

# Notice Of Price, Terms, And Conditions Of Service

(from Appendix C to Decision No. 98-03-072, as modified by Decision 99-05-034)

Public Utilities Code Section 394.5 requires that each registered electric service provider (ESP) offering electrical service to residential and small commercial customers provide the potential customer with this notice prior to the commencement of service. This notice describes the price, terms and conditions of service that will apply to you, if you decide to purchase electricity from us.

[name of company] is a registered ESP. Our ESP registration number is [ESP registration number]. Our address is [provide mailing address]. Our telephone number is [provide area code and telephone number].

## Summary

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This notice contains important information regarding the price, terms and conditions of service with our company. This summary describes some of the more important points covered in this notice. You should, however, read the entire notice so that you understand all of the price, terms and conditions which apply to you.

Your total price of electricity is \_\_\_\_\_ cents per kilowatt hour. [or if the ESP's price is pegged to the PX price, describe the pricing arrangement.] As discussed later in this notice, this price does not include the charges that you are obligated to pay your existing electric utility.

If you choose our company to be your ESP, you agree to let us be your electricity provider [*"on a month to month basis"; "for a period of \_\_\_\_\_ months"; or "for a period of \_\_\_\_\_ year."* ]. Should you decide to terminate this arrangement earlier, you will have to pay an early termination fee or penalty of \_\_\_\_\_.

You have the right to cancel any contract for electric service without fee or penalty until midnight of the third business day after the day you signed the contract. If no contract is signed, you have the right to cancel any agreement for electric service without fee or penalty until midnight of the third business day after the third party verification or other procedure provided for in Section 366.5 has occurred, or until midnight of the fifth business day after the mailing or provisioning of the Section 394.5 notice, whichever is later.

## Your Right To Choose

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You have the right to choose who you want to purchase your electricity from. If you select an ESP to supply you with electricity, your existing electric utility will still be responsible for ensuring that the electricity is transported to your residence or business.

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If you meet certain income criteria, you may be eligible for the California Alternate Rates for Energy (CARE) program or for energy efficiency services. The CARE program provides qualifying households with a discounted rate for energy. Income-eligible households may also qualify for no-cost weatherization or other energy efficiency services. At the present time, these programs are administered by the electric utility. You should contact the electric utility in your area if you have any questions regarding your eligibility to participate in those programs.

In selecting an ESP, you should be aware that some ESPs may require you to enter into a contract for a fixed period of time rather than on an at-will basis. If you enter into a contract for a fixed period of time, and you decide to switch before the contract term is up, you may be obligated to pay certain fees or penalties for early termination of the contract. *[if the ESP has early termination fees or penalties, you should include the following sentence: "Our early termination fees and penalties are explained below in the Terms And Conditions of Service."]*

Should any provider of electricity refuse to provide any electricity-related services to you, you have the right to request, within thirty days from the date service was denied, that the provider send you a written explanation of why it denied you service.

## **Disclosure Of Electricity Source**

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Some ESPs may offer to sell you electricity that comes from "environmentally friendly" sources. This type of electricity is sometimes referred to as "green power" or "green energy." Public Utilities Code Section 398.4 requires that every provider of electricity offering to sell electricity to customers shall disclose the provider's source of electricity. If you are interested in determining the source of electricity that the electricity provider will be supplying, you should request a copy of the disclosure from the electricity provider.

## **Verification That You Want A New Provider Of Electricity**

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If you decide to purchase your electricity from someone other than your current provider of electricity, the law requires the new ESP or the electric utility to verify that you agree to the change in your provider. This verification can take place in several ways.

If you are a residential customer and you are contacted by the new provider, and you agree to switch to that new provider of electricity, the new provider is required to connect you to a "third-party verification company," or to have the third-party verification company call you, to confirm that you agree to switch to the new provider. The third-party verification company may ask you for certain identifying information such as your name, your address, your current electric provider and account number, and whether you agree to the switch to the new provider that you have selected. You should be careful not to disclose any more information than necessary to confirm the switch. The third-party verification company can use the information that you provide only to confirm that you agree to the switch in provider. Any unauthorized release of the information you supplied to the third-party verification company is grounds for a civil lawsuit. You may also request the third-party verification company for a copy of the record that confirms you have agreed to switch to the new provider of your choice.

If you are a residential customer and you directly call the provider of electricity that you want to switch to, your new provider of electricity is not required to use the third-party verification process described above. Instead, your contact with the new provider is sufficient to confirm that you agree to switch to the company that you called.

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If you are a small commercial customer, the new provider of electricity must confirm your agreement to switch to the new provider in one of four ways. First, the new provider can use the third-party verification process described above. The second method is for the new provider to mail you an information package regarding your agreement to switch, and you return the written confirmation. The third method is that the new provider may have you sign a document which explains to you the effect of the change to the new provider. And the fourth method is for the new provider to obtain your consent through electronic means, such as e-mail or a facsimile authorization consenting to the switch to the new provider.

## Your Total Price Of Electricity

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[If pricing on a cents-per-kWh basis]

Your total price of electricity is \_\_\_\_\_ cents per kilowatt hour (kWh). This price is based on our anticipated electricity costs and all of our recurring charges. In addition to our total price of electricity, you must also pay certain monthly charges to the electric utility that serves your area. You may also have to pay us for certain non-recurring charges. The following is a description and the amount of each of our recurring and non-recurring charges: [description of each recurring and non-recurring charge, and the amount of each charge]

As mentioned above, you are also obligated to pay the electric utility for certain recurring charges for services provided by the electric utility and for legislatively mandated charges. You may also have to pay the electric utility for certain non-recurring charges as well. Below is a listing of those electric utility charges. You should refer to your electric utility bill or contact the electric utility to determine the amount for each of those charges. [list each recurring and non-recurring charge imposed by the UDC]

The following tables provide you with an estimate of your monthly electricity bill based on our total price of electricity and your estimated monthly usage. In addition to our price of electricity, you are also obligated to pay the electric utility for certain recurring charges for services provided by the electric utility and for legislatively mandated charges. You should refer to your electric utility bill or contact the electric utility to determine the amount for each of those charges.

### Column 1

#### Residential Customer

Monthly kWh Usage	Estimated Monthly Bill
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0	[insert applicable amount]
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50	[insert applicable amount]
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100	[insert applicable amount]
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200	[insert applicable amount]
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300	[insert applicable amount]
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400	[insert applicable amount]
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## **Column 1**

500                   *[insert applicable amount]*

750                   *[insert applicable amount]*

1000                  *[insert applicable amount]*

1500                  *[insert applicable amount]*

2000                  *[insert applicable amount]*

## **Column 1**

### **Small Commercial Customer**

Monthly kWh Usage

Estimated Monthly Bill

0                      *[insert applicable amount]*

500                   *[insert applicable amount]*

750                   *[insert applicable amount]*

1000                  *[insert applicable amount]*

2500                  *[insert applicable amount]*

5000                  *[insert applicable amount]*

7500                  *[insert applicable amount]*

10,000               *[insert applicable amount]*

*[If pricing is on a PX minus or PX plus pricing basis, describe the pricing and include the materials below.]*

This price is based on our anticipated electricity costs and all of our recurring charges. In addition to our total price of electricity, you must also pay certain monthly charges to the electric utility that serves your area. You may also have to pay us

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for certain non-recurring charges. The following is a description and the amount of each of our recurring and non-recurring charges: *[description of each recurring and non-recurring charge, and the amount of each charge]*

As mentioned above, you are also obligated to pay the electric utility for certain recurring charges for services provided by the electric utility and for legislatively mandated charges. You may also have to pay the electric utility for certain non-recurring charges as well. Below is a listing of those electric utility charges. You should refer to your electric utility bill or contact the electric utility to determine the amount for each of those charges.

*[list each recurring and non-recurring charge imposed by the UDC]*

The following tables provide you with an estimate of your monthly electricity bill based on our total price of electricity and your estimated monthly usage. In addition to our price of electricity, you are also obligated to pay the electric utility for certain recurring charges for services provided by the electric utility and for legislatively mandated charges. You should refer to your electric utility bill or contact the electric utility to determine the amount for each of those charges.

## Column 1

### Residential Customer

Monthly kWh Usage	Estimated Monthly Bill
0	<i>[insert applicable amount]</i>
50	<i>[insert applicable amount]</i>
100	<i>[insert applicable amount]</i>
200	<i>[insert applicable amount]</i>
300	<i>[insert applicable amount]</i>
400	<i>[insert applicable amount]</i>
500	<i>[insert applicable amount]</i>
750	<i>[insert applicable amount]</i>
1000	<i>[insert applicable amount]</i>
1500	<i>[insert applicable amount]</i>

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2000

*[insert applicable amount]*

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## Column 1

### Small Commercial Customer

Monthly kWh Usage	Estimated Monthly Bill
0	<i>[insert applicable amount]</i>
500	<i>[insert applicable amount]</i>
750	<i>[insert applicable amount]</i>
1000	<i>[insert applicable amount]</i>
2500	<i>[insert applicable amount]</i>
5000	<i>[insert applicable amount]</i>
7500	<i>[insert applicable amount]</i>
10,000	<i>[insert applicable amount]</i>

## Description Of Legislatively Mandated Charges

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Included among the recurring charges are amounts for the competition transition charge (CTC), nuclear decommissioning costs, Trust Transfer Amounts (TTA), and public purpose program costs. Pursuant to the legislative enactments regarding electric restructuring, these four charges are to be paid by all consumers of electricity unless exempted by statute. These charges will appear on the electric utility's charges. If you choose to remain with your current electric utility, or you select a different electric service provider, you will remain obligated to pay these four charges. The CTC is the charge which allows the electric utility to recover its investments in electric generating facilities and associated obligations as a result of the restructuring of the electric industry. The nuclear decommissioning costs are the costs of safely removing nuclear generating facilities from service when the facility is retired. The TTA is the charge to recover the financing cost that was used to reduce electricity rates by 10 percent in 1998. All residential and small commercial customers receive the 10 percent rate reduction regardless of whether the customer's electricity provider is the electric utility or a registered ESP. The public purpose program costs are the costs of programs to enhance the reliability of the electricity system; provide energy efficiency and conservation activities; develop research, development and demonstration projects; operate and develop renewable energy sources; and provide electricity to low-income customers under the CARE program.

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## Description Of Terms And Conditions Of Service

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*[describe all of the terms and conditions of service related to the sale of electricity to residential and small commercial customers. this should describe who will perform the metering and who will be billing the customer.]*

*[explain all financial obligations the customer will face in connection with a customer's purchase of electricity or other electricity-related products or services from the ESP, as well as all financial obligations associated with terminating service.]*

If an advance deposit is required, the law provides that the deposit cannot be more than your estimated bill for a three-month period.

*[use the provision applicable to your situation: (1) You, the customer, will receive a single bill from us for all of the electric utility's charges and for our charges. Should you owe any past due amount on your bill, we are responsible for collecting that past due amount from you. If you fail to pay any past due amount, we may transfer your electric service back to the electric utility, who may then disconnect your electric service for non-payment of the electric utility's charges incurred after the transfer. If your electricity is disconnected, you may be obligated to pay a disconnect fee to the electric utility. In order to reestablish electric service, you may have to pay a reconnection fee and post a deposit with the electric utility. (2) Although you, the customer, will be purchasing electricity from us, we will arrange to have the electric utility send you a single bill for the electric utility's charges and for our charges. Should you owe any past due amount on your bill, the electric utility is responsible for collecting any past due amount from you. If you fail to pay any past due amount owed to the electric utility, the electric utility may then disconnect your service. If you fail to pay any past due amount owed to us, we may transfer your electric service back to the electric utility, who may then disconnect your electric service for any unpaid amount owed to the electric utility. If your electricity is disconnected, you may be obligated to pay a disconnect fee to the electric utility. In order to reestablish electric service, you may have to pay a reconnection fee and post a deposit with the electric utility. (3) You, the customer, will be receiving a separate bill from the electric utility for its charges, and a separate bill from us for our charges. Should you owe any past due amount on the electric utility's bill, the electric utility is responsible for collecting any past due amount from you.]*

Should you owe any past due amount on our bill, we are responsible for collecting any past due amount from you. If you fail to pay any past due amount owed to the electric utility, the electric utility may then disconnect your service. If you fail to pay any past due amount owed to us, we may transfer your electric service back to the electric utility, who may then disconnect your electric service for any unpaid amount owed to the electric utility. If your electricity is disconnected, you may be obligated to pay a disconnect fee to the electric utility. In order to reestablish electric service, you may have to pay a reconnection fee and post a deposit with the electric utility.]

## Complaint Procedures

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Different complaint procedures apply depending upon whom you have a dispute with. If you have a billing-related dispute concerning the electric utility's charges, or a dispute regarding the manner in which the electricity is distributed to your residence, a complaint may be filed with the California Public Utilities Commission (CPUC) if you meet the conditions set

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forth in Rule 9 of the CPUC's Rules of Practice and Procedure.

If you have a billing-related or service-related dispute with us, the ESP, you may complain to the CPUC. The CPUC shall then attempt to informally resolve your complaint. However, if you have a dispute against us which does not relate to the rates, charges, or terms and conditions of service, you have the right to file a complaint with the CPUC or file a complaint against us in civil court.

If you file or submit a complaint with the CPUC against an electric utility or an ESP, your electric service cannot be disconnected if you deposit the disputed amount with the CPUC in an escrow account.

If you have any questions regarding the CPUC complaint procedures, you may contact the Consumer Affairs Branch (CAB) of the CPUC. The CAB may be reached at 1-800 649-7570.

## **Other Services**

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We also offer [*describe the other service offered.*] The following is a description of each of the services offered, and the charge or charges associated with each service.

<b>Column 1</b>	<b>Column 2</b>
[ <i>description of each service</i> ]	[ <i>amount of the charge(s)</i> ]
[ <i>description of each service</i> ]	[ <i>amount of the charge(s)</i> ]

## **Notice Of Your Right To Cancel**

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You have the right to cancel any contract for electric service until midnight of the third business day after the day you signed the contract. If no contract is signed, you have the right to cancel any agreement for electric service until midnight of the third business day after the third party verification or other procedure provided for in Section 366.5 has occurred, or until midnight of the fifth business day after the mailing or provisioning of the Section 394.5 notice, whichever is later. You must give us, at the address specified on page 1 of this notice, written notice of your desire to cancel. No fee or penalty may be imposed against you for exercising your right to cancel within this time period. (Public Utilities Code Section 395.)