

BGE HOME TERMS AND CONDITIONS

1. BGE HOME Products & Services, Inc. (BGE HOME) agrees that your natural gas price will be \$1.399 per therm during the initial Term of this Contract. This rate will be available for Contracts signed by you and received by us, via mail or fax, by July 1st, 2007. The Initial Term of the Contract will be for 3 months effective upon receipt and processing of your Contract with Washington Gas, "WG". Contracts received by July 1st, 2007 will be effective after the first meter reading in August 2007. This offer is limited and subject to availability. After the initial 3-month Term of this Contract, the Term will extend for 12-month periods until canceled by written notice by BGE HOME or you at least thirty (30) days prior to the end of the Term or any subsequent Term. You must notify WG or its successor at least sixty (60) days prior to the end of the term if you wish to return to WG sales service and you must give WG at least thirty 30 days notice before the end of the term if you wish to change gas suppliers. Unless such notice is given to WG with a copy to BGE HOME, this Contract automatically continues in accordance with its provisions.

2. Delivery point is at WG city gate. When we deliver the gas to this point, you then own it. Under its gas delivery program WG will deliver the gas to you.

3. We will deliver and sell, and you will buy your natural gas requirements in accordance with WG's gas delivery service program during the time this Contract is in effect.

4. The cost of your gas will be included on your gas bill from WG, and is due and payable when your WG bill is due. Your bill will include other charges from WG consistent with its filed tariffs. The balancing charge is not a new charge but a portion of the Purchased Gas Charge (PGC) that you are currently paying to the utility. WG has shifted balancing charge responsibility from you to BGE HOME, these charges shall be passed through to you by BGE HOME. Should WG cease billing you and commence billing us for any charges relating to you, we will bill to you and you will pay us for such charges. You are also responsible for paying any existing or new taxes imposed on us or you regarding delivery of the gas during the term of this contract. In the event you do not pay your bill or do not pay on time, late fees equal to the lesser of (i) 1 and 1/2% per month compounded daily and (ii) the maximum rate permitted by applicable law may be

applied on the unpaid amount from the date payment was due through the date of payment. In addition, you agree to pay us our costs incurred in collecting amounts owed us, including reasonable attorney's fees and returned check charges.

5. Upon receipt by us of this Contract and consent form completed by you, we will verify that there is remaining eligibility to participate in WG's residential gas delivery service program and will perform any credit check(s) we deem appropriate. You hereby agree we may perform credit check(s) on you. We will then notify you of eligibility and a Contract effective date. Whereupon, unless this Contract is terminated, it will remain in effect for the Contract Term set forth above and any subsequent Term. If WG's gas delivery service program is terminated, we will notify you and this Contract will terminate. This Contract may be terminated earlier by BGE HOME for any reason, including failure to pay, by giving thirty (30) days written notice. You may terminate without further obligation under this Contract if you provide written notice to us thirty (30) days prior to a) the end of the initial Term or any subsequent Term thereafter or, b) you move to a new home or location and WG does not permit this Contract to move with you. Any termination notice sent by you or us must specify the termination date, which must be at least 30 days after the date of the notice. You will still be responsible for any unpaid balances, as of the termination date. You will be charged a cancellation fee of \$25. BGE HOME will waive this cancellation fee if you terminate this Agreement because you move outside of the Utility's service territory or to a home without natural gas service.

6. We may assign all or any part of our rights or obligations under this Contract without your consent. You may not assign any of your rights or obligations under this Contract without our written consent. If you move within WG's Maryland service territory and natural gas is available, then if permitted by WG, this Contract will continue at your new address. You must notify us thirty (30) days in advance of your move if you plan to move. If this Contract cannot continue, because you move, you will be responsible for paying us all gas delivered to your old address until the date this Contract is terminated in accordance with paragraph five (5).

7. The price and other terms and conditions herein will continue in effect during any subsequent Term unless we propose a new price or new terms and conditions in writing at least 45 days before the new Term. If you do not want to accept the new price and/or new terms and conditions, you must notify us in writing within fifteen (15) days of receiving notice of any new prices or terms and conditions, and in such case this Contract will terminate at the end of the then current Term. If you do not contact us to terminate this Contract, the new price and terms and conditions, if any, will automatically be effective at the beginning of the subsequent Term. Notwithstanding any other provision in this Contract, this Contract may be changed by BGE HOME upon the occurrence of any event beyond its reasonable control. If, as a result of any such occurrence, we request a change in this Contract, you will have an opportunity to terminate this Contract without any further obligation, except for any unpaid balance.

8. Contact us with any questions between the hours of 8:30 a.m. and 5:00 p.m. on weekdays, except holidays. Our toll-free number is 1-888-BGE-HOME. We can be reached by mail at 7161 Columbia Gateway Drive, Columbia, MD 21046. Please contact us at this address or phone number to resolve any disputes regarding this Contract. The delivery of gas to you cannot be terminated or interrupted by WG as a result of any dispute between us and you. This contract is not currently subject to regulation by the Maryland Public Service Commission.

9. In order to anticipate your use of natural gas, you agree that we may obtain information on your historic gas usage from WG.

10. For Door-to-Door Customers Only - You may cancel this Natural Gas Sales Contract at any time prior to midnight of the third business day after the date of this Contract. Please see the attached Notice of Cancellation form for an explanation of this right. Your signature on the reverse side of this form is your acknowledgment that you received two (2) copies of a Notice of Cancellation form.

BGE HOME RESIDENTIAL CONSENT

I have read the Residential Delivery Service Program Fact Sheet and the written agreement containing the terms and conditions of my service with my third-party supplier, BGE HOME. I understand and agree to those terms and agree to participate in the Washington Gas Program as a delivery service customer. My signature on this consent form indicates my selection of BGE HOME as my natural gas supplier. I understand that by signing this form I agree to the terms and conditions set forth in this Contract. Omission of, or incorrect information requested below may delay processing or may be reason for denial of application.

Name: (please print) _____

Date: _____

Customer Signature: _____

WG Account Number

Address: _____

City: _____

State: _____

Zip: _____

Social Security Number: _____

Home Phone: _____

Work Phone: _____

Please return this entire application to BGE HOME

Service Contract Provisions:

1. BGE HOME is offering you the opportunity to receive free enrollment in our Appliance Service Program for 90 days (Beginning 8/1/07) for one of the listed appliances in accordance with our standard terms and conditions for such program. (This offer is conditioned on you and BGE HOME entering into the above Residential Natural Gas Sales Contract.) The 90 day value for the Appliance Service Program is equivalent to one-fourth the annual costs specified for such service in Paragraph 2 below. Customers already enrolled in this program are eligible to receive one free 90 day extension.

2. Our Appliance Service Program is designed to be renewed automatically at the end of the initial free period of service at our regular annual price (Gas Range - \$50.95, Gas Dryer - \$39.95, Gas Furnace - \$99.95, Gas Water Heater - \$31.95) and again at the end of each subsequent annual period. Should you choose to take advantage of our automatic renewal feature you will receive a notice from BGE HOME prior to the renewal date, reminding you of your option to cancel participation in the program at that time. This notice will inform you of any change in either policy or price. If you are not interested in having this service renewed automatically at the end of the free 90 days and each annual period thereafter, please check here.

Select Your FREE 90 Day Service Contract

Please check one box.

- Gas Furnace
- Gas Water Heater
- Gas Range
- Gas Dryer

BGE HOME is not the same company as BGE, a regulated utility.