

## **ATTACHMENT 2**

**TOWN OF SOMERSET**

**COMMUNITY ELECTRICITY AGGREGATION**

**MUNICIPAL AGGREGATION PLAN (REVISED)**

Prepared by

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## **EXHIBITS**

- A. Customer Enrollment, Opt-Out, and Opt-In Procedures**
- B. Sample Customer Notification Letter and Opt-Out Postcard**

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## Introduction

The Town of Somerset (“Municipality”) has developed the Community Electricity Aggregation Program, as described in this aggregation plan, to bring the benefits of low cost power, renewable energy, and electricity choice to its residents and businesses. The program is part of the efforts of the Municipality to promote environmental sustainability and economic growth.

Before being implemented, the aggregation plan must be reviewed and approved by the Massachusetts Department of Public Utilities (DPU). The DPU will ensure that the program satisfies all of the statutory requirements, including that the plan provides universal access, a reliable power supply and treats all customer classes equitably. This aggregation plan was developed to demonstrate that the program of the Municipality satisfies all of the requirements necessary for DPU approval.

### I. Key Features

The key features of the Community Electricity Aggregation Program will include:

**Price protection:** The Municipality will secure its power supply by requesting competitive bids from the largest and most experienced power suppliers serving the region. This competition will be designed to result in the best possible price. The Municipality will only launch the aggregation when it obtains a price that is equal to or lower than the price of the Basic Service of the Local Distribution Company or that otherwise meets the criteria set by the municipal officials of the Municipality. In requesting bids to serve its customer load, the Municipality may act individually or as part of a Buying Group with other municipalities.

**Consumer protection:** The program of the Municipality will include the strongest consumer protections, including the ability for any customer to leave the program at any time with no charge. There will be no hidden charges of any kind.

**Product options:** The Municipality may offer an optional green product as an alternative to the standard product, giving customers a choice of environmental characteristics and price. Any charge for the additional green energy would be included in a the rate submitted to the Local Distribution Company or be purchased separately as RECs from a third party and billed separately by the third party.

**Coordination with energy efficiency programs:** Energy efficiency programs help residents reduce their energy consumption. The aggregation program will coordinate with energy efficiency programs administered by the Local Distribution Company to

help more residents reduce their energy use and cost. This plan does not include those services outlined in G.L. Chapter 164, Section 134(b).

**Renewable energy:** The Municipality may seek to purchase a portion of the Renewable Energy Certificates (RECs) from renewable energy generators and include these RECs in an optional green product. If RECs are obtained through the Competitive Supplier, any charge for these RECs would be included in the same rate submitted to the Local Distribution Company.

## II. Statutory Requirements

The municipal aggregation statute, G.L. Chapter 164, Section 134, sets out the requirements that a plan must meet in order to be approved by the DPU. Those requirements include procedural requirements, specified plan elements, and substantive requirements. The aggregation plan of the Municipality satisfies all of these requirements, as discussed below.

### 1. Local Approval

The municipal aggregation statute requires that the Municipality obtain approval from the local governing authorities before initiating the development of the plan. The Municipality satisfied the local approval requirement when the residents voted at Town Meeting to initiate the process of municipal aggregation. Documents authorizing the aggregation, including certifications of votes taken are contained in the Historical Overview.

### 2. Consultation with the Department of Energy Resources and Other Parties

The aggregation statute also requires that the Municipality consult with the Department of Energy Resources (DOER) in developing the plan. The Municipality submitted a draft of the aggregation plan to DOER and municipal officials and / or their Aggregation Consultant met with DOER to discuss that draft. DOER provided many helpful comments on the draft which were incorporated into the final version of the plan.

The Municipality has also consulted with the Local Distribution Company in the development of the plan. The Aggregation Consultant provided the Local Distribution Company with an opportunity to review and comment on the draft plan and met with its representatives.

The Municipality has made the plan available for review by its citizens, including

discussing the plan at one or more public meetings, as noted in the Historical Overview (Attachment 1).

### III. Elements of the Plan

The Municipal Aggregation Statute requires that the plan contain the following elements:

- Organizational structure
- Operations
- Funding
- Details on rate setting and other costs to participants
- The method of entering and terminating agreements with other entities
- The rights and responsibilities of program participants
- The procedure for termination of the program

Each of these elements is discussed below.

#### 1. Organizational Structure

The organizational structure of the aggregation program will be as follows:

**Board of Selectmen and Town Manager / Administrator:** The aggregation will be approved by the Board of Selectmen, the elected representatives of the citizens of the Municipality, and overseen by the Board of Selectmen, Town Manager /Administrator or other designees of the Board of Selectmen. The designee(s) of the Board of Selectman will be responsible for making decisions and overseeing the administration of the aggregation program with the assistance of the Aggregation Consultant. The designee(s) of the Board of Selectman shall be specifically authorized to enter into an Electric Service Agreement (ESA) prior to the receipt of bids from Competitive Suppliers under parameters specified by the Board of Selectman.

**Aggregation Consultant:** The Aggregation Consultant will manage certain aggregation activities under the direction of the Board of Selectmen, Town Manager / Administrator or other designee of the Board of Selectmen. Their responsibilities will include managing the supply procurement, developing and implementing the public education plan, interacting with the Local Distribution Company, and monitoring the supply contract. Through a competitive procurement process, as outlined in the Historical Overview, the Municipality has selected Good Energy, L.P. to provide these services.

**Competitive Supplier:** The Competitive Supplier will provide power for the

aggregation, provide customer support including staffing an 800 number for customer questions, and fulfill other responsibilities as detailed in the ESA. The Competitive Supplier shall be required to enter into an individual ESA with the Municipality under terms deemed reasonable and appropriate for its constituents by the Board of Selectman.

**Buying Group:** The Municipality may elect to join with other municipal aggregators in combining its load for purposes of soliciting bids from Competitive Suppliers. The purpose of the Buying Group is to allow municipal aggregators to capture the benefits of collective purchasing power while retaining full municipal autonomy. The Municipality shall be represented by the designee(s) of the Board of Selectman on the executive committee of the Buying Group. The Municipality, through its designee as specifically authorized by the Board of Selectman, shall select a Competitive Supplier based on the needs of the Municipality and shall not be required to select the same terms or Competitive Supplier as other members of the Buying Group.

## 2. Operations

Following approval of the Plan by the DPU, the key operational steps will be:

- a. Issue an RFP for power supply and select a competitive supplier
- b. Implement a public information program, including a 30-day opt-out notice
- c. Enroll customers and provide service, including quarterly notifications

The implementation of an aggregation requires extensive interaction between the Municipality, the Competitive Supplier, and the Local Distribution Company. Those interactions are described in detail in the Historical Overview.

- a. Issue an RFP for power supply and select a competitive supplier
  - i. Power supply

After the DPU approves the plan, the next step is to procure a contract for power supply.

The Municipality will solicit bids from leading competitive suppliers, including those currently supplying aggregations in Massachusetts and other states. In seeking bids from competitive suppliers, the Municipality may solicit bids for its load individually or as part of a Buying Group with other municipal aggregators. The RFP will require that the supplier satisfy key threshold criteria, including:

- Licensed by the DPU

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- Strong financial background
- Experience serving the Massachusetts competitive market or municipal aggregations in other states
- Demonstrated ability, supported by references, to provide strong customer service

In addition, suppliers will be required to agree to the substantive terms and conditions of the ESA, including, for example, the requirement to:

- Provide all-requirements service for a fixed price with no pass-through charges
- Allow customers to exit the program at any time with no charge
- Agree to specified customer service standards
- Comply with all requirements of the DPU and the Local Distribution Company

The Municipality will solicit price bids from suppliers that meet the threshold criteria and agree to the terms and conditions of the ESA. The Municipality will request bids for a variety of term lengths (e.g. 24, 36 or 48 months) and for power from different sources. Prior to delivery of the bids, the Board of Selectman shall provide authorization to its designee(s) to select a bid and enter into an ESA based upon parameters the Board of Selectman deem appropriate for its constituents. In consultation with its Aggregation Consultant, the designee(s) of the Municipality will evaluate the bid results including price, term and source. Whether the Municipality conducts an individual solicitation or participates in a solicitation with a Buying Group, at the conclusion of the bidding process it will select a price, term and supplier appropriate for its constituents. Participation in the Buying Group shall not require the Municipality to select the same price, terms or supplier as other members of the Buying Group. If none of the bids is satisfactory, the Municipality will reject all bids and repeat the solicitation for bids as often as needed until market conditions yield a price that is acceptable. The Municipality will only accept a bid that enables it to launch the aggregation with a price that is equal to or lower than the price of the Basic Service of the Local Distribution Company or that otherwise meets the criteria set by their municipal officials.

ii. RECs for an optional green product

In addition to soliciting bids for power supply that meet the required Massachusetts Renewable Portfolio Standard (RPS) obligation, the Municipality may obtain a supply of Renewable Energy Certificates (RECs) for an optional green product. The Municipality may seek RECs from a variety of renewable sources, and will choose the best combination of environmental benefit and price.

The Municipality will require bidders to identify the technology, vintage, and location

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of the renewable generators that are the sources of the RECs. It will also require that the RECs be created and recorded in the New England Power Pool Generation Information System or be certified by a third party.

b. Implement public information program including 30-day opt-out notice

Once a winning supplier is selected, the Municipality will implement a public education program.

The delivery of a comprehensive and professional public education plan and associated materials are crucial to ensuring understanding of, acceptance of and participation in the aggregation. The Municipality has already begun to build enthusiasm for and understanding of the aggregation through community-wide events and presentations. As a result, the Municipality anticipates a high level of awareness about the aggregation by the time the supply contract is signed.

At the time of launch, the Municipality will build on this existing public awareness. The Municipality will use a variety of media to communicate the objectives of the plan, the primary terms and conditions of the contract and the right to opt out at any time.

The public education plan will include both broad-based efforts and a 30-day opt-out notice to be mailed to every customer on basic service.

i. Broad-based education efforts

The broad-based efforts will take advantage of traditional media and the Web to ensure as many people as possible learn about the aggregation. Planned elements include:

- An announcement introducing the program and the competitive supplier, which will be sent to media contacts at local newspapers and other outlets identified as valuable by municipal officials.
- Dedicated informational Web pages that explain the aggregation plan, community benefits, the opt-out process and other helpful information. This site will be available during the initial educational outreach and also on an ongoing basis so that customers can find information about the program for its duration.
- A community-wide presentation at a public meeting, open to all residents, as well as targeted presentations to vulnerable populations such as the senior community

- An inclusion of an announcement about the aggregation on the Municipality website
- A toll-free customer information and support hotline
- A presentation on the local cable access network.
- An informational FAQ for the employees of the Municipality to ensure they can confidently answer any questions.
- Informational documents that mirror the aggregation web page content and can be used as handouts during the community presentations. These materials will also be made available through the web site as down-loadable files and in the municipal offices and other public buildings.

A detailed timeline for these efforts will be developed by the Municipality as the launch gets closer.

ii. 30-day opt-out notice

In addition to the broad-based education initiatives, a 30-day opt-out notice will be mailed to every customer on Basic Service with the Local Distribution Company. The notice will have the appearance of an official communication of the Municipality, and it will be sent in an envelope clearly marked as containing time-sensitive information related to the program. The notice will: (1) introduce and describe the program; (2) inform customers of their right to opt-out and that they will be automatically enrolled if they do not exercise that right; (3) explain how to opt-out; and (4) prominently state all program charges and compare the price and primary terms of Municipality's competitive supply to the price and terms of the Basic Service with the Local Distribution Company. The opt-out procedure is attached to this Plan as Exhibit A.

The direct mailing will include an opt-out reply card. Customers will have 30 days from the date of the mailing to return the reply card if they wish to opt out of the program. The notice will be designed by Good Energy and the Municipality and printed and mailed by the competitive supplier, who will process the opt-out replies. A sample of a draft opt-out notice and reply card are attached to this Plan as Exhibit B.

c. Enroll customers and provide service including quarterly notifications

After the completion of the 30-day opt-out period, the competitive supplier will enroll into the program all customers on Basic Service with the Local Distribution Company who did not opt-out. All enrollments and other transactions between the competitive supplier and the Local Distribution Company will be conducted in compliance with the relevant provisions of DPU regulations, Terms and Conditions for Competitive

Suppliers, and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the program will provide all-requirements power supply service. The program will also provide ongoing customer service, maintain the program web site, and process new customer enrollments, ongoing opt-outs, opt-back-ins, and customer selections of optional products. Prior to the expiration of the initial power supply agreement, the Municipality intends to solicit a new supply agreement.

As part of its ongoing service, the Municipality will provide the quarterly disclosure information required by G.L. c. 164, § 1(F)(6) and 220 C.M.R. § 11.06. Like the other Massachusetts aggregations, the Municipality requests a waiver from the requirement that the disclosure label be mailed to every customer and seeks permission instead to provide the information through alternative means, including press releases, public service announcements on cable television, postings at municipal offices and postings on the program website. As the DPU has found with other aggregations, this alternate information disclosure strategy will allow the Municipality to provide the required information to its customers as effectively as quarterly mailings.

Also as part of ongoing operations, the Municipality intends to coordinate the aggregation program with existing energy efficiency programs that have helped residents reduce their energy usage and cost. The Municipality will cooperate with the Local Distribution Company responsible for administering the energy efficiency programs. The specifics of this coordination will be developed as the aggregation program gets closer to launch. It is anticipated that at a minimum there would be cross participation whereby aggregation program customers would be encouraged to participate in energy efficiency programs and those customers who participate in energy efficiency programs would be encouraged to consider an optional green product offered by the aggregation program, if applicable.

d. Annual report to DOER

On an annual basis, the Municipality will report to DOER on the status of the aggregation program, including the number of customers enrolled and opting-out, kilowatt-hour usage, customer savings, participation in green products, and such other information as DOER may request.

3. Funding

All of the costs of the program will be funded through the power supply contract.

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The primary cost will be the charges of the competitive supplier for the power supply. These charges will be established through the competitive solicitation for a supplier.

The administrative costs of the program will be funded through a per kilowatt-hour aggregation fee that will be paid by the competitive supplier to the Aggregation Consultant, as specified in the ESA. This aggregation fee will cover the services of the Aggregation Consultant, including developing the aggregation plan, managing the DPU approval process, managing the supply procurement, developing and implementing the public education plan, providing customer support, interacting with the Local Distribution Company, monitoring the supply contract, and providing ongoing reports. This charge has been set at \$0.001 per kilowatt-hour and was established through the competitive solicitation that the Municipality conducted for an aggregation consultant.

### 4. Rate Setting and Other Costs to Participants

As described above, the power supply charges of the aggregation program will be set through a competitive bidding process and will include the aggregation fee. Prices, terms, and conditions may differ among customer classes, which will be the same as the Basic Service customer classes of the Local Distribution Company.

The program affects only the electricity supply charges of the customers. Delivery charges will be unchanged and will continue to be charged by the Local Distribution Company in accordance with tariffs approved by the DPU.

Participants in the aggregation will receive one bill from the Local Distribution Company that includes both the power supply charge of the Competitive Supplier and the delivery charge of the Local Distribution Company.

### 5. Method of Entering and Terminating Agreements with Other Entities

The process for entering, modifying, enforcing, and terminating all agreements associated with the aggregation plan will comply with the municipal charter, federal and state law and regulations, and the provisions of the relevant agreement.

The municipality plans to use the same process described in pages 4 and 5 of this Aggregation Plan to solicit bids and enter into any subsequent ESAs with the assistance of its then-current aggregation consultant. Customers will be notified of subsequent ESAs through press releases and public notices. The transfer of customers from the existing supplier to the new supplier will be coordinated with the LDC using established EDI protocols.

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If the municipality determines that it requires the services of an aggregation consultant after expiration of the existing agreement with Good Energy, it will evaluate opportunities to solicit an aggregation consultant individually or as part of a group of municipalities aggregating the electric load of their respective consumers. The municipality will solicit proposals for, and evaluate, potential aggregation consultants using a competitive procurement process or alternative procedure which the municipality determines to be in the best interest of its consumers and consistent with all applicable local, state and federal laws and regulations.

### 6. Rights and Responsibilities of Program Participants

All participants will have the right to opt-out of the program at any time without charge. They may exercise this right by any of the following: 1) calling the 800 number of the Competitive Supplier; 2) contacting the Local Distribution Company and asking to be returned to Basic Service; or 3) enrolling with another competitive supplier.

All participants will have the consumer protection provisions of Massachusetts law and regulations, including the right to question billing and service quality practices. Customers will be able to ask questions of and register complaints with the Municipality, the Aggregation Consultant, the Competitive Supplier, the Local Distribution Company and the DPU. As appropriate, the Municipality and the Aggregation Consultant will direct customer complaints to the Competitive Supplier, the Local Distribution Company or the DPU.

Participants will continue to be responsible for paying their bills and for providing access to metering and other equipment necessary to carry out utility operations.

### 7. Extension or Termination of Program

Prior to the end of the term of the initial ESA, the Municipality will solicit bids for a new supply agreement and plans to continue the program with the same or new competitive supplier.

Although the Municipality is not contemplating a termination date, the program could be terminated upon the termination or expiration of the ESA without any extension, renewal, or negotiation of a subsequent supply contract, or upon the decision of the Board of Selectmen or Town Manager / Administrator to dissolve the program effective on the end date of any outstanding ESA. In the event of termination, customers would return to the Basic Service of the Local Distribution Company, unless they choose an alternative competitive supplier.

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The Municipality will notify the Local Distribution Company of the planned termination or extension of the program. In particular, the Municipality will provide the Local Distribution Company notice: (1) 60 days prior to a planned termination of the program; (2) 90 days prior to the end of the anticipated term of the ESA; and (3) four business-days after the successful negotiation of a new electric service agreement. In the event of the termination of the program, it is the responsibility and requirement of the Competitive Supplier to return the customers to Basic Service of the Local Distribution Company in accordance with the then applicable Electronic Data Interchange (EDI) rules and procedures.

## IV. Substantive Requirements

The Municipal Aggregation Statute also requires that the aggregation plan satisfy three substantive requirements:

- Universal access
- Reliability
- Equitable treatment of all customer classes

The aggregation program of the Municipality will satisfy all three requirements, as outlined as follows:

### 1. Universal Access

The aggregation plan provides for universal access by guaranteeing that all customer classes will be included in the aggregation program under equitable terms.

All customers will have access to the program. All existing customers on Basic Service with the Local Distribution Company will be automatically enrolled in the program unless they choose to opt-out.

As new customers move into the Municipality, they will automatically be enrolled in the aggregation program. They will then receive an opt-out notice and be able to opt-out of the program if they choose with no charge.

New residential and small commercial customers will be enrolled at the same price as the existing customers. All other commercial and industrial customers (medium to very large) joining the aggregation program after program initiation will be enrolled at a price that reflects market prices at the time of enrollment.

All customers will have the right to opt-out of the program at any time with no charge. Customers that opt-out will have the right to return to the program at a price that reflects market prices at the time of their return.

## 2. Reliability

Reliability has both physical and financial components. The program will address both through the ESA with the Competitive Supplier. From a physical perspective, the ESA commits the Competitive Supplier to provide all-requirements power supply and to use proper standards of management and operations. The Local Distribution Company will continue to remain responsible for delivery service, including the physical delivery of power to the consumer, maintenance of the delivery system, and restoration of power in the event of an outage. From a financial perspective, the ESA requires the Competitive Supplier to pay actual damages for any failure to provide supply at the contracted rate (i.e., to pay the difference between the contract rate and the utility supply rate). The ESA requires the Competitive Supplier to maintain insurance and the Request for Proposals for a Competitive Supplier will require that an investment-grade entity either execute or guarantee the ESA. Accordingly, the program satisfies the reliability requirement of the statute.

## 3. Equitable Treatment of all Customer Classes

The Municipal Aggregation Statute requires “equitable” treatment of all customer classes. The DPU has determined that this does not mean that all customers must be treated “equally,” but rather that similarly-situated classes be treated “equitably.” In particular, the DPU has allowed variations in pricing and terms and conditions among customer classes to account for the disparate characteristics of those classes.

The aggregation program makes four distinctions among groupings of customers. First, the program will distinguish among customer classes (residential, small business, medium and large business) by soliciting separate pricing for each of those classes. The aggregation program will use the same customer classes the Local Distribution Company uses for the Basic Service pricing.

Second, the aggregation program will distinguish between customers receiving the standard product and customers that affirmatively choose an optional product, if offered, such as a green product. Customers selecting an optional product will be charged the price associated with that product.

Third, the aggregation program will distinguish between customers that join the program through an opt-out process and customers that join through an opt-in process. Customers that join through an opt-out process include the initial customers and new customers that move into the Municipality after the program start-date. All initial customers will receive the standard program pricing for their rate class. As described above under “Universal Access,” among new customers, the program will distinguish between new residential and small commercial customers, who will receive the standard program pricing, and all other commercial and industrial customers, who

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will receive pricing based on market prices at the time the customer joins the aggregation program.

Finally, customers that join by opting in include two types of customers: a) customers that did not become part of the program initially because they were being served by a competitive supplier but then later join the program; and b) customers re-joining the program after having previously opted out. Those customers that were being served by a competitive supplier at program initiation but who later join the program will be treated the same as new customers – residential and small commercial customers will receive the standard program pricing and all other commercial and industrial customers will pay a price based on the then-current market rates. All customers that join the program after having previously opted out will be offered a price based on then-current market rates rather than the standard contract price. This distinction is designed to limit any incentive for frequent switching back and forth between the aggregation program and Basic Service of the Local Distribution Company.

## V. Planned Schedule

Day	Action or Event
1	Issue Request for Proposals (RFP) for Competitive Supplier
31	Supply contract executed between Municipality and Competitive Supplier
32	Competitive Supplier notifies Local Distribution Company to prepare eligible consumer data of the Municipality; Broad-based educational campaign begins
33	Competitive Supplier begins EDI testing with Local Distribution Company.
44	Competitive Supplier receives eligible consumer data from Local Distribution Company
48	Competitive Supplier mails opt-out notice and pre-paid reply card to all eligible consumers
49	30-day opt-out period begins on date of postmark
51	Eligible consumers receive opt-out notice in the mail
51-81	Consumers wishing to opt-out return pre-paid reply card to Competitive Supplier.
63	Competitive Supplier completes EDI testing with Local Distribution Company.
82	Competitive Supplier removes all eligible consumers who opt out from the eligible list
83	Competitive Supplier sends “supplier enrolls customer” EDI for all participating consumers.
90	Service begins as of each customer's next meter read date

The planned schedule is presented for illustrative purposes. The final schedule will be established when the Municipality receives regulatory approval.

## VI. Conclusion

The Community Electricity Aggregation Program meets all of the requirements of the municipal aggregation statute, including providing universal access, a reliable power supply and treating all customer classes equitably. The Municipality looks forward to the approval of this plan by the DPU so that they can launch the program and bring the benefits of low cost power, renewable energy, and electricity choice to its residents and businesses.

# EXHIBIT A

## Customer Enrollment, Opt-Out, and Opt-In Procedures

The following protocols describe the procedures for customer enrollment, opt-out, and opt-in. The protocols are designed to be consistent with the Terms and Conditions for Competitive Suppliers of the Local Distribution Company. In the event of a conflict between these protocols and those Terms and Conditions, the Terms and Conditions shall govern.

### 1. Pre-Enrollment Opt-Out Notice, Pre-Enrollment Opt-Out Procedure, and Initial Enrollment

#### 1.1. Opt-Out Notice and Reply Card

1.1.1. The Aggregation Consultant and the Municipality will design an Opt-Notice informing customers of the aggregation and their right to opt out and an Opt-Out Reply Card that customers may mail to exercise their right to opt out.

1.1.2. The Competitive Supplier shall print the Opt-Out Notice and Opt-Out Reply Card.

#### 1.2. Customer List

1.2.1. After approval by the Department of Public Utilities and execution of the Electric Service Agreement (ESA) with a Competitive Supplier, the Local Distribution Company will electronically transmit the name, address, and existing power supply option (i.e., Basic Service or competitive supply) of each eligible consumer to the Competitive Supplier to facilitate the notification and opt-out requirements of the program.

1.3. Opt-Out Mailing. Within five (5) business days of receiving the Customer List, the Competitive Supplier shall mail the Opt-Out Notice and Opt-Out Reply Card to all Basic Service customers in the City.

#### 1.4. Customer Opt-Outs.

1.4.1. During the period of thirty (30) days from the date of the postmark of the Opt-Out Notice, customers may opt out of the aggregation by mailing the opt-out reply card to the Competitive Supplier.

1.4.2. After the initial thirty (30) day period customers may also opt out by calling the Competitive Supplier's customer service number or following one of the other opt-out procedures described in Section 3.1.

## 1.5. Customer Enrollment and Commencement of Generation Service

1.5.1. After the conclusion of the 30-day opt-out period, and providing the EDI testing is complete, the Competitive Supplier shall submit transactions to the Local Distribution Company to enroll all Basic Service customers in the Municipality that did not opt out, pursuant to Section 1.4.1 or 1.4.2.

1.5.2. Subject to the Terms and Conditions for Competitive Suppliers of the Local Distribution Company, supply service will commence as follows:

1.5.2.1. On the customer's next scheduled meter read, for customers with meter read dates at least two business days after the date of the enrollment transaction;

1.5.2.2. On the customer's subsequent scheduled meter read, for customers with meter read dates less than two business days after the date of the enrollment transaction;

1.6. Report to the Municipality. Within five (5) business days after submitting transactions to the Local Distribution Company to enroll all Basic Service customers, the Competitive Supplier shall provide the Municipality with the Customer List, with fields added for each customer indicating the date the Opt-Out Notice was mailed, whether the customer opted out, and if so the date, and whether an enrollment transaction for the customer was submitted to the Local Distribution Company, and if so the date.

1.7. Undeliverable Opt-Out Notices. If any Opt-Out Notices are returned as undeliverable, the Competitive Supplier shall make Commercially Reasonable Efforts to identify a correct mailing address and re-send the notice. If the second Opt-Out Notice is not returned, and if the customer does not opt out within thirty (30) days from the date of the postmark of the second mailing, the Competitive Supplier shall submit an enrollment transaction for the customer no less than five (5) business days after the conclusion of the 30-day opt-out period.

## 2. New Customers

2.1 New Customers are customers that become customers of the Local Distribution Company after the date of the initial opt-out notice, for example, customers that moved into the Municipality.

2.2 When a new eligible customer first moves into the Municipality, the eligible customer will be enrolled automatically in the Program upon initiation of electric distribution service, subject to the customer's right to opt out of the program as described in Section 2.5. However, if the customer is moving from another service address within the service area of the Local Distribution Company and had previously

chosen an alternative supplier, then that supplier will be carried-forward to the customer's new service address. Enrollment will occur pursuant to the rules and procedures set forth in the EBT Working Group Report.

2.3 The Local Distribution Company will inform the Competitive Supplier of newly-enrolled consumers by submitting Auto-Enroll New Customer 814-AE transactions.

2.4. The Competitive Supplier shall mail an Opt-Out Notice and Reply Card for all New Customers no less than thirty (30) days after receiving notice of such New Customers from the Local Distribution Company.

2.5. New Customers may opt-out of the program by returning the Reply Card or by using any of the opt-out methods described in Section 3.

### 3. Opt-Out After Initial Enrollment

3.1. Opt-Out Procedure. Subsequent to enrollment, a customer may elect to opt out of receiving generation service through the aggregation as follows:

3.1.1. By calling the Competitive Supplier's customer service number and requesting to opt out, in which case the Competitive Supplier shall submit a transaction to drop the customer to the Local Distribution Company within one (1) business day;

3.1.2. By calling the Local Distribution Company and requesting to be returned to Basic Service, in which case the Local Distribution Company shall submit a transaction to drop the supplier transaction; or

3.1.3. By enrolling with an unrelated competitive supplier, in which case the unrelated competitive supplier shall submit a transaction to enroll the customer to the Local Distribution Company.

3.2. Effective Date. The intent is that a customer that opts out will no longer receive generation service through the aggregation program as of:

3.2.1. the customer's next scheduled meter read, for customers with meter read dates at least two business days after the date of the drop or enrollment transaction;

3.2.2. the customer's subsequent scheduled meter read, for customers with meter read dates less than two business days after the date of the drop or enrollment transaction.

### 4. Opt-In Procedure

#### 4.1. Applicability

4.1.1. Customers not being served by the aggregation may opt in at any time.

4.1.2. The opt-in procedure applies to the following customers:

4.1.2.1. customers that were once enrolled in the aggregation and opted out; and

4.1.2.2. customers that were not previously enrolled in the aggregation because they opted-out before being enrolled or were served by a competitive supplier at the inception of the program.

## 4.2. Prices

4.2.1. Prices for opt-in customers shall be at prevailing market rates at the time of the opt-in except that residential and small commercial customers who were served by a competitive supplier at the inception of the program, and have not previously opted out, shall receive the same prices as existing customers in the program. Unless this requirement is waived by the Municipality, the end date of any opt-in contract shall be coterminous with end date of the Standard Product.

4.2.2. The Competitive Supplier shall notify the Municipality of all prices offered to opt-in customers.

## 4.3. Opt-in Process.

4.3.1. Customers may opt in to the aggregation by calling the Competitive Supplier's customer service number and requesting to opt in.

4.3.2. The Competitive Supplier shall fully disclose to the customer the price and all other terms and conditions of service. If the customer agrees to the price and terms and conditions, the Competitive Supplier shall submit a transaction to enroll the customer to the Local Distribution Company within five (5) business days.

## 5. Optional Products

5.1. Prior to enrollment, Customers may elect an Optional Product, if applicable, by calling the Competitive Supplier's customer service number. The Competitive Supplier shall enroll customers making such an election in the Optional Product.

5.2. Customers enrolled in the program may elect an Optional Product, or a return to the Standard Product, by calling the Competitive Supplier's customer service number. Within five (5) business days after a customer makes such an election, the Competitive Supplier shall submit a transaction to change supplier data to the Local Distribution Company to make the change in the customer's rate option.

**SAMPLE NOTIFICATION LETTER**

This letter comes from the municipality and is sent out by the competitive supplier.

Date

John & Mary Resident  
1 Any Street  
Somerset, MA 02726

Dear Mr. & Mrs. Resident:

The residents of the Town of Somerset voted at the Town Meeting held on December 1, 2014 to participate in a buying group to aggregate the electricity load of the residents and businesses on the Basic Service with National Grid. The objectives of this program are to give you competitive choice, longer term price stability, reduced electric rates and more options for electricity generated from renewable sources.

The Board of Selection with the assistance of Good Energy have negotiated a two (2) year contract with ABC electric supply company to supply power to the residents and businesses in Anywhere. The electric rate comparison per kilowatt hour (kWh) between National Grid and ABC electric supply company is as follows:

Rate Class	Local Utility	ABC electric
Residential	\$0.00000	\$0.00000
Commercial	\$0.00000	\$0.00000
Industrial	\$0.00000	\$0.00000

PARTICIPATION	ACTION NEEDED
If you want to participate in this program	You do not need to take any action.
If you do NOT want to participate in this program	<ol style="list-style-type: none"><li>1. Sign and date the enclosed postage-prepaid opt-out postcard.</li><li>2. Mail the postcard within 30 days</li></ol>

National Grid will still deliver your electricity and service the transmission infrastructure. You will still receive one bill from National Grid.

If you have any questions concerning this program, please call 800-000-0000 or visit our website at [www.goodenergy.com](http://www.goodenergy.com)

Sincerely,

Town Administrator

## CUSTOMER NOTIFICATION ENVELOPE

**OFFICIAL TOWN BUSINESS**

### **ELECTRIC SUPPLY PROGRAM**

Competitive Supplier  
1 Energy Way  
Energy, MA 00000

John & Mary Resident  
1 Any Street  
Somerset, MA 02726

**DO NOT DISCARD – URGENT NOTICE REGARDING ELECTRIC RATES**

## CUSTOMER NOTIFICATION OPT-OUT POSTCARD

**BUSINESS REPLY MAIL**

FIRST-CLASS MAIL

PERMIT NO. 677

ALBUQUERQUE, NM

POSTAGE WILL BE PAID BY ADDRESSEE

NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

**Competitive Supplier  
1 Energy Way  
Energy, MA 00000**

### **ELECTRIC SUPPLY PROGRAM – OPT-OUT REPLY CARD**

John & Mary Resident  
1 Any Street  
Somerset, MA 02726

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

#### **OPT-OUT INSTRUCTIONS:**

If you want to participate, you do not need to take any action.

**If you do NOT want to participate, (1) sign and date this postcard and (2) drop it in the mail.**

This card can only be signed by the customer of record whose name appears on this card and must be mailed within 30 days of the postmark on the Customer Notification.