Notice to Residential Electric Utility Customer of Summary of Rights and Obligations Under the Home Energy Fair Practices Act and the Energy Consumer Protection Act of 2002

The following summarizes the rights and obligations of a residential electric utility customer ("residential customer") under the Home Energy Fair Practices Act ("HEFPA") and the Energy Consumer Protection Act of 2002:

1. Complaint Handling Procedures. If a residential customer has a problem or complaint with regard to electric service, he or she should contact the Waterside Plaza, LLC's ("Waterside") third party billing agent, Elemco Building Controls, Inc. ("EBC"), upon becoming aware of the problem. The customer should call the New York State Public Service Commission ("PSC") only if he or she is unable to resolve the problem with EBC. Complaints about electric service may be made to EBC by telephone, letter, electronically, or in person. EBC shall promptly investigate the complaint and report the results to the complainant. EBC may be contacted using the following information:

Elemco Building Controls, Inc. 1324 Motor Parkway Suite 112 Hauppauge, NY 11749 Tel: (631) 582-8266

Fax: (631) 582-5329

Email: info@ebcsystems.com

If the residential customer is dissatisfied with the EBC's decision on the complaint, he or she may appeal to the PSC to review that decision. PSC may be contacted using the following methods:

By mail: NYS Department of Public Service

Consumer Services Division

3 Empire State Plaza Albany, NY 12223

By telephone: Toll-free HELPLINE 1-800-342-3377

Emergency HOTLINE 1-800-342-3355

2. Payment of Bills. Residential customers will receive a monthly electric statement separate and apart from their monthly rent bill. The monthly rent bill will state the amount owed for electric charges for the apartment. The charges for electricity are considered "additional rent" pursuant to the terms each tenant's lease. Electric service cannot be terminated, disconnected, or suspended at any time. However, should a tenant fail to timely pay the full monthly rent owed, including the additional rent assessed for electric service, the tenant may be subject to an eviction proceeding based upon non-payment.

3. Special Protections

Elderly, Blind or Disabled. If Waterside is aware that a residential customer and all adults living with him or her are 62 years of age or older, blind or disabled, it shall make special attempts to contact the customer by phone or, if necessary, in person, with regard to electric service. If a customer is unable to pay the additional rent which constitutes the bill for electric service, Waterside shall try to work out a payment agreement or obtain payment or a guarantee of payment for the local Department of Social Services or a private organization. If arrangements cannot be made, the company shall notify the local Department of Social Services of the possibility of service shutoff. However, as stated above, electric service cannot be terminated, disconnected, or suspended at any time. Therefore, the possibility of service shutoff does not exist.

Medical Emergencies. Waterside shall not terminate, disconnect, or suspend or refuse to restore service when a medical emergency, as certified by a medial doctor or local board of health, exists. However, as stated above, electric service cannot be terminated, disconnected, or suspended at any time.

Supplemental Security Income Benefits. Waterside shall not refuse to supply or to continue to supply utility services to any person who has applied for or is receiving public assistance, supplemental security income

benefits, or additional state payments pursuant to social services law, solely on the grounds that there may be money due to Waterside for services previously furnished, if Waterside receives, or is entitled to receive, a direct payment or receives a guarantee of payment from a social services district. However, as stated above, electric service cannot be terminated, disconnected, or suspended at any time.

- 4. **Notice to Utility.** If a residential customer and all adults living with him or her are 62 years of age or older, blind or disabled, it is requested that the residential customer voluntarily inform Waterside that he or she qualifies for the above-referenced protection.
- 5. **Designation of Third Party.** Residential customers have the right to designate a third party to receive copies of all notices relating to the termination, disconnection and suspension of service or other credit notices, provided that the third party agrees in writing to receive such notices. However, as stated above, electric service cannot be terminated, disconnected, or suspended at any time.
- 6. **Forms.** Customers claiming the protections of paragraphs 3, 4, or 5, above, should contact Waterside Plaza, LLC's management office for the appropriate forms to be filled out and returned to Waterside:
- 7. **Deferred Payment Plans.** If a residential customer has a financial problem that prevented him or her from paying previous bills, the residential customer can make a deferred payment agreement, which will allow for the payment of the overdue amount in reasonable installments. However, Waterside can refuse to offer a payment agreement when it believes the customer can pay the amount owed, and after its own investigation, the PSC also determines that the customer has the ability to pay the amount owed.

Security Deposits. A residential customer may be required to pay a deposit to Waterside if the customer:

- did not pay two or more utility bills in a row without making partial payment of at least half of the amount owed:
- had service shut off for non-payment of bills within the past six months; or
- is a short-term seasonal customer.

While a residential customer's failure to pay his or her electric bill may result in the requirement that the customer provide Waterside with a security deposit, be advised that the customer's failure to pay the additional rent assessed for electric service may also result in the commencement of an eviction proceeding based on non-payment. A residential customer's electric service will not be terminated, disconnected, or suspended as a result of non-payment.

Utility's Budget or Levelized Payment Plan. Residential customers may request a voluntary budget billing or levelized payment plan for the payment of electric charges. The plan is designed to reduce fluctuations in customers' bills due to seasonal patterns of consumption.

Calculation of levelized electric sub meter monthly charges will be based on the individual tenant's most recent 12-month consumption history, adjusted for any known changes. If 12 months of billing data are not available for the tenant, then 12 months of billing data for the premises (apartment) will be used. If 12 months of billing data are not available for the premises (apartment) then Waterside shall estimate future consumption over the next 12-month period. The electric sub meter statements will clearly identify consumption and state the amounts that would be due without levelized or budget billing, as well as the current levelized monthly charges. The statements and format of the statement information will be subject to regular review for conformity with actual billings.

Payment of levelized charges will be due each month as noted on the rent bill and defined on the sub meter billing statement. Balances or credits due based on a variance between the total of the budget/levelized payments and the accrued actual payments due based on measured electric consumption shall be trued up either once each year on the twelfth month of the billing plan or when the tenant vacates the premises (apartment), whichever occurs first.