

ROCKLAND ELECTRIC COMPANY
THIRD-PARTY SUPPLIER
CUSTOMER ACCOUNT SERVICES
MASTER SERVICE AGREEMENT

Version 2.0

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**THIRD-PARTY SUPPLIER
CUSTOMER ACCOUNT SERVICES
MASTER SERVICE AGREEMENT**

THIS AGREEMENT (“Agreement”), made and entered into this _____ day of _____, 20__, by and between **ROCKLAND ELECTRIC COMPANY** (the “Company”), a corporation and a public utility organized and existing under the laws of the State of New Jersey with an office at One Lethbridge Plaza, Suite 32 – Second Floor, Route 17 North, Mahwah, New Jersey 07430 and _____, a _____ organized and existing under the laws of _____, with New Jersey Taxpayer Identification Number _____ (the “Supplier”), with an office at _____, both the Company and the Supplier hereinafter sometimes referred to collectively as the “Parties”, or individually as a “Party.”

WITNESSETH:

WHEREAS, the Company is currently a public utility engaged in the transmission, distribution and sale of electricity with a franchise to serve Customers located within certain areas of the State of New Jersey; and

WHEREAS, certain federal and New Jersey Statutes and administrative Rules and Regulations govern the electric industry in New Jersey (generally, the “Applicable Legal Authorities”); and

WHEREAS, certain of the Applicable Legal Authorities provide for the restructuring of the electric industry in New Jersey from that of a regulated public utility service to allow access

to the public utility's local distribution system by entities that have successfully completed the licensing process set forth in the Applicable Legal Authorities; and

WHEREAS, the Supplier is thus licensed to serve Customers in the State of New Jersey, and has been issued Board License Number _____; and

WHEREAS, the Applicable Legal Authorities provide that with implementation of such access to the Company's local distribution system, the Company will continue to serve as the exclusive electric distribution provider within its Service Territory; and

WHEREAS, in accordance with the Applicable Legal Authorities, Customers may purchase electricity from licensed suppliers; and

WHEREAS, in accordance with the Applicable Legal Authorities, the Supplier, if supplying electricity, has executed a Board-approved Third-Party Supplier Agreement with the Company, which sets forth the basic requirements for interaction and coordination between the Company and the Supplier and permits Supplier to access the Company's local distribution system for purposes of supplying electricity to Customers; and

WHEREAS, on May 9, 2001, the Board issued an Order with respect to the provision of Customer Account Services, pursuant to which the Board will permit both utility and Supplier Consolidated Billing as defined below and will require utilities to provide Suppliers with increased access to meter consumption data for a fee; and

WHEREAS, such Order directed New Jersey utilities and Suppliers doing business within the State of New Jersey and wishing to perform Consolidated Billing to execute an agreement setting forth the terms and conditions applicable to the performance of Consolidated Billing; and

WHEREAS, the Company and the Supplier hereby execute the subject Third-Party Supplier Customer Account Services Master Service Agreement so that the Company may provide Consolidated Billing for the Supplier; and

WHEREAS, any capitalized or abbreviated term not elsewhere defined in this Agreement shall have the definition set forth in Article 1 of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, the Parties hereto, intending to be legally bound, hereby covenant, promise and agree as follows:

ARTICLE 1: DEFINITIONS

Billing Month - one-twelfth of a year, or the period of approximately 30 days between two regular consecutive readings or estimates of the Company's meter or meters installed on the Customer's premises.

Board or BPU - the New Jersey Board of Public Utilities.

Business Day - any day on which the Company's corporate offices are open for business.

Consolidated Billing – billing procedure whereby the Company provides one bill to a Customer containing all permitted Customer charges owing both to the Company and to the Supplier for electric service, as well as all regulatory information and notice requirements, or the Supplier provides one bill to a Customer containing all such charges and information of the Company and the Supplier.

Customer – a person or entity taking services pursuant to the Company's retail tariff, who may receive electricity from a Supplier in accordance with the Applicable Legal Authorities at a single metered location.

Customer Account Services – metering, billing, or such other administrative activity associated with maintaining a Customer's account.

Dual Billing – billing procedure whereby the Company provides a bill to Customer containing the Company's charges and the Supplier provides a bill to Customer containing the Supplier's charges.

EDI – Electronic Data Interchange mechanism for exchanging Customer data between the Company and the Supplier.

Energy – electricity.

FERC - the Federal Energy Regulatory Commission.

Interval Metering - metering that is capable of reading and storing electric consumption data at discrete time intervals of one hour or less to enable the measurement of consumption as may be required by the Company's Tariff for Electric Service.

Meter Read Date - the date on which the Company is scheduled, in accordance with its own established procedures and practices and its own regularly scheduled billing cycles, to read a meter for purposes of producing a Customer bill or the date of an actual customer read used for the purpose of producing a Customer bill.

Meter Reading - the process whereby the Company records the information presented on a customer's meter. Such reading may be obtained manually, through telemetry, or by estimation, in accordance with the Company's established procedures and practices.

Advanced Metering Infrastructure (AMI) – a system comprising smart meters, communication networks, and data management systems that enables two-way communication between utility providers and customers. AMI facilitates the automated collection, analysis, and management of utility usage data, enhancing operational efficiency, customer engagement, and resource management.

New Jersey Billing Implementation/EDI Working Group - designation for a specific subgroup of the Customer Processes Working Group, formed to develop the process flows, business rules and EDI transactions, or other acceptable Board-approved electronic data exchange protocols, necessary for facilitating the implementation of Consolidated Billing.

Service Territory - the geographic areas of the State of New Jersey in which the Company has a franchise to serve electric Customers.

Supplier - an entity that has been licensed by the Board to sell electricity to retail Customers within the State of New Jersey in accordance with the Applicable Legal Authorities and that, if supplying electricity, has entered into a Third-Party Supplier Agreement with the Company as a Party.

Third-Party Supplier Agreement – Board-approved agreement executed by the Company and Supplier, if supplying electricity, which establishes the terms and conditions by which the Supplier will be granted access to the Company's local distribution system for purposes of supplying electricity to Customer

ARTICLE 2: GENERAL TERMS AND CONDITIONS

2.1 Agreement to Govern

The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference. This Agreement shall govern the business relationship between the Parties hereto with respect to the provision of Customer Account Services as defined herein.

2.2 Relationship to Third-Party Supplier Agreement and to FT-S Rate Schedule

This Agreement is intended to supplement the Third-Party Supplier Agreement executed by the Company and the Supplier, if the Supplier is providing electricity to Customers, and the latter shall remain in full force and effect notwithstanding the execution of this Agreement; provided, however, that Article 13 of the Third-Party Supplier Agreement, and such other provisions of the Third-Party Supplier Agreement as are determined to require modification, will be amended to be consistent with this Agreement. In the event of a conflict, however, between the provisions of this Agreement and those contained in the Third-Party Supplier Agreement, the provisions of this Agreement shall govern.

2.3 Conditions Precedent to Company Execution of Agreement

Before the Company executes this Agreement, the Supplier must fulfill the following requirements: (a) obtain a license from the Board and any other governmental approvals required for participation in the New Jersey retail energy market; (b) execute a Third-Party Supplier Agreement with the Company, if the Supplier is providing electricity to Customers; (c) demonstrate creditworthiness in accordance with Article 6 of this Agreement, if the Supplier is performing Consolidated Billing; and (d) demonstrate to the Company's reasonable satisfaction

that the Supplier is equipped with the communication capabilities necessary to exchange information with RECO in order to satisfy its obligations hereunder, including, once applicable under this Agreement, communications capabilities necessary to comply with EDI standards for the exchange of information, which are or will be set, and may from time-to-time be modified, by the Board, either directly or through a Working Group, and the implementation of which is subject to Board approval. Such conditions precedent represent ongoing obligations of the Supplier, and failure to continue to satisfy these conditions throughout the term of this Agreement will result in an Event of Default, as set forth in Article 5 of this Agreement.

2.4 Communications and Data Exchange

Electronic information exchange between the Supplier and the Company under this Agreement shall employ a Supplier identification number, assigned by the Company, which shall be consistent with the Supplier's Dunn & Bradstreet Business number.

The Parties must be equipped with the communications capabilities necessary to comply with the standards that are set by and may, from time-to-time, be modified by the Board, either directly or through a Working Group. For the Supplier to offer Consolidated Billing service under this Agreement, the Supplier must have in place and demonstrate to the Company's reasonable satisfaction, in a volume commensurate with the number of customers reasonably expected to be served, the ability to accept billing information from the Company, accurately produce and render the bill, process payments from Customers, respond to Customer inquiries, and comply with collection laws and regulations. The Company and Orange and Rockland Utilities, Inc., the Company's parent company providing service in its territory in the New York Control Area, utilize integrated customer accounting and communications systems, and will

modify such systems and implement EDI on a system-wide basis pursuant to schedules established under authority of the New York Public Service Commission consistent with the Company's Board-approved Third-Party Supplier Agreement. Accordingly, electronic data exchanges between the Supplier and the Company will initially be in a standard file format prescribed by the Company. Electronic information exchanges between the Supplier and the Company under this Agreement shall comply with and adhere to EDI standards. All costs associated with establishing such communications capabilities required by this section shall be borne by the Supplier.

The Company makes no representations regarding the efficacy of the above-referenced data exchange testing/demonstration process. The Company shall not be liable to the Supplier for any claims that inadequate, improper, or incomplete Company testing processes or testing requirements resulted in subsequent communications or data exchange difficulties.

2.5 Record Retention

The Supplier and the Company shall comply with all record retention provisions of the Applicable Legal Authorities, as they are and may, from time-to-time, be modified.

2.6 Tariffs Incorporated

The Company's electric tariffs, as filed with and approved by the Board, including the Standard Terms and Conditions of the tariffs, are incorporated herein by reference.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES

3.1 Supplier's Representations and Warranties

The Supplier hereby represents, warrants and covenants as follows:

- (a) the Supplier is a [corporation/partnership/_____] duly organized and validly existing under the laws of the State of New Jersey [or, if another jurisdiction, is duly registered and authorized to do business and is in good standing in the State of New Jersey];
- (b) the Supplier has all requisite power and authority to execute and deliver this Agreement and to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder, including Board licensure as a supplier and, if supplying electricity, execution of a Third-Party Supplier Agreement, which shall be maintained throughout the life of this Agreement, and the lack of which shall immediately result in the termination of this Agreement;
- (c) the execution and delivery of this Agreement and the performance of the Supplier's obligations hereunder have been duly authorized by all necessary action on the part of the Supplier and do not and will not conflict with or result in a breach of the Supplier's charter documents or bylaws or any indenture, mortgage, other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the Supplier is a Party or by which the Supplier or any of its properties is bound or subject;
- (d) this Agreement is the valid and binding obligation of the Supplier, enforceable in accordance with its terms;
- (e) there are no actions at law, suits in equity, proceedings or claims pending or, to the Supplier's knowledge, threatened against the Supplier before any federal,

state, foreign or local court, tribunal or government agency or authority that might materially delay, prevent or hinder the Supplier's performance of its obligations hereunder; and

- (f) the Supplier will comply with any and all information and data transfer protocols that may be adopted by the Company that are set by, and from time-to-time modified by, the Board. The Supplier will comply with any and all information and data transfer protocols that may be adopted by the Company from time-to-time in circumstances where Board-approved protocols do not exist. The Supplier shall have the right to challenge any such protocols in the appropriate forum.

If the Supplier learns that any of the representations, warranties, or covenants in this Agreement have been violated, the Supplier shall immediately notify the Company via email.

3.2 Company's Representations and Warranties

The Company hereby represents, warrants and covenants as follows:

- (a) the Company is a utility corporation duly organized and validly existing under the laws of the State of New Jersey;
- (b) the Company has all requisite power and authority to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder;
- (c) the execution and delivery of this Agreement and the performance of the Company's obligations hereunder have been duly authorized by all necessary action on the part of the Company and do not and will not conflict with or result

in a breach of the Company's charter documents or bylaws or any indenture, mortgage, other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the Company is a Party or by which the Company or any of its properties is bound or subject; and

- (d) this Agreement is the valid and binding obligation of the Company, enforceable in accordance with its terms.

3.3 Survival of Obligations

All representations and warranties contained in this Article 3 shall survive the execution and pendency of this Agreement.

ARTICLE 4: COMMENCEMENT AND TERMINATION OF AGREEMENT

4.1 Commencement

(a) Electric Service

If the Supplier is providing Consolidated Billing service under this Agreement, the term of this Agreement shall commence upon execution of this Agreement by the Company and the Supplier. If the Company is providing Consolidated Billing service hereunder, the term of this Agreement shall commence upon execution of this Agreement by the Company and the Supplier.

4.2 Termination

This Agreement may terminate under the following circumstances:

(a) **Withdrawal of the Supplier from Provision of Competitive Energy**

Supply. In the event the Supplier ceases to participate in or otherwise withdraws from the provision of electricity to Customers in the Company's Service Territory, and complies with all notice requirements set forth in the third-party Supplier Agreement, if Supplier is providing electricity, and the Applicable Legal Authorities, this Agreement shall terminate thirty (30) days following the date on which the Supplier ceases to have any active Customers.

(b) **The Parties' Termination Rights Upon Default.** In the event of a Default by a Party as defined herein, the Non-Defaulting Party may terminate this Agreement by providing written notice to the Defaulting Party, without prejudice to any other remedies at law or in equity available to the Non-Defaulting Party by reason of the Default.

4.3 Survival of Obligations

Termination of this Agreement for any reason shall not relieve the Company or the Supplier of any obligation accrued or accruing prior to such termination.

4.4 Material and Adverse Change in Law or Regulation

If at any time during the term of this Agreement, the Board, the FERC, another federal or New Jersey State agency, or a court of competent jurisdiction issues an order, or a federal or State law or regulation is enacted, by which a Party hereto believes that its rights and interests under the Agreement are materially and adversely affected, the Party so affected shall, within thirty (30) days of issuance or enactment of such order, law or regulation, provide the other Party with written notice setting forth in reasonable detail how such order, law or regulation has

materially and adversely affected its rights and interests under this Agreement, and may terminate this Agreement, subject to any applicable regulatory requirements and after providing thirty (30) days prior written notice to the Board and the other Party, without any liability or responsibility whatsoever except for obligations arising prior to the date of termination.

ARTICLE 5: DEFAULT

5.1 Events of Default

An Event of Default under this Agreement shall occur if either Party ("Defaulting Party") (a) is the subject of a bankruptcy, insolvency or similar proceeding; (b) makes an assignment for the benefit of its creditors; (c) applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets; (d) violates any material federal, state or local code, regulation, order and /or statute applicable to the obligations to be performed under this Agreement, including by way of example the failure to maintain a BPU license or failure to maintain any other governmental approvals required for participation in the New Jersey retail energy market; (e) is in Default under the Third-Party Supplier Agreement, as defined in Article 6 of that Agreement; or (f) fails to remit payment to the other party ("Non-Defaulting Party") when payment is due, or to satisfy any other material obligation under this Agreement, such as fulfilling the creditworthiness requirements as set forth in Article 6 of this Agreement, within the time frames set forth in this Agreement, and fails to remedy the delinquencies set forth in this section (f) within seven (7) days of receipt of written notice thereof from the Non-Defaulting Party.

5.2 Rights Upon Default

In an Event of Default, the Non-Defaulting Party shall be entitled to (a) pursue any and all available legal and equitable remedies, in accordance with Article 15 of this Agreement. Moreover, if the Defaulting Party is providing Consolidated Billing, the non-Defaulting Party will be entitled to immediately, upon the occurrence of the Event of Default, switch the Defaulting Party's customers back to Dual Billing by ceasing to supply Customer charge information to the Defaulting Party; provided, however, that this shall not nullify any other rights existing either under this Agreement or the Third-Party Supplier Agreement.

ARTICLE 6: SUPPLIER CREDITWORTHINESS

6.1 Standards Governing Initial Determinations of Creditworthiness

In addition to the creditworthiness requirements specified in the Third-Party Supplier Agreement, if and only if the Supplier is performing Consolidated Billing under this Agreement, the Company will determine whether Supplier is creditworthy. The Company shall make this determination in accordance with the guidelines set forth herein, subject to the Supplier's right to submit to the Board for resolution any dispute concerning the Company's requirements if the Supplier believes such requirements are inappropriately based or assessed. The Company shall not be obligated to execute this Agreement until said dispute is resolved by a final, non-appealable Order of the Board.

With respect to creditworthiness, the Supplier must demonstrate that it has, and maintains, a minimum "BBB" or equivalent long term unsecured credit rating from Moody's Investors Service and Standard & Poor's Rating Services. The Supplier must also provide the Company with its most recently independently audited financial statements or, if the Supplier is

a publicly held firm, its most recent Form 10-K and Form 10-Q. On an ongoing basis, the Supplier must continue to provide the Company with updated versions of all of the above, as they become available. Specifically, updated financial statements or Form 10-Ks must be provided within ninety (90) days of fiscal year-ends, and updated Form 10-Qs must be provided within forty-five (45) days of the close of each quarter that does not coincide with the end of the Supplier's fiscal year.

The Company may make alternative credit arrangements with a Supplier that is unable to demonstrate creditworthiness based on its credit rating. Alternative credit arrangements may include any of the following:

- (a) a guarantee of payment, satisfactory in form and substance to the Company, from a Guarantor that has, and maintains, a minimum "BBB" or equivalent long term unsecured credit rating from Moody's Investors Service and Standard & Poor's Rating Services in an amount equal to sixty (60) days' maximum estimated collection of all charges payable to the Company from customers, as reasonably estimated by the Company;
- (b) an irrevocable Letter of Credit, satisfactory in form and substance to the Company, issued by a bank or other financial institution that is acceptable to the Company, that has, and maintains, a minimum "A" or equivalent long term unsecured credit rating from Moody's Investors Service and Standard & Poor's Rating Services in an amount equal to sixty (60) days' maximum estimated collection of all Customer charges payable to the Company, as reasonably estimated by the Company;

(c) a cash deposit in an amount equal to sixty (60) days' maximum estimated collection of all Customer charges payable to the Company, as reasonably estimated by the Company.

6.2 Materiality of Creditworthiness

If the Supplier is performing Consolidated Billing hereunder, the Supplier's creditworthiness, the satisfactory nature of any alternative arrangements that may be made hereunder, and the Supplier's duty to keep the Company informed of developments that may be material to its creditworthiness or to the adequacy of any alternative arrangements in place are all material terms of this Agreement. Creditworthiness or satisfactory alternative arrangements must be maintained on an ongoing basis throughout the term of this Agreement. The Company may reevaluate the Supplier's creditworthiness on a quarterly basis. If the Company determines that the Supplier must increase its credit support amount, the Supplier will have thirty (30) days to do so. If such amount is not increased within this thirty-day period, the Supplier will be deemed to be in Default, as defined in Article 5 of this Agreement.

6.3 Lapse of Creditworthiness

Should the Supplier's creditworthiness lapse, or should the Supplier's established alternative arrangements terminate or become unsatisfactory, the Company shall provide written notice thereof to the Supplier and, not sooner than ten (10) days thereafter, may continue to perform its obligations hereunder or elect to terminate this Agreement, subject to the Supplier's right to dispute the Company's determination before the Board, as set forth below. The Company may condition its continued performance hereunder on the establishment of new alternative arrangements, satisfactory to the Company. The Supplier shall have the right to

submit to the Board for resolution any dispute regarding the Company's requirements if the Supplier believes such a requirement is inappropriately based or assessed. Submission of such dispute to the Board shall extend the aforementioned ten (10) day period for notice of termination, for a period of up to thirty (30) additional days, such that the Company shall have the right to terminate this Agreement upon written notice to the Supplier if the Board does not issue a final order resolving the dispute within thirty (30) days of the date that the Supplier first submits the dispute to the Board.

6.4 No Endorsement of Supplier

By determining that the Supplier is creditworthy pursuant to the process set forth above, the Company makes no express or implied warranties or guarantees of any kind with respect to the financial or operational qualifications of the Supplier.

ARTICLE 7: TERMS AND CONDITIONS OF UTILITY CONSOLIDATED BILLING

7.1 Basic Requirements

By executing this Agreement, the Company may provide Consolidated Billing to a Customer if the Customer selects such option and the Customer is creditworthy, as determined by the Company exercising its reasonable discretion. The Company's consolidated bills will be printed on then-current utility paper stock and will contain space for the Supplier's data in accordance with Company Attachment A to the May 9, 2001 Board Order issued in Docket No. EX99090676 ("Attachment A"), which is hereby incorporated by reference herein and expressly made a part hereof. The following information will be included at a minimum: Supplier's name, telephone number, current charges, total charges and payments/adjustments. **[Details regarding content and the resolution mechanism for any disputes regarding content will be**

established in the appropriate Board policy group]. At the Company's discretion, the Company will include on the consolidated bill either the Supplier's logo or the Supplier's name in prominent, bold-faced letters printed in a manner satisfactory to both Parties. All other requirements pertaining to utility consolidated billing processes and procedures are contained in Attachment A.

7.2 Bill Inserts

All specifics regarding bill inserts, such as the process for establishing inserts and attendant Supplier notice and content responsibilities and restrictions, insert physical specifications, insert packaging specifications, and insert delivery requirements, are set forth in Company Attachment B to the above-referenced Board Order ("Attachment B"), which is hereby incorporated by reference herein and expressly made a part hereof. Moreover, the Supplier will pay the Company a negotiated rate for provision of bill insert service.

7.3 Technical Specifications

All technical specifications regarding the print format to be used by the Company in its consolidated bill and the mechanics of the Supplier's data transmission and synchronization to Company are set forth in Attachment A.

In the event of any conflict between any of the Company Attachments to the above referenced Board Order and the provisions of this Agreement, the Attachments shall control.

ARTICLE 8: TERMS AND CONDITIONS OF SUPPLIER CONSOLIDATED BILLING

8.1 Basic Requirements

By executing this Agreement, the Supplier is authorized to provide bill-ready Consolidated Billing to Customers, if such option is selected by the Customers, under the same terms and conditions applicable to the Company; provided that the Supplier must remit full payment of Customer tariffed charges to the Company in accordance with Article 10 of this Agreement, and must otherwise comply with all requirements contained in Company Attachment D to the above-referenced Board Order (“Attachment D”), which is hereby incorporated by reference herein and expressly made a part hereof.

8.2 Additional Requirements/Company Inserts

If the Supplier provides Consolidated Billing service, the Supplier will be responsible for fulfilling all applicable New Jersey Administrative Code (“NJAC”) and Board-mandated notices and directives concerning utility customer bill information and format, and other regulatorily mandated notices and information relating to the Company’s tariffed delivery services. The Company will be responsible for providing the Supplier with an appropriate number of copies of all such regulatorily-mandated notices and directives to be included as an insert in the bill envelope. If the Supplier provides bills to its Customers in electronic form, the Company will be required to furnish such inserts to the Supplier in a mutually acceptable electronic form. The Supplier will not be required to provide any information regarding the Company’s competitive services as part of the bill. In formulating the consolidated bill, the Supplier will use the billing components provided by the Company for all relevant Customer classes.

**ARTICLE 9: CUSTOMER ENTITLEMENT TO CONSOLIDATED BILLING/
CONVERSION TO DUAL BILLING**

A Customer is entitled to receive a consolidated bill if the Billing Party, whether it be the Company or the Supplier, determines in its reasonable discretion that Customer is creditworthy. The Billing Party will be required to inform Customer that failure to pay bills in a timely manner will result in conversion from Consolidated Billing to Dual Billing for a period of one (1) year. At the Billing Party's discretion, the Customer may be converted from Consolidated Billing to Dual Billing, in accordance with the procedures and requirements set forth in Company Attachment D.

ARTICLE 10: REMITTANCE PROCEDURES/OWNERSHIP OF RECEIVABLES

10.1 Supplier Remittance of Customer Charges to the Company

Supplier remittance obligations shall be in compliance with the requirements of Attachment D. In particular, if the Supplier provides Consolidated Billing service, the Supplier shall remit to the Company the full amount of all undisputed Company tariffed charges it has billed to Customers within twenty-five (25) days of receiving said charges from the Company for billing. The Supplier shall make payments of funds payable to the Company by electronic transfer to a bank designated by the Company. If payment is made to the Company after this 25-day period, a late fee will be added to the unpaid balance until the entire amount is paid. This late fee will be 1.5% per calendar month on the unpaid balance.

10.2 Company Remittance of Customer Charges to Supplier

If the Company provides Consolidated Billing service, the Company shall remit to the Supplier all undisputed energy commodity Supplier charges by the twentieth (20)th day from the

bill date noted on the consolidated bill. The Company shall make payment of funds payable to the Supplier by electronic transfer to a bank designated by the Supplier.

10.3 Receivables

If Consolidated Billing is provided, the Billing Party, whether it is the Company or the Supplier, shall assume the Non-Billing Party's undisputed charges as receivables. The Billing Party assuming the Non-Billing Party's charges as receivables shall not have any obligation to assume any prior balances. Should the Company assume the Supplier's receivables, the receivable will be treated in accordance with the Company's collection practices and procedures applicable to delivery charges, including potential Customer disconnection for non-payment. Moreover, in the event that Customer converts from Consolidated Billing to Dual Billing, the Supplier and the Company will each be responsible for its own receivables effective as of the start of Dual Billing.

In consideration of remittance of customer charges by the Billing Party to the Non-Billing Party, in accordance with Section 10.1 or 10.2 of this Agreement, the Non-Billing Party hereby sells, assigns, and transfers, to the Billing Party, its successors and assigns, all right, title, and interest in any and all monies due, on the accounts for which such remittances have been made. The Billing Party shall have the full power and authority, for its own use and benefit, without cost to the Non-Billing Party, to ask, demand, collect, and receive payment of such monies, or any part thereof, and in the name of the Non-Billing Party, or otherwise, to prosecute any suits therefor. The Non-Billing Party agrees that if any payment is made to the Non-Billing Party, which is intended to be credited on any of such accounts, that it will immediately endorse and deliver to the Billing Party such checks, drafts, or money intended as such payment, and that

until such delivery, the Non-Billing Party shall treat such checks, drafts, and money as the property of and in trust for the Billing Party.

The Billing Party agrees that all monies collected by it on account of the Non-Billing Party's charges shall, until such time as the Billing Party has made the corresponding remittance to the Non-Billing Party required by Section 10.2 of this Agreement, be treated by the Billing Party as property of and held for the benefit of the Non-Billing Party, notwithstanding that such monies may have been commingled with other funds held by the Billing Party.

10.4 Disputed Charges

If a Party receives a customer inquiry regarding its charges, that Party shall be responsible for resolving the inquiry with the Customer. If the Billing Party receives a customer inquiry regarding the Non-Billing Party's charges, the Billing Party shall refer the Customer to the Non-Billing Party for resolution.

ARTICLE 11: CREDITS

When the Supplier provides Consolidated Billing Supplier service, and thus bills the Customer for the Company's charges, the Customer will receive a credit on its bill in accordance with Attachment C to the above-referenced Board Order, which is attached hereto and expressly made a part hereof.

ARTICLE 12: TAXES

With respect to the payment of State sales tax, the Party selling electricity to Customers is responsible for paying any and all taxes owed on such sale. This is the case irrespective of which Party is performing the billing function and which Party is assuming the receivables.

ARTICLE 13: METERING SERVICES

Until such time as the Board orders the implementation of competitive metering services, only Company-owned, Company-installed and Company-read meters will provide the Customer usage record for billing purposes. Notwithstanding the foregoing, however, with respect to interval meters and upon receipt of written consent from the Customer, the Company will allow the Supplier to either (i) have a pulse initiator connected to the Customer's interval meter so that the Supplier may obtain real-time access to metering data using its own equipment; or (ii) periodically call into meters with remote capabilities, on a read-only basis, to obtain such data, if possible. Should the Supplier exercise either of these options, the Supplier will not be permitted to physically alter, remove or change a meter or its programming. With respect to pulse initiators, these shall be owned and installed by the Company. Moreover, with respect to the connection of a pulse initiator, the Supplier will be responsible for procurement and installation of its own equipment, and, with respect to the second above-listed option, the Supplier will bear the cost associated with any required meter upgrades. For both service options, the Company will charge the Supplier a fee, as approved by the Board.

The Company will establish a specific meter access time for the Supplier, if the Supplier exercises the second above-listed option, and the Company may further limit or restrict the Supplier's access during this pre-determined time period in the event of service interruption or curtailment; provided, however, that the Company will notify the Supplier of this further restriction of access. Both the Company and the Supplier acknowledge that any data obtained by the Supplier from Customer meters is not billing-grade data.

ARTICLE 14: CONFIDENTIALITY OF INFORMATION

14.1 Customer-Specific Information

The Supplier shall keep all Customer-specific information supplied by the Company confidential unless the Supplier has the Customer's authorization to do otherwise.

14.2 Company Information

All Company information available to the Supplier in connection with the provision of Consolidated Billing services, including but not limited to information regarding the Company, computer systems, or communications systems shall not be disclosed to third parties without appropriate authorization and/or consent.

ARTICLE 15: DISPUTE RESOLUTION

15.1 Informal Resolution of Disputes

The Company and the Supplier shall use good faith and commercially reasonable efforts to resolve informally all disputes arising out of the implementation of this Agreement. Any dispute between the Company and the Supplier under this Agreement may be referred to a designated senior representative of each of the Parties for resolution on an informal basis as promptly as practicable.

15.2 Recourse to Agencies or Courts of Competent Jurisdiction

Nothing in this Agreement shall restrict the rights of either Party to file a complaint with the Board under relevant provisions of the Applicable Legal Authorities, with a New Jersey State court of competent jurisdiction, or with a federal court of competent jurisdiction situated in the State of New Jersey or to arrive at a mutual agreement to use any other acceptable means of dispute resolution; provided, however, that all disputes regarding determinations of

creditworthiness under Sections 6.1 and 6.3 of this Agreement, or regarding compliance with EDI standards, shall be resolved by the Board, and all concerns about billing and metering inaccuracies or irregularities shall be addressed by the Board.

ARTICLE 16: FORCE MAJEURE

The Company and the Supplier shall use due diligence to perform their respective obligations under this Agreement. However, in the event that either Party is delayed in or prevented from performing or carrying out its obligations under this Agreement by reason of an event of Force Majeure, which by the exercise of due diligence and foresight the Party could not reasonably have been expected to avoid and which by the exercise of due diligence the Party is unable to overcome, such Party shall not be liable to the other Party for or on account of any loss, damage, injury or expense resulting from or arising out of such delay or prevention; provided, however, that the Party encountering such delay or prevention shall give the other Party prompt notice thereof and shall use due diligence to remove the cause or causes thereof. Events of Force Majeure include, but are not limited to, a catastrophic weather condition, flood, fire, lightning, epidemic, quarantine, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, or restraint by court order or public authority, action or non-action by or inability to obtain authorization or approval from any governmental or other authority. The settlement of strikes and labor disturbances shall be wholly within the sole discretion of the Party experiencing that difficulty. Economic hardship of either Party, by itself, shall not constitute a Force Majeure under this Agreement.

ARTICLE 17: REGULATORY AUTHORIZATIONS AND JURISDICTION

17.1 Compliance with Applicable Legal Authorities

The Company and the Supplier are subject to, and shall comply with, all existing or future applicable federal, State and local laws, all existing or future duly promulgated orders or other duly-authorized actions of the Board or of any other governmental authorities having applicable jurisdiction, and the requirements of the Third-Party Supplier Agreement, if applicable to the Supplier. The Parties shall provide services to each other under this Agreement consistent with any applicable federal, State or local statute, regulation, rule or order.

17.2 Change in Applicable Legal Authorities

This Agreement is subject to change in the future to reflect any relevant changes required by the Board or other New Jersey State agency having jurisdiction, or by virtue of any federal or State law or regulation, and such changes shall be deemed to be binding upon the Parties, except where the right to terminate is exercised in accordance with Article 4 of this Agreement.

ARTICLE 18: LIMITATION OF LIABILITY

18.1 General Limitation of Liability

Neither Party shall have any liability to the other Party for consequential, indirect, special, or punitive damages, including lost profits or lost revenues, arising out of such Party's inaccuracies, content errors, omissions or delays with respect to the performance of its obligations under this Agreement. As a result, liability hereunder for such activities is limited to direct damages.

18.2 No Liability to Customers

This Agreement does not create any duty or liability to Customers for the errors or omissions of the Company or the Supplier.

ARTICLE 19: INDEMNIFICATION

19.1 Indemnification

Should a Party (the “Indemnified Party”) become the defendant in, or obligor for, any claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person including a Party’s employees or any third parties, that were caused by an act or omission of the other Party, for which that other Party has assumed liability under the terms of this Agreement (the “Indemnifying Party”), the Indemnifying Party shall defend (at the Indemnified party’s option), indemnify and hold harmless the Indemnified Party from and against any and all such claims and/or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, expenses or damage were caused wholly or in part by any negligent or willful act or omission of the Indemnified Party. The Indemnified Party may, at its own expense, retain counsel and participate in the defense of any such suit or action.

19.2 Survives Agreement

The obligation of either Party to defend, indemnify, and hold harmless the other Party under this Article shall survive termination of this Agreement.

ARTICLE 20: MISCELLANEOUS PROVISIONS

20.1 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by overnight express mail, courier service or via email (with the original transmitted by any of the other aforementioned delivery methods) addressed as follows:

If to the Supplier to:

If to the Company to:

Rockland Electric Company
Manager-Retail Access
390 W. Route 59
Spring Valley, NY 10977

Copy to:

or to such other person at such other address as a Party shall designate by like notice to the other Party. Notice received after the close of the Business Day shall be deemed received on the next Business Day.

20.2 No Prejudice of Rights

The failure of either Party to insist on any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to excuse.

20.3 Assignment

Neither Party shall assign any of its rights or obligations under this Agreement without obtaining (a) any necessary regulatory approval(s); and (b) the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee. Any assignment in violation of this Section shall be void. However, the Company may assign any or all of its rights and obligations under this Agreement, without the Supplier's consent, to any entity succeeding to all or substantially all of the assets of the Company, if such assignee agrees, in writing, to be bound by all of the terms and conditions hereof and if any necessary regulatory approvals are obtained. Moreover, the Supplier may assign any or all of its rights and obligations under this Agreement, without the

Company's consent, to any entity succeeding to all or substantially all of the assets of the Supplier, if such assignee agrees, in writing, to be bound by all of the terms and conditions hereof and if any necessary regulatory approvals are obtained.

20.4 Governing Law

Questions including those concerning the formation, validity, interpretation, execution, amendment, termination and construction of this Agreement shall be governed by the laws of the State of New Jersey, without regard to principles of conflicts of law. Any lawsuit arising in connection with this Agreement shall be brought in the state or federal courts of New Jersey.

20.5 Headings

The headings and subheadings contained in this Agreement are used solely for convenience and do not constitute a part of this Agreement, nor should they be used to aid in any manner in the construction of this Agreement.

20.6 Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties hereto. Nothing in this Agreement shall be construed to create any duty, or standard of care with reference to, or any liability to, any person not a Party to this Agreement.

20.7 General Miscellaneous Provisions

- (a) This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties, or to impose any partnership obligation or liability upon either Party. Neither Party shall have any right, power, or authority to enter into any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- (b) Cancellation, expiration or earlier termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including warranties, remedies, promises of indemnity and confidentiality.
- (c) Should any provision of this Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering

unenforceable any other provision hereof unless it materially changes the agreement of the Parties.

- (d) Each of the Parties acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms. This Agreement is intended by the Parties as a final expression of their agreement. The Parties further agree that this Agreement is the complete and exclusive statement of agreement and supersedes all proposals (oral or written), understandings, representations, conditions, warranties, covenants and all other communications between the Parties relating thereto.

20.8 Use of the Word "Including"

The word "including," when following any general statement or term, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its broadest possible scope.

20.9 Amendment

This Agreement, including the appendices hereto, cannot be amended without the approval of the Board, and requests for such approval can be initiated only upon written notice to all Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

[SUPPLIER]

ATTEST:

By _____
[Title]

Secretary

ROCKLAND ELECTRIC COMPANY

ATTEST:

By _____
Director-Customer Energy Services

Secretary