any credit card chargebacks.

You may be charged up to \$25 for a request to change a transaction which has already been sent – for example, changing a standard move-in to priority move-in after the standard request has been accepted by our system. We may charge a document mailing fee of up to \$20. You may be charged up to \$5 for payment processing. You may be charged a disconnection notice fee of up to \$5 for processing any disconnection notice – this fee will be assessed regardless of whether your service is actually disconnected and is in addition to any other disconnection and reconnection fees that may be assessed. We may charge up to \$5 per collection call. You may be charged a CSR processing fee of up to \$10 for speaking with a service representative. If you are enrolled in a product for which e-billing and auto-pay is required, you may be charged \$5 for mailing an invoice because this is not the standard method of delivery for this product and \$5 each for payments taken by means other than auto-pay.

Disconnection: Your electric service may be disconnected upon at least 10 days prior written notice if:

- (i) you fail to pay your bill or to make deferred payment arrangements on or before the date of disconnection stated on the disconnect notice that will be sent after your bill becomes past due;
- (ii) you fail to comply with the terms of a deferred payment agreement; or,
- (iii) you interfere with the electric service of others or operate non- standard equipment.

If we have not received full payment within a reasonable time after we send you a disconnection notice for non-payment, we will attempt to contact you by telephone. In order to prevent disconnection, you must pay the entire amount stated in the notice by one of the approved payment methods set forth above in this Agreement. We may also authorize disconnection of your service without prior written notice as provided by *Section 25.483(d)* of the rules and regulations of the *Public Utility Commission of Texas* including:

- (i) where a known dangerous condition exists;
- (ii) where service is connected without authority;
- (iii) where service is reconnected without authority after being disconnected;
- (iv) for tampering with the TDSP's equipment; or
- (v) if there is evidence of theft of service.

To view PUCT's rule §25.483 (Disconnection of Service), go to <http://www.puc.state.tx.us/rules/subrules/electric/25.483/25.483.pdf>. This Agreement will be automatically cancelled if you are disconnected for non-payment and have not reestablished service by satisfactory correction of the reason(s) for disconnection. Satisfactory correction of the reason(s) for disconnection may include, but are not limited to: past energy charges, non-recurring TDSP charges for initiation of service; connection fees; meter test fees; special meter read fees; disconnect fees; reconnect fees; and, such other fees or charges lawfully imposed by your TDSP. Once this Agreement is terminated, you will have to contact another REP directly to have your electric service reestablished. To reestablish service with us, you will need to go through the application process again and formally choose us as your REP. Disconnection of your service does not relieve you of your responsibility for charges incurred in connection with this Agreement.

Collection agencies: When a balance has been due for over sixty (60) days, we may report the past due amount to a third party agency, for purposes of collecting the past due amount. If you dispute any balance due, you must notify us immediately, in writing, of the disputed balance. Such writing shall include, but not be limited to:

- (i) the account information of the account in dispute;
- (ii) be signed by an authorized person;
- (iii) the amount of the dispute; and
- (iv) the nature of the dispute.

If a reported amount is disputed by you, the customer, in accordance with the *Fair Credit Billing Act (15 U.S.C.A. SEC 1666a(b))* - <http://www.ftc.gov/os/statutes/fcb/fcb.pdf> and *12 C.F.R. SEC 226.13(d)(2)* - <http://www.fdic.gov/regulations/laws/rules/6500-1500.html#fdic6500226.13>, we will report the amount as disputed to the third party agency. We agree to work amicably and quickly to resolve any disputes regarding past due balances.

Payment plans: If you cannot pay your bill, you are eligible for a deferred payment plan unless you have received more than two termination or disconnection notices during the past 12 months or you have received service from us for fewer than three months

and cannot demonstrate a satisfactory payment history with a prior REP. If you have received a disconnection notice, and you have made a request for a deferred payment plan, your deferred payment plan will require you to pay 25% of the past-due amount when the plan is approved and the remainder may be paid over the following three months in equal installments. You will have to remain current on your other obligations during the term of the deferred payment plan, and if you fail to properly complete the deferred payment plan, your service may be terminated. Significant discounting may also be available to qualifying low-income households through the *Low Income Telephone and Electric Utilities (LITE-UP)* program directed by the *Public Utilities Commission of Texas*. To find out how to apply for the discount, you can call the program administrator at (866) 4-LITE-UP (866-454-8387). Frontier Utilities will offer each customer the opportunity to contribute voluntarily to a bill payment assistance program for qualified residential customers. Call us at 1-866-926-8192 to obtain more information about the various assistance programs that may be available to you.

Special needs customers: If you or another person residing at the service address has special needs such that any interruption, suspension or other loss of electric service could cause a dangerous or life-threatening condition, you must notify us of this need in writing when applying for service. We will provide to you the eligibility determination form adopted by the *Public Utility Commission of Texas* that you must complete and return to us or your TDSP. If you qualify, the critical care designation will be valid for the shorter period of two years or until such time as the person with the medical condition no longer resides in the home. If you qualify for the life-long chronic care designation, it will be valid for the shorter period of one year or until such time as the person with the medical condition no longer resides in the home. If you qualify for the normal chronic care condition, it will be effective for 90 days. You will receive a renewal application prior to expiration of your designation. A Critical Care Residential Customer or Chronic Condition Residential Customer designation does not relieve a customer of the obligation to pay for services provided. A critical care or chronic care customer's service may be disconnected as per PUCT Substantive Rule 25.483 Disconnection of Service which can be viewed at <http://www.puc.state.tx.us/rules/subrules/electric/25.483/25.483.pdf>.

Average Billing: The Average Billing Program allows you to pay approximately the same monthly amount for electric service, subject to a semiannual adjustment based on actual consumption. Average monthly billing is calculated by taking the current month's usage added to the previous 11 month usage history at the service address, multiplied by your current kWh rate, added to a 12 month total of TDSP charges and taxes which is then divided by 12. This program is offered to any customer who is currently receiving rate reduction. This program is also offered to any customer who is not currently delinquent in payment to Frontier Utilities. Frontier Utilities may bill or credit any overbilling or underbilling, as appropriate, at least once every 6 months. Frontier Utilities may collect under-recovered costs and/or refund any over-recovered amounts from Customer at least once every 6 months or upon termination of service to the Customer.

Modifications to this agreement: If we propose to make material changes to this Agreement, we will send you notice at least 45 days prior to the effective date of the proposed change. If the change is not acceptable to you, you may cancel your Agreement by sending us a notice of cancellation at least 10 days prior to the effective date of the proposed change. (Please see earlier paragraph on how to cancel your agreement.) Otherwise, we will continue your service based on such change on the effective date indicated in the notice.

Disputes or complaints

Please contact us if you have specific comments, questions, complaints, bill questions, or if you feel your bill is incorrect, by calling a Frontier Utilities Customer Care Representative or emailing care@frontierutilities.com. If you are not satisfied with our attempt to resolve the problem, you may file a complaint with our company and request a Frontier Utilities supervisory review. If we fail to resolve your dispute, it is your right to file a complaint with the PUCT. PUCT contact information:

Public Utility Commission of Texas,

Customer Protection Division, P.O. Box 13326, Austin, Texas, 78711-3326

Phone: 512-936-7120 or 888-782-8477

Fax: 512-936-7003

TTY: 512-936-7136

Email: customer@puc.state.tx.us

Website: www.puc.state.tx.us

Please see your YRAAC document for more information.

Representation & Warranties: Frontier Utilities makes no representations or warranties other than those expressly set forth in this agreement and expressly disclaims all other warranties, express or implied, including merchantability and fitness for a particular purpose.

Limitation of liabilities: Our liability under this agreement shall be limited to direct damages actually incurred. We shall not be liable for interruption or shortage of supply, nor any associated loss or damage, resulting from causes outside our reasonable control. Neither you nor us shall be liable to the other for any indirect, special, consequential or punitive damages of any kind whatsoever, whether in contract, tort, strict liability or otherwise. You acknowledge that the transmission distribution service provider (TDSP) is responsible for the supply of energy to the meter. The quality, frequency and continuity of supply of energy are subject to a variety of

factors, which include accidents, weather and acts of others. Accordingly, we are unable to guarantee the quality, frequency, continuity or safety of supply of energy to you. We are not liable for any damage to property or persons resulting from the supply of energy to you. If you are a business customer, you must take reasonable precautions to minimize the risk of loss or damage to any equipment, premise or business of the business customer which may result from poor quality or reliability of energy supply.

Indemnity: You must ensure that your actions will not do anything that will cause harm or impose any liability on us. You indemnify us for any claims against us, including those from third parties, which arise from your use of energy beyond the meter. You indemnify us for any claims against us in the event that you permit electricity to leave the Premises and re-enter the distribution network and this gives rise to a claim against us. You agree that we will not be liable for any direct or punitive damages including economic loss resulting or arising from the non-performance of this Contract.

Force Majeure: We will not be in breach of our obligations under this Agreement to the extent that our failure to perform is caused by forces or circumstances beyond our reasonable control. Such forces or circumstances include, but are not limited to, unusually severe weather, flood, fire, lightning, drought, earthquake, failure of the *Energy Reliability Council of Texas (ERCOT)* or *TDSP* to transmit electricity or perform any of their obligations, or failure of performance of any of our suppliers, vendors or other third parties.

Assignment: You may not assign this Agreement without our prior written consent. We may assign, or otherwise dispose of the whole or any part of our interest in this agreement to a person or entity who acquires all or a substantial portion of the assets of our business of retailing electricity without your prior consent. Upon any such transfer or assignment, to which you hereby consent in advance, you agree that we shall have no further obligations to you.

Non-discrimination: We do not deny service or require a prepayment or deposit for service based on an applicant's race, creed, color, national origin, ancestry, religion, sex, marital status, lawful source of income, level of income, disability, familial status, location in an economically distressed geographic area, or qualification for low income or energy efficiency services. Frontier Utilities cannot use a credit score, a credit history, or utility payment data as the basis for determining the price for electric service on term plans of 12 months or less.

Information on other services: We may advise you of the availability of other services(e.g. supply of gas or dual energy offers for supply), which we or companies related to us can provide, until you inform us that you no longer wish to receive such information or material from us.

General:

By initiating service with us, you certify that you are resident of the service address, at least 18 years of age, and that you are legally authorized to select the Retail Electric Provider for the service address. If different from the service address, the billing address is the address you provided at the time of your application to us. There are no third-party beneficiaries to this Agreement. This Agreement will be governed and construed in accordance with the laws of the State of Texas. The terms and conditions set forth are the final and entire Agreement between you and us regarding your purchase of electricity service (subject to applicable law), and supersede all previous promises, understandings and agreements. If any provision of this Agreement is deemed to be invalid, illegal or otherwise unenforceable, you and we agree that it shall be modified to the minimum extent necessary to render it valid, legal and enforceable. If any such provision cannot be modified in such a manner, that would make it valid, legal and enforceable, such provision shall be severed from this Agreement, and all other provisions hereof shall remain in full force and effect. Any failure on our part at any time to enforce any term or condition of our service or to exercise any right under this Agreement shall not be considered a waiver of our right thereafter to enforce each and every such term and condition or to exercise such right or any other right under this Agreement.

Your Rights As a Customer (YRAAC)

Frontier Utilities - (REP Certificate No. 10169)

This section contains important information regarding your rights as a customer. *Información sobre "Sus Derechos Como Consumidor" esta disponible en español. Para obtener esta información en español llame gratis a 1-866-926-8192.*

This document summarizes Your Rights as a Customer, and is based on customer protection rules adopted by the *Public Utility Commission of Texas (PUC)*. These rules apply to retail electric providers (REPs), including those affiliated with the utility (Affiliated REP) and the provider of last resort (POLR), unless otherwise noted. You may view the PUC's rules at www.puc.state.tx.us/rules/subrules/electric. Contact information is located at the end of this document.

Obtaining and Cancelling Service:

A REP may waive the deposit if the customer is medically indigent. Eligibility for medically indigent status must be established annually. In order to be considered medically indigent, the customer must meet the following guidelines:

- (i) the customer's household income must be at or below 150% of the poverty guidelines, as certified by a governmental entity or government-funded energy assistance program provider; AND
- (ii) the customer or customer's spouse must be certified by the person's attending physician (medical doctor, doctor of osteopathy, nurse practitioner, registered nurse, state-licensed social worker, state-licensed physical or occupational therapist, or employee of an agency certified to provide home health services pursuant to 42 U.S.C. §1395 et seq. which can be viewed at <http://caselaw.lp.findlaw.com/cascode/uscodes/42/chapters/7/subchapters/xviii/toc.html>) as being unable to perform three or more activities of daily living, defined as "limited to the following activities: bathing, dressing, grooming, routine hair and skin care, meal preparation, feeding, exercising, toileting, transfer/ambulation, positioning, and range of motion", OR
- (iii) the customer's monthly out-of-pocket medical expenses exceed 20% of the household's gross income.

Unauthorized Change of Service Provider or "Slamming":

Frontier Utilities must obtain your verifiable authorization before switching your electric service. If you believe your service was switched without your authorization, request that Frontier Utilities provide a copy of your authorization and verification. Frontier Utilities must submit this to you within 5 business days of your request. You may also file a complaint with the PUC. Upon receipt of a complaint filed with the PUC, Frontier Utilities must attempt to return you to your original REP within 3 days and cease any collections activities related to the switch until the complaint has been resolved by the PUC. If the PUC determines your service was switched without authorization, Frontier Utilities must cancel all unpaid charges. Within 5 business days of your request, Frontier Utilities must pay all charges associated with returning you to your original REP. Within 30 days of your request, Frontier Utilities must refund to you any amounts paid in excess of the charges that would have been imposed by your original REP.

Cancellation of Service Without Penalty:

You may cancel your contract with Frontier Utilities without penalty within 3 federal business days (includes Saturday) after you receive your Terms of Service. For details on how to cancel your service, see your Terms of Service. Customer's right of cancellation does not apply when a customer is transferred to the Affiliated REP for non-payment. You may also terminate your agreement with Frontier Utilities without penalty if you move or Frontier Utilities notifies you of a material change in the terms and conditions of service as stipulated in the Terms of Service. Notice will not be issued for changes that benefit a customer (i.e. price decreases) or changes that are mandated by a regulatory agency.

Billing Issues

Unauthorized Charges or "Cramming": Before any new charges are included on your electric bill, Frontier Utilities must inform you of the product or service, all associated charges, and how these charges will be billed before they appear on your electric bill and obtain your consent for the product or service. If you believe your bill includes unauthorized charges, you may contact Frontier Utilities to dispute such charges and may file a complaint with the PUC. Frontier Utilities will not seek to terminate or disconnect your electric service for non-payment of an unauthorized charge or file an unfavorable credit report against you for disputed unpaid charges that are alleged to be unauthorized, unless the dispute is ultimately resolved against you. If the charges are determined to be unauthorized, Frontier Utilities will cease charging you for the unauthorized service or product, remove the unauthorized charge from your bill, and refund or credit all money you paid for any unauthorized charge within 45 days. If charges are not refunded or credited within three billing cycles, interest shall be paid to you at an annual rate established by the PUC on the amount of any unauthorized charge until it is refunded or credited. You may request all billing records under Frontier Utilities' control related to any unauthorized charge within 15 days after the date the unauthorized charge is removed from your bill. Frontier Utilities will not re-bill you for any charges determined to be unauthorized.

Deferred Payment Plans and Other Payment Arrangements: If you cannot pay your bill, call Frontier Utilities immediately. Frontier Utilities may offer a short-term payment arrangement that allows you to pay after your due date, but before your next bill is due. A deferred payment plan allows a customer to pay an outstanding bill in installments beyond the due date of the next bill. If you receive service from an Affiliated REP or POLR, it must offer you a deferred payment plan unless you have received more than 2 termination/disconnection notices during the past 12 months or you have been their customer for less than 3 months and do not

have sufficient credit or payment history with another REP. Frontier Utilities must offer deferred payment plans for bills that are due during an extreme weather emergency and to under-billed customers. A deferred payment plan may include a 5% penalty for late payment but the POLR may not charge a late fee. If you do not fulfill the terms of the payment arrangement or deferred payment plan, Frontier Utilities may disconnect or terminate service and a POLR may disconnect service. For details on these programs, see your Terms of Service or contact Frontier Utilities.

Financial and Energy Assistance: All REPs must advise customers about payment assistance programs when customers express an inability to pay or need assistance with the bill payment. REPs must also offer level or average payment plans. A customer who receives food stamps, Medicaid, AFDC or SSI from the *Texas Department of Human Services (TDHS)* automatically qualifies for the LITE-UP Texas financial aid program. Customers qualified for the LITE-UP Texas program are also eligible to pay a required deposit that is greater than \$50 in two installments. Contact Frontier Utilities for more information on available energy assistance programs.

Meter Testing: You may request 1 meter test every 4 years at no cost to you. If you request more than 1 test every 4 years, and the meter is functioning properly, then you may be charged for the additional meter test(s) at the rate approved for your Local Distribution Company (LDC). The LDC will advise you of the test results, including the test date, testing person and, if applicable, the removal date of the meter.

Contract Termination

Termination of Service: If your payment for electric service is not received by the due date on your bill, your contract may be terminated. If you do not obtain service from another REP, you will be transferred to the Affiliated REP in your area. Your current REP will mail you a separate Termination Notice no earlier than the first day after the date your bill is due. The termination date will be 10 days from the date the notice is issued and may not fall on a holiday or weekend. If payment is received, or satisfactory payment arrangements are made, prior to the date of termination on the Termination Notice, Frontier Utilities will continue to serve you under the Terms and Conditions of service in effect prior to issuance of the Termination Notice.

Frontier Utilities cannot terminate your contract for any of the following reasons:

- failure to pay for electric service by a previous occupant of the premise if that occupant is not of the same household;
- failure to pay any charge unrelated to electric service;
- failure to pay a different type or class of electric service not included on the account's bill when service was initiated;
- failure to pay under-billed charges that occurred for more than six months (except theft of service);
- failure to pay any disputed charges until Frontier Utilities or the PUC determines the accuracy of the charges and you have been notified of this determination;
- failure to pay charges arising from an under-billing due to faulty metering (unless the meter was tampered with); or
- failure to pay an estimated bill unless the estimated bill is part of a pre-approved meter-reading program or in the event the local distribution company is unable to read the meter due to circumstances beyond its control.

Additionally, Frontier Utilities may not terminate your contract:

- if Frontier Utilities receives notification by the termination date that an energy assistance provider will be forwarding sufficient payment on your account; or
- for non-payment during an extreme weather emergency and must offer you a deferred payment plan for bills due during the emergency.

Availability Of Provider of Last Resort (POLR): If your electric service is terminated, you may obtain services from another REP or the POLR. If your service is terminated for non-payment of electric service charges, and you do not obtain service from another REP, your electric service will be transferred to the Affiliated REP in your service area. If Frontier Utilities terminates your service for any other reason, you may request service from the POLR in your service area. The POLR offers a basic, standard retail service package at a fixed, non-discountable rate. Information about the POLR and other REPs can be obtained from the PUC or the POLR.

Disconnection of Electric Service

Disconnection of Service: The PUC has provided that, under certain dangerous circumstances (such as unsafe electric line situations), any REP may authorize your LDC to disconnect your electric service without prior notice to you. Additionally, Frontier Utilities, Affiliated REP in your service area or the POLR may seek to have your electric service disconnected for any of the reasons listed below:

- failure to pay a bill owed to the Frontier Utilities, or to make a deferred payment arrangement by the date of disconnection;
- failure to comply with the terms of a deferred payment agreement made with the Frontier Utilities;
- using service in a manner that interferes with the service of others or the operations of non-standard equipment;
- failure to pay a deposit required by the Frontier Utilities; or
- failure of the guarantor to pay the amount guaranteed when Frontier Utilities has a written agreement, signed by the guarantor, which allows for disconnection of the guarantor's service.

Prior to disconnecting your service, Frontier Utilities must provide you a Disconnection Notice. This notice must be mailed to you separately no earlier than the first day after the date your bill is due. The disconnection date must be 10 days from the date the notice is issued and may not fall on a holiday or weekend or the day preceding unless their personnel are available to take payments and service can be reconnected. Frontier Utilities may not seek to have your electric service disconnected by your LDC for any of the reasons listed under the Termination of Service portion of this document.

Additionally, Frontier Utilities may not disconnect your electric service:

- if it receives notification by the disconnection date that an energy assistance provider will be forwarding sufficient payment on your account;
- for non-payment during an extreme weather emergency and must offer you a deferred payment plan for bills due during the emergency; or
- for non-payment if you inform Frontier Utilities, prior to the disconnection date stated on the notice, that you or another resident on the premises has a critical need for electric service. However, to obtain this exemption, you must enter into a deferred payment plan with the Frontier Utilities and have the ill-person's attending physician contact the Frontier Utilities and submit a written statement attesting to the necessity of electric service to support life. This exemption from disconnection due to illness or disability shall be in effect for 63 days and may be applied for again after the 63 days has expired and the deferred payment plan has been fulfilled.

Restoration of Service: If your service has been disconnected by Frontier Utilities for non-payment, Frontier Utilities will, upon satisfactory correction of the reasons for the disconnection, notify your LDC to reconnect your service. Frontier Utilities will continue to serve you under the Terms of Service in effect prior to issuance of the Disconnection Notice. If your service was disconnected due to a dangerous situation, your service will be reconnected once you notify Frontier Utilities that you have corrected and satisfactorily resolved the dangerous situation.

Disputes with Your Provider

Complaint Resolution: Contact Frontier Utilities if you have comments, questions or complaints. Upon receipt of a complaint, Frontier Utilities must investigate and notify you of the results within 21 days. If you are dissatisfied with the results of the investigation, you may request a supervisory review. Frontier Utilities must advise you of the results of the supervisory review within 10 business days of your request. If you are dissatisfied with the results of the investigation or supervisory review, you may file a complaint with the PUC and the *Office of the Attorney General, Consumer Protection Division* using the following contact information:

Public Utility Commission of Texas, Customer Protection Division
 P.O. Box 13326, Austin, Texas 78711-3326
 Phone: (512) 936-7120 or in Texas (toll-free) 1-888-782-8477
 Fax (512) 936-7003
 E-mail address: customer@puc.state.tx.us
 Internet website address: www.puc.state.tx.us
 TTY (512)936-7136, and Relay Texas (toll-free) 1-800-735-2989.

For a complaint involving a disputed bill, Frontier Utilities may not initiate collection activities or termination activities or report the delinquency to a credit reporting agency with respect to the disputed portion of the bill. However, after appropriate notice, Frontier Utilities may send a disconnect notice for non-payment of any undisputed portion of the bill.

Reporting Outages: Frontier Utilities is responsible for providing you with the telephone number you may use to report outages or other emergencies. For your reference, this contact information is also provided at the end of this document.

Credit Reporting: Frontier Utilities has every right to report a balance, that is more than ninety (90) days past due, to a third-party for collection of the unpaid balance. If you dispute any portion of the unpaid balance, you have the right to write immediately to Frontier Utilities, stating your name, account information, amount in dispute, nature of the disputed portion. Frontier Utilities will send you an accounting of your account to demonstrate the past due amount. REP agrees to work quickly and amicably to resolve such disputes as they may arise.

Other Protections

Do Not Call List: Consumers may register their name, address, and telephone number to the statewide "Do Not Call List," which will help limit telemarketing calls to your home or business. You may register for the "Do Not Call List" in three ways:

- online at www.texasnocall.com,
- call toll-free 1-866-TXNOCAL(L) (1-866-896-6225),
- write Texas No Call, P.O. Box 313, E. Walpole, MA 02032.

Language Availability: You may request to receive information from Frontier Utilities in Spanish, or any language in which you were solicited. This includes the Terms of Service Agreement, Your Rights as a Customer, bills and bill notices, termination and disconnection notices, information on new electric services, discount programs, promotions, and access to customer assistance.

Privacy Rights: Frontier Utilities may not disclose or sell any confidential customer information, including: your name, address, account number, type or classification of service, historical electricity usage, expected patterns of use, types of facilities used in providing service, individual contract terms and conditions, price, current charges or billing records. This prohibition does not apply to the release of your information under certain circumstances as required by law, including release to the PUC, an agent of Frontier Utilities, credit reporting agencies, law enforcement agencies or LDC. Your information will be shared with other retail REPs or aggregators only with your consent.

Special Services: Frontier Utilities may offer special services for hearing-impaired customers and customers with disabilities. If you have a disability or require special assistance regarding your electric account, contact Frontier Utilities about these special services.

Important Contact Details

Mail:

Frontier Utilities, LLC. - REP #10169, 5161 San Felipe, Suite 320, Houston, TX 77056

Phone: 866-926-8192

Fax: 866-926-8193

Web: www.frontierutilities.com

Email: info@frontierutilities.com

Operating Hours: 8am–5pm CST, Monday-Friday

To Report Power Outages & Emergencies (24 hours / 7 days)

TDSP service territories

CenterPoint 800-332-7143

AEP 866-223-8508

Oncor 888-313-4747

TNMP 888-866-7456

Sharyland 956-668-9551

If you would like to receive this information in Spanish, please call us at 1-866-926-8192. *Usted puede obtener el mismo documento impreso detallando los Terminos de Servicio en espanol comunicandose con nosotros al 1-866-926-8192.*

Version: **TOS_FRN_101013_ENGLISH**

REP Cert #10169