

SUPPLEMENT for POWERSWITCH PROGRAM PARTICIPANT

By executing this Supplement (“Supplement”) to the Orange and Rockland Utilities, Inc. (“O&R”) Consolidated Billing and Assignment Agreement (the “Agreement”), ESCO hereby agrees to participate in O&R’s Retail Marketing (ESCO Referral) Program (referred to as “PowerSwitch”) in accordance with the following terms and conditions:

1. PowerSwitch is based on the “ESCO Contract” option outlined in the New York Public Service Commission’s (“Commission”) Order Adopting ESCO Referral Program Guidelines and Approving an ESCO Referral Program Subject to Modifications (issued December 22, 2005) in Case 05-M-0858 (“ESCO Referral Order”) and on O&R’s ESCO Referral Program Proposal filed on February 17, 2006, and approved by the Commission’s Order Adopting Orange and Rockland Utilities, Inc.’s Plan for an ESCO Referral Program (issued April 19, 2006) in Case 05-M-0858.
2. Customers taking service under electric Service Classification (“SC”) Nos. 1, 2, 4, 16, 19, 20, and 21 and gas SC Nos. 1 and 2 will be eligible to participate in PowerSwitch up to full consumption permissible under their applicable SCs.
3. O&R will obtain authorization from customers for enrollment in PowerSwitch, including consolidated utility billing. Proof of authorization will be maintained by O&R for six months.
4. O&R will either accept the designation of a specific ESCO from the customer or, upon the customer’s request, assign the customer to an ESCO using a procedure reasonably designed to provide each ESCO participating in PowerSwitch a

generally equivalent number of accounts by service type (firm gas transportation only or electric only or electric and firm gas transportation combination service). ESCO must serve all such residential and non-residential customers enrolled through PowerSwitch.

5. O&R will process the enrollment of all customers authorizing enrollment in PowerSwitch. Within three days of the date of enrollment, O&R will send the customer a letter confirming enrollment with ESCO and notifying the customer that the customer's contact and usage information will be provided to ESCO. Within three days of the date of enrollment, O&R will send the selected or assigned ESCO an 814 Enrollment Response indicating that the customer has been enrolled.
6. Within three business days of ESCO's receipt of the 814 Enrollment Response, ESCO shall provide the customer by regular mail or email a sales agreement governing both the introductory and post-introductory periods that complies with the requirements of Attachment II of Appendix B to the ESCO Referral Order, "ESCO Contract Option Requirements," and that includes, at a minimum, the following terms and conditions:
  - (a) a month-to-month term;
  - (b) an open price term;
  - (c) a provision allowing ESCO to change its price for the period following the introductory period upon 15 days' notice to the customer, with the notice provided at least 30 days prior to the customer's next scheduled meter read;

(d) a cancellation right without payment of a penalty or a termination fee to ESCO;

(e) 30 days' prior notice of an assignment to another energy services company; and

(f) a provision specifying that a change to any of the terms and conditions of the sales agreement, other than a change of price pursuant to proper notice, requires the customer's affirmative consent via an executed agreement, a recorded telephone call, or an electronic signature for the change to be effective.

ESCO's standard sales agreement(s) to be used in PowerSwitch must be submitted to the Secretary of the Commission prior to use.

7. The effective date of enrollment for gas service will be the first day of the calendar month and for electric service the first day of the billing cycle that begins no less than 15 days after enrollment. The "Introductory Period" of service for any customer will be a minimum of two full billing cycles beginning with the effective date of enrollment and will always be less than three full billing cycles. ESCO will provide service during the Introductory Period to each enrolled customer whose enrollment becomes effective and thereafter in accordance with its PowerSwitch sales agreement until ESCO submits a drop for the customer or customer notifies O&R that it wishes to return to utility full service or be switched to another energy services company; provided, however, that ESCO may not de-enroll any customer during the Introductory Period. Customer de-enrollments will be processed according to the timeframes in the Uniform Business Practices ("UBP").

8. ESCO must meet all obligations of an energy services company under the UBP, including obligations applicable to ESCO Referral Programs. Such obligations will include, but not be limited to, obtaining customer authorization for changes to the terms and conditions of service beyond the Introductory Period, except a price change under the “open price” provision of the PowerSwitch sales agreement. Notice of price changes must be provided to customers in accordance with the UBP and the ESCO Referral Order.
9. All customers enrolled through PowerSwitch will be billed through O&R’s utility single bill option.
10. For service provided by ESCO during the Introductory Period for each customer enrolled in retail access through PowerSwitch, the per unit commodity price will be determined as follows:
  - a. The commodity price to be charged for electricity (if provided) will equal the sum of O&R’s Market Supply Charge (“MSC”), Adjustment Factor-MSC, and applicable government surcharges for the applicable billing cycle, less a discount of seven percent (the “Marketing Discount”).
  - b. The commodity price to be charged for natural gas (if provided) will equal the sum of O&R’s Gas Supply Charge (“GSC”), including the difference in monthly gas adjustment charges, plus applicable government surcharges for the applicable billing cycle, less the Marketing Discount.
11. O&R will provide a follow-up letter to the customer at or around the mid-point of the Introductory Period reminding the customer that the Marketing Discount will end at the conclusion of the second full billing period and that in the event ESCO

- does not submit a price change to become effective after the Introductory Period, the customer will continue to be charged the price charged during the second full billing period.
12. ESCO may send a price change to be effective for the billing cycle following the Introductory Period or any billing period thereafter by an EDI 814 Change transaction. If the 814 is accepted by O&R, the account will be billed prospectively at the rate indicated. At the time ESCO sends O&R the price change for a customer, the ESCO will be deemed to affirm and represent that it has given the customer proper notice of the price change.
  13. If ESCO does not provide price change and tax rate information for the billing cycle(s) after the Introductory Period, O&R will continue to charge ESCO customers the price charged during the second full billing period of the Introductory Period and will continue to impose taxes and tax-related surcharges at the rates charged during the Introductory Period.
  14. In accordance with the Agreement, O&R will purchase the accounts receivable for each ESCO customer served under PowerSwitch at the commodity amount billed pursuant to paragraphs 10, 12 and/or 13 above, less the Purchase Discount described in the Agreement, if any.
  15. O&R will apply the Marketing Discount for the Introductory Period to the account of a customer enrolled in PowerSwitch no more than once for each service (electricity or gas).
  16. ESCO may terminate its participation in PowerSwitch by providing no less than 15 days' prior written notice to O&R, provided, however, that termination will

not be effective until ESCO shall have fulfilled its obligations to serve active PowerSwitch accounts during the Introductory Period of each such account. Effective on the 16<sup>th</sup> day after the ESCO's notice of termination of participation, O&R will not assign any additional customers to ESCO and will not permit customers to designate ESCO as their energy services company under PowerSwitch. O&R may establish different terms and conditions for participation for ESCOs that previously participated and terminated their participation in PowerSwitch.

17. O&R may terminate ESCO's right to receive customer enrollments on five days' prior written notice if O&R determines that ESCO is in breach of its obligations under the Agreement (including this Supplement), the UBP or that ESCO has misrepresented the terms of PowerSwitch, provided, however, the Agreement (including this Supplement) will not terminate until ESCO shall have fulfilled its obligations to serve active PowerSwitch accounts during the Introductory Period of each such account.
18. This Supplement will terminate if either party terminates the Agreement. If the Agreement is terminated under circumstances that permit ESCO to fulfill its obligations to serve active PowerSwitch accounts, ESCO shall continue to serve such customers during the Introductory Period of each such account and one billing cycle thereafter.
19. O&R may terminate PowerSwitch on 60 days' prior written notice, provided, however, that O&R may terminate PowerSwitch on less than 60 days' notice if directed to do so by the Commission.

IN WITNESS WHEREOF, the Parties hereto have caused this Supplement to be executed, as of the date below.

ORANGE AND ROCKLAND UTILITIES, INC.

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

(ESCO)

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_