

**CONSUMERS ENERGY APPLIANCE SERVICE PLAN**  
**APPLIANCE SERVICE PLANS – TERMS AND CONDITIONS COVERAGE DETAILS**

Notwithstanding any provision in these Terms and Conditions to the contrary, Consumers Energy may in its sole discretion, upon 30 days' written notice, modify these Terms and Conditions or terminate its Appliance Service Plans, in whole or in part, including this contract. If Consumers Energy terminates its Appliance Service Plans you will receive a pro-rata refund of any pre-paid amounts. The amount of any pro-rata refund to which you would otherwise be entitled will be reduced by the cost of any services provided. If you pay monthly, future monthly payment obligations will cease at termination.

- 1.** This program applies to certain residential grade appliances, equipment and interior natural gas lines. Prices apply to single units per household, if you have multiple appliances of one type each appliance must be covered. If you have heat pump or boiler coverage you must also have furnace coverage.
- 2.** Whether you prepay or pay in installments, you are purchasing the contract for one full year that you can terminate under certain circumstances. The installment price quoted is a monthly rate paid for 12 consecutive months. You can terminate the contract during the initial year if you move to a different dwelling or if you move into another area served by this program, you may take your contract with you. This contract is personal to you and shall not be assigned by you. Any such attempted assignment will be void. If you desire to terminate service during the initial year, and if you have had no service under this program, your installment payments will cease after cancellation notice has been received by Consumers Energy; if you prepaid annually, you will receive a pro-rata refund. If you have had service under this program during the initial year, you will be responsible for the cost of that service or the remaining installments due, whichever is less; if you prepaid annually, the amount of any pro-rata refund to which you would otherwise be entitled will be reduced by the cost of services provided. There are no refunds for your enrollment prior to cancellation.
- 3.** To ensure continued coverage, Consumers Energy will automatically renew the contract for another 12 months each year unless the contract is terminated by either party giving 30 days' notice to the other prior to the expiration of the contract period. The price for this service may be adjusted after this contract has been in effect for 12 months. Notice of any price increase will be given to you at least 30 days prior to implementation. You may terminate coverage by giving notice to us at any time prior to the effective date of the increase.
- 4.** In the event that you choose to alter your plan in any way your 12 month contract will start over. Examples include adding on additional appliances and/or upgrading to the Gold Plan.
- 5.** All equipment covered by this contract must be in good operating condition, fully functional and free of pre-existing conditions at the time you enroll in the program. Consumers Energy reserves the right to make an on-site inspection of the equipment. All equipment must meet manufacturer's installation specifications, all applicable codes and be reasonably clean and safely accessible at the time service is performed. No services will be performed in areas where hazardous materials, conditions or situations exist until the hazards have been eliminated by customer at customer's expense. Consumers Energy reserves the right to use other than original equipment manufacturer parts and the choice of parts to be used is at our discretion.
- 6.** Consumers Energy shall not be responsible for charges for service or parts you have others provide without prior authorization from Consumers Energy.
- 7.** Consumers Energy may, at our discretion, use qualified contractors to fulfill all or any part of our obligations under the terms of this contract.
- 8.** Your coverage will remain in effect only by keeping your payments up to date. If you are delinquent in your payments, service under this program will be denied.

**9.** Tune-ups are not a covered service under a base service agreement. They must be pre-purchased by the customer. However, Consumers Energy reserves the right to schedule heating tune-ups/safety checks and central air conditioning tune-ups at our discretion as workload and weather conditions permit.

**10.** Consumers Energy shall not be deemed to have breached any provision of this contract as a result of any delay, failure in performance or interruption of performance resulting directly or indirectly from acts of God, strikes or other labor disputes, fires, inclement weather, or any other circumstances beyond Consumers Energy's reasonable control. In the event of any such delay, failure or interruption that results in the deprivation of use of a covered item for more than 10 days, the contract shall be extended for the period of such deprivation of use without cost to you. Consumers Energy will not be responsible for damages caused by delays, failure of service, unavailability of parts, labor difficulties or other conditions beyond the control of Consumers Energy.

**11.** Appliances being mechanical in nature do wear out. We will determine the current market value of the appliance using a depreciation table (a copy of which will be provided upon request). If the cost to repair is more than two times the current market value of the appliance, we reserve the right not to repair the appliance and recommend replacement at your expense. This provision does not apply to covered repairs on heating/cooling equipment and water heaters.

**12. Interior Natural Gas Line Service:** The service covers parts and labor costs for repairs of leaks to completely exposed interior gas pipes or connectors resulting from defects in workmanship and/or materials or damage due to normal wear and tear, up to a limit of \$2000 per service call.

Additional conditions of service include:

**a.** Consumers Energy will repair or replace completely exposed interior gas piping. This contract applies to one premise and covers customers who are receiving natural gas from a residential service provider.

**b.** Prior to servicing any gas piping, Consumers Energy reserves the right to inspect the gas piping and to restrict certain types of piping from eligibility due to unavailability of parts and/or inaccessible lines

**c.** All covered gas piping must be 1/2 to 1-1/4 inch pipe of a type certified by the American Gas Association, National Fuel Gas Code or the National Fire Protection Association. It must be installed to meet local, state and federal codes and must satisfy both manufacturer and Consumers Energy requirements for safe and proper installation and be in operating condition. Examples of gas piping which are not eligible for service include cast iron pipe, plastic pipe used in other than underground installations, or no gas shutoff valve located within three feet from a gas appliance.

**d.** All gas piping must be readily accessible. In an instance where gas piping is not accessible it's the customer's responsibility to remove any obstruction prior to Consumers Energy's service arrival. Any damage caused, or costs incurred, to gain access to inaccessible exposed interior gas piping, including restoration costs, will be the responsibility of the customer, including but not limited to restoring concrete, dry wall, paint and wallpaper.

**e.** See also service/parts not covered.

#### **LIMITATION OF LIABILITIES**

**1.** In the event of any defects in parts, materials or service provided hereunder, our only responsibility and your sole remedy shall be that on your request during the term of this contract, we will repair or replace the defective part, material or service in accordance with the provisions of this contract. Consumers Energy is not responsible for appliance/equipment replacement cost despite good faith efforts to repair.

**2.** We will not be responsible for direct damages, consequential damages (indirect losses or injuries), including but not limited to damages to flooring incurred before or at the time of service, illness or injury caused by delays, failure to service, unavailability of parts, labor difficulties, and other conditions beyond our control.

### **SERVICE/PARTS NOT COVERED**

- 1.** The contract does not cover any labor, material and parts required as the result of: abuse, vandalism, fire, freezing, acts of God, energy or water supply outages, power surges, equipment operated on portable generators, flooding, water damage, or attempted repairs by persons other than Consumers Energy authorized personnel or any other abnormal conditions.
- 2.** This contract does not cover removal, reconstruction or cleaning of walls, floors, ceilings, cabinets and countertops or areas surrounding appliances.
- 3.** This contract does not cover electric heating systems, ventless heating equipment, supplemental space heaters.
- 4.** The contract does not cover labor and materials for repair or replacement of these parts:
  - Heating/Cooling Equipment:** air filter, air cleaner, duct work, heat exchanger, humidifier filters, service switch, vent damper;
  - Boilers:** drain valve, leak repair of non-covered components, radiator, system antifreeze, radiator piping, sight glass;
  - Air Conditioner/Heat Pump:** sealed systems compressors, condensers, drain pan, electric disconnects, evaporators;
  - Water Heater:** anode rod, drain valve, water tank;
  - Clothes Dryer:** drum, venting; Range: all parts covered see miscellaneous for exclusions;
  - Refrigerator/Stand-Alone Freezer:** audio and video components, evaporator coils, door liner, drain pan, compressors, condensers, refrigerant charging, shelves;
  - Clothes Washer:** combination tub and bearing assembly, inner and outer tub, transmission;
  - Dishwasher:** dish racks, door liner, dishwasher tub, water supply lines;
  - Microwave:** door glass, door frames, glass tray, filters, interior linings, meat probe assemblies;
  - Garbage Disposal:** Materials or parts will not be repaired or replaced. In the event that your garbage disposal cannot be reset or unclogged you will receive a check for \$125;
  - Gas Fireplace:** fireplace doors, logs, heat exchangers, media glass, remote controls (operator or controller), remote shut off valve, ventless gas log fireplace;
  - Interior Natural Gas Line Service:** Service to the natural gas meter including connections, gas piping connecting to built-in stoves or fireplaces, exterior and underground piping exiting outside of the location to gas lamps, grills, other appliances, and structures not attached to the premises and receiving non-residential service, updating or moving non-leaking gas pipes to meet code, movement of the meter at the time of repair or replacement, unless required by local gas code or deemed necessary by a Consumers Energy representative, remodeling and cosmetic alterations, ordinance requirements or changes, repair or replacement of any copper gas piping or incorrectly-sized gas piping, repair or replacement of any devices or equipment utilized to regulate gas pressure;
  - Miscellaneous:** appliance cabinets, devices added to original equipment, doors, door glass, trim, hoses, house wiring, insulation, panels and missing parts, piping and fittings (water, fuel lines, combustion and exhaust venting), shelf and drawer including mounting hardware. The contract does not cover labor and materials for general maintenance activities including cleaning and sealed system leak repair. Appliance disconnection and installation are also not covered.

**EXCEPT FOR WARRANTIES AND REPRESENTATIONS SPECIFICALLY AGREED TO UNDER THESE TERMS AND CONDITIONS, CONSUMERS ENERGY HEREBY DISCLAIMS ALL OTHER WARRANTIES EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PURPOSE. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE DESCRIPTION OF THE SERVICE TO BE PROVIDED UNDER THIS AGREEMENT. CONSUMERS ENERGY AND ITS AFFILIATES ARE NOT THE MANUFACTURER OF THE GAS PIPING OR CONNECTORS AND THEREFORE THIS CONTRACT IS NOT A**

WARRANTY, GUARANTEE OR PROMISE RELATING TO THE MATERIALS, WORKMANSHIP OR PERFORMANCE OF THE INTERIOR GAS PIPING OR CONNECTORS REPLACED BY CONSUMERS ENERGY AND NO SUCH WARRANTY SHOULD BE IMPLIED FROM THIS CONTRACT.

**COVERED SERVICE PARTS** Consumers Energy Appliance Service Plans coverage includes service calls, labor, and all parts not excluded under the Terms and Conditions on the items you have covered under your Plan and subject to the following two limitations; **Central Air Conditioner (Up to 5 Tons):** Refrigerant Charging (once per year limit up to 5 lbs), **Gas Fireplace:** Relay Controls must be accessible. Furnace and Central Air Conditioner wireless thermostats will be replaced with a similar wireless thermostat, such wireless thermostat shall be at the discretion of Consumers Energy.

#### **GOLD PLAN SUPPLEMENTAL TERMS AND CONDITIONS**

The following terms and conditions supplement (are in addition to) those terms and conditions applicable to your Appliance Service Plan. Gold Plan coverage must be purchased for each Appliance Service Plan and any additional appliances that are currently covered under an existing Appliance Service Plan. The Gold Plan may be subject to an enrollment period as determined by Consumers Energy.

- 1. Appliance Cash Allowance:** If Consumers Energy or its agents determines the cost of the repair for a covered appliance exceeds the value of the appliance, the appliance is not repairable or that functional parts are no longer available then Consumers Energy will provide a "cash allowance" in accordance with the Cash Allowance Schedule below.
- 2. Cash Allowance Schedule:** **Boiler/Furnace/Central AC/Heat Pump** \$750 **Gas Fireplace** \$300 **Water Heater** \$300 **Range** \$350 **Clothes Washer** \$325 **Clothes Dryer** \$300 **Dishwasher** \$300 **Stand-Alone Freezer** \$250 **Refrigerator** \$600 **Microwave Oven** \$125  
Cash allowance payments are limited to \$2,500 per contract year.
- 3.** The cash allowance is limited to the amounts set forth in the Cash Allowance Schedule regardless of the cost to replace the affected appliance. Once a Cash Allowance has been paid on a covered appliance, the covered appliance will not be eligible for coverage under the Appliance Service Plan until a receipt showing purchase of a new appliance is provided to the Company.
- 4.** Gold Plan additional covered parts/equipment: **Furnace or Boiler:** heat exchanger **Air Conditioner/Heat Pump:** compressor and evaporator and condenser coil, leak investigation and leak repair of covered components; filter dryer, receiver and accumulator, muffler, reversing valve **Water Heater:** tank **Clothes Washer:** combination inner and outer tub bearing, inner and outer tub, transmission **Dryers:** drum **Refrigerator/Freezer:** compressor, replaceable evaporators These items are covered parts only under the Gold Plans. The Company and its agents will repair or replace these parts (in addition to all other covered parts under the Appliance Service Plan on covered appliances of Gold Plan customers.
- 5.** If Gold Plan coverage is terminated prior to the expiration of the contract year, but you have had service or a cash allowance payout the customer will be obligated to pay either the balance of Gold Plan payments owed for that year, the amount paid by the Company for any Cash Allowances paid during the year, or the amount of the service call whichever is less.
- 6.** All equipment covered by Gold Plan must be in good operating condition, fully functional and free of pre-existing conditions at the time you enroll in the Gold Plan to be eligible for the cash allowance.

**Appliance Service Plan is not regulated by the Michigan Public Service Commission.**