
COMPETITIVE ELECTRIC SERVICE AGREEMENT
Submitted to MA DPU for approval
December 19, 2013

TABLE OF CONTENTS

Article 1	Definitions
Article 2	Conditions Precedent
Article 3	Rights Granted
Article 4	Role of the Town
Article 5	Consumer Choice
Article 6	Term and Termination
Article 7	Continuing Covenants
Article 8	Prices / Services / Billing
Article 9	Renewable Energy
Article 10	Customer Service Protections
Article 11	Non Discrimination
Article 12	Power Supply Reports
Article 13	Dispute Resolution / Choice of Law
Article 14	Indemnification
Article 15	Representations and Warranties
Article 16	Insurance
Article 17	Confidentiality
Article 18	Regulatory Event / Taxes
Article 19	Miscellaneous

Preamble

WHEREAS, the Massachusetts Legislature has adopted Chapter 164 of the Electric Utility Restructuring Act of 1997, ("Restructuring Act"), which, *inter alia*, (1) allows for competition in the generation and supply of electricity to consumers, (2) authorizes municipalities to aggregate the electrical load of electricity consumers within their boundaries, and (3) allows municipal aggregators to formulate an Aggregation Plan and conduct aggregation programs;

WHEREAS, the Town of Natick ("Town") has developed a Consumer Choice Power Supply Program ("Program") to aggregate consumers located within the Town and to negotiate competitive rates for the supply of electricity for such consumers;

WHEREAS, the Town has received approval of its Program from the Massachusetts Department of Public Utilities ("Department") in D.P.U. 13-131;

WHEREAS, Consolidated Edison Solutions, Inc., a New York corporation, having an address of 25 Corporate Drive, Burlington, Massachusetts 01803, and a principal office

located at 100 Summit Lake Drive, Suite 410, Valhalla, New York 10595, duly authorized to conduct business in the Commonwealth of Massachusetts ("Competitive Supplier"), desires to provide All-Requirements Power Supply to consumers located within the Town, pursuant to the terms and conditions of the Town's Program and this Competitive Electric Service Agreement ("Agreement"); and
WHEREAS, the Town desires that the Competitive Supplier provide All-Requirements Power Supply as an alternative to Basic Service for consumers within the Town.
NOW THEREFORE, IT IS AGREED THAT, the Town and the Competitive Supplier hereby enter into this Agreement subject to the terms and conditions below.

ARTICLE 1 DEFINITIONS

Capitalized terms that are used but not defined in the body of this Agreement, including the Exhibits hereto, shall be defined as set forth in this Article I. Words defined in this Article I which are capitalized shall be given their common and ordinary meanings when they appear without capitalization in the text. Words not defined herein shall be given their common and ordinary meanings.

1.1 Aggregation Plan: The Town of Natick Aggregation Plan, as adopted or amended by the Town from time to time.

1.2 All-Requirements Power Supply – The service under which the Competitive Supplier provides all of the electrical energy, capacity, reserves, and ancillary services, transmission services, transmission to the Point of Delivery, distribution losses, congestion management, and other such services or products necessary to provide firm power supply to Participating Consumers at the Point of Sale. This supply service also includes any costs associated with meeting Renewable Portfolio Standards ("RPS") at the levels required by currently applicable law.

1.3 Bankruptcy – With respect to a Party, such Party (i) ceases doing business as a going concern, generally does not pay its debts as they become due or admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy or is adjudicated bankrupt or insolvent, or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, state or other Governmental Rule, or seeks or consents to or acquiesces in the appointment of any trustee, receiver, custodian or liquidator of said Party or of all or any substantial part of its properties, or makes an assignment for the benefit of creditors, or said Party takes any corporate action to authorize or that is in contemplation of the actions set forth in this clause (i); or (ii) a proceeding is initiated against the Party seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other Governmental Rule and, such proceeding is not dismissed within ninety (90) days after the commencement, or any trustee, receiver, custodian or liquidator of said Party or of all or any substantial part of its properties is appointed without the consent or acquiescence of said Party, and such appointment is not vacated or stayed on appeal or otherwise within ninety (90) days after the appointment, or, within ninety (90) days after the expiration of any such stay, has not been vacated, *provided that*, notwithstanding the foregoing, the exercise of rights to take over operation of a Party's assets, or to foreclose on any of a Party's assets, by a secured creditor of such Party (including the appointment of a receiver or other representative in connection with the exercise of such rights) shall not constitute a Bankruptcy.

1.4 Basic Service – Supply Service by the Local Distribution Company as defined in M.G.L. c. 164, § 1 and in orders of the Department, as amended or promulgated, as the case may be, from time to time.

1.5 Business Day – Monday thru Friday except the following state holidays in MA: New Years Day, Martin Luther King Day, Presidents Day, Patriots Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day

1.6 Commercially Reasonable – Any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence, should have been known, at the time the decision was made, would have been expected in the industry to accomplish the desired result consistent with reliability, safety, expedition, project economics and applicable law and regulations.

1.7 Competitive Supplier - Consolidated Edison Solutions, Inc., a New York corporation, having an address of 25 Corporate Drive, Burlington, Massachusetts 01803, and a principal office located at 100 Summit Lake Drive, Suite 410, Valhalla, New York 10595, duly authorized to conduct business in the Commonwealth of Massachusetts.

1.8 Competitive Supplier's Guarantor Consolidated Edison, Inc

1.9 Credit Rating – With respect to the Competitive Supplier or Competitive Supplier's Guarantor, its senior unsecured, unsubordinated long-term debt rating, not supported by third party credit enhancement, and if such debt is no longer rated, then the corporate or long-term issuer rating of Competitive Supplier or Competitive Supplier's Guarantor.

1.10 Delivery Term – The period which prices for All-Requirements Power Supply have been established, as set forth in Exhibit A.

1.11 DPU – The Massachusetts Department of Public Utilities or any successor state agency.

1.12 EDI – Electronic Data Interchange: The exchange of business data in a standardized format between business computer systems.

1.13 Effective Date – The date on which this Agreement is executed by the Parties (to be determined by the later date, if the Parties execute on different dates).

1.14 Eligible Consumers – Residential, commercial, industrial, municipal, or other consumers of electricity who receive Basic Service from the Local Distribution Company as of the Effective Date, at one or more locations within the geographic boundaries of the Town, or New Consumers, or consumers within the Town that are supplied by third party

suppliers at the inception of the program and are therefore ineligible, that subsequently become eligible when those third party supply contracts lapse. For the avoidance of doubt, all Eligible Consumers must reside or be otherwise located at one or more locations within the geographic boundaries of the Town, as such boundaries exist on the Effective Date of this Agreement.

1.15 ESA – This Competitive Electric Service Agreement.

1.16 Force Majeure – Any cause not within the reasonable control of the affected Party which precludes that party from carrying out, in whole or in part, its obligations under this Agreement, including, but not limited to, Acts of God; winds; hurricanes; tornadoes; fires; epidemics; landslides; earthquakes; floods; other natural catastrophes; strikes; lock-outs or other industrial disturbances; acts of public enemies; acts, failures to act or orders of any kind of any governmental authorities acting in their regulatory or judicial capacity, provided, however, that any such discretionary acts, failures to act or orders of any kind by the Town may not be asserted as an event of *Force Majeure* by the Town; insurrections; military action; war, whether or not it is declared; sabotage; riots; civil disturbances or explosions. Nothing in this provision is intended to excuse any Party from performing due to any governmental act, failure to act, or order, where it was reasonably within such Party's power to prevent such act, failure to act, or order. Economic hardship of either Party shall not constitute an event of *Force Majeure*.

1.17 General Communications – The type of communications described and defined in Article 7.6 herein.

1.18 Governmental Authority – Any national, state or local government, independent system operator, regional transmission owner or operator, any political subdivision thereof or any other governmental, judicial, regulatory, public or statutory instrumentality, authority, body, agency, department, bureau, or entity, excluding the Town.

1.19 Governmental Rule – Any law, rule, regulation, ordinance, order, code, permit, interpretation, judgment, decree, or similar form of decision of any Governmental Authority having the effect and force of law.

1.20 ISO-NE – The New England Independent System Operator, or such successor or other entity which oversees the integrated dispatch of power plants in New England and the bulk transmission of electricity throughout the New England power grid.

1.21 kWh, kW – Kilowatt-hour and kilowatts, respectively.

1.22 Local Distribution Company or LDC – Utility, or any successor company(ies) or entity(ies) providing electricity distribution services in the Town.

1.23 NEPOOL – The New England Power Pool.

1.24 New Consumers – Residential, commercial, industrial, municipal, or other consumers of electricity that become customers of the Local Distribution Company after the date of the initial customer enrollment.

1.25 New Taxes – Any taxes not in effect as of the Effective Date enacted by a Governmental Authority or the Town, to be effective after the Effective Date with respect to All-Requirements Power Supply or any Governmental Rule enacted and effective after the Effective Date resulting in application of any existing tax for the first time to Participating Consumers.

1.26 Opt-In Procedure –The procedure for enabling Eligible Consumers to affirmatively elect to take supply pursuant to the Program, which procedure is more fully described in Exhibit C.

1.27 Opt-Out Procedure –The procedure that enables Eligible Consumers to affirmatively elect not to participate in the program and either remain on or revert to Basic Service from the Local Distribution Company, which procedure is more fully described in Exhibit C.

1.28 Participating Consumers – Eligible Consumers enrolled in the Program.

1.29 Parties – The Town and Competitive Supplier, as the context requires. In the singular, “Party” shall refer to either one of the preceding.

1.30 Point of Delivery – The point of interconnection between NEPOOL Pool Transmission Facilities and the transmission facilities of the Local Distribution Company.

1.31 Point of Sale – The electric meter for each Participating Consumer’s account, as designated by the Local Distribution Company.

1.32 Program – Town of Natick Consumer Choice Power Supply Program implemented pursuant to the Aggregation Plan.

1.33 Regulatory Event – A change in Governmental Rule by a Governmental Authority, including without limitation the Local Distribution Company’s tariffs, market rules, operating protocols and definitions, that have a material effect on the services and transactions contemplated by this Agreement. A “change” as used herein includes without limitation any amendment, modification, nullification, suspension, repeal, finding of unconstitutionality or unlawfulness, or any change in construction or interpretation.

1.34 Related Documents - Aggregation Plan and Exhibits, A, B, C, and D

1.35 Retail Price – As set forth in Exhibit A.

1.36 Service Commencement Date – The date of the Participating Consumers' first meter read date after January 1, 2015, as may be extended by Force Majeure Events or as soon as necessary arrangements can be made with the Local Distribution Company thereafter.

1.37 Term – As defined in Article 6.1

ARTICLE 2 CONDITIONS PRECEDENT

2.1

The Town's obligations under this Agreement shall be conditioned upon the Competitive Supplier fulfilling the following requirements:

- a) maintain its Competitive Supplier license from the Department (as such term is defined in the Local Distribution Company's Terms and Conditions for Competitive Suppliers);
- b) execute a Competitive Electric Supplier Service Agreement with the Local Distribution Company in a form reasonably satisfactory to Competitive Supplier;
- c) execute any appropriate ISO-NE applications and agreements;
- d) obtain authorization from the FERC to sell power at market-based rates; and
- e) complete EDI testing with the Local Distribution Company.

If Competitive Supplier has not fulfilled all such requirements by the Effective Date, either Party may terminate this Agreement without any liability to the other Party.

ARTICLE 3 RIGHTS GRANTED

3.1 GENERAL DESCRIPTION AND LIMITATIONS

Competitive Supplier is hereby granted the exclusive right to provide All-Requirements Power Supply to Participating Consumers pursuant to the terms of the Program and this Agreement. For the avoidance of doubt, Competitive Supplier shall be authorized to supply All-Requirements Power Supply only to Participating Consumers, and the Local Distribution Company will continue to have the right and obligation to supply electricity to Eligible Consumers who opt-out of the Program and remain on, or return to, Basic Service. Competitive Supplier further recognizes that this Agreement does not guarantee that any individual Eligible Consumer will be served by the Competitive Supplier.

In accordance with Article 5 below, all Eligible Consumers shall be automatically enrolled in the Program unless they choose to opt-out. In the event the geographic boundaries of the Town change during the term of this Agreement, Competitive Supplier shall only be obligated to supply All-Requirements Service to those Participating Consumers located within the Town as such boundaries existed on the Effective Date of this Agreement. The Competitive Supplier has the sole obligation of making appropriate arrangements with the Local Distribution Company, and any arrangements which may be necessary with the ISO-NE, so that Participating Consumers receive the electricity to be supplied by the Competitive Supplier pursuant to this Agreement.

The Town specifically authorizes the Local Distribution Company to provide, and Competitive Supplier the right to obtain and utilize as required, all billing and energy consumption information for Participating Consumers as is reasonably available from the Local Distribution Company. Competitive Supplier shall request consumption data for individual Participating Consumers from the Local Distribution Company via EDI. If further action is required by the Local Distribution Company to authorize Competitive Supplier to receive such consumption and billing data, the Town agrees to use Commercially Reasonable efforts, at Competitive Supplier's cost, to assist Competitive Supplier, if so requested by it, in obtaining such information for Participating Consumers. Such assistance shall be limited to the execution of letters or documents prepared by Competitive Supplier expressing support for acquisition of such data. Competitive Supplier shall not be responsible for any errors that Competitive Supplier makes in the provision of All-Requirements Power supply to the extent such errors are caused by errors or omissions in the information provided to it by the Local Distribution Company.

ARTICLE 4 ROLE OF THE TOWN

4.1 ROLE OF TOWN

Under this Agreement, the Town shall not actually receive, take title to, or be liable for the supply or delivery of All-Requirements Power Supply in any manner whatsoever. It is the sole obligation of the Competitive Supplier to arrange for delivery of All-Requirements Power Supply to Participating Consumers.

The Parties specifically agree that the role of the Town is to:

- i) set the terms and conditions under which All-Requirements Power Supply will be provided by the Competitive Supplier under this Agreement and to ensure that the Competitive Supplier complies with those terms and conditions;
- .ii) assist the Competitive Supplier with the implementation of the Program, with the understanding that any assistance beyond the execution of reasonably requested documents that have been prepared by the Competitive Supplier, shall only be provided to the extent the Competitive Supplier pays any and all out of pocket costs incurred by the Town in providing such assistance;
- iii) assist with the public education program;
- iv) approve the opt out notice;
- v) act as consultant and advocate for Eligible Consumers with respect to the matters addressed in this Agreement.

Both Parties expressly agree that the remedies available to the Competitive Supplier in the event of Town default are limited to the specific performance remedy described in Article 6.4.

4.2 AGENCY RELATIONSHIP

Under applicable law, the Town is authorized to act on behalf of the Eligible Consumers in contracting for electric supply for such Eligible Consumers, and is authorized to act as consultant for all Participating Consumers. In any litigation arising under this Agreement, only the Town, as consultant for the Participating Consumers, has the right to bring claims against the Competitive Supplier.

4.3 OWNERSHIP AND USE OF ELIGIBLE CONSUMER DATA

Except as otherwise provided by law, and except as ordered by a judgment or order of a court of competent jurisdiction, Competitive Supplier acknowledges that the Town shall have exclusive ownership of all right, title, and interest in and to all Eligible Consumer

data (including addresses, telephone numbers or other identifying information) made available to Competitive Supplier as a result of execution of this Agreement. Competitive Supplier shall use Eligible Consumer data solely to provide All-Requirements Power Supply to Participating Consumers and to render other services expressly required or permitted under this Agreement. Except as otherwise provided by law, and except as ordered by a judgment or order of a court of competent jurisdiction, any other use of Eligible Consumer data without the prior written consent of the Town is strictly prohibited. Pursuant to such authorized use, Competitive Supplier may share such Eligible Consumer data with third-party vendors as reasonably necessary to accommodate Competitive Supplier's provision of All-Requirements Power Supply or other performance pursuant to this Agreement (including, without limitation, collection of receivables), provided that Competitive Supplier will take Commercially Reasonable efforts to inform any such vendor of the confidential nature of such data and the restrictions set forth in this Article, Article 17, and elsewhere in this Agreement. Except as expressly provided in this Agreement, and as otherwise provided by law, and as ordered by a judgment or order of a court of competent jurisdiction, Competitive Supplier shall not disclose any Eligible Consumer data to any third-party and Competitive Supplier shall take Commercially Reasonable measures to protect Eligible Consumer data from access by, or beneficial use for, any third-party. To the extent that the provision of All-Requirements Power Supply or other services under this Agreement requires that Competitive Supplier have access to or make use of any Eligible Consumer data, Competitive Supplier shall treat such Eligible Consumer data as confidential information. Competitive Supplier may use Eligible Consumer data to engage in direct marketing only during the term of this Agreement and subject to the terms set forth in Article 19.2. A violation of this Article, or of Article 17, shall be grounds for termination. Competitive Supplier agrees violation of this Article or Article 17 shall constitute irreparable harm.

ARTICLE 5 CONSUMER CHOICE, NOTIFICATION OF RIGHTS, ENROLLMENT

5.1 CONSUMER CHOICE AND OPT OUT RIGHTS AT PROGRAM INCEPTION

The Parties acknowledge and agree that all Participating Consumers have the right, pursuant to M.G.L. c. 164, § 134 and the Program, to change their source of electricity supply, as set forth in Article 5. The Parties represent to each other that they shall not interfere with the right of Participating Consumers to opt-out of the Program, and shall comply with any rules, regulations or policies of the Department, the Local Distribution Company and/or other lawful Governmental authority regarding the procedures for opting out or of switching from one source of electric supply to another, and pursuant to procedures described in Exhibit C. Notwithstanding the foregoing, however, the Parties may take Commercially Reasonable measures to encourage Participating Consumers to affirmatively agree to remain in the Program, consistent with any Governmental Rules.

All Consumers that are potential Eligible Consumers as of the Effective Date will be automatically enrolled in the Program under the terms of this Agreement unless they opt-out. The Town shall provide to Competitive Supplier a list of all Eligible Consumers as of the Effective Date, as well as such Eligible Consumers' service and billing addresses. Competitive Supplier shall notify each such Eligible Consumer:

- (i) of the date on which such Eligible Consumer will be automatically enrolled in the Program; and
- (ii) that the Competitive Supplier will be providing All-Requirements Power Supply to such Eligible Consumer as of the same date, subject to the opt-out provisions of the M.G.L. c. 164, § 134, the Plan, and the Program Opt-Out Notice.

The Town shall specify the design and content of the Opt-Out Notice. Competitive Supplier shall, at its cost, print the Opt-Out Notice and mail it to each such Eligible Consumer at least thirty (30) days prior to the date of automatic enrollment. The Opt-Out Notice shall:

- (i) prominently state all charges to be assessed by the Competitive Supplier,
- (ii) provide a summary of the prices and terms included in Exhibit A;
- (iii) fully disclose the prices and terms then being offered for Basic Service by the Local Distribution Company;
- (iv) state how such Eligible Consumer may opt-out of the Program prior to enrollment and remain on Basic Service from the Local Distribution Company;
- (v) state how all Participating Consumers, subsequent to enrollment, will also have the right to opt-out at any time and return to Basic Service or choose a new Competitive Supplier without paying a fee or penalty to Competitive Supplier; and
- (vi) include a postage-paid reply card that customers may use to exercise their opt-out rights.

Competitive Supplier shall commence All-Requirements Power Supply as of the Service Commencement Date to such Eligible Consumers that have not exercised their right to opt out. All such Consumers shall then be deemed Participating Consumers and shall be entitled to receive supply at the prices listed in Exhibit A and pursuant to the terms and conditions of this Agreement.

5.2 NOTIFICATION TO NEW CONSUMERS OF OPT-OUT RIGHTS

Consistent with the requirements of any applicable Governmental Rules, and within a reasonable time after the Local Distribution Company notifies Competitive Supplier of the existence of a New Consumer (New Consumer Notice) and has provided to Competitive Supplier such New Consumer's account number, service and billing address, and other pertinent contact information, Competitive Supplier shall notify such New Consumer: (i) that such New Consumer has been automatically enrolled in the Program, and (ii) that the Competitive Supplier is providing All-Requirements Power Supply to such New Consumer, subject to the opt-out provisions of the M.G.L. c. 164, § 134, the Plan, and the Program Opt-Out Notice. Competitive Supplier shall mail an Opt-Out Notice (as described in Exhibit C) to each such New Consumer no less than thirty (30) days after receiving the New Consumer Notice. If the New Consumer is in the largest industrial rate class, Competitive Supplier may contact such new consumer and reasonably determine if such New Consumer is expected to consume more than 1,000,000 kWh per year. If Competitive Supplier reasonably determines, within five (5)

business days of receiving the New Customer Notice from the local distribution Company, that such customer is expected to consume more than 1,000,000 kwh per year, such consumer shall be designated a Very Large New Consumer.

Any New Consumer, other than a Very Large New Consumer, that does not elect to opt-out of the Program as provided in this section will be deemed a Participating Consumer and shall be entitled to receive supply at the prices listed in Exhibit A and pursuant to the terms and conditions of this Agreement. Promptly after determining that a New Consumer is a Very Large New Consumer, Competitive supplier shall quote a price at then prevailing market rates. If the price is not acceptable to such Very Large New Consumer the Competitive Supplier will assist the consumer with the Opt Out procedure described in Exhibit C. If the price is acceptable to such Very Large New Consumer, such consumer shall be deemed a Participating Consumer and be entitled to receive supply at the market price quoted by the Competitive supplier and otherwise pursuant to the terms and conditions of this Agreement.

5.3

CONSUMERS SUPPLIED BY THIRD PARTIES

Consumers being served under other competitive supply programs offered by third parties are not eligible to participate in the Program and will not be automatically enrolled as Participating Consumers under this Agreement at the inception of the Program. If any such consumer terminates its third party supply agreement, they will then be eligible to participate in the Program. Any such residential customer or small commercial customer (small commercial is defined to mean a non-residential consumer who at the time of Opting In is determined to have a historical demand, for the preceding 12 months, of less than 10 kW) may affirmatively opt-in to the Program and pay the same price that is offered to New Consumers. All other consumers are entitled to participate at then prevailing market rates. The Competitive Supplier shall follow the procedure described in Section 4 of Exhibit C to enroll consumers pursuant to this section 5.3. Promptly after receiving notice of the interest of any Consumer described in this section, the Competitive Supplier shall quote a price for participation in the Program, at the price listed in Exhibit A for residential and small commercial consumers, and at then prevailing market rates for all other consumers described in this section. Once enrolled in the Program, such consumer shall be deemed a Participating Consumer and be entitled to receive supply at the price quoted by the Competitive Supplier and otherwise pursuant to the terms and conditions of this Agreement.

5.4 CONSUMERS THAT OPT OUT AND THEN OPT BACK IN

Any Consumers that elects to opt out of the Program may subsequently elect to opt back in. Promptly after receiving notice of the interest of such consumer in the Program the Competitive Supplier shall quote a price for participation in the Program at then prevailing market rates. If the price is acceptable to such consumer, the Competitive Supplier will assist such consumer with the Opt In procedure described in Exhibit C. Once enrolled in the Program, such consumer shall be deemed a Participating Consumer and be entitled to receive supply at the market price quoted by the Competitive supplier and otherwise pursuant to the terms and conditions of this Agreement.

5.5 ENROLLMENT

The Competitive Supplier shall be responsible for enrolling all Eligible Customers through EDI transactions submitted to the Local Distribution Company for initial

enrollment in the Program and all enrollments of eligible consumers during the term of this Agreement, in accordance with the procedures outlined in Exhibit C.

5.6 ERRORS OF LOCAL DISTRIBUTION COMPANY

In providing the notifications set forth in this Article, and in otherwise conducting the activities described in Article 5, the Competitive Supplier must rely upon information provided to it by the Local Distribution Company for the purpose of performing its obligations. Competitive Supplier will not be responsible for any errors or omissions in connection with its notification of Eligible Consumers resulting from errors or omissions in the information provided to it by the Local Distribution Company.

ARTICLE 6 TERM OF AGREEMENT AND TERMINATION

6.1 TERM

This Agreement shall commence on the Effective Date, *provided, however,* that Competitive Supplier's obligation to provide All-Requirements Power supply shall commence on the Service Commencement Date, and shall terminate with the Participating Consumers' first meter read date after December 31, 2016, unless terminated earlier under Article 6.2 below ("Term"). All contracts shall lapse on the meter reads in the same month, irrespective of the start month of any such contract. At the end of the initial Term, all Participating Customers, including those that received supply at market rates in the initial Term, will be entitled to receive supply at the same fixed price offered to all other Participating Customers in any renewal or subsequent term.

6.2 TERMINATION

This Agreement may be terminated at any time upon written notice:

- a) by the Town, or the Competitive Supplier, if either Party fails to remedy or cure any breach of any material provision or condition of this Agreement excluding the failure to provide or arrange for All Requirements Power Supply, which is addressed in Article 6.2(c)), within sixty (60) days following prior written notice to do so by the non-breaching party; or
- b) by the Town, or the Competitive Supplier, if any material provision or condition of this Agreement be finally adjudged invalid by any court of competent jurisdiction, or if the Department exercises any lawful jurisdiction so as to invalidate or disapprove this Agreement in whole or in significant part; or
- c) by the Town in the event of the failure of the Competitive Supplier to provide or arrange for All-Requirements Power Supply to Participating Consumers, in the absence of *Force Majeure* or the Town's failure to perform; *provided, however,* that the Town shall not be permitted to terminate this Agreement if the Competitive Supplier's failure to provide or arrange All-Requirements Power Supply is a direct result of actions or non-actions by any transmission service provider, the Local Distribution Company, or the ISO-NE; or
- d) by the Town if any assignment shall be made by the Competitive Supplier or by any guarantor of the Competitive Supplier for the benefit of creditors, or if a petition is filed by the Competitive Supplier or by any guarantor of the Competitive Supplier for adjudication as a bankrupt, or for reorganization or an

arrangement under any provision of the Bankruptcy Act as then in force and effect, or if an involuntary petition under any of the provisions of the Bankruptcy Act is filed against the Competitive Supplier and such involuntary petition is not discharged within ninety (90) days thereafter.

6.3 OBLIGATIONS UPON TERMINATION

Following termination of this Agreement, the Parties shall each discharge by performance all obligations due to any other Party that arose up to the date of termination of the Agreement. Upon the effective date of termination of the Agreement, all rights and privileges granted to, and obligations imposed on, the Competitive Supplier shall cease, with the exception of the right to collect all monies due for services rendered to that date. The Parties expressly agree that the remedies available to the Competitive Supplier in the event of Town default are limited to the specific performance as described in Article 6.4. In the event of any default by the Town, the Parties expressly agree that the remedies available to the Competitive Supplier do not include the right to seek any monetary damages from the Town,

The Competitive Supplier specifically waives all rights it may have at law to claim that the Town has no standing or otherwise lacks the authority to seek monetary damages on behalf of individual Participating Consumers in the event of a termination of this Agreement.

6.4 SPECIFIC PERFORMANCE

Notwithstanding any other provision herein, the Parties agree that if the Town (i) fails to comply with any material provision of, or obligation under, this Agreement, (ii) seeks to suspend or terminate the Program during the Term, or (iii) seeks to terminate this Agreement except as expressly authorized in Article 6.2, Competitive Supplier shall be entitled to specific performance of this Agreement.

6.5 EXTENSION

The Agreement may be extended beyond the termination date established in Article 6.1 by mutual, written agreement of the Parties. Any new pricing terms shall be added to and replace Exhibit A as Exhibit A-2. Upon any such extension, this Agreement shall continue to be in effect throughout such extension period, and all provisions of the Agreement shall retain the same force and effect as before the extension, unless it is terminated by either Party pursuant to the provisions of Article 6.2.

ARTICLE 7 CONTINUING COVENANTS

The Competitive Supplier agrees and covenants to perform each of the following obligations during the term of this Agreement.

7.1 STANDARDS OF MANAGEMENT AND OPERATIONS

In performing its obligations hereunder, during the term of this Agreement, the Competitive Supplier shall exercise Commercially Reasonable Efforts to assure that its facilities are prudently and efficiently managed; that it employs an adequate number of competently trained and experienced personnel to carry out its responsibilities; that it delivers or arranges to deliver a safe and reliable supply of such amounts of electricity to the Point of Delivery as are required under this Agreement; that it complies with all relevant industry standards and practices for the supply of electricity to Participating Consumers; and that, at all times with respect to Participating Consumers, it exercises good customer service practices and employs Commercially Reasonable skills, systems and methods available to it.

7.2 CUSTOMER SERVICE ACCESS

The Competitive Supplier agrees to provide, or cause to be provided, **Customer Service Policies and Practices** to Participating Consumers as described more fully in Exhibit D.

The Town reserves the right to post program-related information on the Town's website which will be available to Participating Consumers for general information, product and service information, and other purposes.

7.3 RESPONDING TO REQUESTS FOR INFORMATION

The Competitive Supplier shall, during normal business hours (as set forth above), respond promptly and without charge therefore to reasonable requests of the Town for information or explanation regarding the matters covered by this Agreement and the supply of electricity to Participating Consumers. If such matter pertains to a particular consumer, and consumer consent is required by law, the Town will secure such consent before requesting any information under this section. Competitive Supplier agrees to designate a service representative or representatives (the "Service Contacts") who shall be available for these purposes, and shall identify the office address and telephone number of such representative(s). Such Service contacts shall be initially identified in Exhibit D. The Competitive Supplier shall update the names of such service contacts as necessary during the Term of this Agreement. Whenever necessary to comply with this Article, the Service Contacts shall call upon other employees or consultants of the Competitive Supplier to obtain such information or explanation as may be reasonably requested. Nothing in this Article shall be interpreted as limiting the obligation of the Competitive Supplier to respond to complaints or inquiries from Participating Consumers, or to comply with any regulation of the Department or Attorney General regarding customer service.

7.4 ARRANGING FOR FIRM ALL-REQUIREMENTS POWER SUPPLY

Competitive Supplier shall make appropriate arrangements with the ISO-NE, any relevant regional transmission organization, wholesale suppliers or any other entity to ensure an uninterrupted delivery of reliable, safe, firm, All-Requirements Power Supply to the Local Distribution Company for delivery to Participating Consumers. In the event the Competitive Supplier is unable to deliver sufficient electricity to the Point of Delivery

to serve Participating Consumers, the Competitive Supplier shall make arrangements for an alternative supply as may be necessary to continue to serve Participating Consumers under the terms of this Agreement, and shall bear any costs it may incur in carrying out these obligations. Competitive Supplier shall not be responsible to the Town or any Participating Consumers in the event the Local Distribution Company disconnects, curtails or reduces service to Participating Consumers.

7.5 NON-DISCRIMINATORY PROVISION OF SERVICE

Competitive Supplier shall supply electric energy to the Point of Delivery to all Eligible Consumers on a non-discriminatory basis (including, without limitation any basis of discrimination outlined in Massachusetts General Laws (M.G.L.) Chapter 151B); provided, however, that those prices and other terms may vary in accordance with rate classifications as appear in Exhibit A, or which can vary based on market conditions as allowed by Article 5. Competitive Supplier's prices, terms and conditions shall be in accordance with the Massachusetts General Laws, the regulations of the Department, and other applicable provision of law. The Competitive Supplier may not deny service to an Eligible Consumer for failure to pay the bills of any other electric company (whether engaged in the distribution, transmission, or generation of electricity) or of any other aggregator, marketer or broker of electricity, but may to the extent allowed by law and regulation, reasonably deny or condition new service, or terminate existing service, based upon any Participating Consumer's failure to pay bills from the Competitive Supplier. Provision of electric energy supply shall be subject to Competitive Supplier's credit policies described in Exhibit A, to the extent permitted by law.

7.6 APPROVAL OF GENERAL COMMUNICATIONS

Competitive Supplier shall cooperate with the Town in the drafting and sending of messages and information to Eligible Consumers concerning the Program or any matter arising under or related to this Agreement or the Program. Competitive Supplier shall, prior to sending any direct mail, advertising, solicitation, bill insert, electronic mail, or other similar written or electronic communication (collectively, "General Communications") to Participating Consumers (but excluding individually drafted or tailored communications responding to the specific complaint or circumstance of an individual consumer), provide a copy of such General Communication to the Town for its review to determine whether it is consistent with the purposes and goals of the Town. The Town shall have the right to disapprove such General Communications and suggest revisions if it finds the communication inconsistent with the purposes and goals of the Town, factually inaccurate or likely to mislead provided, however: (i) that the communication shall be deemed approved if the Town fails to respond within seven (7) Business Days and (ii) that no approval shall be necessary for any communication (a) regarding any emergency situation involving any risk to the public health, safety or welfare; (b) which has been approved by the DPU, the Massachusetts Department of Energy Resources (DOER), or any other Governmental Authority; or (c) in the nature of routine monthly or periodic bills, or collection notices, except that any bill insert or message included at the bottom of such bill not within the scope of (a) or (b) above shall require approval. The Town may reject or exclude any proposed General Communication that, in its reasonable judgment, is contrary to the interests and objectives of the Program or the Town.

7.7 PARTICIPATING CONSUMER LIST

To the extent not prohibited by any Governmental Rule Competitive Supplier shall, upon request of the Town, provide a list of the Participating Consumers being served by the Competitive Supplier, including such reasonable identifying and consumption information as the Town may also request to the extent such information is available to Competitive Supplier. Competitive Supplier shall provide such Participating Consumer lists in an electronic format reasonably acceptable to both Parties and with no more frequency than once a month.

7.8 COMPLIANCE WITH LAWS

The Parties shall promptly and fully comply with all existing and future Governmental Rules of all Governmental Authorities having jurisdiction over the activities covered by this Agreement. The Competitive Supplier shall comply with all provisions of Federal, Massachusetts and Town law applicable to its work including, without limitation, statutes, by-laws, rules, regulations, orders and directives, as amended, and including, without limitation, the Williams-Steiger Occupational Safety and Health Act of 1970, as amended, and related regulations, as amended, in effect throughout the term of this Agreement and any extension or renewal thereof. Without limitation, the Competitive Supplier shall comply with the provisions of Chapter 149, Section 26 to 27D of the Massachusetts General Laws, as amended, and the applicable minimum wage rates as determined by the Massachusetts Commissioner of Labor and Industries.

7.9 CONSENT

Whenever performance of an obligation of any Party hereto requires the consent or approval of any Governmental Authority, such Party shall make Commercially Reasonable efforts to obtain such consent or approval. In the event the Competitive Supplier reasonably requests the Town's assistance in obtaining such consent or approval and the Town anticipates that it will incur costs in fulfilling the Competitive Supplier's request, it shall give the Competitive Supplier an estimate of such costs. Upon receiving the estimate, Competitive Supplier shall determine if it continues to request the Town's assistance, and if so, the Competitive Supplier shall reimburse the Town for all costs, up to the estimated dollar amount, reasonably incurred by the Town in connection with such efforts.

ARTICLE 8 PRICES AND SERVICES; BILLING

8.1 SCHEDULE OF PRICES AND TERMS

Competitive Supplier agrees to provide All-Requirements Power Supply and other related services as expressly set forth herein in accordance with the prices and terms included in Exhibit A to this Agreement, which Exhibit is hereby incorporated by reference into this Agreement.

8.2 OBLIGATION TO SERVE

Competitive Supplier has the sole obligation to obtain sources of supply, whether from generating facilities owned or controlled by its affiliates, through bilateral transactions, or the market, as may be necessary to provide All-Requirements Power Supply for all of the Participating Consumers under the Program. Competitive Supplier, except as explicitly limited by the terms included in Article 5, shall be obligated to accept all Participating Consumers, regardless of their location or energy needs, subject to Competitive Supplier's credit policies described in Exhibit A and to the extent permitted by law, and subject to the terms of any approval or other order of the Department with respect to this Agreement.

8.3 METERING

The Local Distribution Company will be responsible for all metering and the metered usage as reported by the Local Distribution Company shall be the basis for all routine bills under this Agreement.

8.4 TERMS AND CONDITIONS PERTAINING TO INDIVIDUAL ACCOUNT SERVICE

8.4.1 Title

Title to All-Requirements Power Supply will transfer from Competitive Supplier to Participating Consumers at the Point of Sale. The prices quoted in Attachment A shall be inclusive of and the Competitive Supplier will be responsible for any and all losses incurred on the local network transmission systems and distribution systems, as determined by the Local Distribution Company.

8.4.2 Billing and Payment

Unless otherwise specified in an Exhibit to this Agreement, or agreed to by the Parties, all billing under this Agreement shall be based on the meter readings of each Participating Consumer's meter(s) performed by the Local Distribution Company, and Competitive Supplier shall cause the Local Distribution Company to prepare and render bills to Participating Consumers on a monthly basis, and the billing and payment terms offered by the Local Distribution Company to Basic Service customers shall apply to all billing under this Agreement. Any over-charge or under-charge will be accounted for in the next billing period for which actual meter data is available.

8.4.3 Regional and Local Transmission

The prices quoted in Exhibit A do not include current and future charges for distribution service costs collected by the Local Distribution Company under its distribution service tariff or local transmission costs as may be imposed by the regional power pool, ISO-NE, or individual electric utilities that have FERC transmission tariffs. Both parties understand that these costs will be collected by the Local Distribution Company in the same manner that such local transmission and distribution costs are collected from Basic Service customers.

8.4.4 Taxes

All sales, gross receipts, excise or similar taxes imposed with respect to the sale or consumption of All-Requirements Power Supply shall be included on the Participating Consumer's bill and shall be remitted to the appropriate taxing authority by Competitive Supplier. Participating Consumers shall be responsible for all taxes (except for taxes on Competitive Supplier's income) associated with sales under the Agreement. Participating Consumers shall be responsible for identifying and requesting any exemption from the collection of any tax by providing appropriate documentation to Competitive Supplier.

ARTICLE 9 DEVELOPMENT OR OFFERING OF RENEWABLE ENERGY SOURCES

9.1 COMPLIANCE WITH RENEWABLE PORTFOLIO STANDARD

Competitive Supplier hereby agrees that it will comply with the applicable provisions of G.L. c. 25A, §11F, §11F1/2, and any regulations, orders or policies adopted pursuant thereto.

9.2 Optional Product

Competitive Supplier hereby agrees that it will incorporate the Optional Product(s) which includes the purchase of renewable energy certificates as described in Exhibit A into Supplier's provision of All Requirements Power Supply under this Agreement and provide such Optional Product to Participating Consumers that affirmatively elect such Optional Product following the procedures described in Exhibit C.

ARTICLE 10 CUSTOMER SERVICE PROTECTIONS

Competitive Supplier shall post a copy of this Agreement on their web site so that it is available to all Eligible Consumers and provide a copy of the Agreement to any consumer that contacts the Competitive Supplier and requests a copy. Competitive Supplier agrees that it shall comply with the provisions of 220 C.M.R. 25.00, 27.00, 28.00 and 29.00, as applicable to Competitive Suppliers, and any amendments thereto, and any code of conduct or policies the Department may adopt in accordance with M.G.L. c. 164, § 1F(7). The Competitive Supplier shall, comply with the Customer Service Policies and Practices attached as Exhibit D and incorporated by reference into this Agreement. Such written description shall also include the Competitive Supplier's plan for maintaining "service quality standards", as that phrase is used in § 1F(7); for complying with the "affirmative choice" requirements of § 1F(7); and for handling consumer complaints, including any arbitration procedures. The Competitive Supplier agrees to provide notice to the Town of any consumer complaints received from a Participating Consumer, and to grant the Town the right to participate in resolution of the dispute, to the extent that such complaints relate directly to the Program, and to the extent permitted by Department regulations and other applicable law.

In addition, and in accordance with the M.G.L. c. 164, § 1F(2) and 220 CMR 11.05, in the event of a dispute regarding an invoice or Competitive Supplier's service under this Agreement, a Participating Consumer may contact the Department, which may refer the dispute to the Massachusetts Office for Dispute Resolution for mediation of such dispute, if the amount in dispute is greater than one hundred dollars (\$100.00) and the subject of the dispute is within the Department's statutory and regulatory authority.

ARTICLE 11 NON-DISCRIMINATION

Competitive Supplier agrees to conduct its operations and activities under this Agreement in accordance with all applicable state and federal laws regarding non-discrimination in

hiring and employment of employees. Competitive Supplier shall not discriminate against or exclude any person from participation herein on grounds of race, color, religious creed, national origin, sex, gender identity, sexual orientation (which shall not include persons whose sexual orientation involves minor children as the sex object), age, genetic information, ancestry, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, and handicap. The previous sentence shall include, but not be limited to, the following: advertising, recruitment; hiring; rates of pay or other forms of compensation; terms; conditions or privileges of employment; employment upgrading; transfer; demotion; layoff; and termination. Competitive Supplier shall take affirmative actions to insure that applicants are employed, and that employees are treated during their employment, without regard to race, color, religious creed, national origin, sex, gender identity, sexual orientation (which shall not include persons whose sexual orientation involves minor children as the sex object), age, genetic information, ancestry, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, and handicap.

ARTICLE 12 POWER SUPPLY INFORMATION AND ACCESS TO INFORMATION

12.1 POWER SUPPLY INFORMATION

12.1.1 Monthly Report of Sales

Competitive Supplier shall provide the Town or its consultant with a monthly report of sales which will contain: (i) the actual kWh sales for each meter read of the reporting periods and (ii) the number of Participating Consumer accounts active in each meter read of the reporting period. The monthly report will be due to the Town or its consultant within forty-five (45) days following the close of each month. The kWh sales and number of Participating Consumer accounts shall be listed in the report both by rate code and rate name as shown on Exhibit B attached hereto. This information shall be provided in electronic format.

12.1.2 Monthly Report of Opt-Outs and Drops

Competitive Supplier shall provide the Town or its consultant with a monthly report of opt-outs and drops which will contain: (i) the number of Eligible Consumers that opt-out of the program prior to enrollment and (ii) the number of Participating Consumer accounts that are dropped from the program. The monthly report will be due to the Town or its consultant within forty-five (45) days following the close of each month. The information shall be listed in the report both by rate code and rate name and shall be listed separately for the Basic Product and any Optional Product(s). This information shall be provided in electronic format.

12.1.3 Monthly Report of Consumer-Related Data

On and after the Service Commencement Date, Competitive Supplier will maintain consumer-related data in electronic form, including utility account number, billing name, billing address, service address, meter read date, usage, demand, and ICAP data. Competitive Supplier will make such data available to the Town or its consultant within forty-five (45) days following the close of each month. This information shall be provided in electronic format.

12.1.4 Standard of Care with respect to information or data submissions

Competitive Supplier shall use Commercially Reasonable practice in preparing and providing any information or data required under the Agreement. To the extent that

Competitive Supplier determines that any information or data provided hereunder is in error it shall provide corrected information or data to the Town or its consultant within a Commercially Reasonable time.

12.2 POWER SUPPLY REPORT

Within fifteen (15) days of the end of each quarterly reporting period, Competitive Supplier shall present a copy of the current "Disclosure Label" required by the Department of all Competitive Suppliers to be disclosed to their Participating Consumers which includes information pertaining to Competitive Supplier's power supply and a reasonably detailed description of the sources of Competitive Supplier's power supply used to serve Participating Consumers pursuant to this Agreement. Competitive Supplier shall post the "Disclosure Label" on its web site under Natick power supply program.

12.3 BOOKS AND RECORDS

Competitive Supplier shall keep its books and records in accordance with any applicable regulations or guidelines of the Department, the FERC, and any other Governmental Authority. The Town will have access to any reports mandated by the Securities and Exchange Commission which are available on the Internet "EDGAR" system.

12.4 COPIES OF REGULATORY REPORTS AND FILINGS

Upon reasonable request, Competitive Supplier shall provide to the Town a copy of each public periodic or incident-related report or record relating to this Agreement which it files with any Massachusetts or federal agency regulating rates, service, compliance with environmental laws, or compliance with affirmative action and equal opportunity requirements, unless the Competitive Supplier is required by law or regulations to keep such reports confidential. The Town shall treat any reports and/or filings received from Competitive Supplier as Confidential Information (as defined below) subject to the terms of Article 17.

ARTICLE 13 RESOLUTION OF DISPUTES; CHOICE OF LAW

13.1 CHOICE OF LAW

This Agreement and the rights of the Parties shall be interpreted and determined in accordance with the laws of the Commonwealth of Massachusetts, regardless of choice of law principles. Venue for any judicial proceeding involving a dispute arising from this Agreement shall be Middlesex County Superior Court, Massachusetts.

13.2 DISPUTE RESOLUTION

Unless otherwise expressly provided for in this Agreement, the dispute resolution procedures of this Article 13.2 shall be the exclusive mechanism to resolve disputes arising under this Agreement. The Parties agree to use their respective best efforts to resolve any dispute(s) that may arise regarding this Agreement. Any dispute that arises under or with respect to this Agreement shall in the first instance be the subject of informal negotiations between the Parties involved in the dispute. The dispute shall be considered to have arisen when one Party sends the other Party(ies) involved in the dispute a written notice of dispute. The period for informal negotiations shall be fourteen (14) days from receipt of the written notice of dispute unless such time period is modified by written agreement of the Parties involved in the dispute. In the event that the parties involved in the dispute cannot resolve a dispute by informal negotiations, the Parties agree to submit the dispute to mediation. Within fourteen (14) days following the expiration of the time period for informal negotiations, the Parties shall propose and

agree upon a neutral and otherwise qualified mediator. In the event that the Parties fail to agree upon a mediator, the Parties shall request that the American Arbitration Association, Boston, Massachusetts, appoint a mediator. The period for mediation shall commence upon the appointment of the mediator and shall not exceed ten (10) business days, unless such time period is extended by written agreement of the Parties. The decision to continue mediation shall be in the sole discretion of each Party. The Parties will bear their own costs of the mediation. The mediator's fees shall be shared equally by the Parties. In the event that the Parties cannot resolve a dispute by informal negotiations or mediation, either Party may seek judicial enforcement. Notwithstanding the foregoing, injunctive relief may be sought without resorting to alternative dispute resolution to prevent irreparable harm that would be caused by a breach of this Agreement.

ARTICLE 14 INDEMNIFICATION/NO PERSONAL LIABILITY

14.1 INDEMNIFICATION BY THE COMPETITIVE SUPPLIER

To the fullest extent permitted by law, the Competitive Supplier shall indemnify, defend, and hold harmless the Town of Natick and all of its officers, employees, boards, commissions, committees, agents and representatives from and against all claims, causes of action, suits, costs, damages, and liability of any kind which arise out of the breach by the Competitive Supplier of its obligations under this Agreement, or the act or omission of the Competitive Supplier, its subcontractors, or their officers, employees, agents and representatives or anyone directly or indirectly employed by them, or anyone for whose acts or omissions they may be liable, regarding the work to be performed by the Competitive Supplier under the Agreement, or which arise out of the violation of any federal, Massachusetts or Town of Natick statute, by-law, rule, regulation, order or directive, or which relate to personal injury or property damage. Said costs shall include, without limitation, reasonable legal costs, collections fees, and counsel fees incurred in defending any claim or suit that may be brought against the Town and any judgment that may be obtained in any such claim or suit.

14.2 DUTY TO MITIGATE

Each Party agrees that it has a duty to mitigate damages and covenants and that it will use Commercially Reasonable efforts to minimize any damages that may be incurred as a result of the other Party's performance or non-performance of this Agreement.

14.3 NO PERSONAL LIABILITY

Neither the Town's nor the Competitive Supplier's officers, employees, boards, committees, commissions, agents and representatives shall be under any personal obligation or incur any personal liability by reason of this Agreement, the execution thereof or anything relating thereto which arises out of the breach or violation of any provision of this Agreement, or the violation of any Federal, Massachusetts or Town of Natick statute, by-law, rule, regulation, order or directive, or which relates to personal injury or property damage suffered by either Party or its employees, relating to the subject matter of this Agreement.

ARTICLE 15 REPRESENTATIONS AND WARRANTIES

15.1 BY THE COMPETITIVE SUPPLIER

As a material inducement to entering into this Agreement, the Competitive Supplier

hereby represents to the Town as of the Effective Date of this Agreement as follows:

- a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and is qualified to conduct its business in those jurisdictions necessary for it to perform its obligations under this Agreement;
- b) it has all authorizations from any Governmental Authority necessary for it to legally perform its obligations under the Agreement or will obtain such authorizations in a timely manner prior to when any performance by it requiring such authorization becomes due;
- c) the execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms or conditions in its governing documents or any contract to which it is a party or any Governmental Rule applicable to it;
- d) subject to the conditions precedent set forth in Article 2 this Agreement constitutes a legal, valid and binding obligation of the Competitive Supplier enforceable against it in accordance with its terms, and the Competitive Supplier has all rights such that it can and will perform its obligations to the Town in conformance with the terms and conditions of this Agreement, subject to bankruptcy, insolvency, reorganizations and other laws affecting creditor's rights generally and general principles of equity;
- e) no Bankruptcy is pending against it or to its knowledge threatened against it;
- f) none of the documents or other written information furnished by or on behalf of Competitive Supplier to the Town pursuant to this Agreement, contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements contained herein or therein, in the light of the circumstances in which they were made, not misleading; and
- g) all information furnished by Competitive Supplier in response to the Request for Proposals for competitive electric supply services is true and accurate.

15.2 BY THE TOWN

As a material inducement to entering into this Agreement, the Town hereby represents to Competitive Supplier as of the Effective Date of this Agreement as follows:

- a) this Agreement constitutes the legal, valid and binding obligation of the Town enforceable in accordance with its terms;
- b) no Bankruptcy is pending or threatened against the Town.

and to the best of its knowledge and belief of the Town that:

- c) the execution, delivery and performance of this Agreement are within the Town's powers, have been or will be duly authorized by all necessary action;
- d) the Town has all authorizations from any Governmental Authority necessary for it to legally perform its obligations under this Agreement or will obtain such authorizations in a timely manner prior to when any performance by it requiring such authorization becomes due;
- e) all Participating Consumers will be bound by applicable provisions of Massachusetts General Laws (M.G.L.) c. 164; and

ARTICLE 16 INSURANCE

In order to help support the indemnifications provided in Article 14, and its other promises and covenants stated herein, Competitive Supplier shall provide and maintain throughout the term of the Agreement and any extension or renewal thereof the following insurance with companies that are authorized and licensed in the Commonwealth of Massachusetts to issue policies for the coverages and limits so required.

- a. Workers' Compensation Insurance as required by the laws of the Commonwealth of Massachusetts and employer's liability insurance in the amount of \$500,000.
- b. Commercial General Liability Insurance, \$5,000,000 combined single limit. Commercial General Liability insurance shall include personal injury liability, broad form property damage liability, products/completed operations liability and broad form contractual liability.
- c. Automobile Liability Insurance, covering all leased, owned, non-owned, and hired vehicles - Combined single limit of \$1,000,000.
- d. Excess Liability Insurance, Umbrella Form - \$5,000,000 combined single limit, which shall be following form, providing coverage over commercial general liability insurance, automobile liability insurance, and employer's liability under workers' compensation insurance.
- e. The Town shall be named as an additional insured on each such policy of Commercial General Liability Insurance, Excess Liability Insurance, Umbrella Form, and Automobile Liability Insurance.
- f. All certificates and policies shall contain the following provision:

 "Notwithstanding any other provision herein, should any of the above policies be cancelled or materially amended before the expiration date thereof, the Competitive Supplier will mail thirty (30) days prior written notice thereof to the named certificate holder and to the Natick Town Administrator, Natick Town Hall, 13 East Central Street, Natick, MA 01760 before such cancellation or amendment shall take place."
- g. Certificates evidencing such insurance in five (5) copies shall be furnished to the Town at the execution of this Agreement. Such certificates shall not merely name the types of policy provided, but shall specifically refer to this Agreement and shall state that such insurance is as required by this Agreement. The Competitive Supplier shall

make no claims against the Town or its officers for any injury to any of its officers or employees or for damage to its equipment arising out of work contemplated by the Agreement.

h. The Competitive Supplier shall also be required to provide to the Town with its certificate of insurance coverage endorsements or riders to the policies of commercial general liability insurance, automobile liability insurance for vehicles owned or hired by the Competitive Supplier, and excess liability insurance, which indicate that the Town is named as an additional insured on each such policy.

i. No insurance shall be obtained from an insurer which:

- (1) is not licensed to sell insurance in the Commonwealth of Massachusetts;
- (2) is not authorized to provide insurance as an excess or surplus lines insurer, and does not have a current Best's rating of A or better; or
- (3) is a risk retention group lawfully providing insurance to its members in Massachusetts.

j. Failure to provide and continue in force such insurance as aforesaid shall be deemed a material breach of this Agreement and shall operate as an immediate termination thereof.

ARTICLE 17 CONFIDENTIALITY

Competitive Supplier acknowledges that the Town is subject to public records laws, including, without limitation, M.G.L.c. 4, § 7, cl. 26 and M.G.L. c. 66, § 10, and that any document that is deemed a public record under the Public Records Law (hereinafter "Public Records") will be released to any requesting person without notice to any Party. To the extent information is shared that is not a Public Record, including consumer data that is covered by confidentiality rules and regulations of the DPU, or information relating to proprietary information of the Competitive Supplier that fits within one of the exemptions to the Public Records Law, (hereinafter "Confidential Information") each Party shall keep confidential, and shall not disseminate to any third party (other than such Party's affiliates) or use for any other purpose (except with written authorization, such authorization not to be unreasonably withheld), any Confidential Information received from the other Party that is confidential or proprietary in nature unless legally compelled (by deposition, inquiry, request for production of documents, subpoena, civil investigative demand or similar process, or by order or judgment of a court or tribunal of competent jurisdiction, or in order to comply with applicable rules or requirements of any stock exchange, government department or agency or other Governmental Authority, or by requirements of any securities law or regulation or other Governmental Rule) or as necessary to enforce the terms of this Agreement. The Party receiving Confidential Information shall have no obligation with respect to such information which: (i) is or becomes generally available to the public other than as a result of disclosure by the receiving Party; (ii) was in its possession prior to disclosure hereunder and which was not acquired directly or, to the Party's knowledge, indirectly from the disclosing Party, (iii)

was received from a non-party to this Agreement who to the receiving Party's knowledge, was not subject to a confidentiality agreement or fiduciary obligation regarding information; (iv) was independently developed by the receiving Party without reference to the information.

This Agreement once executed will be deemed a Public Record and treated as such. If either Party is compelled to disclose any Confidential Information of the other Party, such Party shall request that such disclosure be protected and maintained in confidence to the extent reasonable under the circumstances and use Commercially Reasonable efforts to protect or limit disclosure with respect to commercially sensitive terms.

For the avoidance of doubt, the information related to this Agreement that is considered Confidential Information shall include the following:

- a) any account information related to the Participating Consumers, including, without limitation, historic usage data, metering, and billing and payment information;
- b) any information regarding transactions entered into by Competitive Supplier and any third parties in connections with the provision of All-Requirements Power Supply;
- c) any list of Participating Consumers;
- d) any information disclosed by a Party during any settlement discussions that is not reduced to an executed settlement agreement;
- e) Competitive Supplier's insurance policies;
- f) any financial security instruments(s) provided by Competitive Supplier;
- g) any additional information which either Party marks as "Confidential" at the time of the release of the Information and persuasively justifies that such information fits within one of the exemptions to the Public Records Law.

All of the above to the extent any such document is not determined to be a Public Record by a decision of the of Secretary of State's office.

ARTICLE 18 REGULATORY EVENT/NEW TAXES

18.1 REGULATORY EVENT

If a Regulatory Event occurs, or any New Taxes are imposed, the Parties shall use their best efforts to reform this Agreement to give effect to the original intent of the Parties. If a Regulatory Event or a New Tax affects Competitive Supplier and Competitive Supplier incurs additional costs as a result thereof, Competitive Supplier shall provide a notice to the Town that documents: a) the effective date of the regulatory event or new Tax; b) a detailed explanation of the cost incurred as a result of the regulatory event or New Tax; c) the timing of the cost impact to be incurred by the Competitive Supplier; d) the proposed price increase per kWh to be passed on to participating Consumers; e) a proposed plan for coordinating with the LDC for an increase in the price per kWh that is billed by the LDC, designed to reimburse the Competitive Supplier for such cost impact. If the Town and the Competitive Supplier can not agree on the reimbursement contemplated by this Section, the matter shall be resolved by dispute resolution in accordance with section 12.2

ARTICLE 19 MISCELLANEOUS

19.1 NO ASSIGNMENT WITHOUT PERMISSION

Other than in connection with a sale of all or substantially all of its competitive electric supply business, Competitive Supplier shall not assign its rights and privileges under this Agreement without the prior written approval of the Town. Such approval may be denied at the reasonable discretion of the Town if it determines that the proposed assignee does not have at least the same financial ability as the assigning Competitive Supplier. Notwithstanding the foregoing, the Town may not unreasonably withhold its consent to an assignment to an affiliated entity under common control or management with Competitive Supplier or Competitive Supplier's corporate parent. Competitive Supplier's assignee shall agree in writing to be bound by the terms and conditions of this Agreement. The Town may assign this Agreement without the prior consent of Competitive Supplier provided that the proposed assignee has at least the same financial ability as the Town and such assignment would not in any way impair the rights and interests of Competitive Supplier under this Agreement. The rights and obligations created by this Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of, the respective Parties hereto.

19.2 DIRECT MARKETING

Prior to the introduction of any new product or service which Competitive Supplier may wish to make available to Participating Consumers or other Eligible Consumers located within the Town, Competitive Supplier agrees to (i) give the Town written notice of such new product or service and (ii) discuss with the Town the possible inclusion of such new product or service in this or another aggregation program undertaken by the Town. The Parties agree to negotiate in good faith the terms, conditions, and prices for such products and services which the Parties agree should be included in a Town aggregation program. Competitive Supplier also agrees not to engage in any direct marketing to any Participating Consumer that relies upon Competitive Supplier's unique knowledge of, or access to, Participating Consumers gained as a result of this Agreement. For the purposes of this provision, "direct marketing" shall include any telephone call, mailing, electronic mail, or other contact between the Competitive Supplier and the Consumer. Broad-Based Programs of the Competitive Supplier that do not rely on unique knowledge or access gained through this Agreement shall not constitute such "direct marketing." Broad Based Programs shall be defined to mean generic Corporate marketing programs directed at consumers in general as opposed specific marketing efforts directed at Natick consumers.

19.3 NOTICES

Except as otherwise provided in this Agreement all notices required or permitted to be given hereunder shall be in writing and shall be delivered by certified mail or registered mail, return receipt requested, to the parties at the following address or such other address or addresses as to which a party shall have notified the other party in accordance with this Section.

If to Town: Martha L. White, Town Administrator
Natick Town Hall
13 East Central Street
Natick, MA 01760

With copies to: John P. Flynn, Esq.

Murphy, Hesse, Toomey & Lehane, LLP
300 Crown Colony Drive, Suite 410
Quincy, MA 02169

If to Competitive Supplier: Consolidated Edison Solutions, Inc.
25 Corporate Drive
Burlington, MA 01803
Attention: Sam Morgan, Regional Sales Manager

With a copy to: Consolidated Edison Solutions, Inc.
100 Summit Lake Drive, Suite 410
Valhalla, NY 10595
Attention: General Counsel,

19.4 CHANGES IN EMERGENCY AND SERVICE CONTACT PERSONS

In the event that the name or telephone number of any emergency or service contact for the Competitive Supplier changes, Competitive Supplier shall give prompt notice to the Town.

19.5 ENTIRE AGREEMENT; AMENDMENTS

This Agreement and the Related Documents constitute the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings between the Parties relating to the subject matter hereof. This Agreement may only be amended or modified by a written instrument signed by all Parties hereto.

19.6 FORCE MAJEURE

If by reason of *Force Majeure* any Party is unable to carry out, either in whole or in part, its obligations herein contained, such Party shall not be deemed to be in default during the continuation of such inability, provided that: (i) the non-performing Party, within two (2) weeks after the occurrence of the *Force Majeure*, gives the other Party hereto written notice describing the particulars of the occurrence; (ii) the suspension of the performance is of no greater scope and of no longer duration than is required by the event of *Force Majeure*; (iii) no obligations of the Party which were to be performed prior to the occurrence causing the suspension of performance shall be excused as a result of the occurrence; and (iv) the non-performing Party shall use Commercially Reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its obligations. If any event of *Force Majeure* continues for a period of one hundred eighty (180) days or longer, either Party may terminate this Agreement by sending the other Party a written notice *provided, however*, that the same shall not constitute a default under this Agreement and shall not give rise to any damages.

19.7 EXPENSES

Each Party hereto shall pay all expenses incurred by it in connection with its entering into this Agreement, including without limitation, all of its attorneys' fees and expenses, except as otherwise expressly provided in this Agreement.

19.8 NO JOINT VENTURE

Competitive Supplier will perform all services under this Agreement as an independent

contractor, and not as an employee of the Town. No employee, agent or representative of the Competitive Supplier shall be entitled to receive any benefits of employment with the Town, including without limitation salary, overtime, vacation pay, holiday pay, sick leave, health insurance, life insurance, pension or deferred compensation. Nothing herein contained shall be deemed to constitute any Party a partner, agent or legal representative of the other Party or to create a joint venture, partnership, agency or any relationship between the Parties. The obligations of the Town and the Competitive Supplier hereunder are individual and neither collective nor joint in nature.

19.9 JOINT WORK PRODUCT

This Agreement shall be considered the work product of the Parties hereto, and, therefore, no rule of strict construction shall be applied against either Party.

19.10 COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute a single agreement.

19.11 CONSULTANT COMMISSION

The Parties acknowledge that the Price for energy as described in Exhibit A includes a commission fee equal to \$0.001 (1 mil) per kWh of Participating Consumers' actual usage payable to the consultant hired by the Town to develop, implement, and administer the Program which Consultant and commission is described in Exhibit A.

19.12 WAIVER

No action or failure to act by either Party shall constitute a waiver of a right or duty afforded to that Party under this Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing. No forbearance or indulgence in any form or manner by either Party shall be construed as a waiver or in any way limit the legal or equitable remedies available to that Party. No waiver by either party of any default or breach by the other Party shall constitute a waiver of any subsequent default or breach.

19.13 AGGREGATION PLAN

Competitive Supplier agrees that it has been provided with and had a reasonable opportunity to read the Aggregation Plan. The Parties agree that the Aggregation Plan, in the form as it exists on the Effective Date of this Agreement, is incorporated into this Agreement by reference, and that it shall be construed harmoniously to the greatest practicable extent; notwithstanding the foregoing, in the event of any conflict between this Agreement and the Aggregation Plan, this Agreement shall govern. The Town will provide Competitive Supplier with amendments to the Aggregation Plan as they are adopted; provided, however, that such amendments are not incorporated into this Agreement as a result of such adoption. Any amendments hereto must be made in accordance with Article 19.5 of this Agreement.

19.14 ADVERTISING LIMITATIONS

Competitive Supplier agrees not to use the name of the Town, or make any reference to the Town in any advertising or other information to be distributed publicly for marketing or educational purposes, unless the Town expressly agrees, by prior written authorization, to such usage. Any proposed use of the name of the Town must be submitted in writing for agreement and prior approval, which shall not be unreasonably withheld. The Town acknowledges that the Competitive Supplier and/or the Competitive Supplier's corporate affiliates own the exclusive rights to the trademarked logo and trade name used by

Competitive Supplier. No right, license or interest in this trademark and/or trade name is granted to the Town hereunder, and the Town agrees that it shall not assert any right, license or interest with respect to such trademark and/or trade name.

19.15 PRESS RELEASES

The Town reserves the right to issue press releases with respect to this Agreement and the Aggregation program in general without the prior agreement of the Competitive Supplier, provided that the Town shall give three (3) business days' notice to the Competitive Supplier of any press release that mentions the Competitive Supplier by name. The purpose of this notice requirement is to provide opportunity to the Competitive Supplier to comment on the content of such press release and to give the Town the opportunity to take such comments into consideration before making the final discretionary decision regarding the content of any such press release.

19.16 HEADINGS AND CAPTIONS

The headings and captions appearing in this Agreement are intended for reference only, and are not to be considered in construing this Agreement.

19.17 SURVIVAL OF OBLIGATION

Termination of this Agreement for any reason shall not relieve the Town or the Competitive Supplier of any obligation accrued or accruing prior to such termination.

19.18 REMEDIES

A. General

Subject to the limitations set forth in this Article and Article 6, the Town and the Competitive Supplier reserve and shall have all rights and remedies available to each of them at law or in equity with respect to the performance or non-performance of the other Party hereto under this Agreement.

B. Limitations

NEITHER PARTY HERETO SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT.

19.19 COMPLIANCE WITH LAWS

By entering into this Agreement, the Parties specifically represent that they have exercised due diligence to review and have fully complied with all relevant regulations and orders of the Federal Energy Regulatory Commission ("FERC"), the Department, Massachusetts Attorney General, and the Massachusetts Department of Energy Resources ("DOER") and any other governmental authorities having jurisdiction over any element of the transactions contemplated by the Agreement.

19.20 USE OF ALCOHOL AND CONTROLLED SUBSTANCES PROHIBITED

The Competitive Supplier hereby acknowledges that the use of alcoholic beverages, narcotics, and mood altering substances, except for current valid, legal prescriptions, by any officer, employee, agent, or representative of the Competitive Supplier is prohibited on Town property which is the subject matter of this Agreement and during all hours of work under this Agreement. If any officer, employee, agent, or representative of the Competitive Supplier violates the foregoing provision, the Town shall have the right to order that such officer, employee, agent, or representative of the Competitive Supplier shall not be permitted to return to work on this Agreement. Under such circumstances, the Competitive Supplier shall promptly remove the subject officer, employee, agent, or

representative from the job site and shall not permit the subject officer, employee, agent, or representative to perform further work in conjunction with this Agreement.

19.21 NO SMOKING

Pursuant to Massachusetts General Laws (M.G.L.) c. 270, §22, the Commonwealth of Massachusetts Smokefree Workplace Law, the Competitive Supplier, its officers, employees, agents, and representatives shall refrain from smoking and from using tobacco products in any public building in the Town.

19.22 CRIMINAL BACKGROUND SCREENING

For each employee of the Competitive Supplier who is performing services under this Agreement, the Competitive Supplier shall, subject to its confidentiality and privacy obligations owing to its employees and third parties, provide a written confirmation to the Town that such employee passed the Competitive Supplier's pre-employment criminal background screen. In the event that any employee refuses to permit the Competitive Supplier to provide such information to the Town, the Competitive Supplier shall not assign such employee to perform services for the Town, and such employee shall not be authorized to perform services for the Town. The Town shall be permitted to keep such information in its files.

19.23 NO INFLUENCE

The Competitive Supplier acknowledges that it has not been influenced to enter into this Agreement, nor has the Competitive Supplier relied upon any warranties or representations not set forth in this instrument.

19.24 NON-COLLUSION

By entering into this Agreement, the Competitive Supplier certifies under penalties of perjury that its execution of this Agreement was in good faith and without collusion or fraud with any person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.

19.25 CERTIFICATE OF TAX COMPLIANCE

By entering into this Agreement, the Competitive Supplier certifies under the penalties of perjury, pursuant to M.G.L. c.62C, Section 49A(b), that it has complied with all laws of the Commonwealth relating to taxes, to reporting of employees and contractors, and to withholding and remitting child support.

19.26 CONFLICT OF INTEREST CERTIFICATION

The Competitive Supplier understands that the Massachusetts Conflict of Interest Law, Chapter 268A of the Massachusetts General Laws, applies to the Competitive Supplier with respect to the services required to be provided under this Agreement. The Contractor and its officers, employees, agents, subcontractors and affiliated agencies shall not participate in any activity which constitutes a violation of the Massachusetts Conflict of Interest Law or which creates an appearance of a violation of the Massachusetts Conflict of Interest Law.

19.27 PREVAILING WAGE

Prevailing wage rates shall be paid, pursuant to M.G.L. c.149, §§26-27G, if they are applicable.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement under seal as of the Effective Date.

The Town of Natick

Consolidated Edison Solutions, Inc.

Martha L. White
Signature

Jorge J. Lopez
Signature

Martha L. White

Jorge J. Lopez

Town Administrator

President & CEO
President and Chief Executive Officer

Dated: 11/19/14

Dated: November 19, 2014

APPROVED AS TO FORM:

[Signature]
Town Counsel

Dated: November 19, 2014

CONSOLIDATED EDISON SOLUTIONS, INC.

SECRETARY'S CERTIFICATE

I, Paul F. Mapelli, do hereby certify that I am the Secretary of Consolidated Edison Solutions, Inc. (the "Company").

I further certify that the following person is, and has been at all times since a date prior to the date hereof, a duly qualified and acting officer of the Company, duly elected or appointed to the office set forth opposite his name, and authorized to act on behalf of the Company, including, but not limited to, the execution of the Competitive Electric Service Agreement between the Town of Natick and the Company as the act and deed of the Company, and that the signature of such person set forth opposite his name and title is his true and genuine signature.

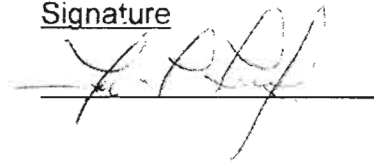
Name

Title

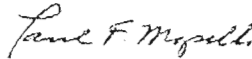
Signature

Jorge J. Lopez

President and
Chief Executive Officer

A handwritten signature in black ink, appearing to read "J. Lopez", is written over a horizontal line.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Company this 19th day of November, 2014.

A handwritten signature in black ink, appearing to read "Paul F. Mapelli", is written above a horizontal line.

Paul F. Mapelli
Secretary

**EXHIBIT A
PRICES AND TERMS
Town of Natick's Consumer Choice Power Supply Program**

Price by Rate Classification

Standard Product (all Eligible Consumers will be enrolled in the Standard Product unless they Opt Out prior to enrollment or elect the Optional Product)

All prices are fixed and inclusive of all ancillary services and quoted in \$ per kWh.

Rate Class*	Price (\$/kWh)
Residential	.1332
Small Business	.1323
Medium and Large Business	.128

*Rate classes for Residential, Small Business, and Medium and Large Business as established in the Basic Service categories of the local distribution company.

Optional Product (Eligible Consumers will be enrolled in this option, which includes the purchase of renewable energy certificates as described below, only if they affirmatively elect this option)

All prices are fixed and quoted in \$ per kWh as the price adder to be added to the prices in the table above for the Standard Product, for consumers that affirmatively elect the Optional Product

Rate Class	Price (\$/kWh)
Residential	.01539
Small Business	.01539
Medium and Large Business	.01539

Terms for System Supply Service

Renewable Energy in System Supply:

- 1. Renewable Portfolio Standard:** The Competitive Supplier shall include Renewable Energy in the All Requirements Power Supply mix in an amount no less than that required by any Governmental Authority, including laws, regulations or policies adopted pursuant to the provisions of G.L. c. 26A, section 11F and 11F1/2, starting with the requirement on the Start-Up Service Date, or

pay all penalties imposed by any Governmental Authority related to Renewable Energy requirements.

2. **Optional Product:** Competitive Supplier shall include the purchase of RECs as specified below:

Technology	Location (State)	% of Total
MA RPS Requirement	MA	21.2% for 2015; 22.7% for 2016
MA RPS Compliant Class 1 RECS	MA	20% for 2015 and 2016
ME Class II RECS (generally HYDRO)	ME	58.8% for 2015; 57.3% for 2016

Competitive Supplier shall identify the technology, vintage, and location of the renewable generators that are the sources of the RECs for the optional product. All such RECs shall either be created and recorded in the New England Power Pool Generation Information System or be certified by a third party satisfactory to the Town such as Green-e.

Term: The period of delivery of All Requirements Power Supply shall commence with Participating Consumers' first meter read date after December 31, 2014 and terminate with Participating Consumers' first meter read date after December 31, 2016, unless terminated earlier pursuant to Article 6 of the Agreement.

Eligible Consumer Opt-Out: Participating Consumers are free to opt-out of the Program using the procedures described in Exhibit C. There are no fees or charges for Participating Consumers to opt-out or terminate service.

Competitive Supplier's Standard Credit Policy: The Competitive Supplier will not require a credit review for any consumer participating in the Program, nor will the Competitive Supplier require any consumer to post any security deposit as a condition for participation in the Program. The Competitive Supplier may terminate service to a Participating Consumer and return such consumer to a Basic Service in the event that the Participating Consumer fails to pay to Competitive supplier amounts past-due greater than sixty (60) days.

Consultant Commission:

All prices quoted above include a commission fee equal to \$0.001 (1 mil) per kWh of Participating Consumers actual usage payable to Bay State Consultants, the consultant hired by the Town to develop, implement, and administer the Program. The Competitive

Supplier agrees to include this commission fee in the Price for energy and to make the monthly commission payments on behalf of Participating Consumers, and acknowledges this obligation as a material obligation of this Agreement. The Competitive Supplier shall pay the commission fee sixty (60) calendar days following the close of each month, with such commission being calculated on the basis of the kWh of usage described in the monthly report required by Section 12.1.1. This provision shall be binding upon the Parties and all permitted assigns and other successors-in-interest of the Parties. Except as provided in this provision, there shall be no other third-party beneficiaries to this Agreement.

EXHIBIT B

Monthly Report of Sales

Rate Code	Rate Name	Accounts	Customers	kWh
R-1	Res. Non-Heat/Annual	[x]	[x]	[x]
R-2	Res. Assist	[x]	[x]	[x]
R-3	Res. Space Heating	[x]	[x]	[x]
R-4	Res. Assist. Space Heating	[x]	[x]	[x]
G-1	General – Annual	[x]	[x]	[x]
G-2	General-Medium TOU	[x]	[x]	[x]
G-3	General-Large TOU	[x]	[x]	[x]
G-5	General-Comm. Heating	[x]	[x]	[x]
G-7	General TOU	[x]	[x]	[x]
R-5	Res. General-Water Heating	[x]	[x]	[x]
S-1	Street & Traffic Lights	[x]	[x]	[x]
S-2	Customer Owned Street Ltg.	[x]	[x]	[x]
Total:		[x]	[x]	[x]

Optional Product

Rate Code	Rate Name	Accounts	Customers	kWh
R-1	Res. Non-Heat/Annual	[x]	[x]	[x]
R-2	Res. Assist	[x]	[x]	[x]
R-3	Res. Space Heating	[x]	[x]	[x]
R-4	Res. Assist. Space Heating	[x]	[x]	[x]
G-1	General – Annual	[x]	[x]	[x]
G-2	General-Medium TOU	[x]	[x]	[x]
G-3	General-Large TOU	[x]	[x]	[x]
G-5	General-Comm. Heating	[x]	[x]	[x]
G-7	General TOU	[x]	[x]	[x]
R-5	Res. General-Water Heating	[x]	[x]	[x]
S-1	Street & Traffic Lights	[x]	[x]	[x]
S-2	Customer Owned Street Ltg.	[x]	[x]	[x]
Total:		[x]	[x]	[x]

Note: Rate Codes and Rate Names are listed for illustration. Supplier shall list actual Rate Codes and Rate names served in the program.

EXHIBIT C

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 Local Distribution Company's ("LDC") Terms and Conditions for Competitive Suppliers. In the event of a conflict between these protocols and the LDC's 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 Town shall 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 opt-out right.

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 the Competitive Supplier, the LDC 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 Town's designated 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 Town.

1.4. **Customer Opt-Outs.** 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:

1.4.1. Mailing the opt-out reply card to the Competitive Supplier; or

1.4.2. Calling the Competitive Supplier's customer service number and requesting to opt out.

1.5. Customer Enrollment and Commencement of Generation Service

- 1.5.1. Within five (5) business days after the conclusion of the 30-day opt-out period, the Competitive Supplier shall submit an "enroll customer" transaction to the LDC for all Basic Service customers in the Town that did not opt out, pursuant to section 1.4.1 or 1.4.2.
 - 1.5.2. Subject to the LDC's Terms and Conditions for Competitive Suppliers, generation 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 Town.** Within five (5) business days after sending the "enroll customer" transactions, the Competitive Supplier shall provide the Town 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 LDC, 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 LDC after the date of the initial opt-out notice, for example because they moved into the town.
 - 2.2. When a new eligible customer first moves into the Town, 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 LDC's service area 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 LDC 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 the Opt-Out Notice and Reply Card to all New Customers no less than thirty (30) days after receiving notice of such Customers from the LDC.

- 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 "supplier drops customer" transaction to the LDC within one (1) business day;
 - 3.1.2. By calling the LDC and requesting to be returned to Basic Service, in which case the LDC shall submit a "customer drops supplier" transaction; or
 - 3.1.3. By enrolling with an unrelated competitive supplier, in which case the unrelated competitive supplier shall submit an "enroll customer" transaction to the LDC.
- 3.2. **Effective Date.** The intent is that a customer that opts out will no longer receive Generation service through the aggregation as of:
 - 3.2.1. the customer's next scheduled meter read, for customers with meter read dates at least two (2) 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 (2) 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;
 - 4.1.2.2. customers that were not previously enrolled in the aggregation because they opted-out before being enrolled; and
 - 4.1.2.3. customers that were not previously enrolled in the aggregation because they were supplied by a competitive supplier at the time of Program launch.

4.2. Prices

- 4.2.1. With one exception, prices for opt-in customers shall be at prevailing market rates at the time of the opt in. The exception relates to those residential consumers and small commercial consumers that were not eligible at Program launch because they were supplied at that time by another supplier. This latter category of consumers may opt-in at the Aggregation price. Unless this requirement is waived by the Town, the

end date of any opt-in agreement shall be coterminous with end date of the Standard Product

4.2.2. The Competitive Supplier shall notify the Town 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 an "enroll customer" transaction to the LDC within five (5) business days.

5. Optional Products

5.1. Prior to enrollment, Customers may elect an Optional Product by calling the Competitive Supplier's customer service number. The Competitive Supplier shall enroll customers making such an election on 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 "change supplier data" transaction to the LDC to make the change in the customer's rate option.

EXHIBIT D

CUSTOMER SERVICE POLICY AND PRACTICES

Note: Bidders will be asked to submit their own policies and practices in response to the RFP. The exhibit D submitted with any supplier bid shall at a minimum:

- 1) Include the following statement, prominently placed at the beginning this Exhibit D:

“ The detailed terms of service are more fully described in the Competitive Electric Service Agreement executed on _____, which is posted and available on the Competitive Supplier’s web site at the following link: _____. Competitive supplier will provide a copy of this Agreement to any participating Consumer that requests a copy.

- 2) Provide for Customer services that are reasonably accessible to all Participating Consumers during normal working hours and that allow Participating Consumers to transact business they may have with the Competitive Supplier; Such Customer service to include availability of Bilingual (Spanish) customer service representative; online customer chat line; customer emails responded to within one business day, and after hours voice messages answered by experienced customer service rep the following business day.
- 3) Provide a toll-free telephone number that will be established by Competitive Supplier and be available for Participating Consumers to contact Competitive Supplier during normal business hours (9:00 A.M. – 5:00 P.M. Eastern Standard Time or Eastern Daylight Saving Time, as applicable, Monday through Friday) to resolve concerns, answer questions and transact business with respect to the service received from Competitive Supplier;
- 4) Include the offer to resolve any dispute with any Participating Consumer pursuant to the dispute resolution procedures described in 220 CMR 25.02 (4), or MGL c 164 (1) (F) (2).
- 5) Affirmative Choice: All Participating Consumers will have the right to opt out of the Program at any time without penalty. Participating Consumers who opt out will have the right to return to the Program at a price that reflects market prices at the time of their return.
- 6) Competitive Supplier will assign a senior Customer Service Team representative to be primary contact for the Town of Natick.

Exhibit E

Town of Natick

Municipal Aggregation Plan

December 19, 2013

The Town of Natick has developed the Natick Community Choice Electricity Supply Program to bring the benefits of low cost power, renewable energy, and electricity choice to its residents and businesses. The program is part of Natick's efforts to promote environmental sustainability and economic growth.

Before being implemented, the aggregation program 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 and a reliable power supply and treats all customer classes equitably. This aggregation plan was developed to demonstrate that Natick's program satisfies all of the requirements necessary for DPU approval.

I. Key Features

The key features of Natick's municipal aggregation program will include:

Price protection: Natick 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. Natick will only launch the aggregation when it obtains a price that meets or beats the price of utility Basic Service.

Consumer protection: Natick's program will include the strongest consumer protections, including the ability for any customer to leave the program at any time with no fee. There will be no hidden charges of any kind.

Product options: Natick will offer at least one optional green product as an alternative to the standard product, giving customers a choice of environmental characteristics and price.

Coordination with Natick's Home Energy Initiative: Natick's Home Energy Initiative has helped hundreds of Natick residents to reduce their energy consumption. The aggregation program will coordinate with the Home Energy Initiative to help even more residents to cut their energy use and cost.

Local power sources: Natick will seek to purchase Renewable Energy Certificates (RECs) from renewable energy generators in Natick, including the many solar energy projects in town, and include these RECs in the green product.

II. Statutory Requirements

The municipal aggregation statute, G.L. c. 164, sec. 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. Natick's plan satisfies all of these requirements, as discussed below.

1. Local Approval

The Municipal Aggregation Statute requires that the Town obtain approval from the local governing authorities before initiating the development of the plan. Natick satisfied the local approval requirement when Natick's Town Meeting voted to initiate the process of municipal aggregation on October 23, 2012. The minutes of the town meeting are attached as Appendix A.

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

The aggregation statute also requires the Town to consult with the Department of Energy Resources (DOER) in developing the plan. Natick submitted a draft of the plan to DOER and Natick officials met with DOER to discuss that draft on July 11, 2013. DOER provided many helpful comments on the draft which were incorporated into the final version of the plan. Natick has also consulted with NSTAR in the development of the plan. Natick's aggregation consultant provided NSTAR with a draft of the plan for review and discussed the draft with NSTAR representatives.

Natick has made the plan available for review by its citizens, including discussing the plan at a public meeting of the Board of Selectmen.

II. 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 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 approved by the Board of Selectmen, the elected representatives of the citizens of Natick, and overseen by the Town Administrator.

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. Through a competitive procurement process, Natick has selected the team of Bay State Consultants and Peregrine Energy Group to provide these services for an initial three-year term.

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 Competitive Electric Service Agreement.

2. Operations

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

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

The implementation of an aggregation requires extensive interaction between the Town, the competitive supplier, and the local distribution company. Those interactions are described in detail in Appendix B.

a. Issue supply RFP and select winning competitive supplier

i. Power supply

After the DPU approves the plan, the next step is to procure an energy supply contract. Natick 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 substantive terms and conditions of Natick's model electricity service agreement, 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 fee
- Agree to specified customer service standards
- Comply with all requirements of the DPU and the local distribution company

Natick will solicit price bids from suppliers that meet the threshold criteria and agree to the terms and conditions. The Town will request bids for a variety of terms (e.g., one year, two years, and three years) and for power from different sources. If none of the bids is satisfactory, the Town will reject all bids and repeat the call for prices as often as needed until market conditions yield a price that is acceptable to the Town. Natick will only accept a bid that enables it to launch the aggregation with a price that is equal to or less than the Basic Service price.

ii. RECs for optional green product

In addition to soliciting bids for power supply that meet the required MA RPS obligation, Natick will solicit bids to supply Renewable Energy Certificates (RECs) for the optional green product. The town will seek bids for RECs from a variety of renewable sources, and will choose the proposal that offers the best combination of environmental benefit and price.

Natick will require bidders to identify the technology, vintage, and location of the renewable generators that are the sources of the RECs. It will also 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 30-day opt-out notice

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

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

At the time of launch, Natick will amplify this existing awareness. 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 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 the *MetroWest Daily News*, *The Boston Globe*, and other outlets identified as valuable by the town
- 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 the October Town Meeting, open to all town residents, as well as targeted presentations to vulnerable populations such as the senior community
- An inclusion of an announcement about the aggregation in the Town Administrator's quarterly newsletter
- A toll-free customer information and support hotline
- A presentation on the Natick cable access network.
- An informational FAQ for town employees to ensure they can confidently answer any questions that arise.
- 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 downloadable files and in the Town Hall and other public buildings.

A detailed timeline for these efforts will be developed by Natick 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. The notice will have the appearance of 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 NSTAR's basic service. The opt-out notice is attached to this Plan as Appendix 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. The notice will be designed by Natick 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 Appendix D.

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 basic service customers that did not opt out. All enrollments and other transactions between the competitive supplier and NSTAR will be conducted in compliance with the relevant provisions of DPU regulations, NSTAR's 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, Natick intends to procure a new supply agreement.

As part of its ongoing service, Natick 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, Natick 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 Town Hall, and postings on the program website. As the DPU has found with other aggregations, this alternate information disclosure strategy will allow Natick to provide the required information to its customers as effectively as quarterly mailings.

Also as part of ongoing operations, Natick intends to coordinate the aggregation program with Natick's Home Energy Initiative, an energy efficiency program that helps Natick residents to reduce their energy use and cost. The specifics of this coordination will be developed as the aggregation program gets closer to launch. It is anticipated that at a minimum there will be cross marketing whereby aggregation program customers will be encouraged to participate in the Home Energy Initiative and Home Energy Initiative customers will be encouraged to consider the aggregation's optional green product.

c. Annual report to DOER

On an annual basis, Natick will report to DOER on the status of the program, including number of customers enrolled and opting-out, kilowatt-hour sales, 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 supply contract.

The primary cost will be the competitive supplier's charges 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 adder that will be paid by the competitive supplier to the Consultant, as specified in the electricity supply agreement (ESA). This fee 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 initially at \$0.001 per kilowatt-hour and was established through the competitive solicitation that Natick conducted for an aggregation consultant.

4. Rate Setting and Other Costs to Participants

As described above, the program's generation charges will be set through a competitive bidding process and will include the administrative adder. Prices, terms, and conditions may differ among customer classes, which will be the same as NSTAR's basic service customer classes. The program affects only customers' electricity supply charges. Delivery charges will be unchanged and will continue to be charged by NSTAR in accordance with tariffs approved by the DPU.

Participants will receive one bill from NSTAR that includes both the electricity supply charge and NSTAR's delivery charges.

5. Method of Entering and Terminating Agreements with Other Entities

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

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 that right by any of the following: 1) calling the Competitive Supplier's 800 number; 2) contacting NSTAR 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, NSTAR, and the DPU. As appropriate, the Town and Consultant will direct customer complaints to the competitive supplier, NSTAR, 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.

7. Extension or Termination of Program

Prior to the end of the term of the initial ESA, Natick 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 ESA without any extension, renewal, or negotiation of a subsequent supply contract, or upon the decision of the Town Administrator to dissolve the program effective on the end date of any outstanding supply agreement. In the event of termination, customers would return to NSTAR's basic service unless they choose an alternative competitive supplier.

Natick will notify NSTAR of the planned termination or extension of the program. In particular, Natick will provide NSTAR 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 program's ESA; and (3) four business-days after the successful negotiation of a new electricity service agreement.

III. 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

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

1. Universal Access

The 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 existing basic service customers will be automatically enrolled in the program unless they choose to opt out. As new customers move into Natick, 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 to do so.

New customers will be enrolled at the same price as the existing customers, with the exception of new Very Large C&I 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 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. 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, of course, 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 requires the competitive supplier to maintain insurance (ESA, Article 16) and the RFP 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 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, medium and large business) by soliciting separate pricing for each of those classes. The program will use the same customer classes that NSTAR uses for its 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 associated with that product.

Third, the program will distinguish between customers that join the program through an opt out process and customers that join by opting in. Customers that join through an opt-out process include the initial customers and customers that move into Natick after the program start-date. These customers will receive the standard program pricing. 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 seek to join the program; and b) customers re-joining the program after having previously opted out. These "opt in customers" will be offered a price based on then-current market rates rather than the standard contract price. This distinction is designed to limit incentives for frequent switching back and forth between the program and basic service.

Finally, as described above under "Universal Access," among New Customers, the program will 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.

IV. PLANNED SCHEDULE

Milestone	Date Estimate
RFP for competitive supplier issued	December 1, 2013
Electricity Supply Agreement executed	December 31, 2013
Broad-based educational campaign begins, including the announcement of supply contract and pricing and the launch of program web site.	January 4, 2014
Opt-out notice mailed to customers	January 15, 2014
Opt-out deadline	February 15, 2014
Supplier submits customer enrollment requests to local distribution company	February 26, 2014
Service begins as of each customer's next meter read date	March 1, 2014

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

V. CONCLUSION

The Natick Community 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. Natick looks forward to the approval of this plan by the DPU so that the town can launch the program and bring the benefits of low cost power, renewable energy, and electricity choice to its residents and businesses.

APPENDIX A
Minutes of Town Meeting Vote



Exhibit A

TOWN OF NATICK

Diane B. Packer
Town Clerk
dpacker@natickma.org

CERTIFICATE OF VOTE

I, Diane Packer, Town Clerk of Natick Massachusetts, do hereby certify the following vote:

ARTICLE 26: Community Choice Aggregation (Town Administrator)


To see if the Town will vote to authorize the Board of Selectmen to enter into a Community Choice Aggregation Program and contract for electric supply for Natick residents and businesses as per MGL 164, Section 134, or otherwise act thereon.

MOTION (Requires Majority Vote):

Moved by Mr. Everett, seconded by Mr. Freedman that the Town vote to authorize the Board of Selectmen to enter into a Community Choice Aggregation Program and contract for electric supply for Natick residents and businesses as per MGL 164, Section 134.

The main motion under Article 26 passed by majority vote.

These votes were taken at the October 23, 2012 session of the 2012 Fall Annual Town Meeting.



Diane B. Packer

APPENDIX B

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 Local Distribution Company's ("LDC") Terms and Conditions for Competitive Suppliers. In the event of a conflict between these protocols and the LDC's 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 Town shall 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 opt-out right.

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 LDC will electronically transmit the name, address, and existing power supply option (i.e., Basic Service or competitive supply) of each eligible consumer to the Town's designated 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 Town.

1.4. **Customer Opt-Outs.** 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:

1.4.1. Mailing the opt-out reply card to the Competitive Supplier; or

1.4.2. Calling the Competitive Supplier's customer service number and requesting to opt out.

1.5. Customer Enrollment and Commencement of Generation Service

1.5.1. Within five (5) business days after the conclusion of the 30-day opt-out period, the Competitive Supplier shall submit an "enroll customer" transaction to the LDC for all Basic Service customers in the Town that did not opt out, pursuant to section 1.4.1 or 1.4.2.

1.5.2. Subject to the LDC's Terms and Conditions for Competitive Suppliers, generation 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 Town.** Within five (5) business days after sending the "enroll customer" transactions, the Competitive Supplier shall provide the Town 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 LDC, 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 LDC after the date of the initial opt-out notice, for example because they moved into the town.
- 2.2 When a new eligible customer first moves into the Town, 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 LDC's service area and had previously chosen and 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 LDC 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 the Opt-Out Notice and Reply Card to all New Customers no less than thirty (30) days after receiving notice of such Customers from the LDC.
- 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 "supplier drops customer" transaction to the LDC within one (1) business day;
 - 3.1.2. By calling the LDC and requesting to be returned to Basic Service, in which case the LDC shall submit a "customer drops supplier" transaction; or
 - 3.1.3. By enrolling with an unrelated competitive supplier, in which case the unrelated competitive supplier shall submit an "enroll customer" transaction to the LDC.

- 3.2. **Effective Date.** The intent is that a customer that opts out will no longer receive Generation service through the aggregation 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 (2) 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. Unless this requirement is waived by the Town, 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 Town 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 an "enroll customer" transaction to the LDC within five (5) business days.

5. Optional Products

5.1. **Prior to enrollment, Customers may elect an Optional Product by calling the Competitive Supplier's customer service number. The Competitive Supplier shall enroll customers making such an election on 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 "change supplier data" transaction to the LDC to make the change in the customer's rate option.**

APPENDIX C
Opt-Out Notice

CUSTOMER NOTIFICATION LETTER

Dear Natick Electric Service Customer,

Welcome to the **Natick Community Choice Electricity Supply Program!**

The Natick Community Choice Electricity Supply Program is a new Town program that gives you electricity supply alternatives to NSTAR. All eligible residential and commercial electricity customers will receive their electricity supply from <supplier name> instead of NSTAR, starting on the first meter read after <month> <day>, 2014.

How You Benefit

- **Electric bill predictability:** Natick has negotiated a XXX-year contract with <vendor name>, which means your electricity supply rate will not change for the next year. (Utility rates change every six months.)
- **The choice to use local renewable energy:** The program also allows you to choose local renewable electricity at a rate of X.XXX¢/kWh. To learn more about this option, call <vendor name> at 1-800-XXX-XXXX.

These benefits are possible because the Natick Community Choice Electricity Supply Program is a municipal electricity aggregation program, which, under Massachusetts law, allows a community to select an electricity supplier and bring the benefits of that choice to all eligible consumers.

No Interruption in Power, Billing, or Customer Service

This change will be nearly invisible to you.

Participating in the Natick Community Choice Electricity Supply Program will change only your electricity supplier. NSTAR will continue to read meters, maintain distribution and transmission lines, and provide customer service.

If you are eligible for a low-income delivery rate, you will continue to receive those benefits.

The only change you will see is a notification on your next bill from NSTAR of a supplier change. On future bills, you will see <vendor name> printed as a line item for supply services. Otherwise:

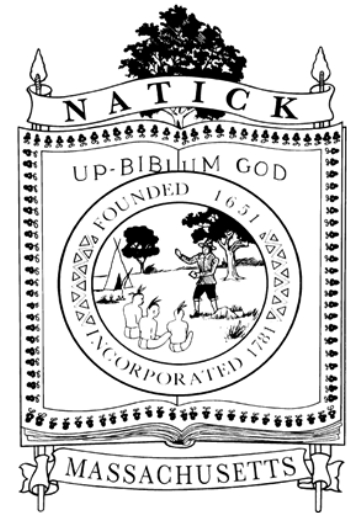
- Your bill will continue to come from NSTAR
- You will continue to send bill payments to NSTAR
- You will continue to call NSTAR if your power goes out

You Will Be Automatically Enrolled

To participate in the Natick Community Choice Electricity Supply program, you need to do nothing. As an eligible NSTAR Basic Service customer, you will be automatically enrolled and eligible for savings through the Natick Community Choice Electricity Supply Program.

How to Opt Out

If you prefer not to participate, you may opt out by filling out, signing, and returning the enclosed postcard by <month> <date>, 2013. There is *no penalty* for opting out of the program, and you may do so *at any time*. To opt out in the future, simply call <vendor> at 1-800-XXX-XXXX.



QUESTIONS? LEARN MORE CALL 1-800-XXX-XXXX

- ▶ Read the FAQ online at:
[www.natickma.virtualtownhall.net/
communitychoice](http://www.natickma.virtualtownhall.net/communitychoice)

YOUR NEW SUPPLY PRICE

- ▶ Residential accounts
X.XXX ¢/kWh
- ▶ Small commercial/
industrial accounts
X.XXX ¢/kWh
- ▶ Large commercial/
industrial accounts
X.XXX ¢/kWh

**COMPARE TO NSTAR'S RATES
ON THE BACK ▶**



If you opt out, you will remain on Basic Service.

A note for NSTAR Budget Billing customers: If you participate in the aggregation, NSTAR’s budget billing program will apply only to the *delivery* portion of your bill. The supply portion of your bill not be part of the budget program. Instead, it will be calculated using the aggregation price, and it will be calculated monthly based on how much electricity you use. This means the supply portion of your electricity bill will now change a little from month to month, depending on how much electricity you use.

If you wish to have all portions of your electric bill included in the budget billing program, you should opt out of the aggregation and remain on NSTAR basic service.

Please note that if you do participate in the Natick Community Choice Electricity Supply Program but fail to pay your bill in a timely manner, you will be placed back on NSTAR’s Basic Service.

Sincerely,

Martha White
Town Administrator

COMPARATIVE ELECTRICITY SUPPLY RATES AND TERMS

	Natick Community Choice Electricity Supply Program	NSTAR Basic Service
2014 Rate	<month> <year> meter read – <month> <year> meter read	<month> <day>, <year> – <month> <day>, <year>
Residential accounts	X.XXX¢/kWh	X.XXX¢/kWh
Small commercial/ industrial accounts	X.XXX¢/kWh	X.XXX¢/kWh
Large commercial/ industrial accounts	X.XXX¢/kWh	X.XXX¢/kWh
Duration	Rate is in effect from <month> <year> meter read through <month> <year> meter read	NSTAR Fixed Basic Service rates change every six (6) months for residential and small commercial/ industrial customers and every three (3) months for large commercial/ industrial customers.
Exit Terms	No exit charge	May receive a reconciliation charge or credit.

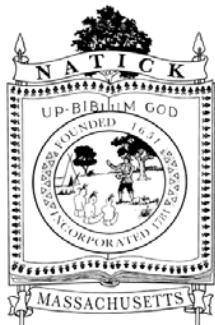


Town of Natick
c/o Competitive Supplier
1 Supplier Street
Supplier, MA 00000

PRESORTED
STANDARD
US POSTAGE PAID
NATICK, MA
PERMIT NO. 10

Do not discard! Time-sensitive notice regarding electricity rates!

APPENDIX D
Opt-Out Reply Card



NATICK COMMUNITY CHOICE ELECTRICITY SUPPLY PROGRAM OPT-OUT REPLY CARD

Jane Smith
1 Main Street
Natick, MA 01760

X _____

Signature

Date

OPT-OUT INSTRUCTIONS

You do not need to take any action to participate in the Natick Community Choice Electricity Supply Program.

If you do not wish to participate:

1. Sign and date this card
2. Drop it in the mail

This card must be signed by the Customer of Record whose name appears in the address on this card. You have 30 days from the postmark of the Customer Notification Letter to return the card.

BUSINESS REPLY MAIL

FIRST-CLASS MAIL PERMIT NO. XX NATICK MA

POSTAGE WILL BE PAID BY ADDRESSEE

FIRST LAST NAME
123 MAIN STREET
CITY, STATE 02020

