

Municipal Energy Services Agreement

This Municipal Energy Services Agreement (the “**Agreement**”) is entered into as of October 11, 2019 (the “**Effective Date**”) by and between the Town of New Paltz, a municipal corporation of the State of New York, having its principal offices at 52 Clearwater Road, P.O. Box 550, 12561 (“**Municipality**”) and Joule Assets Inc. a Delaware corporation having its principal offices at 22 Edgemont Drive, Katonah, New York 10536 (“**Joule**”)(Municipality and Joule are referred to individually as a “**Party**” and collectively as the “**Parties**”).

RECITALS

WHEREAS, Joule is in the business of, among other things, providing consulting and program administration services in connection with municipal energy services (collectively, the “**Municipal Energy Services**”) for energy programs for municipalities and for residents and business located therein (collectively, the “**Municipal Energy Programs**”) including, without limitation, services related to Community Choice Aggregation (“**CCA**”), demand response (“**DR**”), demand management, microgrids, distributed energy resources (“**DER**”), community distributed generation (“**CDG**”), and financing in connection therewith;

WHEREAS, the New York State Public Service Commission has authorized municipalities to participate in CCA pursuant to the CCA Order (as defined below);

WHEREAS, the PSC has authorized CDG project development and operation pursuant to the CDG Order (as defined below);

WHEREAS, the Municipality is exploring whether CCA and/or other Municipal Energy Programs are appropriate for the Municipality and its residents and businesses; and

WHEREAS, Municipality desires to engage Joule in connection with Municipal Energy Services, and Joule desires to provide Municipal Energy Services to Municipality in accordance with this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the Parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

1.1 The following terms shall have the meanings ascribed below:

(a) “**Applicable Law**” means the CCA Order, the CDG Order and all statutes, ordinances, laws, rules and regulations that are related or applicable to the Municipal Energy Services, this Agreement, the parties to this Agreement, or to parties to an Agreement related to this Agreement.

(b) “**Bidder**” means a Competitive Supplier that submits a bid in response to a Solicitation.

(c) “**CCA**” has the meaning set forth in the Recitals to this Agreement.

(d) “**CCA Administrative Fee**” has the meaning set forth in Section 5.1(a).

(e) “**CCA Enabling Legislation**” means a local law adopted by Municipality according to Municipal Home Rule Authority and in compliance with the CCA Order that authorizes Municipality to join a CCA Program.

(f) “**CCA Order**” means the April 21, 2016 “Order Authorizing Framework For Community Choice Aggregation Opt-Out Program” issued by the PSC in Case 14-M-0224, “Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs” as may be amended or supplemented from time to time by the PSC.

(g) “**CCA Program**” means an energy procurement program that replaces the incumbent utility as the default supplier for all eligible customers within the Municipality, in accordance with the CCA Order.

(h) “**CCA Program Administrator**” means Joule.

(i) “**CDG**” has the meaning set forth in the Recitals to this Agreement.

(j) “**CDG Developer**” means an entity duly authorized to act as developer or sponsor of one or more CDG projects in accordance with the CDG Order and other Applicable Law.

(k) “**CDG Fee**” has the meaning set forth in Section 5.2.

(l) “**CDG Order**” means the July 17, 2015 “Order Establishing a Community Distributed Generation Program and Making Other Findings” issued by the PSC in Case 15-E-0082, “Implementing a Community Net Metering Program” as may be amended or supplemented from time to time by the PSC.

(m) “**CDG Program**” means a program in which Joule provides services to a CDG Developer in relation to one or more CDG projects in which residents or businesses located within the Municipality are offered the opportunity to become Subscribers to a CDG project.

(n) “**Competitive Supplier**” means an entity duly authorized to conduct business in the State of New York as an energy service company (“**ESCO**”) that procures electric power and/or natural gas for Eligible Customers in connection with a CCA Program.

(o) “**Compliant Bid**” means a bid, submitted in compliance with the requirements set forth by the Parties in the Solicitation, the terms of which are agreed upon by Municipality and Joule.

(p) “**Compliant Bidder**” means a Competitive Supplier who makes a Compliant Bid.

(q) “**Default Service**” means the energy supply service provided by the Distribution Utility to customers who are not currently receiving electric service from an ESCO.

(r) “**Distribution Utility**” means the owner or controller of the means of distribution of the natural gas or electricity that is authorized to be the distribution utility regulated by the Public Service Commission for a particular service area.

(s) “**Effective Date**” shall have the meaning set forth in the preamble to this Agreement.

(t) “**Electricity Supply Agreement**” or “**ESA**” means the Electricity Supply Agreement that may be entered into by and between Municipality and the Selected Supplier that contains the terms and condition concerning electricity supply procurement.

(u) “**Municipal Energy Program**” means a program described in the Recitals to this Agreement.

(v) “**Municipal Energy Services**” means services provided by Joule in connection with one or more Municipal Energy Programs as described in the Recitals to this Agreement.

(w) “**Municipality**” means the municipality set forth in the preamble to this Agreement.

(x) “**Participating Customer**” means a customer who participates in the CCA Program in accordance with the CCA Order including without limitation a customer who is eligible to participate on an opt-out basis and has not opted out, and customer who is eligible to participate on an opt-in basis and has opted-in.

(y) “**Program Administrator**” means Joule.

(z) “**Program Organizer**” means a person or entity selected by Joule in accordance with Article 4 to provide certain services with respect to the subject Program(s).

(aa) “**Program Organizer Agreement**” has the meaning set forth in the Recitals to this Agreement.

(bb) “**Public Service Commission**” or “**PSC**” means the New York State Public Service Commission or the New York State Department of Public Service acting as staff on behalf of the Public Service Commission.

(cc) “**Selected Supplier**” means the supplier of electricity selected by the Municipality following the Solicitation.

(dd) “**Solicitation**” has the meaning set forth in Section 3.2(c).

(ee) “**Subscriber**” means a subscriber to a CDG project.

ARTICLE 2. RIGHTS AND RESPONSIBILITIES OF THE PARTICIPATING MUNICIPALITY

2.1 Municipality agrees to investigate with Joule the benefits and desirability of implementing a CCA Program, and other Municipal Energy Programs.

2.2 In the event that Municipality within eighteen (18) months from the Effective Date enacts, or having previously enacted, CCA Enabling Legislation and authorizes the issuance of a Solicitation to receive Compliant Bids for an Electric Service Agreement from Competitive Suppliers in connection therewith; then, Municipality agrees that Joule will serve as Program Administrator in connection therewith.

2.3 In connection with Section 2.2:

(a) The Parties will work cooperatively to create a Solicitation, and Joule, with the Municipality’s consent and approval, shall select the winning Competitive Supplier from among Compliant Bidders provided that:

- i. The selected Competitive Supplier’s proposal must be a Compliant Bid whose bid Joule determines to be the most advantageous to the CCA Program and Municipality based on the evaluation factors set forth in the Solicitation;
- ii. Municipality may designate a representative to review and participate in the evaluation of the Compliant Bids;
- iii. In the event that a Compliant Bid is received and accepted, Municipality shall

execute an ESA (the terms of which shall be consistent with this Agreement and shall be subject to both Parties' input and consent, such consent not to be unreasonably withheld) with the Selected Supplier in a timely fashion. It is agreed that such ESA will either be a two-party agreement by and between the Municipality and Selected Supplier, or a three-party agreement by and between the Municipality, the Selected Supplier and Joule; and

- iv. Municipality agrees that the Selected Supplier shall remit a fee directly to Joule in accordance with Section 5.1 and the Municipality shall have no obligation to pay or collect any such fees.

2.4 In relation to a CDG Program, Municipality will provide support to Joule in enrolling Subscribers within the Municipality by promoting the program, educating the public, and advocating for the benefits to both the municipality and the CDG Subscribers. This will include scheduling, conducting and facilitating public meetings to disseminate educational information.

2.5 Regardless of whether Municipality elects to implement a CCA Program, in the event that Municipality desires to implement other Municipal Energy Programs and engage Joule's assistance in connection with such implementation, the Parties may, but are not required to, enter into a subsequent agreement describing the scope of Joule's services and the payment to Joule in connection therewith.

2.6 In connection with any Municipal Energy Program, Municipality:

(a) Shall assist Joule by providing to Joule all publicly available information pertinent to potential or actual Municipal Energy Programs upon reasonable request; and

(b) Authorizes Joule to act on behalf of the Municipality to secure release of data applicable to potential or actual Municipal Energy Programs that is held by others, including but not limited to residential and small commercial customer account and load information under the authority granted by the respective PSC Orders. Municipality further agrees to furnish Joule such information, to execute and deliver such additional documents, and to take such other actions as may be reasonably necessary for Joule to secure release of such data.

2.7 Municipality shall comply with all Applicable Laws.

ARTICLE 3. RIGHTS AND RESPONSIBILITIES OF JOULE

3.1 Joule shall perform each of the following activities as part of the Municipal Energy Services:

(a) Provide Municipality with information concerning the benefits and desirability of implementing a CCA Program and other Municipal Energy Programs at public meetings, work sessions, phone calls and otherwise; and

(b) Provide marketing services for the potential Programs.

3.2 During and upon the occurrence of the events described in Section 2.2:

(a) Joule and/or Program Organizer shall (i) support the Municipality and attend board and public meetings; and (ii) provide marketing services for the Municipal Energy Program(s); and

(b) Joule shall: (i) provide to the PSC and the Distribution Utility, requested information and documentation of the actions undertaken by the Municipality in connection with the Municipal

Energy Program(s), and otherwise coordinate efforts with such entities; and

(c) Joule shall in relation to a CCA Program,

- i. Manage a competitive procurement process (the “**Solicitation**”) in a manner consistent with New York General Municipal Law including, without limitation:
 - a. Prepare bid specifications and procure competitive bids;
 - b. Review responses to competitive bids to determine if they are Compliant Bids; and
 - c. Contract negotiations with the Selected Supplier; and
- ii. In the event that there is a Compliant Bid:
 - a. prepare program notification letters to opt-out customers, and supervise other notices and publications required under the CCA Order to facilitate the adoption and operation of the Program; and
 - b. Prepare, or have prepared, a program implementation plan and a data protection plan in accordance with the CCA Order.

3.3 Joule shall, in relation to a CDG Program, negotiate in good faith with prospective CDG Developer(s) to identify a suitable project(s) and accompanying terms that are advantageous to the Subscribers and the CDG Program.

3.4 For other Municipal Energy Programs, subject to the approval of the Municipality, Joule may develop proposals for potential offers of opt-in or opt-out distributed energy resources (DER) products and services to Participating Customers, including opportunities to participate in energy efficiency, demand response, energy management, and other innovative Reforming the Energy Vision (REV) initiatives and objectives designed to optimize system benefits, target and address load pockets/profile within the CCA, and reduce costs for Participating Customers.

3.5 Joule shall comply with all Applicable Laws.

ARTICLE 4. ROLE OF PROGRAM ORGANIZER FOR CCA PROGRAM

4.1 Upon the consent of Municipality, which shall not be unreasonably withheld, conditioned or delayed, Joule may select a Program Organizer to Municipality in connection with the CCA Program or other Municipal Energy Programs. Joule may enter into a Program Organizer Agreement with such Program Organizer, may assign or delegate certain or all of its Program Administrator tasks to the Program Organizer, and may share a portion or all of the associated Administrative Fee as described in Section 5.1 and 5.2 with the Program Organizer. Joule shall be solely responsible for any fees or payments due for services provided by the Program Organizer.

4.2 In accordance with the foregoing section, Municipality hereby consents to the selection of the Center for Economic and Environmental Partnership, Inc. a New York-based 501c3 nonprofit organization with a business address of Post Office Box 8625, Albany, New York 12208 (“CEEP”) as Program Organizer and, provided that (a) Joule is Program Administrator, (b) CEEP and Joule have executed a Program Organizer Agreement that is and remains in effect, then Joule and Municipality agree that CEEP shall be Program Organizer.

ARTICLE 5. PAYMENT.

5.1 In relation to CCA:

(a) Upon commencement of an ESA, Municipality agrees that Joule will be paid by the Selected Supplier per kWh (volumetrically) for electricity purchased for all Participating Customers during the duration of the ESA a fee of \$0.0008/kWh (8/100^{ths} of one cent/kWh) per ESA contract year, or another fee agreeable in writing to both Parties (the “**CCA Administrative Fee**”);

(b) It is understood and agreed that as part of the Municipal Energy Services in connection with a potential CCA Program, the Distribution Utility may require a payment for records related to electricity usage of potential Participating Customers. Upon enactment of CCA Enabling Legislation, Joule is authorized to pay the Distribution Utility up to \$0.16 (16 cents) per record, or such other amount authorized by the Public Service Commission; for which Municipality shall not be liable, provided that Joule may seek reimbursement of such payment from the Competitive Supplier as part of an ESA (apart from the CCA Administrative Fee); and

(c) No portion of the CCA Administrative Fee or costs associated with the records described in Section 5.1(b) shall be paid by Municipality.

5.2 In relation to CDG:

(a) During and after the term of this Agreement, nothing herein shall prevent Joule from entering into one or more agreements with one or more CDG Developers pursuant to which Joule shall be entitled to receive a fee for services in relation to one or more CDG projects including without limitation the delivery to a CDG Developer of Subscribers residing in the Municipality, or leads for such Subscribers (“**CDG Fee**”); and

(b) No portion of the CDG Fee shall be paid by Municipality.

ARTICLE 6. TERM AND TERMINATION

6.1 This Agreement shall commence on the Effective Date and, except as provided herein:

(a) If no ESA is executed as contemplated by Sections 2.2, this Agreement shall expire at the end of the period described therein; or

(b) If one or more ESA is executed as contemplated by Sections 2.2, or other Agreements are entered into between the Parties in relation to Municipal Energy Services, this Agreement shall expire or terminate at the expiration or termination of such agreement that is last in effect.

6.2 Termination for Cause. This Agreement may be terminated for cause by either Party (the “**Non-breaching Party**”) upon a material breach of the other Party (the “**Breaching Party**”) if such Breaching Party has failed to cure such material breach within thirty (30) days of receiving written notice of such breach from the Non-breaching Party.

6.3 Termination without Cause. Either party may terminate this Agreement without cause upon sixty (60) days written notice to the other party; provided, however, that (a) such termination will have no impact on any ESA that is in effect at the time of such termination, and (b) any provisions of this Agreement that pertain to such ESA will survive such termination.

6.4 In the event of any termination or expiration of this Agreement:

(a) Joule shall deliver to Municipality copies of all files and documents pertaining to any Program;

(b) Except as expressly provided herein, all obligations of the Parties hereto pursuant to this Agreement shall terminate.

ARTICLE 7. INSURANCE AND INDEMNIFICATION

7.1 Upon Joule becoming a CCA Program Administrator in accordance with Section 2.2 and for the balance of the term of the Agreement, Joule shall secure and maintain, at its own expense, general liability, errors and omissions insurance in an amount not less than one million dollars (\$1,000,000.00) per claim/annual aggregate to protect itself and Municipality from any claim arising out of the performance of professional services and caused by negligent acts or omissions for which Joule may be legally responsible, with a deductible not to exceed \$50,000 without prior written approval.

7.2 In addition to any other remedies available to the Municipality at law or equity, and notwithstanding any other provision contained herein, Joule shall indemnify, defend and hold harmless the Municipality and the Municipality's elected officials, officers, employees, agents, representatives and independent contractors (the "**Municipal Indemnified Parties**"), from and against any and all costs, claims, liabilities, damages, expenses (including reasonable attorneys' fees), causes of action, suits or judgments, incurred by, on behalf of or involving any one of the Municipal Indemnified Parties to the extent arising directly from or in connection with a claim by a third-party (i.e. a person other than the Municipal Indemnified Parties) arising out of (i) any material breach of this Agreement by Joule (including its obligations, covenants, representations or warranties) and not resulting from the actions (or omissions where there is a duty to act) of the Municipality or its elected officials, officers, employees or agents; or (ii) any material action or omission taken or made by Joule in connection with Joule's performance of this Agreement, which action or omission is found in a final judgment by a court of competent jurisdiction to constitute Joule's negligence or willful misconduct, and excepting from both (i) and (ii) claims resulting from the actions (or omissions where there is a duty to act) of the Municipality or its respective elected officials, officers, employees or agents.

7.3 In addition to any other remedies available to Joule at law or equity, and notwithstanding any other provision contained herein, Municipality shall indemnify, defend and hold harmless Joule and its, officers, employees, agents, representatives and independent contractors (the "**Joule Indemnified Parties**"), from and against any and all costs, claims, liabilities, damages, expenses (including reasonable attorneys' fees), causes of action, suits or judgments (each a "Liability"), incurred by, on behalf of or involving any one of the Joule Indemnified Parties to the extent arising directly from or in connection with a claim by a third-party (i.e. a person other than the Indemnified Parties) arising out of (i) any material breach of this Agreement by Municipality (including its obligations, covenants, representations or warranties) and not resulting from the actions (or omissions where there is a duty to act) of Joule or its officers, employees or agents; or (ii) any material action or omission taken or made by Municipality in connection with Municipality's performance of this Agreement, which action or omission is found in a final judgment by a court of competent jurisdiction to constitute Municipality's negligence or willful misconduct, and excepting from both (i) and (ii) claims resulting from the actions (or omissions where there is a duty to act) of Joule or its respective officers, employees or agents; provided, however, that Municipality shall have

no liability for any oral statements under this paragraph 7.3 unless such statement constitutes gross negligence or willful misconduct.

ARTICLE 8. CONFIDENTIAL INFORMATION.

8.1 During the Term, either Party (as the "**Disclosing Party**") may disclose or make available to the other Party (as the "**Receiving Party**") information about its business affairs, products/services, confidential intellectual property, trade secrets, third-party confidential information and other sensitive or proprietary information, whether orally or in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information shall not include information that, at the time of disclosure: (i) is or becomes generally available to and known by the public other than as a result of, directly or indirectly, any breach of this Section 8.1 by the Receiving Party or any of its representatives; (ii) is or becomes available to the Receiving Party on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information; (iii) was known by or in the possession of the Receiving Party or its representatives prior to being disclosed by or on behalf of the Disclosing Party as demonstrated by written records; (iv) was or is independently developed by the Receiving Party without reference to or use of, in whole or in part, any of the Disclosing Party's Confidential Information as demonstrated by written records; or (v) is required to be disclosed pursuant to applicable federal, state or local law, regulation or a valid order issued by a court or governmental agency of competent jurisdiction (the "**Order**"), provided that in such event the Receiving Party shall give the Disclosing Party prompt written notice of the Order and shall reasonably cooperate with the Disclosing Party prior to disclosure to provide the Disclosing Party with the opportunity, at Disclosing Party's expense, to interpose any and all objections it may have to disclosure of the information required by the Order, or to otherwise limit any disclosure required by the Order to the maximum extent permitted by law and all information disclosed shall otherwise remain Confidential Information until another exception exists described in this Section 8.1. The Receiving Party shall: (A) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (B) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (C) not disclose any such Confidential Information to any third party, except to the Receiving Party's representatives, or approved subcontractors, who need to know the Confidential Information to assist the Receiving Party, or act on its behalf, to exercise its rights or perform its obligations under the Agreement, and who are under confidentiality obligations at least as protective as this Agreement. The Receiving Party shall be responsible for any breach of this Section 8.1 caused by any of its representatives or subcontractors. In the event that a request is known to have been made by anyone seeking a court order disclosing any Confidential Information, the Receiving Party will provide (if permitted by the court order) the Disclosing Party with at least fifteen (15) days notice identifying the information sought to be disclosed, the name, address and telephone number of the third party seeking disclosure, the reason for the requested disclosure, the case style, case number and court having jurisdiction over the action, if any, in which disclosure is sought, and will provide copies of the request for disclosure.

8.2 The Parties agree that any Confidential Information disclosed by Disclosing Party shall only be disclosed to those officials, employees, representatives, and agents of the Receiving Party that have a need to know in order to administer the Agreement.

8.3 Compliance by the Municipality with the New York State Freedom of Information Law ("NY FOIL") shall not be a violation of this Article and Municipality shall have no duty to litigate or defend any action against it under the NY FOIL.

8.4 The obligations under this Article 8 shall survive the termination or expiration of this Agreement for two (2) years.

ARTICLE 9. MISCELLANEOUS

9.1 The Parties acknowledge and agree that Joule is an independent contractor and is not an agent or employee of Municipality. Nothing in this Agreement shall be construed to create a relationship between Joule and Municipality of a partnership, association, or joint venture.

9.2 Joule covenants that the individuals engaged by Joule in any capacity, including but not limited to, employees, subcontractors and independent contractors, are authorized to work in the United States. Joule represents and covenants that it has completed the I-9 verification process for all persons who perform services for Municipality.

9.3 Neither party may assign this Agreement without obtaining express, written consent from the other party prior to assignment, which consent shall not be unreasonably withheld.

9.4 This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior negotiations, discussions, undertakings and agreements between the Parties. This Agreement may be amended or modified only by a writing executed by the duly authorized officers of the Parties. It is understood and agreed that this Agreement may not be changed, modified, or altered except by an instrument, in writing, signed by the Parties.

9.5 Any controversy or claim, whether based upon contract, statute, tort, fraud, misrepresentation or other legal theory, related directly or indirectly to this Agreement, whether between the Parties, or of any of the Parties' employees, agents or affiliated businesses, will be resolved under the laws of the State of New York without regard to conflict of laws principles, in any court of competent jurisdiction in the county in which the Municipality is located. In the event that either Party must incur any expenses to enforce its rights hereunder, it shall be permitted to recover its court costs and reasonable attorneys' fees should it prevail against the other Party in such enforcement action.

9.6 If any provision of this Agreement is held invalid or unenforceable, such provision shall be deemed deleted from this Agreement and shall be replaced by a valid, mutually agreeable and enforceable provision which so far as possible achieves the same objectives as the severed provision was intended to achieve, and the remaining provisions of this Agreement shall continue in full force and effect.

9.7 Section headings are inserted in this Agreement for convenience only and are not to be used in interpreting this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties have caused this ESA to be executed by their duly authorized representatives, as required by the applicable laws of the city, town or municipality and the laws, rules and regulations of the State of New York as of the date and year first above written.

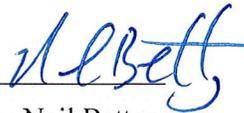
Joule Assets Inc.

By: 

Name: Michael Gordon

Title: CEO

Town of New Paltz

By: 

Name: Neil Bettez

Title: Supervisor

Electricity Supply Agreement (last revised 3/01/2019)

[remainder of this page is left intentionally blank]

Contents

RECITALS 5

ELECTRIC SERVICE AGREEMENT 7

ARTICLE 1 DEFINITIONS..... 7

ARTICLE 2 RIGHTS GRANTED11

2.1 GENERAL DESCRIPTION AND LIMITATIONS11

2.2 NO THIRD PARTY BENEFICIARIES.....12

2.3 COMPLIANCE WITH LAWS.....12

2.4 CONDITIONS PRECEDENT.....12

2.5 OWNERSHIP AND USE OF ELIGIBLE CONSUMER DATA.....13

ARTICLE 3 CONSUMER CHOICE, NOTIFICATION OF RIGHTS, ENROLLMENT13

3.1 CONSUMER CHOICE14

3.2 NOTIFICATION TO NEW CONSUMERS OF OPT-OUT RIGHTS.....14

3.3 CONSUMER AWARENESS.....14

3.4 ENROLLMENT15

ARTICLE 4 TERM OF CONTRACT AND TERMINATION15

4.1 TERM16

4.2 TERMINATION.....16

4.3 OBLIGATIONS UPON TERMINATION16

4.4 EXTENSION17

ARTICLE 5 CONTINUING COVENANTS17

5.1 STANDARDS OF MANAGEMENT AND OPERATIONS17

5.2 CUSTOMER SERVICE ACCESS.....17

5.3 RESPONDING TO REQUESTS FOR INFORMATION18

5.4 ARRANGING FOR FIRM FULL-REQUIREMENTS POWER SUPPLY18

5.5 NON-DISCRIMINATORY PROVISION OF SERVICE.....18

5.6 APPROVAL OF GENERAL COMMUNICATIONS.....19

5.7 COMMUNICATION OF INSERTS AND MESSAGES20

5.8 PARTICIPATING CONSUMER LISTS20

5.9 COMPLIANCE WITH LAWS.....20

5.10 CONSENT20

ARTICLE 6 ROLE OF THE MUNICIPALITY21

ARTICLE 7 ROLE OF PROGRAM MANAGER21

7.1 PROGRAM MANAGER DUTIES21

7.2 PROGRAM MANAGER FEE22

7.3 PAYMENT OF FEE22

7.4 INDEPENDENT CONTRACTOR.....23

ARTICLE 8 PRICES AND SERVICES; BILLING23

8.1	SCHEDULE OF PRICES AND TERMS	23
8.2	OBLIGATION TO SERVE.....	23
8.3	METERING.....	23
8.4	TERMS AND CONDITIONS PERTAINING TO INDIVIDUAL ACCOUNT SERVICE	23
ARTICLE 9 COMPLIANCE WITH THE MARCH ORDER		24
ARTICLE 10 SERVICE PROTECTIONS FOR RESIDENTIAL CONSUMERS.....		24
10.1	UNIFORM BUSINESS PRACTICES COMPLIANCE.....	25
10.2	DESCRIPTION OF SUPPLIER’S PROCEDURES AND SERVICES	25
10.3	DISPUTE RESOLUTION	25
ARTICLE 11 NON-DISCRIMINATION IN HIRING AND EMPLOYMENT.....		25
ARTICLE 12 POWER SUPPLY INFORMATION AND ACCESS TO INFORMATION.....		26
12.1	POWER SUPPLY INFORMATION.....	26
12.2	POWER SUPPLY REPORT	26
12.3	BOOKS AND RECORDS.....	27
12.4	COPIES OF REGULATORY REPORTS AND FILINGS	27
ARTICLE 13 RESOLUTION OF DISPUTES; CHOICE OF LAW AND FORUM.....		27
13.1	CHOICE OF LAW AND FORUM.....	27
13.2	DISPUTE RESOLUTION	27
ARTICLE 14 INDEMNIFICATION.....		28
14.1	INDEMNIFICATION BY THE COMPETITIVE SUPPLIER	28
14.2	NOTICE OF INDEMNIFICATION CLAIMS.....	28
14.3	SURVIVAL	28
14.4	DUTY TO MITIGATE.....	28
ARTICLE 15 REPRESENTATIONS AND WARRANTIES.....		28
15.1	BY THE COMPETITIVE SUPPLIER	28
15.2	BY THE MUNICIPALITY	29
15.3	BY THE PROGRAM MANAGER	29
ARTICLE 16 INSURANCE.....		30
ARTICLE 17 REGULATORY EVENT/NEW TAXES		30
17.1	REGULATORY EVENT	30
17.2	QUALIFYING REGULATORY EVENT	31
17.3	NEW TAXES.....	31
ARTICLE 18 MISCELLANEOUS		31
18.1	NO ASSIGNMENT WITHOUT PERMISSION.....	31
18.2	DIRECT MARKETING.....	32
18.3	NOTICES.....	32
18.4	CHANGES IN EMERGENCY AND SERVICE CONTACT PERSONS.....	33
18.5	ENTIRE ESA; AMENDMENTS	33
18.6	FORCE MAJEURE	33

18.7 EXPENSES.....34

18.8 NO JOINT VENTURE34

18.9 JOINT WORK PRODUCT.....34

18.10 COUNTERPARTS34

18.11 WAIVER34

18.13 PRESS RELEASES35

18.14 HEADINGS AND CAPTIONS35

18.15 SURVIVAL OF OBLIGATION.....35

19 REMEDIES.....35

19.1 GENERAL.....35

19.2 LIMITATIONS.....35

EXHIBIT A-Part 137

PRICES AND TERMS37

JOULE ASSETS COMMUNITY CHOICE AGGREGATION PROGRAM37

DEFAULT PRODUCT37

EXHIBIT A-Part 239

PRICES AND TERMS39

JOULE ASSETS COMMUNITY CHOICE AGGREGATION PROGRAM39

100% RENEWABLE CLEAN POWER PRODUCT.....39

RECITALS

WHEREAS, Joule Assets, Inc. ("Joule") sought approval of a community choice energy aggregation ("Community Choice") program through the Public Service Commission of the State of New York, which would allow local governments to participate in a Joule program to procure energy supply from an Energy Services Company for the residents of participating municipalities;

WHEREAS, on March 15, 2018, the Public Service Commission of the State of New York approved Joule's implementation program;

WHEREAS, the Joule program is intended to include residential and small non-residential customers, and to permit the aggregation of electric purchases by the communities which elect to participate;

WHEREAS, the Town of New Paltz ("Municipality") has adopted a Local Law to participate in the Joule Community Choice Program ("Program") to aggregate consumers located within the Municipality and to negotiate competitive rates for the supply of electricity for such consumers;

WHEREAS, the program allows Municipality to solicit competitive bids for the supply of electricity individually or as part of a buying group with other municipal aggregators;

WHEREAS, Joule, Inc. has been authorized by the Municipality to act as Program Manager for a Community Choice Program, pursuant to Local Law and Memorandum of Understanding, issue a request for proposals to suppliers to provide energy to Participating Customers, and to award supply contracts;

WHEREAS, Direct Energy Services, LLC, a Delaware entity duly authorized to conduct business in the State of New York as an energy service company (ESCO) ("Competitive Supplier"), desires to provide Full- Requirements Power Supply to consumers located within the Municipality, pursuant to the terms and conditions of the Municipality's Program and this Electricity Supply Agreement ("ESA");

WHEREAS, the Municipality desires that the Competitive Supplier provide Firm Full- Requirements Power Supply and Consolidated Billing as an alternative to Default Service for consumers within the Municipality;

WHEREAS, Competitive Supplier has submitted offers to provide two distinct electric supply products and two corresponding pricing levels, (1) a Default Product and price, and (2) a 100% Renewable Clean Power Product and price;

WHEREAS, Competitive Supplier agrees to pay a fee to Program Manager;

WHEREAS, Municipality prefers for Competitive Supplier to collect and remit the fees due the Program Manager;

WHEREAS, the local governments that participate in the Joule Community Choice Program, including this Municipality, intend that this Agreement be uniform in form and substance in each instance throughout the Program,

NOW THEREFORE, IT IS AGREED THAT, Municipality, Program Manager, and the Competitive Supplier hereby enter into this ESA subject to the terms and conditions below.

ELECTRICITY SUPPLY AGREEMENT

ARTICLE 1 DEFINITIONS

Capitalized terms that are used but not defined in the body of this ESA, including the Exhibits hereto, shall be defined as set forth in this Article 1. Words defined in this Article 1 that are capitalized shall be given their common and ordinary meanings when they appear without capitalization in the text. Words not defined herein shall be given their common and ordinary meanings.

1.0 Associated Entities – Any and all of the employees, officers, agents, representatives, and independent contractors and subcontractors of the Competitive Supplier or of any of its corporate parents or subsidiaries, which provide goods or services to, or in any way assist, the Competitive Supplier in meeting its obligations under the ESA, but specifically excluding the Distribution Utility.

1.1 Bankruptcy - With respect to a Party, (i) such Party ceases doing business as a going concern, generally does not pay its debts as they become due or admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy or is adjudicated bankrupt or insolvent, or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, state or other Governmental Rule, or seeks or consents to or acquiesces in the appointment of any trustee, receiver, custodian or liquidator of said Party or of all or any substantial part of its properties, or makes an assignment for the benefit of creditors, or said Party takes any corporate action to authorize or that is in contemplation of the actions set forth in this clause (i); or (ii) a proceeding is initiated against the Party seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other Governmental Rule and such proceeding is not dismissed within ninety (90) days after the commencement, or any trustee, receiver, custodian or liquidator of said Party or of all or any substantial part of its properties is appointed without the consent or acquiescence of said Party, and such appointment is not vacated or stayed on appeal or otherwise within ninety (90) days after the appointment, or, within ninety (90) days after the expiration of any such stay, has not been vacated, provided that, notwithstanding the foregoing, the exercise of rights to take over operation of a Party's assets, or to foreclose on any of a Party's assets, by a secured creditor of such Party (including the appointment of a receiver or other representative in connection with the exercise of such rights) shall not constitute a Bankruptcy.

1.2 Clean Power Product – 100% Renewable power supply product offered to Participating Customers on an opt-in basis.

1.3 Commercially Reasonable - Any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence should have been known, at the time the decision was made, would have been expected in the industry to accomplish the desired result consistent with reliability, safety, expedition, project economics and applicable law and regulations, as defined in the Uniform Business Practices or

without limitation in additional applicable law and regulations, provided that in no event shall increased costs or economic hardship be an excuse for not performing a Party's obligations under this ESA.

1.4 Community Choice – Municipal electricity procurement program, purchasing supply for the aggregated demand for all Eligible Customers within the Municipality.

1.5 Competitive Supplier or Energy Services Company (ESCO)– An entity duly authorized to conduct business in the State of New York as an ESCO.

1.6 Consolidated Billing - A billing option that provides Participating Consumers with a single bill issued by the Distribution Utility combining delivery and supply charges from the Distribution Utility and Competitive Supplier respectively.

1.7 Default Product – Traditional generation mix, meeting the minimum Renewable Portfolio Standards for electric power established by New York State.

1.8 Default Service – Supply service provided by the Distribution Utility to customers who are not currently receiving service from a Competitive Supplier. Residential and small commercial consumers within the Municipality that receive Default Service, and have not opted out, will be enrolled in the Program as of the Effective Date.

1.9 Delivery Term - The period for which prices for Firm Full-Requirements Power Supply have been established, as set forth in Exhibit A.

1.10 Distribution Utility - Owner or controller of the means of distribution of the natural gas or electricity that is regulated by the Public Service Commission in the Participating Municipality.

1.11 Electronic Data Interchange (EDI) - The exchange of business data in a standardized format between business computer systems.

1.12 Effective Date - The day immediately following final day of the rescission period, which immediately follows the opt-out period, which occurs after notifications to Eligible Consumers, which occurs after this ESA has been executed by the Parties (to be determined by the later date, if the Parties execute on different dates).

1.13 Eligible Consumers – Residential and small commercial consumers of electricity who receive Default Service from the Distribution Utility as of the Effective Date, or “New Consumers” who subsequently become eligible to participate in the Program, at one or more locations within the geographic boundaries of the Municipality, except those consumers who receive Default Service and have requested not to have their account information shared by the Distribution Utility. For the avoidance of doubt, all Eligible Consumers must reside or be otherwise located at one or more locations within the geographic boundaries of the Municipality, as such boundaries exist on the Effective Date of this ESA.

1.14 ESA - This Electricity Supply Agreement.

1.15 Environmental Disclosure Label – Competitive Supplier agrees to comply with any current and/or future rules and regulations related to Environmental Disclosure Labels in the State of New York.

1.16 Joule Order or March Order – March 15, 2018 “Order Approving Joule Assets’ Community Choice Aggregation Program with Modifications” issued by PSC in Case 14-M-0226, “Joule Assets, Inc. Community Choice Aggregation Master Implementation Plan”

1.17 Federal Energy Regulatory Commission (FERC)-The United States federal agency with jurisdiction over interstate electricity sales, wholesale electric rates, hydroelectric licensing, natural gas pricing, and oil pipeline rates.

1.18 Firm Full-Requirements Power Supply - The service under which the Competitive Supplier provides all of the electrical energy, capacity, reserves, and ancillary services, transmission services, transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply at a fixed contract price including all those components regardless of changes in kWh usage or customer grouping during this contract term to Participating Consumers at the Point of Sale.

1.19 Force Majeure - Any cause not within the reasonable control of the affected Party which precludes that party from carrying out, in whole or in part, its obligations under this ESA, including, but not limited to, Acts of God; winds; hurricanes; tornadoes; fires; epidemics; landslides; earthquakes; floods; other natural catastrophes; strikes, lock-outs or other industrial disturbances; acts of public enemies; acts, failures to act or orders of any kind of any governmental authorities acting in their regulatory or judicial capacity, provided, however, that any such discretionary acts, failures to act or orders of any kind by the Municipality may not be asserted as an event of Force Majeure by the Municipality; insurrections; military action; war, whether or not it is declared; sabotage; riots; civil or industrial disturbances or explosions. Nothing in this provision is intended to excuse any Party from performing due to any governmental act, failure to act, or order, where it was reasonably within such Party's power to prevent such act, failure to act, or order. Economic hardship of any Party shall not constitute an event of Force Majeure.

1.20 General Communications - The type of communications described and defined in Article 5.7 herein.

1.21 Governmental Authority - Any national, state or local government, independent system operator, regional transmission owner or operator, any political subdivision thereof or any other governmental, judicial, regulatory, public or statutory instrumentality, authority, body, agency, department, bureau, or entity, excluding the Municipality.

1.22 Governmental Rule - Any law, rule, regulation, ordinance, order, code, permit, interpretation, judgment, decree, or similar form of decision of any Governmental Authority having the effect and force of law.

- 1.23 kWh, kW - Kilowatt-hour and kilowatt, respectively.
- 1.24 Local Law – A local law or ordinance, adopted by Municipality according to General Municipal Law, which authorizes Municipality to join the Joule Community Choice program.
- 1.25 Memorandum of Understanding – Binding agreement between Municipality and Program Manager authorizing Joule to administer the Program.
- 1.26 New Consumers – Residential and small consumers of electricity that become Eligible Consumers after the Effective Date, including those that opt in or move into Municipality.
- 1.27 New Taxes - Any taxes not in effect as of the Effective Date enacted by a Governmental Authority or the Municipality, to be effective after the Effective Date with respect to Firm Full-Requirements Power Supply, or any Governmental Rule enacted and effective after the Effective Date resulting in application of any existing tax for the first time to Participating Consumers.
- 1.28 NYISO - The New York Independent System Operator, or such successor or other entity which oversees the integrated dispatch of power plants in New York and the bulk transmission of electricity throughout the New York power grid.
- 1.29 Participating Consumers - Eligible Consumers enrolled in the Program, either because they are consumers who receive Default Service from the Distribution Utility as of the Effective Date and have not opted out, or are New Consumers.
- 1.30 Parties - The Municipality, the Program Manager, and the Competitive Supplier, as the context requires. In the singular, "Party" shall refer to any one of the preceding.
- 1.31 Point of Delivery - The boundary of the Distribution Utility's electricity franchise, or the point at which the Competitive Supplier delivers the power to the Distribution Utility.
- 1.32 Point of Sale - The electric meter for each Participating Consumer's account, as designated by the Distribution Utility, such that all line loss costs are included in Competitive Supplier price to bring power to the meter.
- 1.33 Program - Joule Community Choice Aggregation Program.
- 1.34 Program Manager – Joule Assets, Inc., authorized by PSC to put out for bid the total amount of electricity being purchased by Participating Consumers. Program Manager is responsible for Program organization, administration, procurement, and communications, unless otherwise specified.
- 1.35 PSC or DPS - The New York State Public Service Commission or the New York State Department of Public Service acting as Staff on behalf of the PSC, or any successor state agency.

1.36 Qualifying Regulatory Event-- Implementation of a new, or changes to an existing, Governmental Rule by a Governmental Authority, including without limitation the Distribution Utility's tariffs, market rules, operating protocols and definitions, which have a material effect on the services and transactions contemplated by this ESA. A "change" as used herein includes without limitation any amendment, modification, nullification, suspension, repeal, finding of unconstitutionality or unlawfulness, or any change in construction or interpretation. To meet the threshold of being a Qualifying Regulatory Event, the impact of the event must impact substantially all customers in the same rate class and must not be uniquely applied to Competitive Supplier's customers.

1.37 Regulatory Event-- Implementation of a new, or changes to an existing, Governmental Rule by a Governmental Authority, including without limitation the Distribution Utility's tariffs, market rules, operating protocols and definitions, which have a material effect on the services and transactions contemplated by this ESA. A "change" as used herein includes without limitation any amendment, modification, nullification, suspension, repeal, finding of unconstitutionality or unlawfulness, or any change in construction or interpretation.

1.38 Retail Price - As set forth in Exhibit A.

1.39 Service Commencement Date - The date of the Participating Consumers' first meter read date after the Effective Date, or as soon as necessary arrangements can be made with the Distribution Utility thereafter.

1.40 Term - As defined in Article 4.1.

1.41 Uniform Business Practices – Regulations governing the business practices of utilities and Energy Services Companies with regards to service, billing, marketing, data, and customer rights, issued by the New York State Public Service Commission (Case 98-M-1343).

ARTICLE 2 RIGHTS GRANTED

2.1 GENERAL DESCRIPTION AND LIMITATIONS

Competitive Supplier is hereby granted the exclusive right to be the default provider of Firm Full-Requirements Power Supply to Participating Consumers pursuant to the terms of this ESA. For the avoidance of doubt, Competitive Supplier shall be authorized to supply Firm Full-Requirements Power Supply only to Participating Consumers enrolled in the plan or plans managed by the Program Manager, and the Distribution Utility will continue to have the right and obligation to supply electricity to Eligible Consumers who opt-out of the Program and remain on, or return to, Default Service, until changes in law, regulation or policy may allow otherwise.

In accordance with Article 3 below, all Eligible Consumers shall be automatically enrolled in the Program unless they choose to opt-out. In the event the geographic boundaries of the Municipality change during the term of this ESA, Competitive Supplier shall only be obligated to supply Firm Full-Requirements Service to those Participating Consumers located within the

Municipality as such boundaries existed on the Effective Date of this ESA. As between the Parties, the Competitive Supplier has the sole obligation of making appropriate arrangements with the Distribution Utility, and any arrangements which may be necessary with the NYISO so that Participating Consumers receive the electricity supplies to be delivered pursuant to this ESA.

The Municipality authorizes the Competitive Supplier to obtain and utilize as required, all billing and energy consumption information for Participating Consumers as is reasonably available from the Distribution Utility. Competitive Supplier shall request consumption data for individual Participating Consumers from the Distribution Utility via EDI or via other adopted standards such as secure ftp. If further action is required by the Distribution Utility to authorize Competitive Supplier to receive such consumption and billing data, the Program Manager, on behalf of the Municipality agrees to use Commercially Reasonable efforts, at Competitive Supplier's cost, to assist Competitive Supplier, if so requested by it, in obtaining such information for Participating Consumers, including, without limitation, assisting Competitive Supplier in obtaining permission from such Eligible Consumers and/or the PSC, where necessary as a prerequisite to the provision of such information. Competitive Supplier shall not be responsible for any errors that Competitive Supplier or any of its Associated Entities makes in the provision of Firm Full-Requirements Power Supply only to the extent both that: 1) such errors are caused by errors or omissions in the information provided to it by the Distribution Utility; and 2) it was reasonable for the Competitive Supplier to rely upon that provided information. The Municipality shall not be responsible for any such errors by the Competitive Supplier in any event.

2.2 NO THIRD PARTY BENEFICIARIES

Except as specifically provided in Section 18.11, this ESA does not and is not intended to confer any rights or remedies upon any person other than the Parties. This ESA facilitates rights under the March Order and Local Law for Eligible Consumers to purchase electricity from the Competitive Supplier in accordance with this ESA. The Municipality, or Program Manager in support of the Municipality, has the right, but not the obligation, to advocate on behalf of the Eligible Consumers interested in contracting for electric supply and on behalf of all Participating Consumers, unless otherwise prevented by law.

2.3 COMPLIANCE WITH LAWS

The Municipality represents that the Local Law has been duly adopted.

Competitive Supplier specifically represents that it has exercised due diligence to review and has fully complied with all relevant regulations, requirements, and orders of the FERC, NYISO, and PSC.

2.4 CONDITIONS PRECEDENT

The Municipality's obligations under this ESA shall be conditioned upon the Competitive Supplier fulfilling the following requirements:

- a) maintain Competitive Supplier's license from PSC (as such term is defined in the Local Distribution Utility's Terms and Conditions for Competitive Suppliers);
- b) execute any appropriate NYISO applications and agreements;
- c) obtain authorization from the FERC to sell power at market-based rates;
- d) complete data (e.g. EDI, secure ftp) testing with Distribution Utility;
- e) provide all other documentation required by the Distribution Utility; and
- f) satisfying all insurance requirements set forth in Article 16 or elsewhere in this ESA.

If Competitive Supplier has not fulfilled all such requirements by the Service Commencement Date, then the Municipality may terminate this ESA without any liability from Municipality to the Competitive Supplier.

2.5 OWNERSHIP AND USE OF ELIGIBLE CONSUMER DATA

Competitive Supplier acknowledges that: 1) all Eligible Consumer data (including addresses, telephone numbers or other identifying information) made available to Competitive Supplier as an agent of Municipality for such data must be protected by the Competitive Supplier and its Associated Entities to the fullest extent possible under the law and all PSC Orders; 2) the Competitive Supplier does not hold any permanent right, title or interest in this data; and 3) this data is to be obtained, retained and used by the Competitive Supplier and its Associated Entities solely to provide Firm Full-Requirements Power Supply to Participating Consumers and to render other services expressly required or permitted under this ESA. Any other use of Eligible Consumer data other than for purposes directly related to this ESA is not permitted without the prior written consent of the Municipality. Competitive Supplier may share such Eligible Consumer data with third-party vendors as reasonably necessary to accommodate Competitive Supplier's provision of Firm Full-Requirements Power Supply or other performance pursuant to this ESA (including, without limitation, collection of receivables), provided that Competitive Supplier will take reasonable measures to secure the confidential nature of such data and the restrictions set forth in this Article 2.5 and elsewhere in this ESA, and that any vendor or subcontractor is also bound by the terms and conditions of this ESA, especially those regarding data confidentiality and prohibition on non-permitted uses of data through a signed non-disclosure agreement, a copy of which will be provided to the Municipality. Except as expressly provided in this ESA, and as otherwise permitted by law, Competitive Supplier and its Associated Entities shall not disclose any Eligible Consumer data to any third-party and Competitive Supplier and its Associated Entities shall take all Commercially Reasonable measures to protect Eligible Consumer data from access by, or beneficial use for, any third-party. To the extent that the provision of Firm Full-Requirements Power Supply or other services under this ESA requires that Competitive Supplier and its Associated Entities have access to or make use of any Eligible Consumer data, Competitive Supplier and its Associated Entities shall treat such Eligible Consumer data as confidential information. Competitive Supplier may use Eligible Consumer data to engage in direct marketing only during the term of this ESA and subject to the terms set forth in Article 18.2. A violation of this Article 2.5 shall be grounds for termination under Article 4.2(a). Competitive Supplier agrees violation of this Article 2.5 shall constitute irreparable harm.

ARTICLE 3 CONSUMER CHOICE, NOTIFICATION OF RIGHTS, ENROLLMENT

3.1 CONSUMER CHOICE

The Parties acknowledge and agree that all Participating Consumers have the right, pursuant to March Order, Local Law, and the Program, to change their source of electricity supply, as set forth in Article 2.1. The Parties represent, warrant and covenant to each other that they shall not interfere with the right of Participating Consumers to opt-out of the Program, and shall comply with any rules, regulations or policies of PSC, the Distribution Utility and/or other lawful Governmental Authority regarding the procedures for opting out or of switching from one source of electric supply to another. Not inconsistent with the above, however, the Parties may take Commercially Reasonable measures to encourage Participating Consumers to affirmatively agree to remain in the Program, consistent with any Governmental Rules.

3.2 NOTIFICATION TO NEW CONSUMERS OF OPT-OUT RIGHTS

Consistent with the requirements of any applicable Governmental Rules, and within a reasonable time after the Distribution Utility notifies Competitive Supplier of the existence of a New Consumer and has provided to Competitive Supplier such New Consumer's account number, service and billing address, and other pertinent contact information, Competitive Supplier shall notify such New Consumer (i) of the date on which such New Consumer will be automatically enrolled in the Program, and (ii) that the Competitive Supplier will be providing Firm Full-Requirements Power Supply to such New Consumer as of the same date, subject to the opt-out provisions of the March Order, Local Law, and the Program ("Opt-Out Notice"). The Opt-Out Notice shall be mailed to each such New Consumer prior to the date of automatic enrollment and shall: (i) prominently state all charges to be assessed by the Competitive Supplier; (ii) at a minimum, provide a summary of the prices and terms included in Exhibit A as well as fully disclose the prices and terms then being offered for Default Service by the Distribution Utility; (iii) state how such New Consumer may opt-out of the Program prior to enrollment and remain on Default Service from the Distribution Utility; and (iv) state how all Participating Consumers, subsequent to enrollment, will also have the right to opt-out at any time and return to Default Service or choose a new Competitive Supplier without paying a fee or penalty to Competitive Supplier. All such notices must be approved in advance by the Municipality.

In providing the notifications set forth in this Article 3.2, and in otherwise conducting the activities in Article 3.4 below, the Competitive Supplier must rely upon information provided to it by the Distribution Utility for the purpose of performing its obligations. Competitive Supplier will not be responsible for any errors in connection with notification of Eligible Consumers only to the extent both that: 1) such errors are caused by errors or omissions in the information provided to it by the Distribution Utility; and 2) it was reasonable for the Competitive Supplier to rely upon that provided information. The Municipality shall not be responsible for any such errors by the Competitive Supplier in any event.

3.3 CONSUMER AWARENESS

Upon mutual agreement concerning the content and method, either the Competitive Supplier, Municipality, or Program Manager may conduct consumer awareness efforts at its sole expense.

3.4 ENROLLMENT

3.4.1 Participating Consumers –All Eligible Consumers as of the Effective Date will be enrolled in the Program, thus becoming Participating Consumers, under the terms of this ESA unless they opt-out during the 33 day period following initial communication through the opt out letter. Participating Consumers may dis-enroll from the Program at any time thereafter with no fee or penalty. The Municipality shall authorize the Distribution Utility to provide to Competitive Supplier or to an alternative designee of the Program Manager who has agreed in writing to a non-disclosure agreement, a copy of which will be provided to the Municipality, a list of Participating Consumers as of the Effective Date, as well as such Participating Consumer’s service and billing addresses, and any other information necessary for Competitive Supplier to commence Firm Full-Requirements Power Supply to such Participating Consumers as of the Service Commencement Date.

3.4.2 New Consumers - If New Consumers elect not to opt-out of the Program as provided in Article 3.2, such New Consumers will be automatically enrolled by Competitive Supplier in the Program. These New Consumers electing not to opt out of the Program as provided in Article 3.2 shall be enrolled in the Program at the rates reflected in Exhibit A that refer specifically to New Consumers. Competitive Supplier shall enroll such New Consumers in accordance with applicable PSC and Distribution Utility rules.

3.4.3 Eligible Consumers Opting Out - At any time during the Term of this ESA, Eligible Consumers who have previously opted out of the Program may request that they be enrolled or re-enrolled in the Program. Competitive Supplier shall provide Firm Full-Requirements Power Supply to such Eligible Consumers at a price determined by the then-prevailing market conditions, as defined in Exhibit A. Following mutually agreed upon procedures, the Competitive Supplier is responsible for accurately and promptly transmitting information regarding Eligible Consumers, to the Distribution Utility. The Competitive Supplier shall be responsible for enrolling all Eligible Customers through data (e.g. EDI or secure ftp) transactions submitted to the Distribution Utility for initial enrollment in the aggregation and all enrollments thereafter.

3.4.4 Consumers Served by Third-Parties - Consumers being served under other competitive supply programs offered by third-parties will not be automatically enrolled as Participating Consumers under this ESA when such program terminates or is otherwise completed. Competitive Supplier agrees that consumers under such third-party competitive supply programs may affirmatively opt-in at any time and receive Firm Full-Requirements Power Supply, thereby becoming Participating Consumers. New Consumers who opt-in as provided in this Article 3.4.4 shall be enrolled in the Program at the rates reflected in Exhibit A that refer specifically to New Consumers.

3.4.5 Termination Fees. There shall be no termination fees for any residential, small commercial, or municipal Participating Consumers to disenroll from the Program.

ARTICLE 4 TERM OF CONTRACT AND TERMINATION

4.1 TERM

This ESA shall commence on the Effective Date, provided, however, that Competitive Supplier's obligation to provide Firm Full-Requirements Power Supply shall commence on the Service Commencement Date, and shall terminate with the Participating Consumers' first meter read determined by the Parties and delineated in Exhibit A under the paragraph "Term", unless terminated earlier under Article 4.2 below .

4.2 TERMINATION

This ESA may be terminated at any time upon written notice:

- a) by the Municipality, or the Competitive Supplier, if the other Party fails to remedy or cure any breach of any material provision or condition of this ESA (including, but not limited to, Article 2.5 and Article 9), but excluding the failure to provide or arrange for Firm Full-Requirements Power Supply, which is addressed in Article 4.2(f)), within sixty (60) days following written notice to do so by the non-breaching party; or
- b) by the Municipality, or the Competitive Supplier, if any material provision or condition of this ESA be finally adjudged invalid by any court of competent jurisdiction, or if PSC exercises any lawful jurisdiction so as to invalidate or disapprove this ESA in whole or in significant part; or
- c) by the Municipality, if a Regulatory Event that is not a Qualifying Regulatory Event affects the Competitive Supplier and Competitive Supplier incurs costs and chooses to allocate and collect excess costs from Participating Consumers; or
- d) by the Municipality, if a court, PSC or other lawful authority adjudicates contrary to Article 6; or
- e) by the Municipality, i) if an order is entered against the Competitive Supplier approving a petition for an arrangement, liquidation, dissolution or similar relief relating to Bankruptcy or insolvency and such order remains unvacated for thirty (30) days; or (ii) immediately if the Competitive Supplier shall file a voluntary petition in Bankruptcy or any petition or answer seeking any arrangement, liquidation or dissolution relating to Bankruptcy, insolvency or other relief for debtors or shall seek, consent to, or acquiesce in appointment of any trustee, receiver, or liquidation of any of Competitive Supplier's property; or
- f) notwithstanding the foregoing, the failure of Competitive Supplier to provide or arrange for Firm Full-Requirements Power Supply to Participating Consumers, in the absence of Force Majeure or the Municipality's failure to perform, shall constitute an act of default, and the Municipality may terminate this ESA upon giving written notice and without a cure period. In the event the Competitive Supplier has performed its obligations hereunder and its failure to arrange for or provide Firm Full-Requirements Power Supply is a direct result of actions or non-actions by any transmission service provider, the Distribution Utility, or the NYISO, the Competitive Supplier's failure shall not be deemed to be an act of immediate default and would be subject to remedy or cure as provided in Article 4.2(a).

4.3 OBLIGATIONS UPON TERMINATION

Following termination of this ESA, the Parties shall each discharge by performance all obligations due to any other Party that arose up to the date of termination of the ESA and Competitive Supplier shall continue to have the right to collect all monies due for services rendered to that date.

Upon termination, Competitive Supplier shall have all Participating Consumers switched back to obtaining supply from the Distribution Utility by submitting all consumer drops via EDI or alternative data protocol to the Distribution Utility in a form acceptable to the Distribution Utility.

4.4 EXTENSION

The ESA may be extended beyond the termination date established in Article 4.1 by unanimous, written agreement of the Parties. Any new pricing terms shall be added to and replace Exhibit A as Exhibit A Extension. Upon any such extension, this ESA shall continue to be in effect, and all provisions of the ESA shall retain the same force and effect as before the extension, unless it is terminated by any Party pursuant to the provisions of Article 4.2 or until the date stated in such extension.

ARTICLE 5 CONTINUING COVENANTS

The Competitive Supplier agrees and covenants to perform each of the following obligations during the term of this ESA.

5.1 STANDARDS OF MANAGEMENT AND OPERATIONS

In performing its obligations hereunder, during the term of this ESA, the Competitive Supplier shall exercise reasonable care to assure that its facilities are prudently and efficiently managed; that it employs an adequate number of competently trained and experienced personnel to carry out its responsibilities; that it delivers or arranges to deliver an uninterrupted supply of such amounts of electricity to the Point of Delivery as are required under this ESA; that it complies with all relevant industry standards and practices for the supply of electricity to Participating Consumers; and that, at all times with respect to Participating Consumers, it exercises good practice for a Competitive Supplier and employs all Commercially Reasonable skills, systems and methods available.

5.2 CUSTOMER SERVICE ACCESS

The Competitive Supplier agrees to provide, or cause to be provided, certain customer services to Participating Consumers. Such services shall be reasonably accessible to all Participating Consumers, shall be available during normal working hours, shall allow Participating Consumers to transact business they may have with the Competitive Supplier, and shall serve as a communications liaison among the Competitive Supplier, the Municipality, and the Distribution Utility. A toll-free telephone number will be established by Competitive Supplier and be available for Participating Consumers to contact Competitive Supplier during normal business hours (9:00 A.M.- 6:00 P.M. Eastern Time, Monday through Friday) as well as 9:00am-1:00pm on Saturday, to resolve concerns, answer

Community Choice Aggregation: Electricity Supply Agreement (revised 03/01/2019) Page 18 of 44
questions and transact business with respect to the service received from Competitive Supplier. To the extent practicable, the Municipality will post program-related information on the Municipality's website which will be available to Participating Consumers for general information, comparative pricing, product, and service information, and other purposes.

5.3 RESPONDING TO REQUESTS FOR INFORMATION

To the extent authorized by the Participating Consumer(s) and to the extent such individual permission is required by law, the Competitive Supplier shall, during normal business hours (as set forth above), respond promptly and without charge therefore to reasonable requests of the Municipality for information or explanation regarding the matters covered by this ESA and the supply of electricity to Participating Consumers. Competitive Supplier agrees to designate a service representative or representatives (the "Service Contacts") who shall be available for these purposes, and shall identify the office address and telephone number of such representative(s). Whenever necessary to comply with this Article 5.3, the Service Contacts shall call upon other employees or agents of the Competitive Supplier to obtain such information or explanation as may be reasonably requested. Nothing in this Article 5.3 shall be interpreted as limiting the obligation of the Competitive Supplier to respond to complaints or inquiries from Participating Consumers, or to comply with any regulation of PSC regarding customer service.

5.4 ARRANGING FOR FIRM FULL-REQUIREMENTS POWER SUPPLY

Competitive Supplier shall participate in or make appropriate arrangements with NYISO, any relevant regional transmission organization, wholesale suppliers or any other entity to ensure an uninterrupted flow of Firm Full-Requirements Power Supply to the Distribution Utility for delivery to Participating Consumers, and exercise all Commercially Reasonable efforts to cooperate with NYISO or any other entity to ensure a source of back-up power in the event that Competitive Supplier is unable to deliver Firm Full-Requirements Power Supply to the Point of Delivery. In the event the Competitive Supplier is unable to deliver sufficient electricity to the grid to serve Participating Consumers, the Competitive Supplier shall utilize such arrangements and exercise all Commercially Reasonable efforts as may be necessary to continue to serve Participating Consumers under the terms of this ESA, and shall bear any costs it may incur in carrying out these efforts and obligations. Competitive Supplier shall not be responsible to the Municipality or any Participating Consumers in the event that, through no fault of the Competitive Supplier or its Associated Entities, the Distribution Utility disconnects, curtails or reduces service to Participating Consumers (notwithstanding whether such disconnection is directed by NYISO).

5.5 NON-DISCRIMINATORY PROVISION OF SERVICE

Competitive Supplier shall supply electric energy to the Point of Delivery to all Participating Consumers on a non-discriminatory basis; provided, however, that those prices and other terms may vary in accordance with reasonably established rate classifications (e.g., residential and small commercial) or by such other categories as appear in Exhibit A. To the extent applicable, Competitive Supplier's prices, terms and conditions shall be in accordance with the New York General Laws, the regulations of PSC, and other applicable provision of law. To the extent

required by law and/or the conditions of any PSC approval of this ESA, the Competitive Supplier may not deny service to an Eligible or Participating Consumer for failure to pay the bills of any other electric company (whether engaged in the distribution, transmission, or generation of electricity) or of any other aggregator, marketer or broker of electricity, but may reasonably deny or condition new service, or terminate existing service, based upon any Participating Consumer's failure to pay bills from the Competitive Supplier, subject to any provisions of law or applicable PSC orders or regulations. Provision of electric energy supply shall be subject to Competitive Supplier's reasonable Standard Credit Policy, to the extent permitted by law, as described in Exhibit A.

In any event, should either Program Manager or Municipality actively achieve and document (e.g. to the satisfaction of the New York State Public Service Commission and the Utility) reduction in capacity tag buying obligations, Competitive Supplier will pay or distribute benefits from these tag reductions to Participating Consumers at the NYISO strip clearing price for the appropriate zone (i.e., Zones A through K in New York State), in which the capacity tag reduction is certified by appropriate party. Program Manager agrees it does not intend to pursue any actions that would increase the capacity tag obligation to Competitive Supplier.

Should either Program Manager or Municipality actively achieve reduction in buying requirements for mandated purchases (e.g. Zero Emission Credits), Competitive Supplier will liquidate resources it has purchased to serve this contract, through the NYISO platform and pay or distribute benefits to Participating Consumers, from this reduction in buying requirements that Competitive Supplier receives when Supplier liquidates these purchased resources.

5.6 APPROVAL OF GENERAL COMMUNICATIONS

Competitive Supplier shall cooperate with the Municipality in the drafting and sending of messages and information to Eligible or Participating Consumers concerning the Program or any matter arising under or related to this ESA. Competitive Supplier shall, prior to sending, whether directly or through its Associated Entities, any direct mail, advertising, solicitation, bill insert, electronic mail, or other similar written or electronic communication (collectively, "General Communications") to Eligible or Participating Consumers (but excluding individually drafted or tailored communications responding to the specific complaint or circumstance of an individual consumer), provide a copy of such General Communication to the Municipality and to Program Manager for its review to determine whether it is consistent with the purposes and goals of the Municipality and Program Manager. The Municipality or Program Manager shall have the right to disapprove such General Communications and suggest revisions if it finds the communication inconsistent with the purposes and goals of the Municipality, factually inaccurate or likely to mislead; provided, however: (i) that the communication shall be deemed approved if the Municipality and Program Manager fails to respond within seven (7) calendar days (not including weekends and holidays); and (ii) that no approval shall be necessary for any communication (a) regarding any emergency situation involving any risk to the public health, safety or welfare; or (b) in the nature of routine monthly or periodic bills, or collection notices, except that any bill insert or message included at the bottom of such bill not within the scope of (a) above shall require approval. If the Municipality objects to any General Communication on the grounds it is inconsistent with the purposes and goals of the Municipality, the Competitive

Supplier, after consultation as provided in this Article 5.6, may nevertheless elect to send such General Communication provided that it: (i) clearly indicates on such communication that it has not been endorsed by the Municipality, and (ii) has previously provided all Participating Consumers a meaningful chance to opt not to receive such General Communications. The Municipality may reject or exclude any proposed General Communication that, in its reasonable judgment, is contrary to the interests and objectives of the Program or the Municipality, provided, however, any such right of rejection or exclusion shall not apply to Competitive Supplier's notice to exercise or enforce its rights under the ESA or Customer Agreement, including but not limited to any notice of Force Majeure or Change in Law.

5.7 COMMUNICATION OF INSERTS AND MESSAGES

Competitive Supplier agrees that if it communicates with Participating Consumers directly (or if it is provided a certain number of characters on the regular bill for discretionary communication), and unless prevented for regulatory or other such reasons from doing so, it shall allow the Municipality or Program Manager to include no less than three (3) inserts per year into such communications, provided that the Program Manager or Municipality, where appropriate pays the cost of printing and reproducing such insert and any incremental postage or handling costs the Competitive Supplier may incur as a result of including such insert. Competitive Supplier shall have the right to disapprove such General Communications (that is communications other than those pertaining to the Municipality's demand-side management, energy efficiency programs and technology, and renewable energy programs, if applicable) and suggest revisions if it finds the communication inconsistent with its business interests, factually inaccurate or likely to mislead; provided, however: (i) that the communication shall be deemed approved if the Competitive Supplier fails to respond within seven (7) calendar days after receipt (not including weekends and holidays); and (ii) that no approval shall be necessary for any communication which has been ordered by PSC or any other Governmental Authority to be so communicated.

5.8 PARTICIPATING CONSUMER LISTS

To the extent not prohibited by any Governmental Rule or expressly prohibited by any Participating Consumer(s), the Competitive Supplier shall, upon request of the Municipality or of Program Manager, provide aggregate consumption information as the Municipality or Program Manager may request to the extent such information is available to Competitive Supplier. Competitive Supplier shall provide Participating Consumer lists in an electronic format reasonably acceptable to both Parties and with no more frequency than once a month, subject to non-disclosure agreement for customers who have not requested that their personal information be denied to Program Manager or to Municipality.

5.9 COMPLIANCE WITH LAWS

The Parties shall promptly and fully comply with all existing and future Governmental Rules of all Governmental Authorities having jurisdiction over the activities covered by this ESA.

5.10 CONSENT

Whenever performance of an obligation of any Party hereto requires the consent or approval of any Governmental Authority, such Party shall make Commercially Reasonable efforts to obtain such consent or approval. In the event the Competitive Supplier requests the Municipality's assistance in obtaining such consent or approval and the Municipality anticipates that it will incur costs in fulfilling the Competitive Supplier's request, it shall give the Competitive Supplier an estimate of such costs. Upon receiving the estimate, Competitive Supplier shall determine whether it will continue to request the Municipality's assistance, and if so, the Competitive Supplier shall reimburse the Municipality for all costs, up to the estimated dollar amount, reasonably incurred by the Municipality in connection with such efforts.

ARTICLE 6 ROLE OF THE MUNICIPALITY

Under this ESA, the Municipality shall not actually receive, take title to, or be liable for the supply or delivery of Firm Full-Requirements Power Supply in any manner whatsoever. The Parties specifically agree that the role of the Municipality is established under March Order and Local Law and may include negotiating the terms and conditions under which Firm Full-Requirements Power Supply will be provided by the Competitive Supplier under this ESA. It is the sole obligation of the Competitive Supplier to arrange for delivery of Firm Full-Requirements Power Supply to Participating Consumers. The Parties agree that, with regards to electricity, Municipality is not a "public utility company" or providing any "public utility service" within the meaning of GML 360 and Article 4 of Public Service Law as a result of this ESA. Should a court, PSC, or other lawful authority adjudicate to the contrary, the provisions of 4.2 a) shall apply. However, the Municipality may be considered to be operating a municipal load aggregation plan pursuant to March Order and Local Law. The Competitive Supplier hereby agrees that it will take no action, whether directly or through its Associated Entities, that would make the Municipality liable to any Participating Consumer due to any act or failure to act on the part of the Competitive Supplier or its Associated Entities relating to the delivery or supply of Firm Full-Requirements Power Supply.

Municipality shall conduct outreach to the community in addition to the initial program notification letter, **which will be delivered at the Competitive Supplier's expense, with a Business Reply Mail insert to allow Eligible Consumers to opt out without postage expense.** Municipality will report on their endeavors to Program Manager to inform residents on the Program and "non-demand charge" commercial businesses. In case of any doubt, Municipality shall retain final control of content related to all communications.

ARTICLE 7 ROLE OF PROGRAM MANAGER

7.1 PROGRAM MANAGER DUTIES

Joule Assets, Inc, as Program Manager, agrees to:

- a. Provide the involved agencies and parties, such as but not limited to the PSC or Distribution Utility, requested information about and documentation of the actions undertaken by the Municipality in furtherance of enabling participation in the Program;
- b. Prepare, or cause to be prepared, and provide the Municipality with requested and non-confidential information that the involved agencies and parties, such as but not limited to the

PSC or Distribution Utility, provide to the Program Manager in furtherance of establishing the Program;

- 1) Upon execution hereof, initiate all the necessary steps to secure the needed information to fulfill the customer notification requirements of the March Order, including but not limited to the following:“ The CCA Administrator is required to file final versions of customer opt-out letters, after the supply procurement is finalized, that provide details on program contracts
 - 2) Joule shall file any request for proposals or similar solicitation seeking commodity supply or other energy services and any draft correspondence on such services with Staff for review.”
- d. Sign the ESA in a timely fashion including the conditions that the Competitive Supplier is deemed credit worthy for the duration of the ESA by review of the Program Administrator or another qualified organization, and the Competitive Supplier’s response to the Energy Procurement Request for Proposals is deemed compliant with the terms and conditions set forth in the ESA by review of the Program Administrator or another qualified organization;
 - e. Provide the Municipality with timely communications content to effect customer notification requirements for approval, not to be unreasonably withheld, given the projected schedule of Program’s implementation; and
 - f. Fulfill any other responsibilities as may reasonably adhere to facilitating the implementation of the Program, subject to the Program Manager’s inherent and original role as an organization driven by the deliberated priorities of its constituent member municipalities; and
 - g. Fulfill any other responsibilities as set forth in this agreement herein.

7.2 PROGRAM MANAGER FEE

Competitive Supplier shall pay Program Manager \$0.0008 for each kWh delivered, invoiced and paid for by Participating Consumers during the Term (“Program Manager Fee” or “Fee”). The Parties agree that Competitive Supplier will remit the Program Manager Fee to the Program Manager, pursuant to the terms of this ESA. Competitive Supplier shall pass through such payments to Joule Assets, Inc. for the duration of this ESA. This provision shall be binding upon the Parties and all permitted assigns and other successors-in-interest of the Parties.

Notwithstanding the foregoing, the Municipality shall not be liable to any party for any fees or payments related to energy purchase, usage and/or consumption pursuant to this Agreement (provided, however, the previous clause of this sentence shall not apply to any liability that arises from the Municipality’s breach of this Agreement).

7.3 PAYMENT OF FEE

Payment to Program Manager will be made monthly by Automated Clearing House (“ACH”) (an electronic network for financial transactions) to the account set forth in Exhibit C hereto, provided that Competitive Supplier has received payment with respect to the electricity used by the Participating Consumers. The Program Manager Fee shall be paid by the last business day of the month based on revenue collected by Competitive Supplier with respect to each Participating Consumer during the calendar month two months prior. For example, full payments received in January will be paid by the end of March. If Competitive Supplier has paid a past Fee in error (or the payment was based on information subsequently determined invalid), it may deduct from or add to future payments due under this ESA and provide explanation of the error in sufficient detail.

Program Manager shall provide the Municipality with a reasonably detailed accounting not less than annually of the program impact, financial and other, including revenues received and expenses incurred on communication, administration and legal expenses.

7.4 INDEPENDENT CONTRACTOR

The Parties agree that Program Manager is not an agent or employee of Competitive Supplier for any purpose. All expenses which are incurred by Program Manager in connection with this ESA shall be borne wholly and completely by Program Manager. Program Manager shall be responsible for all state, federal, and local taxes, including estimated taxes and social security and employment reporting for Program Manager or any employees or agents of Program Manager.

ARTICLE 8 PRICES AND SERVICES; BILLING

8.1 SCHEDULE OF PRICES AND TERMS

Competitive Supplier agrees to provide Firm Full-Requirements Power Supply and other related services as expressly set forth herein in accordance with the prices and terms included in Exhibit A to this ESA, which Exhibit is hereby incorporated by reference into this ESA.

8.2 OBLIGATION TO SERVE

As between the Parties, Competitive Supplier has the sole obligation to obtain sources of supply, whether from generating facilities owned or controlled by its affiliates, through bilateral transactions, or the market, as may be necessary to provide Firm Full-Requirements Power Supply for all of the Participating Consumers under the Program. Competitive Supplier, except as explicitly limited by the terms included in Exhibit A, shall be obligated to accept all Participating Consumers, regardless of their location or energy needs provided such Participating Consumers are eligible under the applicable regulations and tariffs of the Distribution Utility.

8.3 METERING

The Parties understand and acknowledge that the Distribution Utility will be responsible for any metering which may be required to bill Participating Consumers in accordance with the Distribution Utility's Terms and Conditions for Competitive Suppliers.

8.4 TERMS AND CONDITIONS PERTAINING TO INDIVIDUAL ACCOUNT SERVICE

8.4.1 Title

Title to Firm Full-Requirements Power Supply will transfer from Competitive Supplier to Participating Consumers at the Point of Sale. In accordance with the Distribution Utility's Terms and Conditions for Competitive Suppliers, the Competitive Supplier will be responsible for any and all losses incurred on the local network transmission systems and distribution systems, as determined by the Distribution Utility.

8.4.2 Billing and Payment

Unless otherwise specified in an Exhibit to this ESA, all billing under this ESA shall be based on the meter readings of each Participating Consumer's meter(s) performed by the Distribution Utility. Competitive Supplier shall cause the Distribution Utility to prepare and mail bills to Participating Consumers monthly. The Competitive Supplier shall adopt the billing and payment terms offered by the Distribution Utility to its Eligible Consumers on Default Service. If actual meter date is unavailable, the Competitive Supplier may cause the Distribution Utility to bill based on its good faith estimates of usage. Any over-charge or under-charge will be accounted for in the next billing period for which actual meter data is available.

8.4.3 Regional and Local Transmission

The prices quoted in Exhibit A do not include current and future charges for distribution service costs collected by the Distribution Utility under its distribution service tariff or local transmission costs as may be imposed by NYISO or individual electric utilities that have FERC transmission tariffs. The Competitive Supplier understands that these costs will be collected by the Distribution Utility. If, in the future, Competitive Supplier becomes responsible for such distribution or transmission costs, Competitive Supplier shall be entitled to collect such costs from Participating Consumers to the extent permitted by any Governmental Rules. These costs are "pass through" costs as determined by the appropriate regulatory agencies.

8.4.4 Taxes

All sales, gross receipts, excise or similar taxes imposed with respect to the sale or consumption of Firm Full-Requirements Power Supply required to be collected by the Competitive Supplier shall be included on the Participating Consumer's bill and shall be remitted to the appropriate taxing authority by Competitive Supplier. For avoidance of doubt, it is understood that the Competitive Supplier shall include gross receipts tax in its preparation of Participating Consumers' bills. Participating Consumers shall be responsible for all taxes that are customarily imposed upon a purchaser of electricity and are associated with electricity consumption under the ESA. The Parties acknowledge and agree that Participating Consumers shall be responsible for identifying and requesting any exemption from the collection of any tax by providing appropriate documentation to Competitive Supplier. For avoidance of doubt, Competitive Supplier shall be responsible for all taxes imposed upon it as a supplier of electricity, including taxes on Competitive Supplier's income.

ARTICLE 9 COMPLIANCE WITH THE MARCH ORDER

Competitive Supplier agrees that it, and its Associated Entities directly or indirectly involved in providing services or meeting the Competitive Supplier's obligations under the ESA, will comply with the applicable provisions of the March Order and any regulations, orders or policies adopted pursuant thereto.

ARTICLE 10 SERVICE PROTECTIONS FOR RESIDENTIAL CONSUMERS

10.1 UNIFORM BUSINESS PRACTICES COMPLIANCE

Competitive Supplier agrees that it and its Associated Entities directly or indirectly involved in providing services or meeting the Competitive Supplier's obligations under the ESA shall comply with the provisions of the Uniform Business Practices, as applicable to Competitive Suppliers, and any amendments thereto, notwithstanding any relief from the Uniform Business Practices offered by the PSC to the Program. In addition, the Competitive Supplier and its Associated Entities agrees to comply with any code of conduct or policies the PSC may adopt in accordance with the March Order and to all related Orders of Case 14-M-0224 to which the Program Manager is required to adhere, notwithstanding any relief from the Uniform Business Practices offered by the PSC to the Program.

10.2 DESCRIPTION OF SUPPLIER'S PROCEDURES AND SERVICES

The Competitive Supplier shall, on or before the Effective Date, provide a written, detailed description of its billing and termination procedures, customer services, confidentiality and related practices and procedures for approval by the Municipality (which approval shall not be unreasonably withheld). Such written description shall also include the Competitive Supplier's plans for protecting the rights and protections of Participating Customers under the Home Energy Fair Practices Act which requires that all utility customers be treated fairly with regard to application for service, customer billing, and complaint procedures. If the Participating Consumer(s) so permit(s) or to the extent such permission is required by law or the terms of any PSC order with respect to this ESA, the Competitive Supplier agrees to provide notice to the Municipality of any consumer complaints received from a Participating Consumer, and the Municipality shall have the right, but not the obligation, to participate in resolution of the dispute, to the extent that such complaints relate directly to the Program, and to the extent permitted by PSC regulations and other applicable law. The failure to timely submit such written description, or the submission of practices and procedures which materially fail to comply with PSC regulations and policies, shall be deemed grounds for termination of this ESA, at the discretion of the Municipality after providing written notice of such failure to the Competitive Supplier and allowing the Competitive Supplier sixty (60) days to cure such failure.

10.3 DISPUTE RESOLUTION

In accordance with the Uniform Business Practices, in the event of a dispute regarding an invoice or Competitive Supplier's service, whether directly or through its Associated Entities, under this ESA, a Participating Consumer may initiate a formal dispute resolution process by providing written notice to the PSC. The PSC will assist the Parties in reaching a mutually acceptable resolution. If no such resolution is reached within 40 calendar days of receipt of the formal written notice, any Party may request an initial decision from PSC. Parties may appeal this decision.

ARTICLE 11 NON-DISCRIMINATION IN HIRING AND EMPLOYMENT

Competitive Supplier agrees that it shall conduct its operations and activities under this ESA in accordance with all applicable state and federal laws regarding non-discrimination in hiring and employment of employees, and will require all Associated Entities to do the same.

ARTICLE 12 POWER SUPPLY INFORMATION AND ACCESS TO INFORMATION

12.1 POWER SUPPLY INFORMATION

12.1.1 Quarterly Report of Sales

Competitive Supplier shall provide the Municipality or its agent with a quarterly report of sales which will contain: (i) the actual aggregate kWh sales for each meter read of the reporting period and (ii) the number of Participating Consumer accounts active in each meter read of the reporting period. The quarterly report will be due to the Municipality or its agent within sixty (60) days following the close of each quarter (March 31, June 30, September 30, and December 31). The aggregate kWh sales and number of Participating Consumer accounts shall be listed in the report both by rate code and rate name as shown on Exhibit B attached hereto. This information shall be provided in electronic format, satisfactory to the Municipality and to the Program Manager.

12.1.2 Consumer-Related Data

On and after the Service Commencement Date, Competitive Supplier will maintain consumer-related data in electronic form including utility account number, billing name, billing address, service address historical usage, demand, and ICAP (Installed Capacity) data. A violation of this Article 12.1.2 shall be grounds for termination under Article 4.2(a) unless such violation is due to a system or reasonable administrative error and the Competitive Supplier demonstrates to the Municipality's satisfaction that such system or administrative error exists and that the Competitive Supplier is acting in good faith to resolve such issue.

12.1.3 Standard of Care

Competitive Supplier and its Associated Entities shall use all Commercially Reasonable efforts in preparing and providing any information or data required under the ESA. To the extent that Competitive Supplier determines that any information or data provided hereunder is in error, it shall provide such information or data to the Municipality or its agent within a Commercially Reasonable time.

12.2 POWER SUPPLY REPORT

Unless the Environmental Disclosure Label requirement is waived by PSC, within fifteen (15) days of the end of the quarter, Competitive Supplier shall present a copy of the current Environmental Disclosure Label required by PSC of all Competitive Suppliers to be disclosed to their Participating Consumers, which includes information pertaining to Competitive Supplier's power supply and a reasonably detailed description of the sources of Competitive Supplier's power supply used to serve Participating Consumers pursuant to this ESA, except to the extent such disclosure would violate any confidentiality obligations of Competitive Supplier.

12.3 BOOKS AND RECORDS

Competitive Supplier shall keep its books and records in accordance with any applicable regulations or guidelines of PSC, FERC, and any other Governmental Authority and accounting standards. The Municipality will have electronic access to any reports mandated by the Securities and Exchange Commission which are available on the Internet "EDGAR" system. Upon reasonable request by the Municipality and at the Municipality's reasonable expense, Competitive Supplier or its Associated Entities shall provide reasonable back up for any charge under this ESA questioned by the Municipality.

12.4 COPIES OF REGULATORY REPORTS AND FILINGS

Upon reasonable request, Competitive Supplier shall provide to the Municipality a copy of each public periodic or incident-related report or record relating to this ESA which it files with any New York or federal agency regulating rates, service, compliance with environmental laws, or compliance with affirmative action and equal opportunity requirements, unless the Competitive Supplier is required by law or regulation to keep such reports confidential. Competitive Supplier shall be reimbursed its reasonable costs of providing such copies, if only available in hard copy.

ARTICLE 13 RESOLUTION OF DISPUTES; CHOICE OF LAW AND FORUM

13.1 CHOICE OF LAW AND FORUM

This ESA and the rights of the Parties shall be interpreted and determined in accordance with the laws of the State of New York without respect to conflicts-of-laws principles. Any litigation arising hereunder shall be brought solely in the appropriate federal court in New York or appropriate state court sitting in the New York county in which the Municipality is located, to whose jurisdiction the Parties hereby assent, waiving all objections to venue or forum.

13.2 DISPUTE RESOLUTION

Unless otherwise provided for in this ESA, the dispute resolution procedures of this Article 13.2 shall be the exclusive mechanism to resolve disputes arising under this ESA. The Parties agree to use their respective best efforts to resolve any dispute(s) that may arise regarding this ESA. Any dispute that arises under or with respect to this ESA that cannot be resolved shall in the first instance be the subject of informal negotiations between the Parties involved in the dispute. The dispute shall be considered to have arisen when one Party sends the other Party(ies) involved in the dispute a written notice of dispute. The period for informal negotiations shall be fourteen (14) days from receipt of the written notice of dispute unless such time is modified by written agreement of the Parties involved in the dispute. In the event that the parties involved in the dispute cannot resolve a dispute by informal negotiations, the Parties may seek judicial enforcement subject to the provisions of this ESA. Notwithstanding the foregoing, injunctive relief may be immediately sought without resorting to alternative dispute resolution to prevent irreparable harm that would be caused by a breach of this ESA.

ARTICLE 14 INDEMNIFICATION

14.1 INDEMNIFICATION BY THE COMPETITIVE SUPPLIER

In addition to any other remedies available to the Municipality at law or equity, and notwithstanding any other provision contained herein, the Competitive Supplier shall indemnify, defend and hold harmless the Municipality and the Program Manager ("Indemnified Parties") and the Indemnified Parties' elected officials, officials, officers, owners, directors, employees, agents, representatives and independent contractors, from and against any and all costs, claims, liabilities, damages, expenses (including reasonable attorneys' fees), causes of action, suits or judgments, incurred by, on behalf of or involving any one of the foregoing parties to the extent arising directly from or in connection with (i) any material breach by Competitive Supplier or its Associated Entities of its obligations, covenants, representations or warranties contained in this ESA and not resulting from the actions (or omissions where there is a duty to act) of the NYISO, Distribution Utility, the Municipality or its employees or agents, or (ii) any action or omission taken or made by the Competitive Supplier or its Associated Entities in connection with Competitive Supplier's performance of this ESA.

14.2 NOTICE OF INDEMNIFICATION CLAIMS

If the Municipality or Program Manager seeks indemnification pursuant to this Article 14, it shall notify Competitive Supplier of the existence of a claim, or potential claim as soon as practicable after learning of such claim, or potential claim, describing with reasonable particularity the circumstances giving rise to such claim.

14.3 SURVIVAL

Notwithstanding any provision contained herein, the provisions of this Article 14 shall survive the termination of this ESA for a period of two (2) years with respect to (i) any claims which occurred or arose prior to such termination and (ii) any losses occurring as a result of the termination.

14.4 DUTY TO MITIGATE

Each Party agrees that they have a duty to mitigate damages and covenant that they will use Commercially Reasonable efforts to minimize any damages they may incur as a result of the other Party's performance or non-performance of this ESA.

ARTICLE 15 REPRESENTATIONS AND WARRANTIES

15.1 BY THE COMPETITIVE SUPPLIER

As a material inducement to entering into this ESA, the Competitive Supplier hereby represents and warrants to the Municipality as of the Effective Date of this ESA as follows:

- a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and is qualified to conduct its business in those jurisdictions necessary for it to perform its obligations under this ESA;
- b) it has all authorizations from any Governmental Authority necessary for it to legally perform its obligations under this ESA or will obtain such authorizations in a timely manner prior to when any performance by it requiring such authorization becomes due;
- c) the execution, delivery and performance of this ESA are within its powers, have been duly authorized by all necessary action and do not violate any of the terms or conditions in its governing documents or any contract to which it is a party or any Governmental Rule applicable to it;
- d) subject to the conditions set forth in Article 2.4, this ESA constitutes a legal, valid and binding obligation of the Competitive Supplier enforceable against it in accordance with its terms, and the Competitive Supplier has all rights such that it can and will perform its obligations to the Municipality in conformance with the terms and conditions of this ESA, subject to Bankruptcy, insolvency, reorganization and other laws affecting creditor's rights generally and general principles of equity;
- e) no Bankruptcy is pending against it or to its knowledge threatened against it;
- f) none of the documents or other written information furnished by or on behalf of Competitive Supplier to or for the benefit of the Municipality pursuant to this ESA, contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements contained herein or therein, in the light of the circumstances in which they were made, not misleading; and
- g) all information furnished by Competitive Supplier in response to the Request for Proposals for competitive electric supply services is true and accurate.

15.2 BY THE MUNICIPALITY

As a material inducement to entering into this ESA, the Municipality hereby represents and warrants to Competitive Supplier as of the Effective Date of this ESA as follows:

- a) this ESA constitutes the legal, valid and binding contract of the Municipality enforceable in accordance with its terms, subject to applicable law;
- b) the execution, delivery and performance of this ESA are within the Municipality's powers, have been or will be duly authorized by all necessary action;
- c) Municipality has all authorizations from local Governmental Authority necessary for it to legally perform its obligations under this ESA or will obtain such authorizations in a timely manner prior to when any performance by it requiring such authorization becomes due; and
- d) no Bankruptcy is pending or threatened against the Municipality;

15.3 BY THE PROGRAM MANAGER

As a material inducement to entering into this ESA, the Program Manager hereby represents and warrants to Competitive Supplier and Municipality as of the Effective Date of this ESA as follows:

- a) this ESA constitutes the legal, valid and binding contract of Program Manager enforceable in accordance with its terms, subject to applicable law
- b) the execution, delivery and performance of this ESA are within Program Manager's powers, have been or will be duly authorized by all necessary action;
- c) Program Manager has all authorizations from any local or state Governmental Authority necessary for it to legally perform its obligations under this ESA or will obtain such authorizations in a timely manner prior to when any performance by it requiring such authorization becomes due; and
- d) no Bankruptcy is pending or threatened against Program Manager.

ARTICLE 16 INSURANCE

16.1 In order to help support the indemnifications provided in Article 14, and its other promises and covenants stated herein, Competitive Supplier shall secure and maintain, at its own expense, before the Effective Date and throughout the term of this ESA, unless otherwise specified, commercial general liability insurance of at least \$1,000,000 combined single limit and excess liability coverage of at least \$5,000,000 with insurers licensed to do business in the State of New York. Each of the required insurance policies shall be with insurers qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition. In the event the Competitive Supplier's insurance carrier is downgraded to a rating of lower than Best's A-, Competitive Supplier shall have ninety (90) days to obtain coverage from a carrier with a rating of at least Best's A-. A certificate that each such insurance coverage is in force and effect, and listing the Municipality as an additional insured on all policies, shall be submitted on or before the Effective Date and thereafter whenever renewed or requested by the Municipality. All insurers must be notified that the insurance policies must provide that a copy of any notice of cancellation or non-renewal will be sent to the Municipality.

16.2 With respect to any of the insurance policies provided by the Competitive Supplier pursuant to these requirements which are "claims made" policies, in the event at any time such policies are canceled or not renewed, the Competitive Supplier shall provide a substitute insurance policy with terms and conditions and in amounts which comply with these requirements and which provides for retroactive coverage to the date of the cancellation or non-renewal of the prior "claims-made" policy. With respect to all "claims made" policies which have been renewed, the Competitive Supplier shall provide coverage retroactive to the Effective Date under this ESA. All said substitute or renewed "claims made" policies shall be maintained in full force and effect for three (3) years from the date of the termination of the ESA.

16.3 Competitive Supplier, to the extent required by law, must provide worker's compensation insurance meeting all applicable state and federal requirements.

ARTICLE 17 REGULATORY EVENT/NEW TAXES

17.1 REGULATORY EVENT

If a Regulatory Event occurs, the Parties shall use their best efforts to reform this ESA to give effect to the original intent of the Parties. If despite such best efforts, a Regulatory Event affects Competitive Supplier and Program Manager and Municipality agree that Competitive Supplier is incurring excess costs as a result thereof and agrees that Competitive Supplier may recover such costs, such amount shall be allocated to and collected from Participating Consumers on a per kWh basis through applicable monthly invoice(s).

17.2 QUALIFYING REGULATORY EVENT

If a Qualifying Regulatory Event occurs, the Parties shall use their best efforts to reform this ESA to give effect to the original intent of the Parties. If a Qualifying Regulatory Event affects Competitive Supplier and Competitive Supplier incurs excess costs as a result thereof, such amount shall be allocated to and collected from Participating Consumers on a per kWh basis through applicable monthly invoice(s).

17.3 NEW TAXES

If any New Taxes are imposed for which Competitive Supplier is responsible, the amount of such New Taxes shall be allocated to and collected from Participating Consumers through applicable monthly invoice(s).

ARTICLE 18 MISCELLANEOUS

18.1 NO ASSIGNMENT WITHOUT PERMISSION

Except in the event of the sale of all or substantially all of its retail electricity business to an entity with credit and service ability to deliver on all facets of this ESA reasonably acceptable to Municipality, Competitive Supplier or Program Manager shall not directly or indirectly assign this ESA or any of its rights, obligations and privileges under this ESA without the prior written approval of the Municipality. Such approval may be denied at the reasonable discretion of the Municipality, including if the proposed assignee does not have the experience and financial ability to fulfill all obligations of the Competitive Supplier or Program Manager in the ESA. Notwithstanding the above, any assignment of this ESA by the Competitive Supplier, whether as the result of the sale of all or substantially all of the Competitive Supplier's business related to this ESA or otherwise, shall be subject to the following requirements: (i) Competitive Supplier shall provide the Municipality with notice of the proposed assignment at least ninety (90) days prior to such assignment; (ii) Competitive Supplier's assignee shall agree in writing to be bound by the terms and conditions of this ESA; and (iii) Competitive Supplier and such assignee shall, at least ninety (90) days in advance of any assignment, reasonably demonstrate to Municipality that assignee has the experience and financial ability to fulfill all obligations of the Competitive Supplier in the ESA. The Municipality or Program Manager may assign this ESA without the prior consent of Competitive Supplier provided that the proposed assignee has at least the same financial ability as the Municipality or Program Manager and such assignment would not materially impair the rights and interests of Competitive Supplier under this ESA. The rights and obligations created by this ESA shall inure to the benefit of, and be binding upon, the successors and permitted assigns of, the respective Parties hereto.

18.2 DIRECT MARKETING

Prior to the introduction of any new product or service which Competitive Supplier may wish to make available to Participating Consumers or other Eligible Consumers located within the Municipality, Competitive Supplier agrees to (i) give the Municipality written notice of such new product or service and (ii) subject to the entry into reasonable confidentiality terms to the extent permitted by law and mutually acceptable to the Parties, discuss with the Municipality the possible inclusion of such new product or service in this or another aggregation program undertaken by the Municipality.

Competitive Supplier also agrees not to engage, whether directly or through any of its Associated Entities, in any direct marketing to any Participating Consumer that relies upon Competitive Supplier's unique knowledge of, or access to, Participating Consumers gained as a result of this ESA. For the purposes of this provision, "direct marketing" shall include any telephone call, mailing, electronic mail, or other contact between the Competitive Supplier and the Consumer. Programs of the Competitive Supplier that do not rely on unique knowledge or access gained through this ESA will not constitute such "direct marketing."

18.3 NOTICES

All notices, demands, requests, consents or other communications required or permitted to be given or made under this ESA shall be in writing and addressed to:

If to Competitive Supplier:

Direct Energy Services, LLC
12 Greenway Plaza, Suite 250
Houston, TX 770476
Attn: Vice President, NAH -US Energy

With a copy to:

Direct Energy Services, LLC
12 Greenway Plaza, Suite 250
Houston, TX 77046
Attn: Managing Counsel, NAH

If to Municipality:

Supervisor, Town of New Paltz
P.O. Box 550, 52 Clearwater Road, New Paltz, NY 12561

With a copy to
Town Clerk, Town of New Paltz
P.O. Box 550, 52 Clearwater Road, New Paltz, NY 12561

and if to Program Manager:

Joule Assets, Inc
22 Edgemont Road
Katonah, New York 10536
Attn: Glenn Weinberg

With a copy to:

Joule Assets, Inc
22 Edgemont Road
Katonah, New York 10536
Attn: General Counsel

Notices hereunder shall be deemed properly served (i) by hand delivery, on the day and at the time on which delivered to the intended recipient at the address set forth in this ESA; (ii) if sent by mail, on the third business day after the day on which deposited in the United States certified or registered mail, postage prepaid, return receipt requested, addressed to the intended recipient at its address set forth in this ESA; or (iii) if by Federal Express or other reputable express mail service, on the next business day after delivery to such express mail service, addressed to the intended recipient at its address set forth in this ESA. Any party may change its address and contact person for the purposes of this Article 18.3 by giving notice thereof in the manner required herein.

18.4 CHANGES IN EMERGENCY AND SERVICE CONTACT PERSONS

In the event that the name or telephone number of any emergency or service contact for the Competitive Supplier changes, Competitive Supplier shall give prompt notice to the Municipality and the Program Manager in the manner set forth in Article 18.3. In the event that the name or telephone number of any such contact person for the Municipality changes, prompt notice shall be given to the Competitive Supplier and the Program Manager in the manner set forth in Article 18.3. In the event that the name or telephone number of any such contact person for the Program Manager changes, prompt notice shall be given to the Competitive Supplier and the Municipality in the manner set forth in Article 18.3.

18.5 ENTIRE AGREEMENT; AMENDMENTS

This ESA constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings between the

18.6 FORCE MAJEURE

If by reason of Force Majeure any Party is unable to carry out, either in whole or in part, its obligations herein contained, such Party shall not be deemed to be in default during the continuation of such inability, provided that: (i) the non-performing Party, within two (2) weeks after the occurrence of the Force Majeure, gives the other Party hereto written notice describing the particulars of the occurrence; (ii) the suspension of performance be of no greater scope and of no longer duration than is required by the Force Majeure; (iii) no obligations of the Party which were to be performed prior to the occurrence causing the suspension of performance shall be excused as a result of the occurrence; and (iv) the non-performing Party shall use Commercially Reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its obligations. If (i) an event of Force Majeure caused by any strikes, lockouts or other industrial disturbances involving Competitive Supplier or its Associated Entities continues for a period of thirty (30) days or longer, or (ii) an event of Force Majeure arising from any other cause continues for a period of one hundred eighty (180) days or longer, any Party may terminate this ESA by sending the other Party a written notice as set forth in Article 4.2; provided, however, that the same shall not constitute a default under this ESA and shall not give rise to any damages. Additionally, Competitive Supplier shall submit all consumer drops via EDI to the

Distribution Utility in accordance with the rules and regulations set forth by the PSC in Case 98-M-0667.

18.7 EXPENSES

Each Party hereto shall pay all expenses incurred by it in connection with its entering into this ESA, including without limitation, all of its attorney's fees and expenses. This provision shall not apply in the event that the Municipality must incur any expenses to enforce its rights hereunder, in which event it shall be permitted to recover its court costs and reasonable attorneys' fees should it prevail against any other party in such enforcement action.

18.8 NO JOINT VENTURE

Each Party will perform all obligations under this ESA as an independent contractor. Nothing herein contained shall be deemed to constitute any Party a partner, agent or legal representative of the other Party or to create a joint venture, partnership, agency or any relationship between the Parties. The obligations of the Municipality and the Competitive Supplier hereunder are individual and neither collective nor joint in nature.

18.9 JOINT WORK PRODUCT

This ESA shall be considered the work product of all Parties hereto, and, therefore, no rule of strict construction shall be applied against any Party.

18.10 COUNTERPARTS

This ESA may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute a single agreement.

18.11 WAIVER

No waiver by any Party hereto of any one or more defaults by any other Party in the performance of any provision of this ESA shall operate or be construed as a waiver of any future default, whether of like or different character. No failure on the part of any Party hereto to complain of any action or non-action on the part of any other Party, no matter how long the same may continue, shall be deemed to be a waiver of any right hereunder by the Party(ies) so failing. A waiver of any of the provisions of this ESA shall only be effective with respect to an obligation to the waiving Party and shall only be effective if made in writing and signed by the Party who is making such waiver.

18.12 ADVERTISING LIMITATIONS

Competitive Supplier agrees not to use, whether directly or through any of its Associated Entities, the name of the Municipality, or make any reference to the Municipality in any advertising or other information to be distributed publicly for marketing or educational purposes, unless the Municipality expressly agrees to such usage. Any proposed use of the name of the Municipality must be submitted in writing for agreement and prior written approval which may be withdrawn through a notice in writing at any time. The Municipality acknowledges that the Competitive Supplier's corporate affiliates own the exclusive right to the trademarked logo and

trade name used by Competitive Supplier. No right, license or interest in this trademark and/or trade name is granted to the Municipality hereunder, and the Municipality agrees that it shall not assert any right, license or interest with respect to such trademark and/or trade name.

18.13 PRESS RELEASES

The Parties agree to cooperate in good faith prior to the issuance of any formal press release with respect to this ESA, such cooperation to include agreement as to the form, substance and timing of such formal press release.

18.14 HEADINGS AND CAPTIONS

The headings and captions appearing in this ESA are intended for reference only, and are not to be considered in construing this ESA.

18.15 SURVIVAL OF OBLIGATION

Termination of this ESA for any reason shall not relieve the Parties of any obligation accrued or accruing prior to such termination.

19 REMEDIES

19.1 GENERAL

Subject to the limitations set forth in Article 19.2 below and Article 4, the Parties reserve and shall have all rights and remedies available to each of them at law or in equity with respect to the performance or non-performance of the other Party hereto under this ESA.

19.2 LIMITATIONS

NO PARTY HERETO SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT. Notwithstanding the foregoing, each Party acknowledges that the preceding sentence shall not limit the other Party's rights to seek direct damages or, under Article 14.1, to seek indemnification from Competitive Supplier for consequential, punitive, or incidental damages described in the preceding sentence or other such losses claimed by third- parties.

//Signatures Follow//

consumer to Default Service in the event that the consumer fails to pay to Competitive Supplier amounts past due greater than sixty (60) days.

If you submitted a fixed price in Table 1 above, please complete Table 2 below. New Consumers who enroll or are enrolled into the Program after the first Consumer meter-read date referred to above shall be served at the fixed price in Table 1 above, plus the applicable adder for each rate class outlined below.

Table 2:

Rate Class	Adder (or subtractor) per kWh
Residential	\$0.0
Small Commercial	\$0.0

This adder is above (or below) the current contracted price based on the following formula:

(Average LBMP 12 months prior to Effective Date¹ MINUS Average LBMP 12 months prior to date of enrollment²) PLUS 2.5*(Capacity clearing price/kW for 12 months prior to effective date MINUS Capacity clearing price/kW 12 months prior to date of enrollment) DIVIDED BY Aggregate average kWh/customer/year in 12 months prior to enrollment.

¹ Weighted by monthly consumption of the aggregation

² Weighted by monthly consumption of the aggregation

**EXHIBIT A-Part 2
PRICES AND TERMS**

**JOULE ASSETS COMMUNITY CHOICE AGGREGATION PROGRAM
OPT-IN PRODUCT**

Firm Full-Requirements Price for Power Supply by Rate Classification for all Participating Consumers located in Central Hudson Gas and Electric service territory commencing service on the first Consumer meter-read date after January 1, 2020.

Table 3:

Rate Class	Fixed price per kWh
Residential	\$0.06078
Small Commercial	\$0.06078

[Final Prices will be determined prior to the beginning of the respective pricing periods]

Terms for System Supply Service

Term: The Price and Terms stated on this Exhibit A will commence on the first Consumer meter read date after January 1, 2020 and continue until the first Consumer meter read date After June 30th, 2021, unless this ESA is sooner terminated in accordance with Article 4.2 of this ESA.

The period of delivery of Firm Full-Requirements Power Supply shall be consistent with the provisions of Article 4 and Exhibit A of this ESA.

Start-Up Service Date: Firm Full-Requirements Power Supply will commence at the prices stated above as of Participating Consumer's first meter read dates after January 1, 2020.

Renewable Energy in System Supply: The Competitive Supplier shall include Renewable Energy and Renewable Energy Certificates in the Firm Full-Requirements Power Supply mix in an amount equal to New York State's Renewable Portfolio Standards in a manner designated by New York State.

Eligible Consumer Opt-Out: Participating Consumers are free to opt-out of the Program utilizing established EDI drop protocols. Participating Consumers are to provide five (5) days notice to the Competitive Supplier of such termination and Competitive Supplier will notify Distribution Utility to resume service as soon as possible after such notification. There are no fees or charges for Participating Consumers to opt-out or terminate service.

Competitive Supplier's Standard Credit Policy: The Competitive Supplier will not require a credit review for any consumer participating in the Program, nor will Competitive Supplier require any consumer to post any security deposit as a condition for participation in the Program. The Competitive Supplier may terminate service to a Participating Consumer and return such consumer to Default Service in the event that the consumer fails to pay to Competitive Supplier amounts past due greater than sixty (60) days.

New Consumers who enroll and are enrolled into the Program after the first consumer meter-read date referred to above shall be served at the price in Table 3, above, plus the applicable adder for each rate class outlined below.

Table 4:

Rate Class	Adder per kWh
Residential	\$0.0
Small Commercial	\$0.0

Please indicate below if you are willing to replace any portion of the 100% Renewable Firm Full-Requirements Power Supply to fulfill this ESA with power supply procured or developed by the Municipality or by the Program Manager (check one)?

Yes No

If you checked 'Yes' above, please indicate what cost, if any, you will levy for that replacement (specify unit cost): \$_____.

Direct Energy Services LLC, as per Exhibit D, agrees to work with Municipality and Program Manager in good faith to incorporate renewable energy and/or renewable energy certificates into its supply offering for Participating Consumers choosing the renewable product option.

**EXHIBIT B
 TEMPLATE KWH SALES AND CONSUMER ACCOUNTS DATA SUMMARY**

Rate Code	Residential	Small Commercial
Standard Supply		
Municipality		
# of Default Accounts of Eligible Consumers		
	kWh	kWh
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

Rate Code	Residential	Small Commercial
100% Renewable Supply		
Municipality		
# of Default Accounts of Eligible Consumers		
	kWh	kWh
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

**EXHIBIT C
PAYMENT SCHEDULE**

<u>PROGRAM MANAGER</u>	<u>MUNICIPALITY</u>	<u>SUPPLIER GENERAL</u>
<u>GENERAL</u>	<u>GENERAL</u>	<u>INFORMATION</u>
Joule Assets Inc.	Town of New Paltz	Direct Energy Services LLC
Contact Name: Glenn Weinberg Address: 22 Edgemont Rd Katonah, NY 10536	Contact Name: Tim Rogers, Supervisor Address: P.O Box 550, 52 Clearwater Road New Paltz, NY 12561	Contact Name: Thomas Prisk Address: 12 Greenway Plaza, Suite 250, Houston, TX 77046
Telephone Number: 914-977-3444	Telephone Number: 845-255-0604	Telephone Number: 713-877-3855
E-mail Address: gweinberg@jouleassets.com	E-mail Address: supervisor@townofnewpaltz.org	E-mail Address: Tom.Prisk@directenergy.com
<u>CONSULTANT LEGAL</u>	<u>MUNICIPALITY LEGAL</u>	<u>SUPPLIER LEGAL</u>
<u>NOTICE ADDRESS</u>	<u>NOTICE ADDRESS</u>	<u>NOTICE ADDRESS</u>
ATTN: Legal Joule Assets, Inc.	ATTN: Supervisor Town of New Paltz	ATTN: Vice President, NAH- US Energy Direct Energy Services LLC
22 Edgemont Road	P.O. Box 550, 52 Clearwater Road	12 Greenway Plaza, Suite 25
Katonah, NY 10536	New Paltz, NY 12561	Houston, TX 770476
	With a copy to Town Clerk, Town of New Paltz P.O. Box 550, 52 Clearwater Road, New Paltz, NY 12561	
<u>CONSULTANT BANK</u>		
<u>INFORMATION FOR</u>		
<u>PAYMENTS BY ACH</u>		
Bank Name: JP Morgan Chase & Co.	Bank Account Number: 905941001	
Bank Routing Number: 021000021	Federal ID: 27-386-9407	

Exhibit D
Option to Supply Power

Competitive Supplier shall provide power to Participating Consumers, including the option for consumers to purchase REC's, throughout the term of this ESA and from sources of its own discretion.

However, Program Manager desires to support the construction of or cause the Competitive Supplier to contract directly with renewable sources of energy ("Renewable Power Source") prior to award or after the Effective Date of the Program for the benefit of the Participating Consumers and of the clean power market.

Upon agreement to a Power Purchase Agreement ("PPA"), acceptable to both Program Manager and Competitive Supplier with any Renewable Power Source, the Competitive Supplier may purchase, or Program Manager may offer, output from the Renewable Power Source to Competitive Supplier (or Associated Entity) through signing (Competitive Supplier) or through assignment (by Program Manager) of that PPA.

Competitive Supplier may either work from a roster of Renewable Power Sources who retain a PPA consistent with Program Manager's needs or Competitive Supplier may gain approval from Program Manager for an alternative PPA.

In the event Program Manager identifies output from Renewable Power Source(s) that Program Manager intends to Assign to the Competitive Supplier, Program Manager will describe whether each product is unit-contingent or smoothed, Program Manager will describe the projected (if unit contingent) or committed quantity for RECs, Capacity and/or kWh, including time blocks for the product, if appropriate.

The Program Manager will then fill out the Table, below, adding to it as necessary:

Product	Unit-Contingent or committed	Time Block	Zone	Price (per Unit)
kWh Output				
REC Output				
Capacity Standby				
kWh Output				
REC Output				
Capacity Standby				

Competitive Supplier will then solicit offers from the free market for like quantities of power, REC or capacity.

Program Manager shall agree to a rate adjustment to Participating Consumers to compensate Competitive Supplier (or an Associated Entity) for any losses should Competitive Supplier (or an Associated Entity) need to sell off any of the original power purchased to supply the Program at a lower price than it purchased it for or to compensate Participating Consumers for any gains should Competitive Supplier (or an Associated Entity) be able to sell off any of the original power purchased to supply the Program at a higher price than it purchased it for.

Program Manager will be authorized to invite bidders to purchase the power being replaced (separately by kWh, capacity or REC or in any bundle it chooses) if, in its sole discretion, it believes it can sell current positions that match the unit-contingent production expectation at a higher price than competitive supplier is quoting as a sales price.

**EXHIBIT A-Part 1
PRICES AND TERMS**

**JOULE ASSETS COMMUNITY CHOICE AGGREGATION PROGRAM
100% RENEWABLE DEFAULT PRODUCT**

Firm Full-Requirements Price by Rate Classification for all Participating Consumers located in Central Hudson Gas and Electric territory commencing service on the first Consumer meter-read date after January 1, 2020.

Table 1:

Rate Class	Fixed Price per kWh	Discount off Distribution Utility rate
Residential	\$0.06361	
Small Commercial	\$0.06361	

[Final Prices will be determined prior to the beginning of the respective pricing periods]

Terms for System Supply Service

Term: The Price and Terms stated on this Exhibit A will commence on the first Consumer meter read date after 01/01/2020 and continue until the first Consumer meter read date after 06/30/21, unless this ESA is sooner terminated in accordance with Article 4.2 of this ESA.

The period of delivery of Firm Full-Requirements Power Supply shall be consistent with the provisions of Article 4 and Exhibit A of this ESA.

Start-Up Service Date: Firm Full-Requirements Power Supply will commence at the prices stated above as of Participating Consumer’s first meter read dates after 01/01/20.

Renewable Energy in System Supply: The Competitive Supplier shall include Renewable Energy Certificates, registered in the New York State Asset Clearing System (NYGATS) in the Firm Full-Requirements Power Supply mix in an amount equal to 100% of all power supplied under this exhibit.

Eligible Consumer Opt-Out: Participating Consumers are free to opt-out of the Program utilizing established utility data drop protocols. Participating Consumers are to provide five (5) days notice to the Competitive Supplier of such termination and Competitive Supplier will notify Distribution Utility to resume service as soon as possible after such notification. There are no fees or charges for Participating Consumers to opt-out or terminate service.

Competitive Supplier's Standard Credit Policy: The Competitive Supplier will not require a credit review for any consumer participating in the Program, nor will Competitive Supplier require any consumer to post any security deposit as a condition for participation in the Program. The Competitive Supplier may terminate service to a Participating Consumer and return such

IN WITNESS WHEREOF, the Parties have caused this ESA to be executed by their duly authorized representatives, as required by the applicable laws of the city, town or municipality and the laws, rules and regulations of the State of New York, as of the respective dates set forth below

COMPETITIVE SUPPLIER

By: _____

Name: _____

Title: _____

Address: _____

Dated: _____

MUNICIPALITY

By: Neil Bettez

Name: NEIL BETTEZ

Title: SUPERVISOR

Address: TOWN OF NEW PALTZ / PO BOX 550 / NEW PALTZ, NY 12561

Dated: November 22, 2019

PROGRAM MANAGER

By: [Signature]

Name: Michael Gordon

Title: Chief Executive Officer; Joule Assets, Inc.

Address: 22 Edgemont Road, Katonah, NY 10536

Dated: October 17, 2019