



Gas Customer Choice Contract Residential and Small Commercial Terms and Conditions of Service

By receiving or continuing to receive natural gas supply service from Grand Rapids Energy®, an Alternative Gas Supplier (AGS) licensed by the Michigan Public Service Commission (MPSC), you are agreeing to be bound by the terms and conditions of service set forth below, including provisions regarding Binding Arbitration, and in your confirmation letter, Disclosure Statement and other enrollment correspondence (collectively, your “contract”). **Please review the general sections that apply to all price plans, as well as sections that apply to the specific price plan you are enrolled in, to ensure that you understand each provision.**

THIS CONTRACT AFFECTS YOUR RIGHTS. PLEASE REVIEW IT CAREFULLY. In particular, please review the Binding Arbitration agreement set forth on Page 5 below. It requires you to resolve any disputes with Grand Rapids Energy through the MPSC complaint process, in small claims court, or through individual Binding Arbitration. You will not be allowed to resolve any disputes with Grand Rapids Energy through a jury trial or a class action.

Natural Gas Service – You must be a regulated utility retail natural gas customer account holder to establish an account with Grand Rapids Energy. After your successful enrollment Grand Rapids Energy will supply your natural gas under this contract, beginning with the first bill issued by your utility on behalf of Grand Rapids Energy until your service is cancelled by you, the utility or Grand Rapids Energy. Grand Rapids Energy is not responsible for utility delays in processing your enrollment or cancellation request. This contract governs your pricing with Grand Rapids Energy during the term of your contract, but the timing of application of those prices to your utility bill may be impacted by the timing of your utility meter read cycles. In addition, because meter read cycles may differ from the start and end dates of your fixed price plan contract, you may not receive the same number of bills as the number of months in your contract with Grand Rapids Energy. In other words, because of the utility meter read cycles, the actual term of your contract could be longer or shorter than the term specified in your Disclosure Statement. The utility will deliver the natural gas you purchase from Grand Rapids Energy to your premises, read your meter, provide emergency services, and issue your bill each month. The utility will charge you separately for those services on one bill. Grand Rapids Energy’s charges for natural gas will appear as a separate line item on your bill.

For new customers, your contract begins on your effective date as established by the utility and continues for the period specified in your Disclosure Statement. For existing Grand Rapids Energy customers choosing a new price plan, your contract is effective upon the date your price plan change request is processed by Grand Rapids Energy, and continues for the period specified in your Disclosure Statement, unless a later effective date is determined between you and Grand Rapids Energy (e.g., if you are on a current fixed price plan contract with Grand Rapids Energy and you request a new fixed or variable price plan contract with Grand Rapids Energy, it will generally take effect the day following the expiration of your current fixed price plan contract).

Grand Rapids Energy Price Plans – Your price plan and price is specified in your confirmation letter and Disclosure Statement. Grand Rapids Energy’s price plans fall into two categories – variable and fixed rate contracts. Grand Rapids Energy offers residential pricing for residential customers and commercial pricing for commercial customers. Grand Rapids Energy’s prices are not regulated by the MPSC. Sales tax and utility distribution and other charges are not included in

the price. As the utility bills you according to the utility's meter reading cycles, the timing of meter reading cycles could result in your receiving billing for service under this contract after the completion of this contract term for gas supply provided to you by Grand Rapids Energy.

Grand Rapids Energy may from time to time offer promotional or discounted prices. Customers enrolling on a promotional offer may be subject to natural gas consumption limitations. If you exceed the consumption limitation at any time during your contract duration, Grand Rapids Energy reserves the right to terminate your plan upon 60 days' written notice. In that event, Grand Rapids Energy will send you a letter notifying you of this fact and your available options. You will not be charged an early termination charge under these circumstances. If you take no action, you will be automatically placed on Grand Rapids Energy's Variable Price Plan at the standard rate in effect at that time or returned to the utility for service, as specified in such letter. Please read the terms of the offer for more details.

Variable Price Plans: With a Grand Rapids Energy variable price plan, your price per unit of natural gas may change or remain the same on a month-to-month basis. Many factors influence retail natural gas pricing, including without limitation the cost to Grand Rapids Energy to obtain natural gas on your behalf, including, but not limited to, commodity, capacity, storage, balancing, transportation to the Delivery Point; operating expenses; all applicable taxes, fees, charges or other assessments, and Grand Rapids Energy's costs, expenses and profit margins; and other factors. Grand Rapids Energy cannot predict the volatility of the market or what its customers will pay for gas in the future. However, as an example, assume Grand Rapids Energy acquires gas at \$4.00 per Mcf plus an adder (based on the foregoing factors), which can fluctuate monthly. If Grand Rapids Energy acquires gas at \$4.00 and the adder is \$0.99, the cost to you would be \$4.99 per Mcf. If for any given month the adder is \$1.99, the cost to you would be \$5.99 per Mcf. As a condition of this agreement, you acknowledge that the specific cost of gas and adders used in this paragraph are for illustrative purpose only, and do not necessarily reflect the actual cost of gas and adders during the term of your contract.

The price on a variable contract may be higher or lower than on another price plan, and your price may be higher than the utility price. Under a variable contract, you may switch to another Grand Rapids Energy price plan for which you qualify at any time at no additional charge. You may cancel service under a variable contract at any time.

Fixed Price Plans: Under a fixed price plan, customers are charged a fixed price during the term of the contract. There is no variability in price with a fixed price plan contract. This contract governs your pricing with Grand Rapids Energy during the term of your contract, but the timing of application of those prices to your utility bill may be impacted by the timing of your utility meter read cycles. In addition, because meter read cycles may differ from the start and end dates of your fixed price plan contract, you may not receive the same number of bills as the number of months in your contract with Grand Rapids Energy. When you select a fixed price contract, you commit to remain with Grand Rapids Energy at the same price for the term of your contract at your current premises. If you move to an area not served by the utility or Grand Rapids Energy, your fixed price contract will automatically terminate without additional charges.

Although Grand Rapids Energy's currently available fixed price may change at any time, the price used to calculate your Grand Rapids Energy gas charge for the full length of your contract will be Grand Rapids Energy's fixed price in effect at the time you sign your fixed price contract. The price on a fixed price contract may be higher or lower than on another contract, and may be higher than the utility price.

Contract Renewal Provisions:

Upon expiration of your initial fixed price contract, it will **continue on a month-to-month** variable rate basis cancelable at anytime without an early termination charge. Grand Rapids Energy will

send notice of renewal at least 60 calendar days prior to such continuation. Should you choose to return to the utility, you must remain for 12 months.

If you cancel your contract after receiving such notice but prior to the effective date of continuation, you will be obligated under this contract until the end of the then-current term; provided, however, that depending on the utility's cancellation procedures, it may take up to the next full utility billing cycle for your account to be returned to the utility or switched to another alternative supplier, and during that time, the renewal pricing and terms shall apply to service provided by Grand Rapids Energy. If you do terminate this contract and do not initiate another contract with Grand Rapids Energy, and you do not choose another alternative gas supplier, you will return to the utility for service and must remain with them for 12 months. If you decide not to renew your contract with Grand Rapids Energy, whether you select another plan with us, return your natural gas service to the utility or choose another alternative gas supplier, in order to avoid an early termination charge on your current contract, please be sure any actions that you take become effective after your current contract term expires.

Grand Rapids Energy Early Termination Charges:

If your fixed price contract is terminated during the initial term of your contract, except as specifically set forth in your Disclosure Statement or contract at the time of enrollment, Grand Rapids Energy will assess you an early termination charge as set forth in your Disclosure Statement. Such charge is intended to compensate Grand Rapids Energy for losses and expenses it estimates it will incur as the result of the early termination of a customer's fixed price plan.

Billing/Collections – Based on your price plan, your Grand Rapids Energy gas charges will be billed by the utility, along with the utility's charges for its services. By enrolling with Grand Rapids Energy for gas service and entering into this contract, you agree to pay Grand Rapids Energy's charges in accordance with the utility's payment procedures. If you do not pay your bills in accordance with those payment procedures, then the utility's service may be terminated in accordance with the utility's tariffs and MPSC regulations, in which case your Grand Rapids Energy service also will be terminated. If that occurs, you are required to pay any applicable early termination charges billed by Grand Rapids Energy. You acknowledge that your billing and payment information may be provided to Grand Rapids Energy by the utility.

Customer Service/Dispute Procedures – Grand Rapids Energy is not responsible for resolving disputes with the utility. However, if you have questions concerning your Grand Rapids Energy service, you may call Grand Rapids Energy toll-free at 1-800-841-1541, Monday-Friday from 8 a.m. to 5 p.m. ET, excluding certain national holidays. You also may contact Grand Rapids Energy by mail at 400 Renaissance Center, Suite 2600, Detroit, MI 48243 or by e-mail at customerservice@grandrapidsenergy.com. In the event of a dispute with Grand Rapids Energy, you first should contact a Grand Rapids Energy customer service representative. If your complaint is not resolved, you may contact Grand Rapids Energy's customer care center and ask for a customer service supervisor. You must pay your bill in full, except for the specific disputed amount, during the pendency of the dispute. If you are still not satisfied with the resolution provided by Grand Rapids Energy, you may contact the Michigan Public Service Commission at 1-800-292-9555, or through its website, www.michigan.gov/mpsc.

Right of Rescission – You may rescind this contract without an early termination charge within thirty (30) days following the date you signed the contract by contacting Grand Rapids Energy toll-

free at 1-800-841-1541, or writing to us at 400 Renaissance Center, Suite 2600, Detroit, MI 48243. Your rescission will be processed according to the utility's de-enrollment timeline.

Contract Cancellation/Termination – Grand Rapids Energy may terminate this contract by providing 60 days' prior notice to you. You may cancel in writing or by calling Grand Rapids Energy at 1-800-841-1541. Depending on the utility's cancellation procedures, it may take up to 60 days for your account to be returned to the utility or switched to another alternative gas supplier. You acknowledge that you are liable for all Grand Rapids Energy supply charges until your switch to the utility or another supplier is effective or you discontinue natural gas service. You may change suppliers one time in any 12-month period at no cost to you, a utility fee of \$10.00 is required for each additional change of supplier within the same 12-month period. The Binding Arbitration provisions of this contract shall survive termination of this contract or of your gas service.

If you terminate a fixed price contract prior to its scheduled expiration, early termination charges may apply as described under "Grand Rapids Energy Early Termination Charges" above. Termination of your contract will occur automatically if any of the following occurs: (i) you change your natural gas provider at your current premises; (ii) your service is disconnected for nonpayment; or (iii) you voluntarily discontinue the contract or disconnect your service.

Grand Rapids Energy reserves the right to restrict eligibility for its plans at its discretion for any reason not prohibited by applicable law, including without limitation, a customer's action to terminate any prior agreement with Grand Rapids Energy before the end of its established term.

Information Release Authorization/Privacy Policy – As a Grand Rapids Energy customer, you authorize Grand Rapids Energy to obtain and review information regarding your credit history from credit reporting agencies and information from the utility that includes, but is not limited to, your account number, billing information, consumption history, usage and payment history. This information may be used by Grand Rapids Energy to determine whether it will commence and/or continue to provide your natural gas supply service and will not be disclosed to a third party, except for the sole purpose of facilitating billing, bill collection or credit reporting or as otherwise required by law. Your acceptance of this contract will constitute authorization for the release of this information to, and use of this information by, Grand Rapids Energy in accordance with the foregoing. This authorization will remain in effect during the term of this contract, including any continuation period. You may rescind this authorization at any time by providing written notice to Grand Rapids Energy or calling Grand Rapids Energy toll-free at 1-800-841-1541. Grand Rapids Energy reserves the right to cancel this contract in the event you rescind this authorization. Grand Rapids Energy will maintain a record of your consent for release of your information from the utility for at least 180 days from the expiration or rescission of your consent.

By providing your contact information to Grand Rapids Energy (name, address, telephone number, fax number, e-mail address, etc.), you acknowledge that you are consenting to be contacted by mail, telephone, fax, voicemail, or e-mail by Grand Rapids Energy or a third party on behalf of Grand Rapids Energy, or an associated company. Grand Rapids Energy may monitor and record telephone calls to our Customer Care Center for quality assurance purposes.

Consumer Protection – You may obtain additional information relevant to your service by contacting Grand Rapids Energy toll-free at 1-800-841-1541 or the MPSC at 1-800-292-9555, through its website, www.michigan.gov/mpsc.

Entire Agreement – This contract, including any enrollment forms and applicable attachments, as written, makes up the entire agreement between you and Grand Rapids Energy. Grand Rapids Energy will notify you at least 60 days prior to the effective date of material changes to this contract. Unless you notify Grand Rapids Energy that you intend to terminate your contract, the contract will continue on a month to month basis cancelable at any time. Both parties may mutually agree to amend the contract in writing. If any provision of the contract shall be deemed unlawful,

void, or for any reason unenforceable, then that provision shall be deemed severable from the remaining provisions, which shall remain in full force and effect.

Regulatory Changes – This contract is subject to present and future legislation, orders, rules, regulations and decisions of any duly constituted governmental authority having jurisdiction over this contract or the services to be provided hereunder. If at some future date there is a change in any law, rule, regulation, or pricing structure whereby Grand Rapids Energy is prevented, prohibited or frustrated from carrying out the terms of this contract, then at its sole discretion Grand Rapids Energy will have the right to amend or cancel this contract on not less than 60 days' notice to you.

Extraordinary Events – If an event occurs that delays or makes it impossible for Grand Rapids Energy to perform under this contract, such as an act of God, extraordinary weather occurrence, a facility outage on the utility system or interstate pipeline systems, a failure to perform by the utility, war, civil disturbance, or national emergency, performance under this contract by Grand Rapids Energy will be excused for the duration of the event. Under such conditions, Grand Rapids Energy may elect to discontinue service immediately, without notice.

Measurement – You and Grand Rapids Energy agree to accept for purposes of accounting for quantity, quality and measurement, the foregoing as they are reported by the utility.

Assignment – You may not assign your interests in and obligations under this contract without the express written consent of Grand Rapids Energy. Grand Rapids Energy may sell, transfer, pledge, or assign the accounts, revenues, or proceeds hereof in connection with any financial agreement and may assign this contract to another AGS licensed by the MPSC.

Limitation of Liability and Disclaimer of Warranty – Grand Rapids Energy is not responsible for any losses or damages resulting from any actions or policies of, or associated with, the utility, including interruption of service, termination of service, defective service, or operation and maintenance of the utility's system, nor is Grand Rapids Energy responsible for damages sought because of in-home or building damage. The remedy in any claim by you against Grand Rapids Energy will be solely limited to direct actual damages, except as otherwise specifically authorized by statute. All other remedies at law or in equity are hereby waived by you. In no event will either Grand Rapids Energy or you be liable for consequential, incidental, indirect, special, or punitive damages, except as otherwise specifically authorized by statute. These limitations apply without regard to the cause of any liability or damages. There are no third-party beneficiaries to this contract. **GRAND RAPIDS ENERGY MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH HEREIN, AND GRAND RAPIDS ENERGY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE.**

Emergency Service – In the event of a gas leak, service interruption or other emergency, Grand Rapids Energy customers should immediately call their utility (DTE Gas Company f/k/a MichCon, 1-800-947-5000; Consumers Energy, 1-800-477-5050) and emergency personnel.

Binding Arbitration – You and Grand Rapids Energy agree that any and all disputes, controversies and claims (“Dispute(s)”) between you and Grand Rapids Energy that cannot be resolved through the Customer Service/Dispute Procedures described above will be resolved exclusively through binding arbitration by the American Arbitration Association (“AAA”) (“Binding Arbitration”) or small claims court. Individual claims filed in a small claims court are not subject to arbitration, as long as the matter stays in small claims court. If a small claims court matter is appealed to any other court, then the appeal will be resolved exclusively through Binding Arbitration. Binding Arbitration means that you and Grand Rapids Energy will

have a fair hearing before a neutral arbitrator instead of in a court with a judge or jury. Binding Arbitration is more informal than a lawsuit in court. Binding Arbitration is subject to very limited review by courts. Arbitrators can award the same damages and relief that a court can award. The decision of the arbitrator will be final and binding, and the arbitrator's award may be confirmed and entered as a judgment by any court of competent jurisdiction. The Binding Arbitration for commercial customers will be governed by the Commercial Dispute Resolution Procedures and for residential customers, by the Consumer-Arbitration Rules of the AAA, as modified by this contract. **Nothing in this section limits your right to file a complaint or seek a formal hearing with the Michigan Public Service Commission.**

This agreement to arbitrate is intended to be broadly interpreted. It includes, but is not limited to:

- claims arising out of or relating to any aspect of the relationship between us, whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory;
- claims that arose before this or any prior agreement (including, but not limited to, claims related to advertising),
- claims that are currently the subject of pending litigation, including claims that are currently the subject of purported class action litigation in which you are, or are not, a member of a certified class;
- claims that may arise after the termination of this contract.

The term "Dispute" also includes any dispute regarding whether a particular controversy is subject to arbitration including any claims as to the enforceability of this Binding Arbitration provision. You can initiate Binding Arbitration by filing a [Claim Form](#) with the AAA and by sending a copy of the Claim Form to Grand Rapids Energy at P.O. Box 78760, Atlanta, GA 30357. The Claim Form is available on the AAA website, www.adr.org, on the Grand Rapids Energy website, www.grandrapidsenergy.com, or by calling Grand Rapids Energy at 1-800-841-1541. You can complete the Claim Form on the AAA website or you can mail the Claim Form to AAA Case Filing Services, 1101 Laurel Oak Road, Suite 100, Voorhees, New Jersey 08043, with a copy to Grand Rapids Energy. You do not need to send payment to the AAA, Grand Rapids Energy will pay the filing fee upon receipt of a copy of the Claim Form.

The Binding Arbitration shall be conducted by a single arbitrator who shall be mutually agreed upon by the parties; provided, however, that if the parties are unable to agree then the arbitrator shall be selected by the AAA in accordance with its rules. The Binding Arbitration will take place in the county where you are billed or in a mutually agreed location. If the amount of the claim is \$25,000 or less, you may choose whether the arbitration takes place in person, by telephone, or on written submissions. If the amount of the claim is more than \$25,000, the type of hearing shall be determined by the AAA rules. The arbitrator will make his/her decision in writing, but need not provide a statement of reasons unless requested by either party, in which event the arbitrator will provide a concise statement of the essential findings and conclusions on which the award is based.

Grand Rapids Energy will pay all Binding Arbitration filing fees and arbitrator's costs. You are responsible for all additional costs that you incur in the Binding Arbitration, including, but not limited to, attorney's fees (if you choose to be represented by an attorney) and expert witness fees. You shall not be required to reimburse Grand Rapids Energy for the filing fees and Binding Arbitration costs paid by it unless the arbitrator determines that your claim was frivolous. Notwithstanding anything to the contrary in this Binding Arbitration provision, Grand Rapids Energy will pay all fees and costs that it is required by law to pay, including payment of your attorney's fees and litigation costs if required by applicable law. In addition, if the arbitration award is greater than Grand Rapids

Energy's last settlement offer or if Grand Rapids Energy did not make a settlement offer, Grand Rapids Energy will pay twice the amount of your attorney's fees, reimburse the expenses reasonably incurred by your attorney in pursuing your claim and a \$7,500 minimum recovery; provided, however, that you may not recover duplicative awards of attorney's fees and expenses. Although under some laws Grand Rapids Energy may have the right to an award of attorney's fees and expenses if it prevails, Grand Rapids Energy agrees not to seek such an award.

Both you and Grand Rapids Energy expressly waive the right to bring or to participate in a class action. All parties to the Binding Arbitration must be individually named. There shall be no right or authority for any claims to be arbitrated or litigated on a class action or consolidated basis or on bases involving claims brought in a representative capacity on behalf of the general public (such as a private attorney general), other recipients of gas service from Grand Rapids Energy, or other persons similarly situated.

You and Grand Rapids Energy agree that where the amount at issue is a small claim within the jurisdiction of the District Court and is an individual and not a class action claim, you or Grand Rapids Energy may elect to proceed in that court. This Binding Arbitration agreement does not preclude you from bringing issues to the attention of federal, state, or local agencies. Such agencies can, if the law allows, seek relief against Grand Rapids Energy on your behalf.

This contract evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This Binding Arbitration provision shall survive termination of this contract.

Choice of Law and Venue – This contract shall be construed under and shall be governed by the laws of the State of Michigan without regard to the application of its conflicts of law principles, except that the Federal Arbitration Act shall govern the arbitrability and the arbitration of all Disputes. Venue for any lawsuit brought to enforce any term or condition of this contract or to construe the terms hereof shall lie exclusively in the State of Michigan, including in a United States District Court in Michigan having jurisdiction over the case.

Residential: I acknowledge that I am the account holder or legally authorized person to execute a contract on behalf of the account holder. I understand that by signing this contract, I am switching the gas supplier for this account to Grand Rapids Energy. I understand that gas purchased for this account by Grand Rapids Energy will be delivered through the utility's delivery system. The account holder, or person who signed this contract on behalf of the account holder, has 30 days after today to cancel this contract for any reason through written or verbal notification to Grand Rapids Energy.

Small Commercial (500 Mcf or Less): I acknowledge that I am the account holder or Legally Authorized Person to execute a contract and legally bind the business in this contract. I understand that by signing this contract, I am switching the gas Supplier for this commercial account to Grand Rapids Energy. I understand that gas purchased for this commercial account by Grand Rapids Energy will be delivered through the utility's delivery system. The legally authorized person to execute a contract and legally bind the business in this contract has 30-days after today to cancel this contract for any reason through written or verbal notification to Grand Rapids Energy.

IN WITNESS WHEREOF, Customer and Grand Rapids Energy have caused this Contract to be executed as of the _____ day of _____, 20__ or as of the date noted above.

For: Grand Rapids Energy

For: Customer

By: _____

By: _____

Title: _____

Title: _____

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