

BILLING SERVICE AGREEMENT

This Service Agreement ("Agreement"), effective on _____, 20__ ("Effective Date") is by and between Washington Gas Light Company, with a primary business location at 101 Constitution Ave., NW, Washington D.C., 20080 ("Washington Gas" or "WG") and _____, with a primary business location at _____ ("Supplier"). In consideration of and subject to the terms and conditions contained in this Agreement and all attached Statements of Work, Exhibits, and Schedules, Supplier and Washington Gas agree as follows

Section 1) Billing Options

A) Washington Gas and Supplier provide services to some of the same customers. There are three options for billing these customers.

1. **Utility Consolidated Billing**: WG bills Suppliers commodity related charges on WG's bill. The Customer receives a combined bill with both the Distribution and Commodity from Washington Gas.

a. **Rate Ready** – Supplier sends the commodity rate to the utility. The utility calculates the commodity charges based on the consumption and adds the line items to the bill.

b. **Bill Ready** – Utility sends the usage to the Supplier. The Supplier calculates the commodity charges and sends the charge to the utility to be added as a line item with the consumption, rate, and charge amount.

2) **Supplier Consolidated Billing**: Washington Gas sends the Distribution information to the Third Party Supplier, and the customer receives one bill only for both Distribution and Commodity cost from their specific supplier.

3) **Dual Billing**: Customer receives two separate bills; a Distribution bill from Washington Gas, and a Commodity bill from their specific Third Party supplier.

B) Pursuant to this Agreement, Supplier has elected the following Billing Option (s): _____.

C) If Supplier elects to change or add to its current billing option(s), Supplier must notify WG in writing, and the parties will amend this Agreement accordingly.

Section 2) Supplier Set up

In order to proceed with the selected Billing option, WG must appropriately set up the Supplier. WG will assign the Supplier a Supplier Group Number to allow its customers to be billed.

In order to successfully complete Supplier's set up for Utility Consolidated Billing, Supplier must provide required billing information to WG to set up the offerings in the billing system. Rate structure codes will be provided to the Supplier for Utility Consolidated Billing after the offerings have been setup in the billing system.

WG shall provide, at no cost, the initial Supplier set up in its billing system, and any changes made by Supplier following this initial set up will be subject to a fee for programming and implementation costs. Initial implementation is expected to take place 90 days from the day the Supplier submits

an application to WG, provided all necessary documentation is provided by the CSP within the time frames set by WG.

Once the setup is completed, the parties will test to validate the data exchanges and provide certification to the Supplier.

Section 3) Data Exchange

WG will host and provide access to a secure Web site where data may be exchanged with the Supplier on a daily basis. File naming conventions allow for only one file per day per transaction type. Supplier should aggregate transactions for the given day and send a single file. Multiple files may be sent each day, but the existing file at 5:00 p.m. EST. is the only file that will be processed.

All files sent and received by Supplier will be formatted using XML technology or any other technological means supported by WG that allows for the transmission and use of the information in a secure and prudent manner. When using XML technology, these files will reference XML Schemas for validation purposes in order to execute transactions. These files contain the actual Customer transaction data. Any changes to the schemas will be provided to Supplier in a timely manner.

A copy of the appropriate schemas will be posted on the following WG website and made available to the Supplier:

(<https://www.washingtongas.com/my-account/customer-choice#info-for-gas-suppliers>)

Section 4) Specific Requirements for Each Billing Option

A) Dual Billing Remittances to Supplier

WG shall make available daily the usage for the Supplier Customers.

B) Supplier Consolidated Bill Remittances to Supplier

- 1) WG will make available to Supplier a daily calculation of the current distribution charges to be included on the Supplier's customer bill. WG shall make available daily the usage, for the Supplier to include on the Customers bill. WG will remove the current distribution charges from the Customer's Account and place the receivable on the Supplier's Account to ensure no collection activities will take place with the customer.
- 2) Supplier shall purchase the receivable from WG and make payment to WG for the current distribution charges included on the Supplier's bill no later than the payment due date listed on the customer's bill. Supplier shall be responsible for collecting and processing payment from the customer.
- 3) WG will make available to the Supplier a monthly invoice with information on its customer accounts and the uncollected balance due from the Supplier.
- 4) WG will not commence collection or service termination action of any kind against a retail customer for nonpayment of utility charges billed by the Supplier

unless the retail customer fails upon request to provide evidence of payment to the Supplier of the utility charges.

C) Utility Consolidated Billing

- 1) Supplier will send to WG the necessary customer billing files for the commodity charges to be calculated, based on the WG billing cycle days. The information to be provided by Supplier includes, but is not limited to, Customer account number and daily contract quantity volumes (if applicable). WG will include Supplier's charge on WG's bill to the appropriate Customers, setting forth the amount owed to Supplier as a separately stated item, and include that amount in the total to be paid to WG. These charges will appear on the appropriate Customer's bill sent in the billing cycle following receipt of these charges by WG.
- 2) WG shall remit to Supplier daily, a random selection of their Customer Accounts to be billed that day, for review. Any errors in the selection of account must be communicated back to WG no later than 1:00 p.m. EST of the same day. If no response is received, WG will assume the rates and calculations are correct.
- 3) Supplier may submit miscellaneous one-time charges and/or credits for gas related services on an as needed basis in the format provided by WG.
- 4) Supplier may add or delete customers as needed during the normal WG enrollment/drop process. If an enrollment or drop transaction is sent in error, the Supplier may cancel said transaction if it is within the same enrollment/drop window for the gas flow month. If more than one billing method is used by the Supplier, the Supplier may switch billing methods for customers through the enrollment/drop process.
- 5) If service from Supplier to a Customer is terminated, the Supplier must provide all billing information to WG within forty-five (45) days of the termination date in order to have those charges included on a WG bill (the "Final Bill"). WG will bill the Customer on Supplier's behalf for sixty (60) days following the Final Bill for non-purchase of receivable charges. On the 90th (ninetieth) day following the Final Bill, WG will return to Supplier all invoices remaining uncollected for all District of Columbia accounts, all Virginia accounts, and Maryland Interruptible accounts. The Supplier will assume responsibility for collecting and processing any payments due on these accounts.
- 6) When a District of Columbia, Virginia, or Maryland Interruptible Customer has left one Supplier to receive services from another Supplier, WG will send said Customer two separate bills. One bill will list charges past due to the previous Supplier, and the second bill will list charges for the current Supplier, as well as all charges for WG services. WG will send these two bills until the uncollected charges have been returned to the first Supplier, or 90 days, whichever occurs first.
- 7) WG will make available to the Supplier any non-POR eligible accounts in the District of Columbia, Maryland, and/or Virginia Customer information for any of Supplier's Customers who are in arrears, have an uncollected balance including fees charged, and whose accounts are no longer billed by WG.
- 8) In the event that WG no longer bills a Supplier's Customer, WG shall not be responsible for accepting charges from the Supplier relating to that Customer or processing bills for that Customer.
- 9) WG may bill Supplier the actual costs incurred from any billing errors that are caused by Supplier.

- 10) The parties understand there may be circumstances in which a Supplier's Customer is not billed during a billing cycle, (e.g., zero consumption).
- 11) It is the responsibility of the Supplier to provide WG with accurate billing information from which WG will either calculate the Supplier charge, or include the pre-calculated charge on the consolidated utility bill.
- 12) Supplier must notify the WG contact in the Billing Department, by electronic mail, within twenty-four (24) hours, if it determines that its charges provided to WG are incorrect.
- 13) If WG incorrectly bills accurate Supplier charges, WG will attempt to correct the bill by the Customer's next cycle close, and at no further cost to the Supplier.

Section 5) Remittances to Supplier

Remittances to Suppliers will be based on the type of billing method selected by the Supplier.

A) Remittance for Non-Purchase of Receivable Customers

- 1) Payments received from District of Columbia, Virginia, and Maryland will be applied in accordance with the applicable regulatory statutes. In those instances in which a Customer submits a payment without accurate or adequate account information, WG will use its best judgment to post the payments as accurately and timely as possible so that remittances can be delivered to Supplier promptly. However, WG is not responsible for any posting delays or subsequent harm caused by a Customer who does not adequately identify payment destinations.
- 2) WG shall remit to Supplier customer payments that have posted against commodity billed will be remitted twice a month; 1) First through the 15th; and 2) 16th through the end of the month. The second payment of each month will include Customer payments less: (1) the fee specified in Section 7; (2) amounts due to WG from Customers, as outlined above; (3) amounts that result from adjustments to a Customer's account; (4) balancing charges; and (5) amounts which are otherwise owed to WG by Supplier.
- 3) WG may from time-to-time, as necessary, enter into special payment agreements with Customers that may affect amounts received by Supplier.
- 4) If, at any given time, money is due to WG from Supplier after fees are paid in Section 5(A)2 above, the amount will be netted from the next regularly scheduled payment to be made to the Supplier. If Supplier has a balance due when exiting the Choice Program with WG, the Supplier has twenty (20) days to remit payment to WG. If payment is not made within twenty (20) days of the date of the remittance statement, there will be a late payment charge of one and a half percent (1.5%) per month (18% P.A.) imposed on all monies owed WG.

1) .

B)

Remittance for Purchase of Receivables

- 5) WG shall remit to Supplier customer payments that have posted against commodity billed will be remitted twice a month; 1) First through the 15th; and 2) 16th through the end of the month less.: (1) the purchase of receivables discount rate approved by the respective Commission Authorities; (2) amounts that result from adjustments to a Customer's account; (3) supplier

credit transactions initiated by the Supplier; and (4) amounts which are otherwise owed to WG by Supplier.

- 6) WG will remit payments by Automated Clearing House transfer, based on bank information provided by Supplier. WG shall make available to Supplier a daily calculation of the amount to be remitted, the amounts billed for Supplier Customers, and the Usage for the Supplier Customers.
- 7) If, at any given time, money is due to WG from Supplier after fees are paid in section C-3 above, the amount will be netted from the next regularly scheduled payment to be made to the Supplier. If Supplier has a balance due when exiting the Choice Program with WG, the Supplier has twenty (20) days to remit payment to WG. If payment is not made within twenty (20) days of the date of the remittance statement, there will be a late payment charge of one and a half percent (1.5%) per month (18% P.A.) imposed on all monies owed WG.

Section 6) Late Payments

- A) In no event will WG be responsible for pursuing non-purchased of receivable collection efforts on behalf of Supplier *unless the parties enter into a separate collection agreement*.
- B) In the event that any non-purchased of receivable Customer is ninety (90) days or more in arrears on any amount due Supplier, WG, at its option, may elect not to bill that Customer on behalf of Supplier. In which case, WG shall not send bills on behalf of Supplier to that Customer until such Customer is brought current and re-enrolled. Supplier, and not WG, is solely responsible for the non-payment of Supplier's bills, and Supplier will reimburse WG (either by offset against amounts due Supplier, or by direct payment) for any amounts which have been remitted to Supplier but not collected from Customers.

Section 7) Fees

Supplier agrees to pay a monthly flat fee, based on the jurisdictional location of Supplier's Customers for the billing services provided by WG at a rate of one hundred dollars (\$100) for those Customers located in DC; and two hundred dollars (\$200) for those Customers located in Virginia. Where WG will bill in multiple jurisdictions on behalf of Supplier, the higher jurisdictional fee will be applied. There is no charge for providing billing services to Suppliers in Maryland, unless WG also provides billing services on behalf of the Supplier in the District of Columbia and/or Virginia, in which case the higher jurisdictional fee is applicable. In addition, Supplier will pay to WG a monthly administrative fee of fifty cents (\$.50) per Customer account for the Billing and payment processing Services set forth in Section 4-C of this Agreement. WG will net amounts owed to Washington Gas for Billing Fees with the remittance to Supplier. If the amount owed to WG is more than the amount to be remitted to Supplier, the amount will be netted from the next regularly scheduled payment to be made to the Supplier. If Supplier has a balance due when exiting the Choice Program with WG, the Supplier will pay these fees within twenty (20) days of receiving the Customer remittances forwarded by WG. These fees may be changed by tariff from time to time.

Section 8) Term & Termination

A) Term

The initial term of this Agreement shall be twelve (12) months beginning on the Effective Date of this Agreement and shall continue in full force and effect month to month thereafter.

B) Termination

This Agreement may be terminated upon any of the following events:

- 1) By mutual written agreement of the parties upon thirty (30) days written notice.

- 2) Upon written notice of termination by the non-defaulting party, if a party breaches any material term of this Agreement and fails to cure such breach within fifteen (15) days after receipt of written notice of such breach (or such additional cure period as the non-defaulting party may authorize); provided that such termination shall in no way be viewed as a choice of remedies, nor shall it be considered a waiver of other rights and remedies the non-defaulting party may have against the other party for its breach of this Agreement or other damages incurred by the non-defaulting party as a result of said termination.
- 3) Immediately by either party, if the other party becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, has a receiver appointed for its business or assets, or becomes subject to a proceeding under any bankruptcy or insolvency laws, whether domestic or foreign; provided that such termination shall in no way be viewed as a choice of remedies, nor shall it be considered a waiver of other rights and remedies either party may have against the other party with respect to this Agreement.
- 4) By either party upon the dissolution of the other party and liquidation of its assets without establishing a successor business entity.
- 5) By either party upon change in any law or regulation that would in effect make this contract illegal and or null and void

C) Effect of Termination

Within ninety (90) days from the date of termination of this Billing Agreement , WG shall provide Supplier with the final payment status information of each Customer, and the amounts, if any, that have been billed but not paid.

D) Termination Fee

Supplier will be subject to a termination fee of ten thousand dollars (\$10,000) if it initiates termination of this Agreement within the first twelve (12) months of the Effective Date of the initial billing agreement it entered into, if such agreement has continued uninterrupted. For example, if Supplier entered into a billing agreement July 1, 2017, and maintains the original billing agreement through July 1, 2018 and then enters into a new billing agreement July 2, 2018, the previous 12 months will be counted. This does not apply if such termination is pursuant to Section 8 B of this Agreement.

Section 9) Changes to Terms

WG may from time-to-time change the terms of this Agreement with thirty (30) days' notice to Supplier. If Supplier does not agree with the changes to the Agreement, WG can elect to either continue under the current Agreement with Supplier, or terminate the Agreement with Supplier, with no termination cost to Supplier. Supplier will pay WG all monies owed within twenty (20) days of said termination.

Section 10) Relationship of the Parties

WG is acting as Supplier's billing and payment processing agent, and, as such, accepts only such duties as are specifically set forth in this Agreement, and no implied covenants, obligations, or representations shall be imputed or read into this Agreement. No provision of this Agreement shall make WG liable for the non-collection of funds from Interruptible Customers in the District of Columbia, Virginia, or Maryland. WG shall not be required to take any action as billing and payment processing agent that is prohibited by applicable law or regulation.

Section 11) Indemnification

Supplier shall indemnify, defend, and hold harmless WG, its directors, officers, employees, agents and servants for, and hold each of them harmless from, any actual or threatened harm caused from any and all claims, liability, losses and costs (including, without limitation, attorney's fees) that may be asserted against WG regarding its performance or non-performance under this Agreement, unless WG's actions or non-actions are found by a court of competent jurisdiction to be the result of WG's willful misconduct or negligence.

Section 12) Financial Assurances

Supplier will provide WG financial information upon the reasonable request of WG during the term of this Agreement.

Section 13) Record Maintenance

All accounting records of Supplier, relative to the performance of its obligations pursuant to this Agreement, shall be kept in accordance with generally accepted accounting principles. Supplier shall readily make available for review all of its records relating to this Agreement to WG, or its representatives, on five (5) days' notice, during the term of this Agreement and for three (3) years thereafter.

Section 14) Integration

This instrument constitutes the entire Agreement between the parties on the subject of billing services, and no statement, promise, or inducement made by either party or agent which is not contained in this Agreement shall be valid or binding. This Agreement may not be enlarged, modified, or altered except in a writing signed by the parties.

Section 15) Severability

If any part, term, or provision of this Agreement is specifically held by a court to be illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision so held to be illegal or in conflict.

Section 16) Non-assignability

Neither party shall assign, transfer, or subcontract this Agreement, nor of any interest in this Agreement, nor delegation of duties hereunder, except upon written consent of the other party. WG may use outsourced vendors to process, print, and mail customer bills, as well as outsourced vendors to process and post customer payments.

Section 17) Waiver

No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. Notwithstanding anything in this Agreement to the contrary, all rights, remedies, and warranties afforded in this Agreement shall be taken and construed as cumulative, that is, in addition to every other right, remedy, or warranty provided herein or by law.

Section 18) Headings

The headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit, or extend the scope or intent of the clauses to which they pertain.

Section 19) Notices

All notices under this Agreement shall be in writing, and shall be sent by first class mail, postpaid to the parties at:

WG: Washington Gas
6801 Industrial Road
Springfield, VA 22151
Attn: Customer Billing and Revenue

SUPPLIER: Name _____
Address _____
Address _____
Attn: _____

Section 20). Governing Law

This agreement shall be governed by the law, including the regulations and orders of the relevant public service commission, of the place where the customer resides and receives gas service. To the extent that a dispute is not related to a particular customer or group of customers, this agreement shall be construed in accordance with the law of the state of Maryland, without regard to its choice of law rules. Supplier hereby consents to the jurisdiction of the courts of Maryland, Virginia, and the District of Columbia.

IN WITNESS WHEREOF, The parties represent and warrant that they have full corporate power and authority to execute and deliver this Agreement and to perform their obligations hereunder, and that the person whose signature appears below is duly authorized to enter into this agreement on behalf of the party of whom they represent, as of the date and year first above written.

AGREED TO BY WG:

AGREED TO BY SUPPLIER:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____