

Your Rights as a Customer

Prepaid Plan Customers Only

This document summarizes Your Rights as a Customer (“YRAC”). The YRAC is based on customer protection rules adopted by the Public Utility Commission of Texas (“PUCT”) that apply to all retail electric providers (“REPs”). You may view these rules at <http://www.puc.state.tx.us/agency/ruleslaws/subrules/electric/Electric.aspx>.

Obtaining Service

You have the right to choose your REP. A retail electric provider (“REP”) must obtain your verifiable authorization before switching your electric service. If you believe your electric service has been switched without your authorization, which is called “slamming,” you should contact Penstar Power to request assistance. Penstar Power, applicable TDU and registration agent will work together to return you to Penstar Power in accordance with the market process approved by the PUCT.

Billing Issues

You have the right to dispute unauthorized charges. Before any changes for a new product or service are included on your electric bill or deducted from your prepaid account balance, Penstar Power must inform you of the product or service, all associated charges, and how these charges will appear on your electric bill or be charged to your prepaid account balance, as well as obtain your consent to accept the product or service. If you believe your electric bill includes unauthorized charges or your prepaid account balance reflects unauthorized charges, which is call “cramming,” you may contact Penstar Power to dispute these charges. You may contact the PUCT at Public Utility Commission of Texas, Consumer Protection Division, PO Box 13326, Austin, Texas 78711-3326, (512) 936-7120 or (888) 782-8477, (fax)(512) 936-7003, TTY (512) 936-7136 and Relay Texas (toll free) (800) 735-2989. The PUCT email address is customer@puc.state.tx.us and the internet web site is <http://www.puc.state.tx.us/>.

Penstar Power will not seek to terminate or disconnect your electric service for nonpayment of an unauthorized charge or file an unfavorable credit report against you for disputed unauthorized charges, unless the dispute is ultimately resolved against you. If the charges are determined to be unauthorized, Penstar Power will cease charging you for the unauthorized service or product remove the unauthorized charges from your invoice, and refund or credit all money you paid for any unauthorized charger within 45 days. If charges are not refunded or credited within three billing cycles, interest shall be paid to you at an annual rate established by the PUCT on the amount of any unauthorized charge until it is refunded or credited. You may request all billing records under Penstar Power’s control related to any unauthorized charge within 15 days after the date the unauthorized charge is removed from your invoice. Penstar Power will not re-bill you for any charges determined to be unauthorized.

If you are on an electric service product other than a prepaid electric service product and are unable to pay your bill on time, you may have the right to a short-term payment arrangement or a deferred payment plan. If you cannot pay your bill, please call Penstar Power immediately. Penstar Power may be able to offer you a short-term payment arrangement which allows you to pay your bill after your due date, but before your next bill is

Your Rights as a Customer

Prepaid Plan Customers Only

due. In addition, you may qualify for a “deferred payment plan”. A deferred payment plan allows a customer to pay an outstanding bill in installments beyond the due date of the next bill. We may require an initial payment to initiate the plan. Penstar Power must offer customers deferred payment plans upon request for bills that become due during an extreme weather emergency, during a state of disaster declared by the governor to customers in the area covered by the declaration, and to customers who have been under-billed in the amount of \$50 or more with limited exceptions.

If you are on a prepaid electric service product Penstar Power must offer you a deferred payment plan upon request if your prepaid account balance reflects a negative balance of \$50 or more during an extreme weather emergency. If you were under-billed by \$50 or more for reasons other than theft or service, or during a state of emergency declared by the governor to customers in the area covered by the declaration and the PUCT directs that deferred payment plans be offered.

Penstar Power may require no more than 50% of each payment transaction amount to be applied towards the deferred payment plan amount owed or an initial payment will be no greater than 50% of the amount due be made and remaining balance paid in installments. Your service may be disconnected if you do not meet the terms of the deferred payment plan or if your current balance falls below the disconnection balance, excluding the remaining deferred amount. You will be provided at least one day’s notice that you have not met the terms of the plan.

Penstar Power may apply a switch-hold while you are on a deferred payment plan. A copy of the plan will be provided to you. When the requirements of the deferred payment plan have been met a request to remove the switch hold will be initiated.

If you are on an electric service product other than a prepaid service product you may have the right to receive a level or average payment plan. Penstar Power must offer a level or an average payment plan to any customer who is not currently delinquent in payment to Penstar Power. Penstar offers its customers an average payment plan which is a billing program that will generate bills to smooth out the seasonal highs and lows of electricity for customers. A baseline amount is calculated based on the average of your last twelve (12) months of electricity usage. In cases where your residence was previously unoccupied, or inaccurate readings exist in the information we receive from the TDSP, your usage will be normalized. Normalized usage will be based upon seasonally adjusted information from our database of meter readings that match your type of residence. We will adjust your baseline amount every month when we calculate your bill by comparing your current month’s usage with your meter’s historical usage for the same month the prior year. Your average bill amount will vary from month to month, but it will give you a more predictable monthly bill. Penstar Power will reconcile your account on your final bill or if you choose to convert your average plan to a non-average rate plan.

Your Rights as a Customer

Prepaid Plan Customers Only

If you are an economically disadvantaged residential customer, you may have the right to bill payment assistance or a discount. If a residential customer contacts Penstar Power, we must inform you of all applicable options and payment assistance programs that are offered by or available from Penstar Power. An electric customer who receives food stamps, Medicaid, temporary Assistance for Needy Families (“TANF”) or Supplemental Security income (“SSI”) from the Texas Health and Human Services Commission (“HHSC”) or whose household income is not more than 125% of the federal poverty guidelines may qualify for energy assistance from the Texas Department of Housing and Community Affairs (“TDHCA”).

In addition to any other assistance, you may qualify for a level or average payment plan. Customers who qualify for the low-income rate reduction program may pay a required deposit that exceeds \$50 in two equal installments. Please note, however, not all federal, state or local agencies will provide aid to customers receiving electricity under a prepaid product. To find out more information contact the Texas Department of Housing and Community Affairs at <http://www.tdhca.state.tx.us/> and the State energy Conservation Office at <http://www.seco.cpa.state.tx.us/energy-efficiency/>.

Switch-Holds

Penstar Power may apply a switch-hold to your account if you enter into certain payment arrangements, fail to fulfill terms of the agreement or if there is evidence your meter has been tampered with. A switch-hold means you will not be able to buy electricity from other companies until you have satisfied the terms of your payment arrangement or, in cases of meter tampering, have paid all applicable charges and back-billing. While a switch-hold applies, if you are disconnected for not paying you will need to pay Penstar Power to get your electricity turned back on.

Meter Reading and Testing

You have the right to find out if your meter is working properly. Please contact Penstar Power for information about how to read your meter. You also have the right to request a meter test. Penstar Power may make this request to your TDU on your behalf. If a test is performed more than once in a four-year period, and the meter is determined to be functioning properly, then you may be charged a fee for the additional meter test(s) at the rate approved for your TDU. The TDU or Penstar Power will advise you of the test results.

Disconnection of Service

If you are on an electric service product other than a prepaid electric service product, in most circumstances, you have the right to receive 10-day notice before being disconnected. If you do not pay your electric bill by the due date, Penstar Power may request the TDU disconnect your electric service, after the expiration of a required 10-day notice period. The 10-day notice period begins once Penstar Power issues you a written Disconnect Notice. This notice must be mailed to you separately (or hand delivered) no earlier than the first day after the date your bill is due. The disconnection date must be 10 days or more from the date

Your Rights as a Customer

Prepaid Plan Customers Only

the notice is issued and may not fall on a holiday or weekend (or the day preceding) unless Penstar power's personnel are available to take payments and service can be reconnected.

A home with a resident designated as a Critical Care/Chronic Condition Residential Customer shall receive a written disconnection notice not later than 21 days prior to the disconnection date. Such notice will be sent to both the designated person and the secondary contact.

In addition to disconnection of service due to your failure to pay your electric bill, Penstar Power may be allowed to authorize disconnection for any of the reasons listed below:

- failure to make a deferred payment arrangement by the date of disconnection or other payment agreement;
- using service in a manner that interferes with the service of others or the operation of nonstandard equipment;
- failure to pay a deposit required by Penstar Power; or
- failure of a guarantor to pay the amount guaranteed when Penstar Power has a written agreement, signed by the guarantor, which allows for disconnection of the guarantor's service.

If you are on a prepaid electric service product, you will receive a low account balance warning at least 1 day and not more than 7 days before your account's current balance is estimated to fall below the disconnection balance and you are subject to a disconnection. Additionally, Penstar Power may not initiate a disconnection for your failure to maintain a current balance above the disconnection balance on a weekend day or during any period during which your specified mechanisms for payment are not available or our customer service is not operating.

However, in some circumstances, Penstar Power is not required to provide you with notice before you are disconnected. Under certain situations such as the presence of a dangerous condition, theft of service, unauthorized service, or equipment tampering, the PUCT allows Penstar Power to authorize your TDU to disconnect your electric service without prior notice to you. See <https://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.483/25.483.pdf>

Penstar Power may not authorize disconnection of your electric service for any of the following reasons:

- failure to pay for electric service by a previous occupant of the premise if that occupant is not of the same household or business;
- failure to pay any charge unrelated to electric service;
- failure to pay a different type or class of electric service not included on the account's bill when service was initiated;
- failure to pay under-billed charges that occurred for more than 6 months (except for theft of service);
- failure to pay any disputed charges until Penstar Power or the PUCT determines the accuracy of the charges and you have been notified of this determination; or

Your Rights as a Customer

Prepaid Plan Customers Only

- failure to pay an estimated bill unless the estimated bill is part of a pre-approved meter-reading program or in the event the TDU is unable to read the meter due to circumstances beyond its control (not applicable to prepaid service).

Additionally, Penstar Power may not authorize disconnection of your electric service;

- for non-payment during an extreme weather emergency;
- for residential customers, if Penstar Power receives notification by the final due date state on the disconnection notice that an energy assistance provider will be forwarding sufficient payment on your account, and you have paid or made payment arrangements to pay any outstanding debt not covered by the energy assistance provider's payment; or
- for residential customers designated as Critical Care, for non-payment, if you establish that disconnection of service will cause some person at the residence to become seriously ill or more seriously ill. Each time you seek to avoid disconnection for such reason, you shall accomplish each of the following: 1) have the ill person's attending physician contact Penstar Power to confirm that the customer is a Critical Care Residential Customer, 2) have the ill person's attending physician submit a written statement to Penstar Power confirming the customer is a Critical Care Customer, and 3) enter into a deferred payment plan with Penstar Power. This prohibition from disconnection for a Critical Care Residential Customer shall last for 63 days from the issuance of the bill for electric service (or a shorter period agreed upon by you, your secondary contact or the attending physician and Penstar Power).

If your service has been disconnected, you have the right to have it reconnected-If you service has been disconnected for non-payment, Penstar Power will, upon your satisfactory correction of the reasons for the disconnection, notify your TDU to reconnect your service. If you are on a prepaid electric service product we will send a reconnect order to your TDU once you have restored your current balance to a level at or above the connection balance, which will require you to pay off any negative balance and all applicable TDU fees. If your service was disconnected due to a dangerous situation, your service will be reconnected once you demonstrate to Penstar Power you have corrected the dangerous situation.

Disputes with Penstar Power

You have the right to have your complaints taken seriously. Please contact Penstar Power if you have specified comments, questions or complaints. Upon receiving your complaint, Penstar Power will investigate and notify you of the results within 21 days. If you are dissatisfied with the results of the investigation, you may request a supervisory review, if available. Penstar Power must advise you of the results of the supervisory review within 10 business days of your request. If you are dissatisfied with the results of the investigation or supervisory review, you may file a complaint with the PUCT or the Office of the Attorney General, Consumer Protection division. Please include your name and account number, as well as an explanation of the facts and the resolution you desire. While an informal complaint involving a billing dispute is pending at the PUCT, Penstar Power may not initiate collection activities or disconnection activities or report the delinquency to a consumer reporting agency

Your Rights as a Customer

Prepaid Plan Customers Only

with respect to the disputed portion of the bill. However, after appropriate notice, Penstar Power may disconnect your service for non-payment of any undisputed portion of the bill.

Specialized Customer Services

You have the right to receive certain information in English, Spanish, or the language in which you were initially solicited. You may request to receive information from Penstar Power in Spanish, or any language in which you were initially solicited. This includes the Terms of Service Agreement, Electricity Facts Label, Prepaid Disclosure Statement (if you are on a prepaid electric service product), bills and bill notices, information on new electric service, discount programs, promotions, and access to customer assistance. You will this YRAC and disconnection notices in English and Spanish, or English and your designated language, if you have designated a language other than Spanish and were originally solicited in that language.

You have the right to apply for Critical Care Residential or Chronic Condition designation. Please contact Penstar Power to receive a copy of the Application for Chronic Condition or Critical Care Residential Customer Status form. Your local TDU processes the application and makes a determination of eligibility. Your TDU will also send you a renewal application prior to the expiration of your designation.

If you are on a prepaid electric service product, Penstar Power may not knowingly provide (or will not continue to knowingly provide) prepaid electric service to you if an interruption or suspension of electric service would create a dangerous or life-threatening condition, and if you meet the TDU criteria of a "Critical Care" or Chronic Condition" residential customer. Qualification as a Chronic Condition or Critical Care residential customer by your TDU does not relieve you of your obligation to pay us or the TDU for services rendered but we will work with you to transition you to another non-prepaid account or REP in a manner that sees to avoid service interruption.

Other Protections

You have the right to register for the "Do Not Call List". The PUCT maintains a 'Do Not Call List' of customers who do not want to receive telemarketing calls for electric service. Call toll free 1-866TXNOCAL or 1-866-896-6225, or visit the PUCT website at www.puc.state.tx.us to subscribe to the Do Not Call List.

You have the right to have your personal information kept private. Except as described below, Penstar Power may not release your proprietary customer information to any other person without your consent. This includes your name, address, account number, type of classification of service, historical electricity usage, expected patterns of use, types of facilities used in providing service, individual contract terms and conditions, price, current charges or billing records. This prohibition does not apply to the release of your information under certain circumstances as required by law, including release to PUCT, an agent of Penstar Power, consumer reporting agencies, law enforcement agencies, or your TDU. Penstar Power may also share this information with a third party for the purpose of marketing such party's products or services to you after you are provided an opportunity to opt-out of the release of your

Your Rights as a Customer
Prepaid Plan Customers Only

information. In addition, this prohibition does not apply to the release of prior historical usage upon request and authorization of a current customer or applicant of a premise. Industrial and commercial customers may contact Penstar Power or TDU and designate their prior historical usage is competitively sensitive in order to prevent the release of this information.

Outage Information

You have the right to information on how to report an outage. For all residential outages, downed wires, damage to your electric meter or other emergencies, call 24 hours a day, 7 days a week your local Transmission and Distribution Utility Company (“TDU”). The numbers are:

Oncor	1-888-313-4747
Center Point Energy	1-800-332-7143 or 713-207-2222
TNMP	1-888-866-7456
AEP	1-866-223-8508
Sharyland	1-956-668-9551

CONTACT INFORMATION

Penstar Power REP Certificate 10087	Public Utility Commission of Texas
3000 Altamesa Blvd Ste 300 Fort Worth, TX 76133	Consumer Protection Division
Toll Free Customer Service: 1-800-427-4663	P. O. Box 13326, Austin, Texas 78711 - 3326
Toll Free Complaint Line: 1-866-254-5632	Direct: 512-936-7120
Toll Free Fax Line: 1-866-343-3445	Toll-Free: 1-888-782-8477
M-T 8:00am-5:00pm Friday 8:00am-4pm	Fax: 512-936-7003
Internet Web Address: www.penstarpower.com	Internet Web Address: www.puct.state.tx.us
E-mail Address: customercare@penstarpower.com	Email: customer@puc.state.tx.us