

The PeakRewards Electric Water Heater Program is ending effective April 1, 2021.

BGE PRIVACY POLICY

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BGE TERMS OF USE

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PEAKREWARDS ELIGIBILITY

- The PeakRewards Electric Water Heater Program will not be available to new participants as of April 1, 2020. New participants are considered BGE residential customers who do not currently have a PeakRewards electric water heater device already installed at their home.
- PeakRewards is open to all active electric BGE residential account holders regardless of their electricity supplier.
- Customers must live within a Maryland county that participates in BGE's Electric Water Heater program and must coordinate with BGE to obtain proper permits.
- Customers must have an electric tank water heater in good working condition.
- If a customer is a renter, they must attest that they have received approval from their landlord.

PEAKREWARDS CREDITS

- Monthly bill credits will be provided once the device is installed but only for the customer of record at the time of installation.
- Monthly Credits:
 - Four credits applied on November, December, January and February bills (annual amount split into four monthly credits).
 - Credits initiate in the billing month subsequent to the customer's enrollment. If the switch is installed after the meter reading and the mailing of the monthly bill in a winter month, the customer will receive credits starting the following month (November through February).
 - Credits will not be prorated based upon the timing of the enrollment and installation.

Winter Credits	Yearly Total
Per Month: November, December, January, February	
\$6.25/month	\$25

DISCONTINUE PARTICIPATION

- Customers may discontinue their participation at any time during the program except during an emergency event and the transition period to normal operation after an emergency event. The change will typically take effect within 48 hours.
- If a customer elects to be removed from the program, the electric water heater switch will be disabled in operational and billing systems effective within two business days. Note: The device will not be physically removed unless specifically requested by the customer.

ELECTRIC WATER HEATER CYCLING EVENTS

- The PeakRewards Water Heater Program will end on April 1, 2021. Once the program is closed, associated electric water heater devices will be deactivated and will not be cycled at any time. Once deactivated, the devices will in no way impact the normal operations of the customer's electric water heater.
- Typically, cycling occurs Monday through Friday, but can occur on weekends and holidays, if required by PJM to maintain system reliability. The actual start time, end time, duration and day of the week of each cycling event varies.
- The length of a cycling event will depend on the need for BGE to reduce electric demand. Generally, summer events begin between 12 p.m. and 3 p.m. Winter events generally occur between 6 a.m. and 9 a.m. or 6 p.m. and 9 p.m. Events could last 10 hours or longer if system reliability requires a longer transition to normal operations. BGE is unable to predict the number of times it will cycle electric water heaters each year, nor maximum duration.
- Events will typically occur during the winter months of November through February but can happen during other months throughout the year.
- If an emergency event is called, it will generally last until the situation is averted, which may be longer than a non-emergency event.

- Customers may not exit the program during an emergency event.
- If an override is scheduled and subsequently an emergency event is called on the day of the scheduled override, the override will be canceled.

IMPACT ON CUSTOMER'S ELECTRIC WATER HEATER

- The BGE PeakRewards program does not repair electric water heater units.
- If an electric water heater malfunctions during an event or otherwise, the customer is responsible for contacting their own technician for repairs. Prior to contacting a technician, customers should determine if the water heater is off due to cycling by looking for the red light on the switch, or by checking PeakRewards Online Access or BGE's Mobile App and viewing their cycling status.
- The PeakRewards equipment (water heater switch) should not cause damage to a customer's electric water heater. This device simply turns off the flow of electricity to the unit.
- In accordance with your county permitting process, an inspection of your electric water heater installation may be conducted. You will receive information regarding this process when you schedule your installation. In addition, BGE's assurance personnel may contact you to schedule an inspection.

TERMS & CONDITIONS

The PeakRewards Electric Water Heater Program will end effective April 1, 2021.

1. BY SUBMITTING YOUR ENROLLMENT, AND / OR BY YOUR PARTICIPATION IN THE PROGRAM, YOU ("CUSTOMER") AGREE TO THE TERMS OF THIS CUSTOMER AGREEMENT.
2. BGE (or its Contractor) will install a switch (referred to herein as "the equipment") on an adjacent wall or other permanent structure or directly on electric water heaters. As of April 1, 2020, the program is closed to new participants. New participants are BGE residential customers who do not have an electric water heater device already installed. BGE or its Contractor will accommodate Customer's request as to where to place the equipment so long as the desired location will provide required functionality. Customer will need to make an appointment and have a responsible adult at home for the installation. Customer agrees to provide BGE or its Contractor with access, at reasonable times, to Customer's premises to install, inspect, maintain and/or repair the equipment. Customer must ensure that the area surrounding the water heater is clear and easily accessible for the technician to safely complete the installation. The technician can cancel the installation if the area is not clear. Customer is responsible for potential issues due to aging/inefficient electric water heaters. If during an inspection it is deemed that the device has been tampered with causing it to be inoperable, BGE reserves the right to unenroll the Customer from the program.
3. Customer understands that the equipment will permit BGE to cycle off the flow of electricity to the electric water heater during times of high overall electricity demand.
4. The incentives the Customer will receive in consideration for participation are as detailed above. BGE may, upon approval from the Maryland Public Service Commission, modify the incentive structure.
5. The equipment shall remain the property of BGE. Customer agrees to notify BGE if Customer disconnects or removes the equipment. This Customer Agreement is not assignable or otherwise transferable by Customer.
6. Customer shall have the right at any time to terminate the service by notifying BGE in writing or by telephone. Customers will no longer receive bill credits upon termination of participation in the program. Such termination will take up to 2 business days and will not be effective during an emergency event.
7. Once the program ends effective April 1, 2021, all electric water heater devices will be retired in place. If the customer wishes to have the device removed, the customer must notify BGE by telephone. Once the device is deactivated, it will in no way impact the normal operation of the electric water heater.
8. BGE will not be liable to the Customer or to any third party for any losses or damages, including loss of profits, loss of earnings, loss of business opportunities and personal injuries (including death), including without limitation, any damage resulting from or arising out of the Customer's participation in this Program.
9. Customer understands that BGE assumes no responsibility for the condition or repair of Customer's electric water heater or other equipment. Customer understands that Customer is responsible for the repair and maintenance of their own equipment.
10. THE PROGRAM AND EQUIPMENT ARE PROVIDED "AS IS." CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THAT BGE MAKES NO

Electric Water Heater Program

Customer Agreement and Terms & Conditions

REPRESENTATIONS OR WARRANTIES ABOUT THE EQUIPMENT OR PROGRAM, WHICH ARE BOTH PROVIDED WITHOUT WARRANTY OF ANY KIND, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, WARRANTIES ARE DISCLAIMED BY BGE TO THE FULLEST EXTENT PERMITTED BY THE LAW.

11. Participant agrees to hold harmless, defend, and indemnify BGE, and its subsidiaries, affiliates, officers, agents, and employees from and against any third-party claim arising from or in any way related to improper use of the Equipment or Program, including any liability or expense arising from all claims, losses, damages (actual and consequential), suits, judgments, litigation costs, and attorneys' fees, of every kind and nature. In such a case, BGE will provide you with written notice of such claim, suit or action.
12. This Agreement constitutes the entire agreement between the Customer and BGE and is consistent with the tariff filed with the Maryland Public Service Commission. No undertaking, representation or warranty made by any

agent or representative of BGE in connection with the sale, installation, maintenance or removal of BGE's services or Equipment shall be binding on BGE except as expressly included herein.

13. Customer understands that BGE reserves the right to modify the terms of PeakRewards subject to approval from the Maryland Public Service Commission. Customer will receive notice of such Program modification. Customer's continued participation in the Program following notice of such change shall be considered acceptance of such modification.
14. Customer understands that BGE will send an annual communication each spring or fall, as needed, that will provide an overview of the program, program modification, cycling level confirmation and other important information. As part of the Customer's continued participation in the Program, readiness communication shall be considered acceptance.
15. BGE may assign or delegate any of our rights or obligations under this Agreement to independent contractors or other third-party organizations. Customer's rights may not be assigned or transferred without BGE's written consent.

The above provisions regarding events beyond BGE's control, warranties, disclaimers of warranty and liability, and termination will survive the termination of this agreement. Failure to insist on strict performance of the terms will not operate as a waiver of any subsequent default or failure of performance. If any part of the above is determined to be invalid or unenforceable by a court of competent jurisdiction, then the invalid or unenforceable provision will be deemed ineffective and the remainder of the Agreement shall continue in effect. No joint venture, partnership, employment, or agency relationship exists between Customer and BGE as a result of this Agreement.