

PLP - TERMS AND CONDITIONS 2016-2017

Philadelphia Gas Works

Residential Parts & Labor Plan Contract

This Residential Parts & Labor Plan Contract (this "Plan") is available to customers of the Philadelphia Gas Works ("PGW") who have natural gas house heaters, gas water heaters, gas dryers and/or split system electric central air conditioners combined with gas heating (collectively, "equipment"). This Plan serves to protect the Customer from parts and labor costs associated with repair or replacement of defective or worn parts as a result of normal usage of covered equipment.

All equipment to be covered under this plan must be certified by the American Gas Association, Underwriters Laboratories, Canadian Gas Association, International Approval Services or Electrical Testing Laboratories and installed in accordance with the manufacturer's and PGW's installation requirements. The manufacturer's original design of the equipment cannot be altered and the equipment must be maintained with original parts or manufacturer's specified replacement parts. The equipment must be in good operating condition on the date this plan becomes effective for coverage to apply. PGW reserves the right to inspect the covered equipment.

The deadline for enrollment into the 2016-2017 Plan is April 1, 2017.

The commencement date of this Plan will be the 15th day following receipt of payment, but in no event sooner than November 1, 2016. All Plans will expire on October 31, 2017, regardless of commencement date. In no event will a plan be activated unless full payment has been received and processed. All applications and payment must be postdated by April 1, 2017, to receive requested Plan. Plans are not transferable to another address. However, a Plan contract may be assigned to a succeeding occupant of the premises for the balance of the term at no additional charge.

GENERAL CONDITIONS

This Plan is subject to the following terms:

A. PGW guarantees to provide next day service to customers purchasing a Parts and Labor Plan covering a house heater if a customer service request is received before 12 o'clock noon (excluding Holidays) from December 1 through April 15. Plan customers may call from 7AM to 6PM (Monday through Friday) and speak to a representative. Simply dial (215) 235-2050 for house heater service. After 6PM or during the weekend, leave a message and a customer representative will return your call to schedule an appointment. A service technician will contact you by phone on the day of the service visit to verify the appointment time.

B. PGW will also attempt to provide next day service to customers purchasing a Parts and Labor Plan covering an air conditioner if a customer service request is received before 12 o'clock noon (excluding Holidays). PGW will not provide service to a combined central heating and air conditioning system during the cooling season (May 15 through September 15) unless the customer has purchased a Plan that covers air conditioning.

Plan customers may call from 7AM to 6PM (Monday through Friday) and speak to a representative. Simply dial (215) 235-2050 for air conditioner service. After 6PM or during the weekend, leave a message and a customer representative will return your call to schedule an appointment. A service technician will contact you by phone on the day of the service visit to verify the appointment time.

C. PGW will continue to give prompt and efficient service for all other covered equipment. Parts will be obtained as quickly as possible. Interchangeable parts will be used when exact parts are not available. Exchanged parts retained by PGW will become the property of PGW. Response time is subject to weather and workload conditions.



D. Customers may choose and pay for one of eleven (11) individual plans: (i) House Heater, (ii) Gas Clothes Dryer, (iii) Water Heater, (iv) House Heater and Water Heater, (v) House Heater, Water Heater and Gas Dryer, (vi) House Heater and Electric Central Air Conditioner, (vii) House Heater, Water Heater and Electric Central Air Conditioner, (viii) House Heater, Water Heater, Electric Central Air Conditioner and Gas Dryer, (ix) Water Heater and Gas Clothes Dryer, (x) House Heater and Gas Clothes Dryer, and (xi) House Heater, Gas Clothes Dryer and Electric Central Air Conditioner. Coverage under the plan(s) by type of equipment is described in the Coverage section. If a system or appliance is not functioning because of a part that is not covered in the Coverage section, PGW will have no responsibility to repair such system or appliance, and no refund will be provided. In order for there to be coverage of a piece of equipment, a plan must be purchased for each piece of equipment, or for each equipment combination (for example, 2 gas house heaters and 2 gas water heaters will require the purchase of 2 House Heater and Water Heater combination plans).

E. The Customer is required to provide the service person with adequate lighting and safe and reasonable access to the premise and equipment.

F. The Customer is responsible for properly cleaning and maintaining the air filters, the proper adjustment of air registers and the lubrication of motors. Defective blower motors that result from failure of the customer to change air filters will not be replaced under this Plan. PGW shall have no obligation or liability for covered equipment which is subject to abuse or misuse. Customer's failure to authorize or effect the replacement of any parts which are required to maintain the equipment in good condition will void this Plan.

G. A single boiler providing heat and hot water (Summer/Winter hook-up) requires a combination Plan (house heater and water heater), as domestic hot water and house heating are produced by a single unit.

H. If there is more than one heater attached to the same account number, a separate Plan must be purchased for each heater.

INDIVIDUAL EQUIPMENT COVERAGES

Parts listed below are covered under the plan(s).

A. HOUSE HEATER

If a plan covering a house heater is purchased, all parts and labor services required for the repair or replacement of the following house heater items will be covered at no additional charge, if they become defective as a result of normal wear and usage: Aquastat (dry well) • Belts & Pulleys • Blower Assembly • Burners • Capacitor • Circulator (mounts, couplings & motor only)* • Circulator Relay* • Drain Valve (steam only) • Draft Hood (boiler only) • Electronic Controls (if part of original design) • Fan & Limit Control • Flame Sensor • Forced Drafter (if part of original design) • Fuses • Gas Controls • Gauge Glass & Washers • Hot Surface Igniter • Ignition Systems • Internal Appliance Wiring • Line Cocks (A&B) • Low Water Cut-Off (steam heaters only) • Exception: one piece combination Low Water Cut-Off and auto feed • Motor (blower) • Pilot & Burner Tubing • Pilot Safety • Pilot Shields • Pressure Switches • Regulator • Safety Switch • Service Switch • Standard Area Heating or Heating/Cooling Room Thermostat* • Steam Pressure Control & Pig Tail • Switching Relay • Thermocouple Lead • Transformer • Vent Damper (motorized if part of original design) Does not include section replacement.

*As part of this Plan, only the part controlling the living area zone will be repaired and/or replaced.

B. AUTOMATIC WATER HEATER

If a Plan covering an automatic water heater is purchased, all parts and labor services required for the repair or replacement of the following automatic water heater items will be covered at no additional charge, if they become defective as a result of normal wear and usage:



Burners • Dip Tube • Drain Valve • Electronic Controls (if part of original design) • Forced Drafter (if part of original design) • Gas Controls • Internal Appliance Wiring • Pressure Switches • Relief Valve • Safety Switches • Thermocouple Lead • Burner or interior door gasket • Resettable Thermal Switch (Bradford AWH)

Does not include tank replacement.

C. CENTRAL AIR CONDITIONER

If a plan covering an electric central air conditioning split system that utilizes R22 or R410A refrigerant and is rated at five tons or less by the manufacturer is purchased, all parts and labor services required for the repair or replacement of the following items will be covered at no additional charge, if they become defective as a result of normal wear and usage:

Belts & Pulleys • Capacitor (start & run) • Clean Condensate Line (if accessible) • Cleaning of Condenser (when necessary) • Condenser Fan Blade • Condenser Fan Motor • Contactor • Fan Motor • Fuses (cartridge type) • Hard Start Kit (if part of original design) • Low-Ambient Temperature Control • Pressure Switch (external pressure switches only) • Refrigerant (up to 2 lbs. per season) • Schrader Valve Stems • Sensors • Solid State Controls • Thermostat (replacement type-standard area heating/cooling) • Time Delay Controls • Transformers • Relays

PGW will not open sealed refrigerant systems. Systems empty of refrigerant will not be charged. Finish defects, rusting, corrosion and finish flaws on housings or component failure resulting from rust or corrosion of any product are not covered.

D. GAS DRYER

If a Plan covering a gas dryer is purchased, all parts and labor services required for the repair or replacement of the following gas dryer items will be covered at no additional charge, if they become defective as a result of normal wear and usage:

Belts, Pulleys & Bearings • Blower Assembly • Burners • Circuit Board • Coil Kits • Door Gaskets & Clips • Drum Belts & Seals • Drum Glides • Drum Rollers • Flame Sensors • Gas Valves • Igniters & Brackets • Internal Appliance Wiring • Limit Controls • Pilot & Pilot Safeties • Regulators • Shut-off Valves (part of dryer) • Switches (Door-Start) • Thermostats (fixed & adjustable) • Timers

For coverage, dryer must be vented to the outside with approved venting material. Venting material is not covered.

ADDITIONAL CONDITIONS

In the event that PGW cannot meet the next day service on house heaters from December 1 through April 15, the customer may hire an independent heating contractor and PGW will credit the customer's gas account for the amount of the contractor's bill for service and parts replacement covered by the Parts and Labor Plan up to the amount of PGW's cost for the covered service and parts replacement.

If PGW should find that it cannot provide service for reasons such as unavailability of parts, inadequate access, where the presence of asbestos or other contaminant prevents safe service, or where the provisions of this plan have not otherwise been met, PGW shall have the right to refuse service until these conditions are corrected or terminate this plan without liability. If PGW exercises the right to terminate the plan, it will investigate the circumstances leading to the termination and may refund to the customer the amount paid for coverage of the equipment in question.

Due to weather and safety conditions, PGW may not be able to perform service on Electric Central Air Conditioner equipment when the air temperature is below 75 degrees or in the rain.

PGW will not be responsible for damages, including but not limited to, direct, special, incidental and/or consequential damages caused by or resulting from the use of the equipment, the



performance of the equipment, any changes to the manufacturer's original equipment design other than by PGW, any illness or injury caused by delays, misuse of the equipment (using the equipment in ways other than for the purpose intended by the manufacturer), failure to service, unavailability of parts, labor difficulties, severe weather conditions and other conditions beyond PGW's control. The total liability of PGW hereunder shall be limited to a refund of the plan charges paid by the customer. Any action against PGW must be commenced within one (1) year after the cause of such action occurs.

This plan does not cover routine checks, normal maintenance or seasonal start-up. This plan does not cover parts replacement or labor charges that result from faulty equipment design or faulty installation. PGW reserves the right to reject the application of any customer with a history of calls for conditions that are not covered by the Parts and Labor Plan.

If any repair cost is greater than the value of the equipment in PGW's reasonable opinion, then PGW reserves the right to decline service and refund the purchase price of the plan. Commercial applications and heating units supplying more than two-family dwelling units or supplying a combination of dwelling units and/or commercial activities, such as professional offices and small retail businesses, are not eligible for the plan. If a customer mistakenly purchases coverage for such equipment even though it is not eligible pursuant to the previous sentence, PGW will refund amounts paid for such coverage in the current plan year. No refunds will be provided for any previous plan years. PGW reserves the right to reject any application or cancel the plan and may refund the plan charges paid in the event the usage of the customer's covered equipment does not comply with the provisions of the plan. No refunds will be issued if a customer terminates the plan or removes any covered equipment from coverage under the plan.

Systems not covered

• House heaters with power burners • Wall mounted water heaters and heating boilers • Rooftop heating and air conditioning equipment or any other unit requiring a ladder to access • Package unit electric central air conditioners (e.g., wall insert model Patco & Fedders) – can purchase heating only contract • Pool heaters • Heat pumps • Electric Central Air Conditioner utilizing an air handler • Wireless Thermostats • Equipment Interface Modules / Wireless sensor



TERMS AND CONDITIONS 2016-2017

Philadelphia Gas Works

Check And Adjust For Natural Gas Heating Equipment Contract

PGW's Check and Adjust includes a tune-up of your furnace or boiler and a visual inspection of your natural gas heating equipment. A PGW technician will provide the following services when inspecting your heating equipment:

- · Check thermostat for proper operation
- · Inspect venting system
- Check and remove debris from chimney clean out
- · Check draft to appliance at draft hood if part of heater design
- · Check flame characteristics
- Clock consumption if needed based on flame characteristics
- · Check automatic cutoff
- · Check adjustable limits
- · Clean pilot and main burner if needed
- · Check filter and instruct customer to replace if needed (replacement not included)
- Check water level pressure gauge and instruct customer to obtain system correction if needed (correction not included)
- Check blower or pump operation
- Lubricate blower, inducer or pump, if not a permanently lubricated motor
- Inspect T/P relief valves for leakage and corrosion
- · Check low water cut off, flush and fill to proper water level
- Examine heat exchanger / Sections for defects

PGW's Check and Adjust must be purchased in conjunction with a Parts and Labor Plan for your natural gas heating appliance. The Check and Adjust cannot be purchased as a standalone item. A Check and Adjust is only available for your heating equipment and will not be available for any other equipment covered under a Parts and Labor Plan. Each customer that purchases Check and Adjust along with their heating plan is permitted one (1) inspection of their heating appliance from September 1, 2016, through October 31, 2017. Inspections are performed from September 1, 2016, through November 30, 2016, and April 1, 2017, through May 31, 2017, weather and conditions permitting. Customers are responsible for scheduling their annual inspection. Service to items on the above list could be limited based on seasonal temperatures and conditions found. If a PGW technician encounters a problem with the heating equipment during the scheduled Check and Adjust, covered repairs will be made as provided in the Parts and Labor Plan terms and conditions; provided that the visit by the PGW technician constitutes the one (1) annual permitted inspection even if repairs are made pursuant to the Parts and Labor Plan.

Customers must allow 5-7 business days to schedule their inspection. Scheduling of inspections is based on workforce availability, so customers are advised to call early in the inspection season to secure an inspection appointment. PGW has the right to cancel an appointment at any time. If your appointment is canceled, a PGW representative will call or email you to reschedule. To schedule an annual inspection, call PGW's Check and Adjust service line, weekdays during normal business hours, at (215) 235-2050 or email PGW.PartsandLaborPlan@pgworks.com. For expedited service, PGW recommends utilizing the previously mentioned email address. A PGW representative will respond to all Check and Adjust requests within 24 to 48 hours.

The above information only applies to PGW's Check and Adjust. If you have a problem with your natural gas heater, please refer to the Parts and Labor Plan terms and conditions for the House Heater under "General Conditions". For all questions about your Parts and Labor Plan, please call (215) 235-2050.