



## RESIDENTIAL TERMS OF SERVICE

American L&P, Co. REP Certificate No. 10147

Date: April 1, 2015

### Welcome to American Light & Power!

Thank you for selecting American Light & Power as your retail electric provider (REP). This Terms of Service Agreement (TOS), together with the Electricity Facts Label (EFL), Your Rights as a Customer (YRAAC) disclosure, and Enrollment Authorization, as each may hereafter be amended, set forth your (constitute the entire) agreement for service with American Light & Power (Agreement). As your REP, American Light & Power will arrange for the delivery of electricity to your service address from the Transmission and Distribution Service Provider (TDU) in your area pursuant to the Terms of Service Agreement. References to the PUCT or ERCOT shall mean the Public Utility Commission of Texas and the Electric Reliability Council of Texas, respectively. References to, "we", "our" and "us" refer to American Light & Power, and the words "you" and "your" refer to the customer.

If you ever have any questions regarding your electricity service or bill, please contact us.

### Contact Information:

Name of Provider: American Light & Power  
PUCT REP Cert. No.: 10147  
Mailing Address: 10700 North Freeway  
Suite 470  
Houston, TX 77037  
Toll-Free Number: 1-855-485-4258  
Toll-Free Fax Number: 1-855-666-1161  
Customer Service Hours: 8:30 AM-5:30 PM Mon-Fri. CST  
Internet Address: [www.americanlp.com](http://www.americanlp.com)  
Email Address: [care@americanlp.com](mailto:care@americanlp.com)

### 24 Hour Service Outage Reporting:

In the event of an outage in your area please call your local TDU:

Oncor Delivery Service	1-888-313-4747
Centerpoint Energy	1-800-332-7143
AEP Texas Central	1-866-223-8508
AEP Texas North	1-866-223-8508
Texas New Mexico Power	1-888-866-7456

American Light & Power is not liable for service interruptions or outages. Any questions relating to your electric distribution lines or meters should be directed to your local TDU listed above.

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**Right of Recession: If you are switching your electric service to American Light & Power from another REP you have the right to rescind your acceptance of this Agreement, without fees or penalties within three (3)**

**Federal business days after you receive this Agreement. You may rescind either:**

- 1) **By calling toll-free 1- (855) 485-4258**
- 2) **send a facsimile to 1- (855) 666-1161**
- 3) **send an email to: [care@americanlp.com](mailto:care@americanlp.com)**

**Please include a statement indicating you are cancelling within the three day rescission period along with your name, service address and American Light & Power account number. This right of recession does not apply if you are moving into a new service address.**

**Service Term:** Your service with us will begin on the date of your first meter read following your confirmed enrollment with us and continue for the period indicated in your Enrollment Authorization and/or in the EFL. Thereafter, your service with us will continue on a month-to-month basis, until you select another American Light & Power electricity product, switch to another REP, or your service is terminated or disconnected by us.

### Consult Your EFL to verify if you are on a Variable Price Product or Fixed Rate Product:

**Variable Price Product:** 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 TDU charges or a change in the cost of fuel used to produce energy during the term of this Agreement. This rate includes all recurring TDU 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 TDU increases its charges for the delivery of your electricity. Increases in TDU 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. 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 Rate Product:** 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 TDU 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 TDU, 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.

**Cancellation:** If a penalty or fee for early cancellation is stated in the EFL, then you agree to pay such penalty or fee for early cancellation if you cancel your agreement before the end of your agreement term. If you move to another premises and provide a valid forwarding address to us, then you may terminate your service without penalty or fee prior to the expiration of your agreement term. We may require you to provide sufficient evidence that you have moved and no longer occupy the premises covered by your agreement. Irrespective of the termination or disconnection of your service with us or the cancellation of your agreement, you will nonetheless be responsible for all charges for electricity service due through the date, on which your electricity service with us ceases, as well as all other fees, charges and amounts due under your contract and/or applicable law.

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. 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.

**Pricing:** The pricing for your electricity service is indicated in your Enrollment Authorization and/or EFL. Prices set forth in the EFL include recurring charges that we must pay on your behalf to the TDU, together with other charges and fees authorized by the PUCT. You will also be responsible for payment of all non-recurring fees and charges that are charged by us and/or the TDU, including, but not limited to, service connection, disconnection, out-of-cycle meter reads, and/or reconnection fees, for specified services provided to you.

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 TDU, or if ERCOT permits any changes, increases, or adds new 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.americanlp.com](http://www.americanlp.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.

We reserve the right to include in any subsequent bill, adjustments related to previous billing, previous billing errors, meter read errors, miscalculation of taxes or other

errors or omissions. You agree to pay the price stated in the EFL and all amounts indicated on your bill.

We may assess the following fees and charges, in addition to fees and charges stated in the EFL; \$35 for each transaction not processed due to insufficient funds including a) returned checks, b) returned electronic fund transfers, and c) rejected credit/debit card transactions. We may also charge a service processing fee of up to \$5.00 for any payment processed by an American Light & Power customer care representative or for any one-time credit/debit card payments. To avoid this processing fee, you can pay online through our website, send your payment in the mail, or pay at an authorized payment location. Late payments, delinquent or past due balances may result in a one-time fee of 5 percent of each current month's billing that is past due. A \$10 Disconnection fee for issuance of an electric service disconnection notice (this fee will be assessed regardless of whether your electric service is actually disconnected) a \$35 reconnection fee in the event that American Light & Power processes a reconnection transaction on your account, (such fees are assessed regardless of whether or not your service is actually disconnected by the TDU if the transaction orders are sent); Fees agreed to by you, whether at the time of enrollment or otherwise, for additional services, including but not limited to, expedited connection services, out-of-cycle meter reads, and/or other services or products.

We may from time to time authorize third parties to accept payments from you on our behalf at various locations (e.g., a check cashing store or bill payment center). If you elect to make a payment at one of these locations, such third party will charge you a fee not to exceed \$4.00 per payment in order to process your payment.

**Contract Expiration Notice:** We will send you an expiration notice at least 30 days prior to the date of contract expiration but no more than 60 days in advance of the expiration. We will provide you with the Terms of Service, EFL and YRAAC 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 American Light & Power will continue with American Light & Power's 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.

**Billing and Payment:** We will bill you on a monthly basis for products and services, as applicable, together with other charges required or permitted by law. Your bill will include charges on behalf of your TDU for certain products and services, as applicable, provided to you by your TDU. Bills are due and payable on the 16th day following the issue date set forth on your bill. If you do not pay your bill on or prior to the due date, you may be charged a late fee equal to 5% of that bill's past due amount as defined in Substantive Rule 25.480 of the PUCT rules, <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.480/25.480.pdf>.

Our acceptance of a partial payment of any bill will not relieve you of your obligation to pay the full amount owed, irrespective of any statement, declaration or other writing to the contrary made by you in conjunction with such partial payment. 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 1-855-485-4258. If we are unable to respond to your question or dispute, we will investigate the matter promptly and report our findings to you. 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.

If you do not pay your bill by the stated due date, you will be sent a disconnection notice at least 10 days in advance of disconnection of your service. If you fail to pay your bill prior to the expiration date stated in the disconnection notice, then we may request disconnection of your service without further notice to you per the authority given to us from the PUCT as stated in the following rule, <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.483/25.483.pdf>

If your preferred payment method is auto-pay, either by credit card or ACH, and your payment is declined for any reason we will send you a letter or email, depending on your preference at the time of enrollment, notifying you of the declined payment. In the event a payment is declined a second time, regardless of billing period, we will send you a letter or email, depending on your preference at the time of enrollment, notifying you of the declined payment along with removing you from the auto-pay payment method. Once you have been removed from auto-pay you will need to contact our office at which time our staff will evaluate if auto-pay on your account can be reactivated. 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 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 preceding 12 months, have been disconnected during the past 12 months, or you have received service from us for fewer than three months and cannot demonstrate satisfactory credit or satisfactory payment history with electricity service at your 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 an amount no greater than 50% of the past-due amount when the plan is approved and the remainder may be paid in equal installments over at least 5 billing cycles unless you agree

to fewer installments. Once the deferred payment plan has been established, we will provide you with a copy of the deferred payment plan. We will also apply a 'Switch-hold' on your account until the deferred payment plan has been paid in full at which time we will release the 'Switch-hold'. You will have to remain current on your other obligations with us during the term of the deferred payment plan, and if you fail to properly complete the deferred payment plan, your service may be disconnected for nonpayment.

We follow all rules associated with a deferred payment plan as they are described through the Customer Protection Rules at <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.480/25.480.pdf>.

**Switch-hold:** A switch-hold can be applied to your account if your local TDU finds your meter has been tampered with resulting in tampering charges, or you cannot pay your bill on time and have asked us for a deferred payment arrangement. Applying a switch-hold to your account means you will not be able to buy electricity from other retail electric providers until you pay the past due amount associated with either the meter tampering, or deferred payment arrangement. Once these charges or payments have been satisfied we will notify your local TDU to remove the switch-hold. For more information on the rules associated with a switch-hold refer to <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.480/25.480.pdf>.

**Level Billing:** We offer a Levelized Payment Plan (Level Billing) which allows customers to pay a calculated average amount each month based on levelized electricity usage subject to a semiannual adjustment based on actual consumption. The Levelized Billing Program allows you to pay approximately the same monthly amount for electric service. After six months under this option we will review your account to determine if this levelized bill amount is still appropriate. If this review determines that your actual bills were more than 10% over or under your original levelized amount, we will adjust your future levelized bill amount to better reflect your current usage.

Levelized 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 TDU charges and taxes which is then divided by 12. This program is offered to any customer who has been receiving services from us for a minimum of 1 month at the current service location. We may bill or credit any overbilling or underbilling, as appropriate, at least once every 12 months and upon termination of your service.

If you are requesting a Levelized Billing plan and you currently are delinquent on your American Light & Power account, we will provide a Levelized Billing plan to you, however, you will be placed on a deferred payment plan with Switch-hold for the delinquent balance. If the amount of the deferred balance does not appear on each bill you can call

us at any time to determine the amount that must be paid to be removed from the Levelized Billing plan. All requirements associated with a deferred payment plan and switch-hold will be applied with your delinquent balance. Customers with questions regarding Level Billing or wishing to enroll in Level Billing may call our toll free number listed in this TOS. Level Billing is offered in accordance with the rules established by the PUCT. To find more information around Level Billing refer to electric rule

<https://puc.state.tx.us/agency/ruleslaws/subrules/electric/25.480/25.480.pdf>

**Changes to Terms of Service:** We will send you a written notice at least 14 days in advance before making any changes to this Agreement. Written notice will be provided through a separate document or on your bill. Notice is not required for a change that benefits you. This written notice will be clearly labeled "Important Notice Regarding Changes to Your Agreement." If you're satisfied with the changes, there is nothing else you have to do to continue to receive service. If you find the changes unacceptable, you may choose another energy company before the changes go into effect, without charge or penalty. The Terms of Service, Your Rights as a Customer (YRAAC), or EFL shall be provided to you whenever a change is made to the specific document and upon your request, at any time free of charge. Please remember that cancelling this Agreement does not excuse you from paying all outstanding balances on your account.

**Customer Information:** By entering into this Agreement, you hereby authorize your TDU to release to us certain information that we need to provide you with service, including your address, phone number, account numbers, and historical usage information.

**Credit and Deposits:** We may require customers and applicants to establish and maintain satisfactory credit as a condition of providing service. By your applying for our service, you agree that we may review your eligibility, including requesting information from consumer credit reporting agencies and/or requesting a payment reference letter from your previous electric providers in order to verify your electric service payment history for the purpose of assessing your creditworthiness. We will not deny service based upon your credit score. If you do not meet our credit standards or cannot demonstrate satisfactory credit as defined in Substantive Rule 25.478 of the PUCT rules - <https://puc.state.tx.us/agency/ruleslaws/subrules/electric/25.478/25.478.pdf>, we may require a deposit from you.

You may arrange for a guarantor to enter into a guarantee agreement with us in lieu of paying a cash deposit. Please contact us if you would like more information on the requirements of a guarantee agreement.

If we agree to conditionally waive or defer your initial deposit based upon your agreement to comply and continue to comply with certain terms, then your failure to comply with such terms may result in your initial deposit becoming due and payable.

Existing customers that are late paying a bill more than once during the prior 12 months or had service terminated or disconnected for nonpayment during the prior 12 months may be required to pay an initial deposit. If you have paid a deposit, you may be required to pay an additional deposit if the average of your actual billings for the immediately preceding 12 month period is at least twice the amount of the original estimated annual billings, and you have been sent a disconnect notice within the prior 12 months. Your service may be disconnected if a deposit is not paid within ten (10) calendar days of the date of the request for deposit.

Deposits held more than 30 days will accrue interest from the date of receipt at the annual rate established by the PUCT. Payment of the interest may be made either annually or at the time the deposit is returned or credited to your account. Your deposit will be returned or credited to your account at such time as you have made 12 consecutive monthly payments by the specified due date. The total amount of all deposits that you may be required to pay shall not exceed the greater of: (i) the sum of your estimated billings for the next two months; or (ii) one-fifth of your estimated annual billings. After 12 months of service with us, you may request in writing that your required deposit be recalculated based upon your actual historical usage or billings.

If you are qualified under the Low Income Telephone and Electric Utilities (LITE-UP) program and you are required to pay a deposit greater than \$50, you will be eligible to pay your deposit in two installments. For more information refer to the following PUC rule:

<https://puc.state.tx.us/agency/ruleslaws/subrules/electric/25.454/25.454.pdf>

You may be deemed as having established satisfactory credit if you are medically indigent. In order for you to be considered medically indigent you must demonstrate that the following criteria have been met annually.

1. 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
2. You or your spouse must have been certified by a physician as being unable to perform three or more activities of daily living as defined in 22 TAC 224 or your monthly out-of-pocket medical expenses must exceed 20% of the household's gross income.

You will be deemed to have demonstrated satisfactory credit and will not be required to pay a deposit if: (i) you are at least 65 years of age and you are not currently delinquent on an account with another REP, or (ii) you have been a victim 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](http://www.statutes.legis.state.tx.us)).

Upon termination of your service, we will apply your deposit, if any, plus accrued interest, against your total outstanding balance on your final bill. We will bill you for any remaining outstanding balance after application of the

deposit and interest. If the deposit and accrued interest, as applied, exceed the outstanding balance owed, we will refund the credit balance to you. We reserve the right to include on your bills charges or credits necessary to correct or true-up any previously estimated bills, meter read errors, miscalculations of taxes, fees or other charges, billing errors, and other errors or omissions.

For more information in reference to satisfactory credit and deposits please refer to the following PUCT rule, <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.478/25.478.pdf>

**Disconnection of Service:** The Public Utility Commission Customer Protection Rules for electricity give us the right to disconnect your service. You can find this rule at <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.483/25.483.pdf>. We may authorize the disconnection of your electric service, after proper notice, at any time after the disconnection date stated in the notice for any of the following reasons: (1) your failure to pay any required deposit; (2) your failure to pay any bill for electric service owed to us or to make a deferred payment arrangements by the date of disconnection stated on a disconnect notice; (3) your failure to comply with the terms of a deferred payment agreement; (4) using service in a manner that interferes with the service of others; (5) the operation of nonstandard equipment; or (6) failure of a guarantor comply with the terms of an agreement to pay any guaranteed payment amount.

In addition, we may authorize the disconnection of your electric service immediately and without prior notice for any of the following reasons: (1) a dangerous condition exists at your service address; (2) there is evidence of theft of service; (3) service is connected without authority by a person who has not made application for service; (4) service is reconnected without authority after disconnection for nonpayment; or (5) there has been tampering with the equipment of the TDU. Disconnection of your service does not relieve you of your responsibility for charges incurred in connection with this Agreement.

**Taxes and Charges:** You are responsible for paying all applicable federal, state and local taxes, fees, governmental charges, assessments, and other charges for which you are responsible as a purchaser of electricity, or which are imposed upon us as a retail seller of electricity, or which are imposed upon electricity sales transactions, including, without limitation, gross receipts taxes, municipal administrative fees, and generation, utility, TDU, regulatory, BTU or electricity taxes, fees, and assessments.

**Low Income Households:** We are committed to the discounting afforded to low-income customers per the PUCT. The discounts to low-income customers are made available to qualifying low-income households through the *Low Income Telephone and Electric Utilities (LITE-UP)* program directed by the PUCT. To find out how to apply for

the discount, you can call the program administrator at (866) 4-LITE-UP (866-454-8387). We will offer each customer the opportunity to contribute voluntarily to a bill payment assistance program for qualified residential customers. Call us at 1-855-485-4258 or visit the Customer Protection Rules through the following link to obtain more information about the various assistance programs that may be available to you. <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.454/25.454.pdf>

**Non-Discrimination Policy:** We will not discriminate, deny service, or require prepayment or deposit for service based on race, creed, color, national origin, ancestry, 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. We 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.

**Critical Care Customers:** If an interruption or suspension of your electric service will create a dangerous or life-threatening condition, you may qualify as a critical care residential customer. Upon your request, we will provide you with the PUCT's standardized Critical Care Eligibility Determination Form. You shall then return the completed form to us as described in the form. We shall then forward the completed form to your TDU for review and qualification. If you are qualified, the critical care designation will be valid for one year. We will send you a renewal application prior to expiration of your designation. Qualification as a critical care customer does not relieve you of your obligation to pay for services.

**Refusal of Service:** We reserve the right to refuse to provide service to you for any lawful reason, including, without limitation, those reasons set forth in the PUCT rules and regulations. These Terms of Service are conditioned on our acceptance of you as its 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 - <https://puc.state.tx.us/agency/rulesnlaws/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.

**Representations and Warranties:** THE ELECTRICITY SOLD UNDER THIS CONTRACT WILL MEET THE QUALITY STANDARDS OF THE APPLICABLE LOCAL TRANSMISSION AND DISTRIBUTION UTILITY AND WILL BE SUPPLIED FROM A VARIETY OF SOURCES. EXCEPT AS EXPRESSLY SET FORTH IN THIS CONTRACT AMERICAN LIGHT & POWER DOES NOT MAKE AND EXPRESSLY NEGATES ANY OTHER REPRESENTATION OR WARRANTY, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**Limitations of Liability:** Liabilities not excused by reason of force majeure or otherwise shall be limited to direct actual damages which should be the sole and exclusive remedy. Neither American Light & Power nor Customer will be liable to the other for consequential, incidental, punitive, exemplary or indirect damages. These limitations apply without regard to the cause of any liability or damage. There are no third party beneficiaries to this Contract.

**Force Majeure:** American Light & Power will make commercially reasonable efforts to supply electricity but does not guarantee a continuous supply of electricity. Customer acknowledges that certain causes and events outside of American Light & Power's control (Force Majeure events) may result in interruptions in service and American Light & Power will not be liable for any such interruptions. American Light & Power does not generate electricity nor does it transmit or distribute electricity. Therefore, Customer agrees that American Light & Power will not be liable for any losses or damages caused by Force Majeure events, which shall include, without limitation, floods, fires, lightning, explosions, drought, earthquakes, storms, tornados, landslides, severe weather, or other acts of God, acts of any governmental authority, acts of terrorists or enemies of the state, accidents, strikes, labor issues, required maintenance, changes in laws, rules, or regulations, failure of ERCOT or any TDU to transmit electricity or to perform any of their respective obligations, or the failure of any of our suppliers, vendors and/or other third parties, and other events, forces, and/or circumstances beyond our reasonable control.

**Changes in Law or Regulation:** If we incur new or modified fees, performance costs, supply costs, or other charges (including, without limitation, changes to TDU delivery charges, or ERCOT ancillary services or other charges), as a result of a change in laws, rules, regulations or guidelines (including, without limitation, those promulgated by the PUCT, ERCOT, or other governmental or regulatory body), then we may reasonably allocate and bill you for any such incremental fees, costs or other charges as an authorized adjustment to the price without prior notice.

**Assignment:** You may not assign your Contract without

prior written consent. We may assign or transfer the Contract without your consent. Without limiting the generality of the foregoing, we may, without limitation: (i) transfer, sell, pledge, encumber, secure, or collaterally assign the Contract and/or any accounts, revenues or proceeds thereunder in connection with any financing transaction, financial arrangement, or other transaction; (ii) assign or transfer your contract to any entity succeeding to all or substantially all of our business or assets; and/or (iii) transfer or assign your contract to a certified REP or an affiliated entity. Upon any such transfer or assignment, to which you hereby consent in advance, you agree that we shall have no further obligations to you.

**No Waiver:** Any failure by us to enforce any term or condition of your service or otherwise exercise any right it may have under your contract shall not be deemed a waiver of any rights to thereafter enforce any or all terms or conditions of your service or to exercise rights under your contract.

**Entire Agreement:** This Agreement, along with the Electricity Facts Label, Your Rights as a Customer (YRAAC) disclosure, and Service Agreement constitute the entire agreement between you, the customer, and American Light & Power. This Agreement supersedes any prior agreements or representations, whether oral or written, with respect to these Terms of Service. This Agreement is subject to all applicable state and federal laws and regulations. Venue for any lawsuit brought to enforce any term or condition of this Agreement or to construe the terms hereof shall be exclusively in the State of Texas. No modifications by change, addition or deletion shall be enforceable unless reduced to writing as provided in this Agreement.



## YOUR RIGHTS AS A CUSTOMER

American L&P, Co. REP Certificate No. 10147

Date: April 1, 2015

### PLEASE READ: THIS DOCUMENT CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS AS A CUSTOMER

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 all retail electric providers (REP) and the provider of last resort (POLR), unless otherwise noted. You may view the PUC's rules at <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/Electric.aspx>.

You may review the rule associated with this section, Your Rights as a Customer at <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.475/25.475.pdf>

For your convenience, American Light & Power's contact information, as well as contact information for the PUC and your transmission and distribution service provider (TDU) is located at the end of this document.

#### **OBTAINING AND CANCELING SERVICE**

**Unauthorized Change of Service Provider or "Slamming":** A REP must obtain your verifiable authorization before switching your electric service. If you believe your electric service has been switched without your authorization, which is called "slamming", you should contact your chosen REP and request assistance. The affected REPs, TDU and registration agent will work together to return you to your chosen REP in accordance with the market process approved by the PUC. The REP must submit this to you within 5 business days of your request. If you are not satisfied with this response, you may also file a complaint with the PUC at the address provided at the end of this document. Upon receipt of a complaint filed with the PUC, the REP must respond within 21 days of receipt of the complaint, providing all documentation relied upon by the REP related to the authorization to switch, and any corrective actions taken to date, if any.

If a REP is serving your account without proper authorization, they must work with other market participants to take all actions necessary to return you to your original REP as quickly as possible. Your original REP has the right to bill you at the price disclosed in your terms of service from either: 1) the date you are returned to your original REP, or 2) any prior date chosen by your original REP for which that REP had the authorization to serve you. The REP that served you without proper authorization shall, within five days from the date that your service is returned to your original

REP, refund all charges paid for the time period the original REP ultimately bills you. In addition, the REP that served you without your authorization is responsible for paying all charges associated with returning your service to your REP of choice. For periods that the unauthorized REP served you that are not billed to you by your original REP, the REP that served you without your authorization may bill you, but at a rate no higher than the rate you would have been charged by your original REP.

You may review the rule associated with this section at <http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.495/25.495.pdf>

**Right of Rescission:** When requesting a switch in service providers, you may rescind your Terms of Service Agreement with the new REP without any penalty or fee within 3 federal business days after you receive your Terms of Service Agreement. For details on how to rescind, please see your Terms of Service Agreement. This right of rescission does not apply if you are moving into a new service address. This right of rescission does not apply to applicants requesting a move-in, to customers whose REP transfers the customer to the POLR, or when a REP "drops" a customer to the affiliated REP for non-payment. If you do not rescind your request for service within this three federal business day period, you will be responsible for all service rendered to you at the enrollment address. If you do not rescind the contract within this 3 federal business day period, you retain the right to select another REP and may do so by contacting that REP, although you will be responsible for any charges incurred to switch your service. See your Terms of Service Agreement for details regarding canceling or terminating your contract.

#### **BILLING ISSUES**

**Unauthorized Charges or "Cramming":** Before any new charges are included on your electric bill, your REP must inform you of the product or service, all associated charges, how these charges will appear on your electric bill and obtain your consent to accept the product or service. If you believe your electric bill includes unauthorized charges, you may contact your REP to dispute such charges and may file a complaint with the PUC. Your REP will not seek to terminate your electric service for nonpayment 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, your REP 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 3 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 credited. You may request all billing records under the REP's control related to any unauthorized charges within 15 business days after the date the unauthorized charge is removed from your bill. Your REP will not re-bill you for any charges determined to be unauthorized. You may review the rule associated with this section at <http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.481/25.481.pdf>

#### **Deferred Payment Plans and Other Payment**

**Arrangements:** If you cannot pay your bill, please call your REP immediately. Your REP may offer you a payment arrangement that allows you to pay your bill after your due date, but before your next bill is due. In addition, you may qualify for a deferred payment plan. A deferred payment plan allows a customer to pay an outstanding bill in installments beyond the due date of the next bill. The REP may require an initial payment to initiate the agreement. Your REP must offer you a deferred payment plan unless you have received more than 2 termination or 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.

All REPs must offer customers deferred payment plans for bills that are due during an extreme weather emergency and to customers who have been under-billed in the amount of \$50.00 or more. A deferred payment plan may include a 5% penalty for late payment; however, the POLR may not charge a late fee. REPs must also offer level or average payment plans to customers who are not currently delinquent in payment to the REP. If you do not fulfill the terms of the payment arrangement, deferred payment plan, or the level or average payment plan, your REP may terminate or disconnect your service as discussed further below. For additional details on these programs, please see your Terms of Service Agreement or contact your REP, or refer to <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.480/25.480.pdf>.

**Financial and Energy Assistance:** If a customer contacts their REP and indicates an inability to pay, the REP must inform the customer of all applicable payment

options and payment assistance programs that are offered by or available from the REP. An electric customer who receives food stamps, Medicaid, Temporary Assistance for Needy Families (TANF) or Supplemental Security Income (SSI) from the Texas

Health and Human Services Commission (TDHS) or whose household income is not more than 125% of the federal poverty guidelines may qualify for energy assistance from the Texas Department of Housing and Community Affairs (TDHCA). Call your REP for more details about discounts available for qualified low-income customers. Discounted rates may be available through "LITE-UP", the PUC's rate reduction program. Please contact a LITE-UP representative toll free at 1-866-454-8387 or go to the Public Utility Commission of Texas website at <https://puc.state.tx.us/consumer/lowincome/Assistance.aspx>

**Meter Reading and Testing:** Please contact your REP for information regarding how to read your meter. You have the right to request a meter test. Your REP may make this request to TDU on your behalf through a standard electronic market transaction. If a test is performed more than once in a four-year period, and the meter is determined to be functioning properly, then you may be charged a fee for the additional meter test(s) at the rate approved for your TDU. The TDU or REP will advise you of the test results, including the test date, testing person and, if applicable, the removal of the meter.

#### **DISCONNECTION AND TERMINATION**

**Failure to Pay:** For customers who do not pay their electric bill by the due date, their REP may either "terminate" their electric service agreement or request the TDU "disconnect" the electric service, after the expiration of a required 10-day notice in accordance with PUC regulations.

**Termination of Service:** Your REP may terminate your electric service for reasons other than non-payment as specified in your Terms of Service Agreement. You may terminate your agreement with your REP without penalty in the event you move to another premise and provide a forwarding address, or your REP notifies you of a material change in the terms and conditions of service as stipulated in the Terms of Service Agreement. See your Terms of Service Agreement for other details regarding terminating your service. Your REP 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 6 months (except theft of service);
- failure to pay any disputed charges until your REP or the PUC determines the accuracy of the charges and you have been notified of this determination; 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 TDU is unable to read the meter due to circumstances beyond its control.

**Disconnection of Service:** The PUC has provided that under certain dangerous circumstances (such as unsafe electric line situations) a REP may authorize your TDU to disconnect your electric service without prior notice to you. Additionally, your REP may be allowed to authorize disconnection of your electric service for any of the reasons listed below:

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

Prior to disconnecting your service, your REP must provide you with a written Disconnection Notice. This notice must be mailed to you separately (or hand-delivered) 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 the REP's personnel are available to take payments and service can be reconnected. If payment is received, or satisfactory payment arrangements are made prior to the date of disconnect on the Disconnection Notice, your REP will continue to serve you under the Terms of Service in effect prior to issuance of the Disconnect Notice.

Your REP may not seek to have your electric service disconnected by your TDU for any of the reasons listed under the Termination of Service section of this document. Additionally, your REP may not disconnect your electric service:

- if the REP receives notification by the final due date stated on the disconnection notice that an energy assistance provider will be forwarding sufficient payment on your account, and you have paid or made payment arrangements to pay any outstanding debt not covered by the energy assistance provider's payment;
- for non-payment during an extreme weather emergency, and upon request, the REP must offer you a deferred payment plan for bills due during the emergency; or
- for non-payment if you inform the REP, prior to the disconnection date stated on the notice, that you or another resident on the premises has a critical medical need for electric service. However, to obtain this exemption, you must enter into a deferred payment plan with your REP and have the ill-person's attending physician contact the REP 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.

For more information on disconnection of service refer to <http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.483/25.483.pdf>

**Availability of Provider of Last Resort:** If your Retail electric provider is no longer able to serve you as a customer for any reason you may obtain services from another REP or the POLR. If your REP 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. Information about the POLR and other REPs can be obtained from the PUC at <https://puc.state.tx.us/consumer/electricity/Polr.aspx>

**Restoration of Service:** If your service has been disconnected by your REP for non-payment, your REP will, upon satisfactory correction of the reasons for the disconnection, notify your TDU to reconnect your service. Your REP will continue to serve you under the Terms of Service in effect prior to issuance of the disconnect notice. If your service was disconnected due to a dangerous situation, your service will be reconnected once you demonstrate to your REP or the POLR that you have corrected the dangerous situation.



## **DISPUTES WITH YOUR PROVIDER**

**Complaint Resolution:** Please contact your REP if you have specific comments, questions or complaints. Upon receipt of a complaint, your REP 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, if available. Your REP 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 or the Office of the Attorney General, Consumer Protection Division. Please include your name and account number, as well as an explanation of the facts and the resolution you desire in your complaint. For a complaint involving a disputed bill, your REP may not initiate collection activities or disconnection activities or report the delinquency to a consumer reporting agency with respect to the disputed portion of the bill. However, after appropriate notice, your REP may disconnect your service for non-payment of any undisputed portion of the bill. For more information of all regulatory obligations associated with complaint resolution as it is stated within the electric rules, <https://puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.485/25.485.pdf>.

### **Contact information for the PUC:**

Public Utility Commission of Texas  
Customer Protection Division  
PO Box 13326  
Austin Texas 78711-3326

Toll Free: 888-782-8477  
Fax: 512-936-7003  
TTY: 800-735-2988  
Website: [www.puc.state.tx.us](http://www.puc.state.tx.us)  
Email: [customer@puc.state.tx.us](mailto:customer@puc.state.tx.us)

**Reporting Outages:** Your REP is responsible for providing you with the telephone number you may use to report outages or other emergencies. This information is included on your bill and is also provided at the end of this document for your convenience.

**Credit Reporting:** American Light & Power has every right to report a balance, that is more than thirty (30) 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 American Light & Power, stating your name, account information, amount in dispute, nature of the disputed portion. American Light & Power 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 No Call List:** Per

<http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.484/25.484.pdf> 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:

- (i) online at [www.texasnocall.com](http://www.texasnocall.com)
- (ii) call toll-free 1-866-TXNOCAL(L) (1-866-896-6225),
- (iii) write Texas No Call, P.O. Box 313, E. Walpole, MA 02032.

**Language Availability:** You may request to receive information from your REP in Spanish, or any language in which you were initially solicited. This includes the Terms of Service Agreement, Electricity Facts Label, bills and bill notices, information on new electric services, discount programs, promotions, and access to customer assistance. You will receive this Your Rights as a Customer document and termination and disconnection notices in English and Spanish, or English and your designated language, if you have designated a language other than Spanish and were originally solicited in that language. For more information refer to <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.473/25.473.pdf>

**Privacy Rights:** Except as described below, REPs may not release your proprietary customer information to any other person without your consent. This includes 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 allowed by law, including release to the PUC, an agent of your REP, consumer reporting agencies, law enforcement agencies, or your TDU. A REP may also share this information with a third party for the purpose of marketing such party's products or services to you after you are provided an opportunity to opt-out of the release of your information. In addition, this prohibition does not apply to the release of prior historical usage upon request and authorization of a current customer or applicant of a premise. Industrial and commercial customers may contact their REP or TDU and designate that their prior historical usage is competitively sensitive in order to prevent the release of this information. For more information to your privacy rights refer to <http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/25.472/25.472.pdf>



**Special Services:** Your REP may offer special services for hearing-impaired customer and programs for customers with physical disabilities. If you have a physical disability or require special assistance regarding your electric account, please contact your REP to inquire about the process to become qualified for any of these special services.

**Critical Care Customers:** If an interruption or suspension of electric service will create a dangerous or life-threatening condition, you may qualify as a "critical care residential customer." Upon your request, your REP will provide to you a standardized Critical Care Eligibility Determination Form, which you must complete and return to your REP. The critical care request is evaluated and approved by the TDU; however, a customer may appeal the eligibility determination to the TDU. If not satisfied with the results of this appeal, the customer may file a complaint with the PUC. If approved, the designation is valid for one year, and your REP will send you a renewal application prior to the expiration of your designation. Qualification as a critical care residential customer does not relieve the customer of the obligation to pay the REP or the TDU for services rendered. However, a critical care residential customer who needs payment assistance is encouraged to contact their REP or TDU immediately regarding possible deferred payment options or other assistance that may be offered by the REP or TDU.

**Power Outages & Emergencies (24 hours / 7 days)**

TDU Service Territories	
CenterPoint	800-332-7143
AEP	866-223-8508
Oncor	888-313-4747
TNMP	888-866-7456
Sharyland	956-668-9551

**Contact information for the PUC:**

Public Utility Commission of Texas  
Customer Protection Division  
PO Box 13326  
Austin Texas 78711-3326

Toll Free:	888-782-8477
Fax:	512-936-7003
TTY:	800-735-2988
Website:	<a href="http://www.puc.state.tx.us">www.puc.state.tx.us</a>
Email:	<a href="mailto:customer@puc.state.tx.us">customer@puc.state.tx.us</a>

**CONTACT INFORMATION**

**REP Mailing Address**

American Light & Power  
10700 North Freeway  
Suite 470  
Houston, TX, 77037

**REP Customer Service**

Toll-Fee:	(855) 485-4258
Hours:	8:30am – 5:30pm (Mon-Fri) CST
Fax:	(855) 666-1161
Website:	<a href="http://www.americanlp.com">www.americanlp.com</a>
Email:	<a href="mailto:care@americanlp.com">care@americanlp.com</a>