

Town of Southborough

Municipal Aggregation Plan

September 14, 2016

The Town of Southborough (the “Town”) has developed the Southborough Community Power Choice program to bring the benefits of low-cost power, renewable energy, and electricity choice to its residents and businesses. The program is a part of the Town’s efforts to promote economic growth and environmental sustainability.

I. Key Features

The key features of the Town’s municipal aggregation program will include:

Price: The Town will secure its power supply by requesting competitive bids from the largest and most experienced power suppliers in the region. This competition will result in the best possible price.

Consumer protection: The Town’s program will include strong consumer protections, including the ability for any customer to leave the standard product at any time with no penalty or fee. There will be no hidden charges of any kind.

Product options: The Town will offer at least two options, a standard product and a greener product, giving customers a choice of environmental characteristics, terms of service, and price.

II. Procedural Requirements

The Municipal Aggregation Statute, G.L. c. 164, § 134, sets out the legal requirements for a municipal aggregation plan. Those requirements include procedural requirements, specified plan elements, and substantive requirements. The procedural requirements are discussed below, and the other requirements in the sections that follow.

1. Local Approval

The Municipal Aggregation Statute provides that a town may initiate the process to aggregate electrical load upon authorization by a majority vote of town meeting. The Town obtained such authorization by vote at its Annual Town Meeting held on April 11, 2016. A copy of the Town Meeting vote is attached as Exhibit A.

2. Consultation with the Department of Energy Resources

The aggregation statute also requires the Town to consult with the Department of Energy Resources (DOER) in developing its aggregation plan. The Town submitted a draft of its Aggregation Plan to DOER and Town officials met with DOER to discuss that draft on [MEETING TO BE SCHEDULED].

3. Citizen Review

The Town has made the Aggregation Plan available for review by its citizens at a public meeting of the Board of Selectmen on October 4, 2016. The draft Aggregation Plan was posted on the Town website with a comment period for the Town’s electricity consumers to submit feedback.

III. Elements of the Plan

The Municipal Aggregation Statute requires that the Aggregation 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 those elements is discussed in turn below.

1. Organizational Structure

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

Board of Selectmen and Town Administrator: The aggregation will be overseen by the Board of Selectmen and the Town Administrator. The Board of Selectmen will review the plan and set the policy direction. The Town Administrator will approve the plan, manage the consulting team, and sign the electric supply agreement.

Consultants: The Town’s aggregation consulting team (hereinafter jointly referred to as “Consultant”) will manage the aggregation under the Town Administrator’s direction. 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. The Town has selected the team of Peregrine Energy Group and Bay State Consultants to provide these services for an initial term.

Competitive Supplier: The competitive supplier will provide power for the aggregation, provide customer support including staffing a toll-free number for customer questions, and fulfill other responsibilities as detailed in the Competitive Electric Service Agreement.

2. Operations

Following approval of the Plan by the Department of Public Utilities (DPU), the key operational steps will be:

- a. Issue a Request for Proposals (RFP) and select winning competitive supplier
- b. Implement the public information program, including notice of the 30-day opt-out period
- c. Enroll customers and provide service, including required information disclosures

a. Issue a Request for Proposals and select winning competitive supplier

After the DPU approves the Aggregation Plan, the next step is to procure the electricity supply.

The Town will solicit bids from leading competitive suppliers, including those currently supplying aggregations in Massachusetts and other states. The RFP will require that the supplier satisfy key threshold criteria, including:

- Licensed by the DPU

- 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 terms and conditions of a Competitive Electric Service Agreement (ESA), substantially in the form of the Town’s model Competitive Electric Service Agreement. The agreement requires the supplier to:

- Provide all-requirements service
- Allow customers to exit the standard product at any time with no penalty or fee
- Agree to specified customer service standards
- Comply with all requirements of the DPU and the local distribution company

The Town will solicit price bids from suppliers that meet the threshold criteria and agree to the terms and conditions prescribed in the ESA. If none of the bids are satisfactory, the Town will reject all bids and repeat the solicitation as often as needed until market conditions yield a price that is acceptable to the Town.

The Town will solicit bids both for power supply that meets the Massachusetts Renewable Portfolio Standard (RPS) requirements and for a greener supply containing additional renewable energy over and above the RPS requirements. The renewable energy in the power supply will be documented using Renewable Energy Certificates (RECs). The Town will seek bids that include RECs from a variety of renewable sources, and will choose the proposal that offers the best combination of environmental benefit and price.

The Town will ask bidders to identify the technology, vintage, and location of the renewable generators that are the sources of the RECs. The Town will require that the RECs either be created and recorded in the New England Power Pool Generation Information System or be certified by a third party such as Green-e.

b. Implement public information program, including notice of the pre-launch opt-out period

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

The delivery of a public education plan and associated materials are pivotal to ensuring clarity, participation, and enthusiasm for the aggregation. The Town will use a variety of communication vehicles to communicate the plan’s objectives, the primary terms and conditions of the contract, and the right to opt out of the program.

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

i. Broad-based education efforts

The broad-based efforts will take advantage of traditional media, the Web, and social media 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 the Town.

- Dedicated informational Web pages that explain the Aggregation Plan, community benefits, the opt-out process, the environmental content of the power supply, 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 toll-free customer information and support hotline.
- Interviews with the local cable access channel.
- Announcements on the Town’s Twitter account.
- Informational documents that mirror the aggregation web site content and can be used as handouts during the community presentation. These materials will also be made available through the website as downloadable files and in the Town Hall and other public buildings.
- A community-wide presentation, open to all community members.
- A presentation targeted specifically for seniors.

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

In the event the Town becomes aware of non-native-English-speaking residents who require assistance understanding outreach materials and program information, the Town will work with those individuals on a case-by-case basis, enlisting support from ESOL teaching organizations that serve Southborough and/or from community leaders within the relevant linguistic population. The Town does not envision needing to provide this assistance on a large scale because the potential need for this help in Southborough is limited. According to the 2014 American Community Survey data, just 2.3% of Southborough residents speak English “less than very well.”¹

ii. Notice of the 30-day, pre-launch opt-out period

In addition to the broad-based education initiatives, a 30-day opt-out notice will be mailed to every eligible customer on basic service. The notice will be an official Town communication, 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 the Town’s competitive supply to the price and terms of utility basic service. The opt-out notice is attached to this Plan as Exhibit B. The opt-out envelope is attached as Exhibit C.

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 by this method. The notice will be designed by the Town and printed and mailed by the competitive supplier, who will process the opt-out replies. The opt-out reply card is attached to this Plan as Exhibit D. A postage-paid return envelope will be included for use with the reply card.

c. Enroll customers and provide service, including information disclosure

After the completion of the 30-day opt-out period, the competitive supplier will enroll into the program all basic service customers that did not opt out. All enrollments and other transactions between the

¹ 2010 – 2014 American Community Survey 5-Year Estimates. Accessed 9/6/16.
http://factfinder.census.gov/bkmk/table/1.0/en/ACS/14_5YR/DP02/0600000US2502763165

competitive supplier and the local distribution company, National Grid, will be conducted in compliance with the relevant provisions of DPU regulations, National Grid's *Terms and Conditions for Municipal Aggregators* (as amended or superseded from time to time), and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the electricity supplier will provide all-requirements power supply service. The supplier will also provide ongoing customer service, maintain a 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 Town intends to enter a new supply agreement.

As part of its ongoing service, the Town will provide the disclosure information required by G.L. c. 164, § 1(F)(6) and 220 C.M.R. § 11.06. Like the other Massachusetts aggregations, the Town 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, announcements on cable television, postings at Town Hall, and postings on the program website. As the DPU has found with other aggregations, this alternate information disclosure strategy will allow the Town to provide the required information to its customers as effectively as through mailings.

d. Annual report to DOER

On an annual basis, the Town will report to DOER on the status of the program, including number of customers enrolled and opting-out, kilowatt-hour sales, customer savings, and participation in green products (all as provided to the Town by the supplier), as well as such other information as DOER may request.

3. Funding

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

The primary cost will be the competitive supplier's charges for the power supply. These charges will include the costs of RECs and will be established through the competitive solicitation for a supplier.

The administrative costs of the program will be funded through a per kilowatt-hour charge that will be included in the supply price and paid by the competitive supplier to the Consultant, as specified in the Competitive Electric Service Agreement. This charge will cover the services of the 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.

4. Rate Setting and Other Costs to Participants

As described above, the program's electricity supply charges will be set through a competitive bidding process and will include the administrative adder. Prices, terms, and conditions will vary by product and may differ among customer classes. For each customer class, prices will be fixed for periods at least as

long as the basic service price period for the class.² When prices change, the Town will notify consumers by issuing a media release and posting a notice on the Town web site.

The program affects only customers' electricity supply charges. 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 will receive one bill from their local distribution company that includes both the electricity supply charge and their local distribution company's delivery charges.

5. Method of Entering and Terminating Agreements with Other Entities

The Town's process for entering, modifying, enforcing, and terminating all agreements associated with the Aggregation Plan will comply with the Town's charter, federal and state law and regulations, and the provisions of the relevant agreement.

When the Town has decided that it is timely to solicit bids for a new electric service agreement, the procurement steps will be as follows:

- The Town's consultants will prepare and issue an RFQ on behalf of the Town
- The Town will receive and evaluate qualifications
- The Town's consultants will issue an RFP for prices
- The Town will receive and evaluate bids and, if acceptable, execute a contract with the winning bidder. The Board of Selectmen will be responsible for executing the supply contract.

If the prices bid on any given bid date are not satisfactory, the Town will wait to see if market conditions improve and then repeat the process.

6. Rights and Responsibilities of Program Participants

All participants will have the right to opt out of the standard product at any time without charge. They may exercise that right by any of the following: 1) calling the competitive supplier's toll-free number; 2) contacting National Grid 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 Town, Consultant, the competitive supplier, National Grid, and the DPU. As appropriate, the Town and Consultant will direct customer complaints to the competitive supplier, National Grid, or the DPU.

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

² Basic service pricing periods vary by customer class. For residential and small business customers, the prices change every six months. For medium and large business customers, prices change monthly.

7. Extension or Termination of Program

Prior to the end of the term of the initial Competitive Electric Service Agreement, The Town will solicit bids for a new supply agreement and plans to continue the program with the same or a new competitive supplier.

Although the Town is not contemplating a termination date, the program could be terminated upon the termination or expiration of the Competitive Electric Service Agreement without any extension, renewal, or negotiation of a subsequent supply contract, or upon the decision of the Board of Selectmen to dissolve the program effective on the end date of any outstanding supply agreement. In the event of termination, customers would be returned to the local distribution company's basic service via Electronic Data Interchange (EDI) by the competitive supplier in accordance with the rules set forth in the Electronic Business Transactions (EBT) Working Group Report unless the customers choose an alternative competitive supplier.

The Town will notify the local distribution company of the planned termination or extension of the program. In particular, the Town will provide notice: (1) 90 days prior to a planned termination of the program; (2) 90 days prior to the end of the anticipated term of the program's ESA; and (3) four business-days after the successful negotiation of a new electricity service agreement.

The Town will notify consumers of program termination by issuing a media release and posting a notice on the Town web site. In addition, consumers will receive notice of a supplier change on their bill from the local distribution company.

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 Town's program will satisfy all three requirements, as discussed below.

1. Universal Access

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

Most importantly, all customers will have access to the program. All eligible basic service customers will be automatically enrolled in the program unless they choose to opt out.

As new customers move into the Town, they will receive a notice informing them of the aggregation and of their opportunity to opt out. New customers will be offered the same price as the existing customers, with the exception of new Very Large Commercial and Industrial Customers ("VLC&I Customers"). New VLC&I Customers are defined as any customer that is on the utility's largest rate class and has historical or projected consumption in excess of 1,000,000 kWh per year. These customers, if any, will be offered 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. 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 (ESA, Article 2.) The local distribution company will 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 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 also requires the competitive supplier to maintain insurance (ESA, Article 16). Accordingly, the program satisfies the reliability requirement of the statute.

3. Equitable Treatment of all Customer Classes

The 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 between customer classes to account for the disparate characteristics of those classes.

The program makes four distinctions between groupings of customers. First, the program will distinguish among customer classes (residential, small business, large business) by soliciting separate pricing for each of those classes. The program will use the same customer classes that the local distribution companies use for their basic service pricing.

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

Third, as described above under “Universal Access,” among New Customers, the program may distinguish between a) New VLC&I Customers, and b) all other New Customers. The program will offer New Customers other than New VLC&I Customers the standard contract pricing. However, the program will offer new VLC&I Customers pricing based on market prices at the time the customer seeks to join the aggregation.

Finally, consistent with DPU rulings, among customers that are served by a competitive supplier at the time of program launch and later seek to join the aggregation, the program will distinguish between a) residential and small commercial and industrial (C&I) customers, and b) medium, large, and very large C&I customers. Residential and small C&I customers will be offered standard contract pricing. Medium, large, and very large C&I customers will be offered market based rates which will reflect market conditions at the time the customer seeks to join the aggregation.

V. PLANNED SCHEDULE

Milestone	Day Estimate
RFQ for competitive supplier issued	Day 1
RFP for final supply prices issued	Day 35
Electricity Supply Agreement executed	Day 49
Broad-based educational campaign begins, including the announcement of supply contract and pricing and the launch of program web site.	Day 50
Opt-out notice mailed to customers	Day 56
Opt-out deadline	Day 86
Service begins as of each customer's next meter read date	Day 90

The planned schedule is presented for illustrative purposes. The final schedule will be established when the Town receives regulatory approval.³

VI. CONCLUSION

The Southborough Community Power Choice program meets all of the requirements of the municipal aggregation statute, including providing universal access and a reliable power supply and treating all customer classes equitably. The Town looks forward to the approval of this plan by the DPU so that the Town can launch the program and bring the benefits of rate stability, renewable energy, and increased electricity choice to its residents and businesses.

³ The planned schedule is designed to give the competitive supplier sufficient time to satisfy EDI testing requirements. However, the schedule will be adjusted if additional time is needed to meet those requirements.

EXHIBIT A

Town Meeting Resolution Authorizing Aggregation

TOWN OF SOUTHBOROUGH
Adjourned Annual Town Meeting
April 12, 2016

ARTICLE 23: To see if the Town will vote to initiate the process to aggregate electrical load, pursuant to M.G.L. c. 164, § 134, and further, to adopt the following resolution:

Whereas, the Commonwealth of Massachusetts is engaged in a process to establish a competitive market place through deregulation and restructuring of the electric utility industry;

Whereas, citizens of Southborough have a substantial economic and social interest at stake, and;

Whereas the Town of Southborough hereby finds that it may be in the interest of the electric ratepayers, both residential and commercial/industrial, to enter into an aggregation agreement,

Be it therefore resolved that the Town of Southborough hereby:

Publicly declares its intent to become an aggregator of electric power on behalf of its residential and business communities, and;

Will negotiate and enter into a contract for power supply independently. If such a contract is affected, individual consumers would retain the option not to participate and to choose any alternatives they desire, or do or act anything in relation thereto.

Proposed by: BOARD OF SELECTMEN

Board of Selectmen Recommendation: Support

Advisory Committee Recommendation: Support

Summary: *The Board of Selectmen has issued an RFQ to engage a consultant, at no cost to the Town, to assist the Town through the approval process with the Department of Public Utilities and the local utilities to allow the Town to aggregate its electrical load. Aggregation will allow the Town to purchase electricity on behalf of the entire Town, with the goal being to obtain a lower rate than residents could receive on their own through competitive supply contracts. Residents who do not want to participate can easily opt-out of the process and remain with local carriers such as National Grid. Town Meeting acceptance of the MGL is required in order for the Town to proceed with the approval process.*

MOTION MADE: That the Town vote to initiate the process to aggregate electrical load, pursuant to M.G.L. c. 164, § 134, and further, to adopt the following resolution:

Whereas, the Commonwealth of Massachusetts is engaged in a process to establish a competitive market place through deregulation and restructuring of the electric utility industry;

Whereas, citizens of Southborough have a substantial economic and social interest at stake, and;

Whereas the Town of Southborough hereby finds that it may be in the interest of the electric ratepayers, both residential and commercial/industrial, to enter into an aggregation agreement,

Be it therefore resolved that the Town of Southborough hereby:

Publicly declares its intent to become an aggregator of electric power on behalf of its residential and business communities, and;

Will negotiate and enter into a contract for power supply independently. If such a contract is affected, individual consumers would retain the option not to participate and to choose any alternatives they desire, or do or act anything in relation thereto.

MOTION PASSED.

True Copy

Attest:

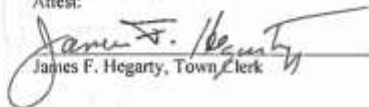

James F. Hegarty, Town Clerk

EXHIBIT B

Opt-Out Notice



TOWN ELECTRICITY PROGRAM
NOTIFICATION LETTER

<MONTH> <DAY>, 2017

Dear Southborough Electricity Service Customer,

This letter contains important information about your electricity bill.

The Town of Southborough is launching an electricity aggregation program named Southborough Community Power Choice. Electricity aggregation is a form of group purchasing in which a town selects an electricity supplier on behalf of residents and businesses. Southborough developed the program to provide price stability and cost savings to the community.

If you received this letter, you will be AUTOMATICALLY enrolled in Southborough Community Power Choice, unless you choose not to participate.

- If you participate: National Grid will continue to deliver your electricity, fix power outages, and bill you, but they will no longer choose your electricity supplier. Instead, Southborough will choose your electricity supplier. Southborough has negotiated a XX-month contract with [SUPPLIER NAME] for X.XX ¢/kWh. Your National Grid bill will show this as your electricity supply rate. Delivery charges will be unaffected.
• If you do not participate: You will remain a National Grid Basic Service customer.

THE BENEFITS TO YOU

SAVINGS - At program launch, the program rate is below National Grid Basic Service rates, so you will see your electricity supply rate go down. However, the program rate is fixed for XX months, while National Grid electricity supply rates move up and down. As a result, the program rate will not always be below the National Grid price. The program goal is to deliver savings when compared with the average of National Grid's changing prices.

CHOICE - You have two new alternatives to National Grid Basic Service: 1) <STANDARD>, which meets state renewable energy requirements, and 2) <GREEN OPTION>, which exceeds state renewable energy requirements. You will be automatically enrolled in <STANDARD>, but you may choose <GREEN OPTION>. (Details on back.)

PREDICTABILITY - Your electricity supply price will not change before your <MONTH> <YEAR> meter read. There are no hidden costs.

YOUR RELATIONSHIP WITH NATIONAL GRID

Your primary relationship for electricity will remain with National Grid. Beginning with your <MONTH> 2017 National Grid bill, you will see <SUPPLIER NAME> printed under Supply Services, and the program rate will be your electricity supply rate. Otherwise:

- Your bill will continue to come from National Grid
• You will continue to send bill payments to National Grid
• You will continue to call National Grid if your power goes out

If you are on a budget plan or are eligible for a low-income delivery rate or fuel assistance, you will continue to receive those benefits.

YOUR NEW ELECTRICITY SUPPLY RATE

<X.XX> ¢/kWh

This price will begin with your <MONTH> 2017 meter read. It will end with your <MONTH> <YEAR> meter read. Compare to National Grid rates on the back. ▶

FOR MORE INFORMATION

- Visit: www.masspowerchoice.com/southborough
Email: southborough@masspowerchoice.com
Call: 1-844-483-5004

DON'T WANT TO PARTICIPATE?

You don't have to. There is no penalty or fee to opt out of the program, and you may opt out at any time.

If you choose not to participate, you will remain a National Grid Basic Service customer.

To opt out before the program begins, do one of the following before <MONTH> <DATE>, 2016:

- ▶ Sign & return the enclosed postcard, call <SUPPLIER NAME> at <1-800-XXX-XXXX>, or opt out online at www.masspowerchoice.com/southborough.

To opt out in the future, do one of the following at any time:

- ▶ Call <SUPPLIER NAME> at <1-800-XXX-XXXX> or opt out online at www.masspowerchoice.com/southborough.

COMPARATIVE ELECTRICITY SUPPLY RATES AND TERMS

All program participants will automatically receive <STANDARD>.

To receive it, you need to do nothing. As a National Grid Basic Service customer, you will be automatically enrolled.

To choose <GREEN OPTION>, contact <SUPPLIER NAME> at 1-800-XXX-XXXX.

	<STANDARD>	Optional <GREEN OPTION>	National Grid Basic Service
Renewable Energy Content	Meets Massachusetts renewable energy requirements.	<INSERT DETAILS>	Meets Massachusetts renewable energy requirements.
Rate Term	<MONTH> <YEAR> meter read – <MONTH> <YEAR> meter read	<MONTH> <YEAR> meter read – <MONTH> <YEAR> meter read	<MONTH> <DAY>, <YEAR> – <MONTH> <DAY>, <YEAR> **
Residential	X.XX ¢/kWh	XX.XX ¢/kWh	XX.XXX ¢/kWh
Small business	X.XX ¢/kWh	XX.XX ¢/kWh	XX.XXX ¢/kWh
Medium and large business	X.XX ¢/kWh	XX.XX ¢/kWh	XX.XX ¢/kWh (<MONTH> <DAY>, <YEAR> – <MONTH> <DAY>, <YEAR>) [†]
Exit Terms	Leave any time. No exit charge.	Leave any time. No exit charge.	Leave any time. No exit charge. (Except for medium and large business accounts on National Grid delivery rates G-2 and G-3.)

* National Grid's fixed Basic Service rates change every six (6) months for residential and small business accounts and every month for medium and large business accounts.

FREQUENTLY ASKED QUESTIONS

WHAT IS ELECTRICITY SUPPLY? Electricity service has two parts, delivery and supply. Electricity delivery is the process of bringing electricity to you along wires. Electricity supply is the electricity itself. National Grid is responsible for electricity delivery in Southborough. National Grid also typically chooses your electricity supplier and passes that cost along to you. This is called National Grid Basic Service. Within Southborough Community Power Choice, National Grid will continue to deliver your electricity but will no longer choose your electricity supplier. Instead, the Town will choose an electricity supplier for residents and businesses through a competitive bid process.

HOW MUCH MONEY WILL I SAVE? It is not possible to predict how much you will save. Savings will depend on factors such as the rates that Southborough receives in from electricity suppliers, what type of customer you are, and how much electricity you consume. Savings will impact only the supply charges on your bill. Delivery charges will be unaffected by the program.

I HAVE SIGNED MY OWN CONTRACT WITH AN ELECTRICITY SUPPLIER. WILL I BE AUTOMATICALLY ENROLLED? If you have already established a contract with a different electricity supplier, you should not be automatically enrolled. If you received this letter but you have an existing electricity supply contract, you should opt out of the program.

I HAVE SOLAR PANELS ON MY PROPERTY. IF I JOIN, WILL I CONTINUE TO RECEIVE NET METERING CREDITS? Yes. Net metering will work the same way if you participate in the program. Your net metering credits from your solar panels will continue to appear on your National Grid bill and will continue to be calculated based on National Grid's Basic Service price.

If you have any additional questions, please do not hesitate to contact customer support at southborough@masspowerchoice.com or 1-844-483-5004. Our Town consultants will be happy to help you.

Mark J. Purple
Town Administrator

EXHIBIT C

Opt-Out Envelope

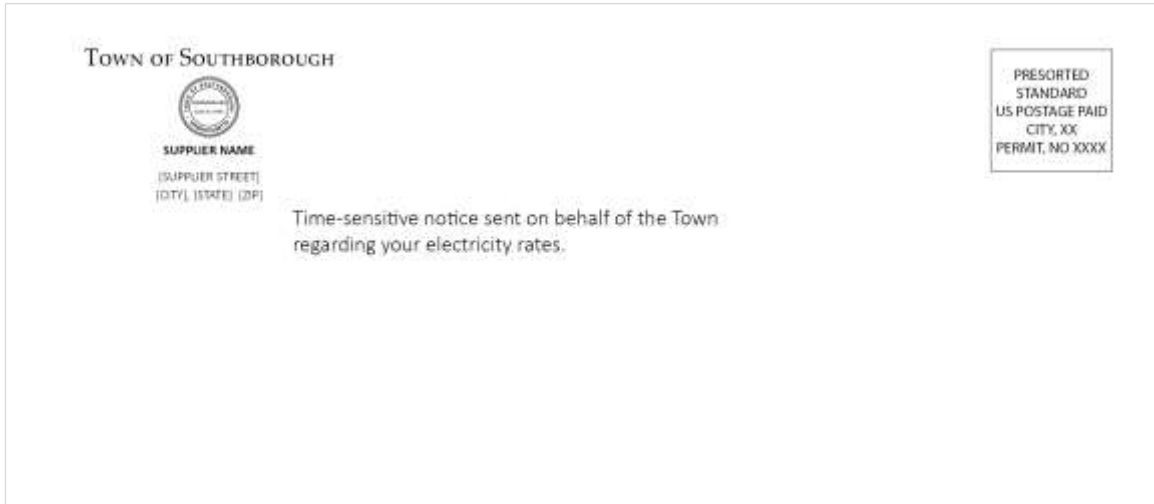
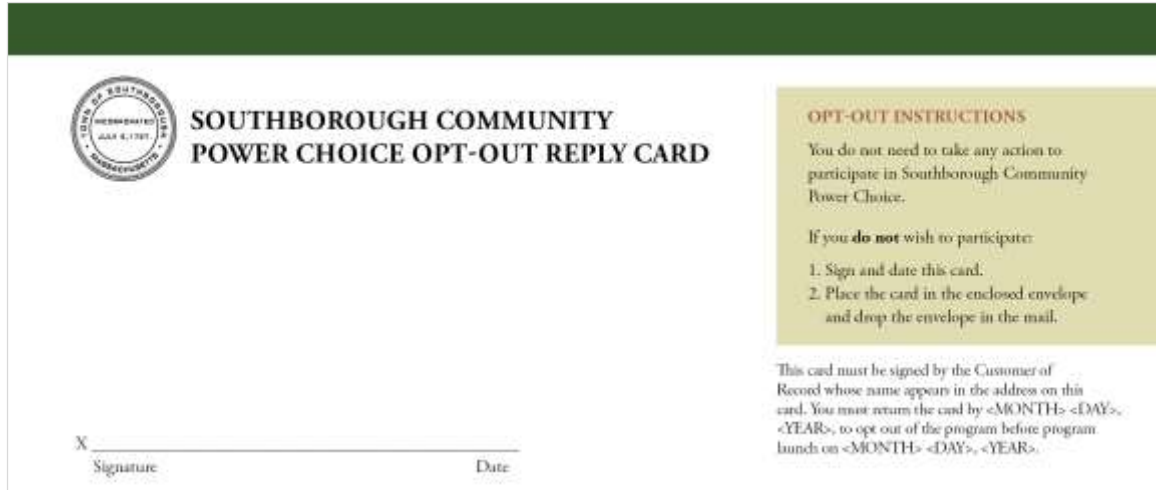



EXHIBIT D

Opt-Out Reply Card



The form is titled "SOUTHBOROUGH COMMUNITY POWER CHOICE OPT-OUT REPLY CARD". It features the Town of Southborough seal on the left. A green header bar is at the top. A yellow box on the right contains "OPT-OUT INSTRUCTIONS". At the bottom left, there are lines for "Signature" and "Date".

 **SOUTHBOROUGH COMMUNITY
POWER CHOICE OPT-OUT REPLY CARD**

OPT-OUT INSTRUCTIONS

You do not need to take any action to participate in Southborough Community Power Choice.

If you **do not** wish to participate:

1. Sign and date this card.
2. Place the card in the enclosed envelope and drop the envelope in the mail.

This card must be signed by the Customer of Record whose name appears in the address on this card. You must return the card by <MONTH> <DAY>, <YEAR>, to opt out of the program before program launch on <MONTH> <DAY>, <YEAR>.

X _____
Signature Date