

Pepperell Community Electricity

Municipal Aggregation Plan

April 29, 2024

The Town of Pepperell (Town) developed the Pepperell Community Electricity program (Program) to bring the benefits of renewable energy and electricity choice to its residents and businesses and to help the Town achieve its sustainability goals. The Program will integrate additional renewable energy into the power supply and will offer a selection of supply options as well as the ability to leave the Program and return to utility Basic Service at any time with no penalty or fee.

I. Key Features

The key features of the Town's municipal aggregation Program will include:

Renewable electricity: The Town will seek to increase the use of power from renewable resources such as wind and solar.

Price stability: The Town will seek to provide greater price stability when compared with utility Basic Service prices by entering into a series of competitively-bid electricity supply contracts for fixed- price periods such as one-to-three years. However, savings cannot be guaranteed.

Competitive pricing. The Town will also seek to provide competitive prices and possible cost savings, but savings cannot be guaranteed.

Automatic enrollment and opting out: Eligible customers¹ (Eligible Customers) will be automatically enrolled in the Program unless they opt out. Customers can opt out of the Program at any time, either before enrollment or after, with no fee.

II. Program Options

The Town will give Program participants a choice in the percentage of renewable energy and price of their electricity supply by offering three Program Options. Because the integration of renewable energy into the Town's power supply is a driving motivation for the Program, the Town will offer a level of renewable energy above the state minimum requirement, known as the Renewable Portfolio Standard (RPS), in two of the Program Options. Specifically:

¹ Eligible customers shall include (1) basic service customers; (2) basic service customers who have indicated that they do not want their contact information shared with competitive suppliers for marketing purposes; and (3) customers receiving basic service plus an optional green power product that allows concurrent enrollment in either basic service or competitive supply. Eligible customers shall not include: (1) basic service customers who have asked their electric distribution company to not enroll them in competitive supply; (2) basic service customers enrolled in a green power product program that prohibits switching to a competitive supplier; and (3) customers receiving competitive supply service. Order on Eligible Customers, D.P.U. 16-10, at 19 (2017).

1. Pepperell Standard

Program will provide a Standard, or default, option that includes a higher renewable energy content than is included in utility Basic Service. The additional renewable energy content will come from additional Renewable Energy Certificates (RECs)² over and above the RPS requirement. The additional RECs may be Class I RECs, or other types of RECs, or a combination. Pepperell Standard will have a lower percentage of additional Class I RECs than Pepperell 100% Renewable and will have a higher percentage of additional RECs than Pepperell Basic.

The percentage and type of RECs will be established by the Town Administrator with policy direction from the Select Board. The Town Administrator will do so after conducting a competitive procurement and receiving price bids and in consideration of factors including: cost; environmental impact; location of the renewable generators; and Massachusetts renewable energy requirements. The percentage and type of RECs may change after they are initially established. Program participants will be notified before any such change. The percentage and type of RECs will be disclosed in the Opt-Out Notification, Program website, and other communications regarding the Program.

2. Pepperell 100% Renewable

In order to give residents and businesses more freedom to make individual decisions about the price and environmental impact of their power supply, the Program will offer an additional option that includes 100% renewable energy, including both the state-required RECs and RECs added voluntarily. The additional renewable energy content will come from additional RECs over and above the RPS requirement. The additional RECs may be Class I RECs, or other types of RECs, or a combination. The percentage and type of RECs will be established and disclosed using the same process and factors as for Pepperell Standard.

3. Pepperell Basic

The Town will also offer a Pepperell Basic option that includes no additional renewable energy above state minimum requirements. This option is expected to provide greater price stability than utility Basic Service, and may result in lower prices overall during the time of the contract than utility Basic Service, although savings cannot be guaranteed. The Town will conduct a competitive procurement and establish the price after it receives price bids.

III. Procedural Requirements

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

² A REC represents the environmental attributes associated with electricity generation. RECs are part of an accounting system that enables generators to sell, and customers to buy, renewable electricity. Class 1 RECs, also known as “premium” RECs, come from generators that are fueled by renewable sources such as the sun and wind, began operating after 1997, and are located in, or deliver power to, New England.

1. Local Approval

The Municipal Aggregation Statute provides that a town may initiate the process to aggregate electrical load upon authorization by a majority vote of town meeting. The Town obtained such authorization by vote at its Town Meeting on May 9, 2022. A copy of the Town Meeting vote is provided as Attachment A to Exhibit 3 of the Town's Petition for Approval of Municipal Aggregation Plan (Petition).

2. Consultation with the Department of Energy Resources

The aggregation statute also requires the Town to consult with the Department of Energy Resources (DOER) in developing its aggregation plan (Plan). The Town submitted a draft of its Plan to DOER, and Town officials discussed the draft with DOER on May 9, 2023. DOER's consultation letter is provided as Attachment B to Exhibit 3 of the Town's Petition.

3. Citizen Review

The Town made the Plan available for review by its citizens by posting the Plan for comment and holding a public meeting on April 11, 2023. Comments received are attached as Attachment G to Exhibit 3 of the Petition.

IV. 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:

Select Board and Town Administrator: The Program will be overseen by the Select Board and the Town Administrator. The Select Board will set the policy direction. The Town Administrator will approve the Plan, manage the consulting team, establish the voluntary REC type and percentage, and sign the competitive electric service agreement (ESA).

Consultants: The Town's aggregation consultant (Consultant) will manage the Program under the Town Administrator's direction. The Consultant's responsibilities will include managing the supply procurement, developing and implementing the public education plan, interacting with the local distribution company, monitoring the Competitive Supplier, maintaining the aggregation website, providing customer service, and producing required reports. The Town has selected MassPowerChoice, LLC to provide these services for an initial term.

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

2. Operations

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

- a. Issue a Request for Qualifications (RFQ) and Request for Prices (RFP) and select winning competitive supplier
 - b. Implement the public education effort for the Plan, including notice of the specific features and prices for Program options and of the opt-out period, and resources to obtain additional information and implement consumer choices
 - c. Enroll customers and provide service, including required information disclosures
 - d. Submit reports to the DPU and DOER
- a. Issue a Request for Qualifications and Request for Proposals and select winning competitive supplier**

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

The Town will issue an RFQ to leading competitive suppliers, including those currently supplying aggregations in Massachusetts and other states. The RFQ will require that the supplier satisfy key threshold criteria, including:

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

In addition, suppliers will be required to agree to the terms and conditions of an ESA, substantially in the form of the Town’s model ESA. The ESA requires the supplier to:

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

The Town will not enter into an ESA with a competitive supplier unless the ESA is fully consistent with its Department-approved Plan and Department directives.

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

The Town will solicit bids for power supply that meets the Massachusetts Renewable Portfolio Standard (RPS) requirements and for additional renewable energy over and above the RPS requirements.

The renewable energy in the power supply will be documented using RECs. The RECs used for RPS compliance will be created and recorded in the New England Power Pool Generation Information System (NEPOOL GIS). RECs in excess of the RPS requirements will be certified as having been retired and not re-sold, either through the NEPOOL GIS, another regional tracking system, or third-party certification.

b. Implement public education effort, including notice of the pre-launch opt-out period

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

The delivery of a public education effort and associated materials are pivotal to ensuring clarity, participation, and enthusiasm for the aggregation. The Town will use a variety of channels to communicate the Program's objectives, the primary terms and conditions of the ESA, the right to opt out of the Program, and the Program options.

The public education plan will include both broad-based efforts and an opt-out notice to be mailed to every Eligible Customer.

The Opt-Out Notice and customer education materials (announcements, slides, presentations, brochures) will state that Eligible Customers will be automatically enrolled in the Program unless they opt out.

Where the Town's education and outreach materials address the availability of the Program to competitive supply customers, those materials will clearly disclose that such customers may be subject to penalties or early termination fees from their competitive supplier if they switch from competitive supply to the Town's Program during the term of an ESA. The Town will provide the Department with a copy of any materials it proposes to send to competitive supply customers for the purpose of notifying them of their eligibility to receive power from the Program. The Town will provide such materials to the Department no later than ten business days prior to the proposed date of issuance.

Please see Attachment A for the Town's Education and Outreach Plan, which sets forth in detail the efforts the Town will undertake.

Opt-Out Notice

As a part of the Town's public education and outreach efforts, an Opt-Out Notice will be mailed to every Eligible Customer after the electricity supply contract is signed and before Program launch. The notice will be an official Town communication, and it will be sent in an envelope clearly marked as containing time-sensitive information related to the Program. The notice will: (1) introduce and describe the Program; (2) inform Eligible Customers of their right to opt out and that they will be automatically enrolled if they do not exercise that right; (3) explain how to opt out; and (4) prominently state all Program charges and compare the price and primary terms of the Town's competitive supply to the price and terms of utility Basic Service.

The direct mailing will include the Opt-Out Notice, a language access document, an Opt-Out Reply Card, and a postage-paid return envelope. The language access document will provide instructions in 26 languages to have the opt-out notice translated. The Opt-Out Reply Card will identify the date by which the return envelope must be postmarked in order for the customer to be opted out prior to being enrolled.

The Opt-Out Notice and reply card will be designed by the Town and printed and mailed by the Competitive Supplier, who will process the opt-out replies. An exemplar Opt-Out Notice is provided with this Plan as Attachment B-1. An exemplar language access document cover sheet is provided as

Attachment B-2. An exemplar Opt-Out Reply Card is provided as Attachment B-3. An exemplar opt-out reply card return envelope is provided as Attachment B-4.

c. Enroll Eligible Customers that do not opt out and provide service, including information disclosure

After the completion of the opt-out period, the competitive supplier will enroll into the Program all Eligible Customers that did not opt out. Customers whose Opt-Out Notices are returned to the competitive supplier as undeliverable will not be automatically enrolled.

The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice. All enrollments and other transactions between the competitive supplier and the local distribution company, National Grid, will be conducted in compliance with the relevant provisions of DPU regulations, National Grid's *Terms and Conditions for Municipal aggregators* (as amended or superseded from time to time), and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the Competitive Supplier will provide all-requirements power supply service. The supplier will also provide ongoing customer service and process new customer enrollments, ongoing opt-outs, opt-back-ins, and customer selections of optional products. As below under Section V.2. Reliability, National Grid remains responsible for and is the contact entity related to outages and other local delivery issues. Prior to the expiration of the initial ESA, the Town intends to enter a new ESA on behalf of Program participants.

As new Eligible Customers move into the town, they will have an opportunity to join the Program. New Eligible Customers will initially be placed on utility Basic Service. They will then receive an Opt-Out Notice and will be enrolled in the program unless they choose to opt out within the opt-out period.

Customers may proactively enroll by contacting the Program. Customers that proactively enroll in the Program, or switch products, will be sent a Product Summary Form³ for the product (option) they selected.

As part of its ongoing service, the Town will provide the disclosure information required by G.L. c. 164, § 1(F)(vi) and 220 C.M.R. § 11.06. The Town has requested 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, postings at Town Hall, and postings on the Program website. Please see Attachment A for the Town's Education and Outreach Plan which provides greater detail about the Town's alternative disclosure strategy.

In a prominent location on the Town's website, the Town will provide an appropriate link to the dedicated Program website, in addition to basic information about the Plan. Once completed, all Plan documents and education materials will be available and updated on the Program website.

d. Submit reports to the DPU and DOER

On an annual basis, the Town will report to the DPU and DOER on the status of the Program, including all information requested by the DPU or DOER.

³ The Product Summary Form will be the same as the Contract Summary Form that the DPU specifies for competitive retail suppliers, with minor text edits to make the form appropriate for participants in a municipal aggregation program. For example, because aggregation program participants do not sign a contract, the term "contract" will be replaced by "Program" or "Option" as appropriate.

3. Funding

The costs of the Program will be funded primarily through the supply charge paid by Program participants through the ESA.

The principal Program cost will be the Competitive Supplier's charge for the power supply. This charge will include the costs of RECs and will be established through the competitive solicitation for a supplier.

The administrative costs of the Program will be funded through a per kilowatt-hour fee that will be included in the supply price and paid by the Competitive Supplier to the Consultant, as specified in the ESA. This fee will cover the services of the Consultant, including developing the Aggregation and Outreach and Education Plan, managing public outreach efforts, managing the DPU approval process, managing the supply procurement, developing and implementing the post-approval public education plan, managing a robust opt-in campaign, providing customer support, interacting with the local distribution company, monitoring the supply contract, and providing ongoing reports. This fee has been set for the initial term of the Consultant's contract at \$0.001 per kilowatt-hour.

4. Rate Setting and Other Costs to Participants

As described above, the Program's electricity supply charge will be set through a competitive bidding process and will include the administrative adder. Prices, terms, and conditions will vary by Program Option and may differ by customer class and customer enrollment scenario as described in the Enrollment Pricing table in § V.3. For each customer class, prices will be fixed for periods at least as long as the utility Basic Service price period for the class.⁴

The Town will notify customers of any change in product price or renewable energy content consistent with all notification requirements for the competitive supply market required by the Department of Public Utilities that are applicable to municipal aggregations. At a minimum, the Town will notify Program participants of any change in Program price or renewable content (including a change at the start of a new supply contract) through a direct mail notice at least 30 days prior to any such change. The direct mail notice will include the Product Summary Form and will contain the new Program price, term, fees, and renewable energy content, and will contain the applicable Basic Service rate and inform participants that they may opt out of the Program at any time and return to Basic Service at no charge. The Town will also issue a media release, post a notice in Town Hall, and post a notice on the Town website and the Program website.

If there is a change in law (i.e., "regulatory event" or "new taxes" per Article 18 of the ESA) that results in a direct, material increase in costs during the term of the ESA (see Article 18 of the ESA), the Town and the Competitive Supplier will negotiate a potential change in the Program price. At least 30 days prior to the implementation of any such change, the Town will notify Program participants as described above. The Town will notify the DPU Consumer Division prior to the implementation of any change in Program price related to a change in law. Such communication shall occur no less than ten business days prior to the consumer notification and include copies of the direct mail notice, all media releases, Town Hall and website postings, and other communications the Town intends to provide to customers regarding the change in price.

⁴ Basic Service pricing periods vary by customer class. For residential and small business customers, the prices change every six months. For medium and large business customers, prices change quarterly.

The Program affects only customers' electricity supply charges. Delivery charges will be unchanged and will continue to be charged by the local distribution company in accordance with tariffs approved by the DPU. Also, low-income discounts provided by the local distribution company will continue to be applied.

Participants will continue to receive one bill from their local distribution company that includes both the electricity supply charge and their local distribution company's delivery charges. Required taxes will be billed as part of the electricity supply charge. Customers are responsible for identifying and requesting an exemption from the collection of any tax by providing appropriate documentation to the Competitive Supplier.

5. Method of Entering and Terminating Agreements with Other Entities

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

For both the initial and subsequent ESAs, the Town will use the competitive solicitation process described above in Section IV.2.a. In order to help ensure that the Program is not prematurely terminated, for ESAs after the initial ESA the Town will solicit bids no later than 90 days prior to the end of the term of the then-current ESA. The Town will not enter into any ESA with a competitive supplier unless it is fully consistent with its Department-approved Plan and Department Guidelines.

If the Town determines that it requires the services of an aggregation consultant after the expiration of the existing agreement with MassPowerChoice, the Town will solicit proposals for, and evaluate, potential aggregation consultants using a competitive procurement process or alternative procedure which the Town determines to be in the best interest of its residents and businesses and consistent with all applicable local, state, and federal laws and regulations.

6. Rights and Responsibilities of Program Participants

All participants will have the right to opt out of the Program at any time without charge. They may exercise that right by any of the following: 1) calling the Competitive Supplier's toll-free number; 2) submitting the opt-out form on the Program website; 3) contacting their local distribution company and asking to be returned to Basic Service; or 4) 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, the Consultant, the Competitive Supplier, the local distribution company, and the DPU. As appropriate, the Town and Consultant will direct customer complaints to the competitive supplier, their local distribution company, or the DPU.

Participants will be responsible for paying their bills, for providing access to metering and other equipment necessary to carry out utility operations, and for complying with all applicable laws, regulations, and tariffs.

7. Extension or Termination of Program

At least 90 days prior to the end of the term of the initial ESA, the Town will solicit bids for a new supply and plans to continue the Program with the same or a new competitive supplier. When the Town

determines that it is timely to solicit bids, it will repeat the procurement steps described in Section IV.2.a. If the Town receives a satisfactory price bid, it will enter a new ESA with the winning bidder.

At least thirty days prior to the effective date of a new ESA, Program participants will be informed of the ESA and any price or program changes through the notification process described in § IV.4.

If the Town seeks to change the voluntary renewable energy content for any option, it will notify Program participants of the change as described above. Customers enrolled in an opt-in option that will change voluntary renewable content will be informed that they must affirmatively re-enroll in the new option (or affirmatively enroll in another option or opt-out) or they will be returned to Basic Service. Customers enrolled in Pepperell Green (or an opt-in option where the renewable energy content does not change) will be notified that they will be re-enrolled in their current option unless they opt out.

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 with the approval of the Select Board to dissolve the Program effective on the end date of any outstanding supply agreement or for other legal or contractual reason. In the event of termination, customers would be returned to their local distribution company's Basic Service via Electronic Data Interchange (EDI) by the Competitive Supplier in accordance with the rules set forth in the Electronic Business Transactions (EBT) Working Group Report unless the customers choose an alternative competitive supplier.

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

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

The Town will notify the Director of the DPU's Consumer Division 90 days prior to a planned termination of the Program. Such communication shall include copies of all media releases, town clerk and website postings, and all other communications the town intends to provide to Program participants regarding the termination of the Program and the return of participants to Basic Service.

V. 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

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 Eligible Customers will be automatically enrolled in the Program unless they choose to opt out.

All customers will have the right to opt out of the Program at any time at no charge. Customers that opt out will have the right to return to the Program at any time. Customers that opt out and then return to the Program will be offered a price that reflects market conditions 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 7). The local distribution company will remain responsible for delivery service, including the physical delivery of power to the consumer, maintenance of the delivery system, and restoration of power in the event of an outage. From a financial perspective, the ESA requires the Competitive Supplier to pay actual damages for any failure to provide supply at the contracted rate (i.e., to pay the difference between the contract rate and the utility supply rate). The ESA also requires the Competitive Supplier to maintain insurance (ESA, Article 16).

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 among customer classes to account for the disparate characteristics of those classes.

The Program makes several distinctions among groupings of customers. First, the Program may distinguish among customer classes by soliciting separate pricing for each of those classes. The Program will use the customer classes used by the local distribution company for Basic Service.

Second, the Program will distinguish among customers receiving different Program Options. Customers will be charged the price associated with the Program Option they receive.

Third, the Program makes distinctions according to customers’ enrollment scenario. Those distinctions are described in the two tables below:

Enrollment procedures

Enrollment scenario	Residential	Small C&I	Medium C&I	Large C&I
Eligible Customers at Program initiation	An Opt-Out Notice will be mailed to all Eligible Customers before Program launch. After the completion of the opt-out period, the Competitive Supplier will enroll eligible customers that did not opt out. The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice.			
New Eligible Customers identified after Program initiation	An Opt-Out Notice will be mailed to all new Eligible Customers identified after Program initiation. After the completion of the opt-out period, the Competitive Supplier will enroll Eligible Customers that did not opt out. The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice.			
Competitive supply customers at	Customers may request enrollment by contacting Program customer support or the Program’s electricity supplier.			

Program initiation who wish to enroll in the Program after their competitive supply contract ends	
Customers who opt out and subsequently wish to enroll	Customers may request enrollment by contacting Program customer support or the Program’s electricity supplier.

Pricing procedures

Enrollment scenario	Residential	Small C&I	Medium C&I	Large C&I
Eligible Customers at program initiation	Standard Program pricing ⁵			
New Eligible Customers identified after Program initiation	Standard Program pricing		Market-based pricing ⁶	
Competitive supply customers at Program initiation who wish to enroll in the Program after their competitive supply contract ends	Standard Program pricing		Market-based pricing	
Customers who opt out and subsequently wish to enroll	Market-based pricing			

VI. Planned Schedule

Milestone	Day Estimate
RFQ for competitive supplier issued	Day 1
RFP for final supply prices issued	Day 30
Electricity Supply Agreement executed	Day 44

⁵ Standard Program pricing is the price set in the ESA.

⁶ Market-based pricing is a price based on market conditions at the time the customer seeks to enroll in the program.

Broad-based educational campaign begins, including the announcement of supply contract and pricing and an update of Program web site.	Day 45
Opt-Out Notice mailed to customers	Day 55
Opt-Out Notice postmark deadline	Day 88
Earliest date Program enrollment may begin	Day 92

The planned schedule is presented for illustrative purposes. The final schedule will be established when the Town receives DPU approval.⁷

⁷ The planned schedule is designed to give the Competitive Supplier sufficient time to satisfy EDI testing requirements. However, the schedule will be adjusted if additional time is needed to meet those requirements.

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Municipal Aggregation Plan

~~January 26~~April 29, 2024

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The key features of the Town's municipal aggregation Program will include:

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Price stability: The Town will seek to provide greater price stability when compared with utility Basic Service prices by entering into a series of competitively-bid electricity supply contracts for fixed- price periods such as one-to-three years. However, savings cannot be guaranteed.

Competitive pricing. The Town will also seek to provide competitive prices and possible cost savings, but savings cannot be guaranteed.

Automatic enrollment and opting out: Eligible customers¹ (Eligible Customers) will be automatically enrolled in the Program unless they opt out. Customers can opt out of the Program at any time, either before enrollment or after, with no fee.

II. Program Options

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- 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:

Select Board and Town Administrator: The Program will be overseen by the Select Board and the Town Administrator. The Select Board will set the policy direction. The Town Administrator will approve the Plan, manage the consulting team, establish the voluntary REC type and percentage, and sign the competitive electric service agreement (ESA).

Consultants: The Town's aggregation consultant (Consultant) will manage the Program under the Town Administrator's direction. The Consultant's responsibilities will include managing the supply procurement, developing and implementing the public education plan, interacting with the local distribution company, monitoring the Competitive Supplier, maintaining the aggregation website, providing customer service, and producing required reports. The Town has selected MassPowerChoice, LLC to provide these services for an initial term.

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

2. Operations

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

- a. Issue a Request for Qualifications (RFQ) and Request for Prices (RFP) and select winning competitive supplier
 - b. Implement the public education effort for the Plan, including notice of the specific features and prices for Program options and of the opt-out period, and resources to obtain additional information and implement consumer choices
 - c. Enroll customers and provide service, including required information disclosures
 - d. Submit reports to the DPU and DOER
- a. Issue a Request for Qualifications and Request for Proposals and select winning competitive supplier**

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

The Town will issue an RFQ to leading competitive suppliers, including those currently supplying aggregations in Massachusetts and other states. The RFQ will require that the supplier satisfy key threshold criteria, including:

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

In addition, suppliers will be required to agree to the terms and conditions of an ESA, substantially in the form of the Town’s model ESA. The ESA requires the supplier to:

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

The Town will not enter into an ESA with a competitive supplier unless the ESA is fully consistent with its Department-approved Plan and Department directives.

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

The Town will solicit bids for power supply that meets the Massachusetts Renewable Portfolio Standard (RPS) requirements and for additional renewable energy over and above the RPS requirements.

The renewable energy in the power supply will be documented using RECs. The RECs used for RPS compliance will be created and recorded in the New England Power Pool Generation Information System (NEPOOL GIS). RECs in excess of the RPS requirements will be certified as having been retired and not re-sold, either through the NEPOOL GIS, another regional tracking system, or third-party certification.

b. Implement public education effort, including notice of the pre-launch opt-out period

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

The delivery of a public education effort and associated materials are pivotal to ensuring clarity, participation, and enthusiasm for the aggregation. The Town will use a variety of channels to communicate the Program's objectives, the primary terms and conditions of the ESA, the right to opt out of the Program, and the Program options.

The public education plan will include both broad-based efforts and an opt-out notice to be mailed to every Eligible Customer.

The Opt-Out Notice and customer education materials (announcements, slides, presentations, brochures) will state that Eligible Customers will be automatically enrolled in the Program unless they opt out.

Where the Town's education and outreach materials address the availability of the Program to competitive supply customers, those materials will clearly disclose that such customers may be subject to penalties or early termination fees from their competitive supplier if they switch from competitive supply to the Town's Program during the term of an ESA. The Town will provide the Department with a copy of any materials it proposes to send to competitive supply customers for the purpose of notifying them of their eligibility to receive power from the Program. The Town will provide such materials to the Department no later than ten business days prior to the proposed date of issuance.

Please see Attachment A for the Town's Education and Outreach Plan, which sets forth in detail the efforts the Town will undertake.

Opt-Out Notice

As a part of the Town's public education and outreach efforts, an Opt-Out Notice will be mailed to every Eligible Customer after the electricity supply contract is signed and before Program launch. The notice will be an official Town communication, and it will be sent in an envelope clearly marked as containing time-sensitive information related to the Program. The notice will: (1) introduce and describe the Program; (2) inform Eligible Customers of their right to opt out and that they will be automatically enrolled if they do not exercise that right; (3) explain how to opt out; and (4) prominently state all Program charges and compare the price and primary terms of the Town's competitive supply to the price and terms of utility Basic Service.

The direct mailing will include the Opt-Out Notice, a language access document, an Opt-Out Reply Card, and a postage-paid return envelope. The language access document will provide instructions in 26 languages to have the opt-out notice translated. The Opt-Out Reply Card will identify the date by which the return envelope must be postmarked in order for the customer to be opted out prior to being enrolled.

The Opt-Out Notice and reply card will be designed by the Town and printed and mailed by the Competitive Supplier, who will process the opt-out replies. An exemplar Opt-Out Notice is provided with this Plan as Attachment B-1. An exemplar language access document cover sheet is provided as

Attachment B-2. An exemplar Opt-Out Reply Card is provided as Attachment B-3. An exemplar opt-out reply card return envelope is provided as Attachment B-4.

c. Enroll Eligible Customers that do not opt out and provide service, including information disclosure

After the completion of the opt-out period, the competitive supplier will enroll into the Program all Eligible Customers that did not opt out. Customers whose Opt-Out Notices are returned to the competitive supplier as undeliverable will not be automatically enrolled.

The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice. All enrollments and other transactions between the competitive supplier and the local distribution company, National Grid, will be conducted in compliance with the relevant provisions of DPU regulations, National Grid's *Terms and Conditions for Municipal aggregators* (as amended or superseded from time to time), and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the Competitive Supplier will provide all-requirements power supply service. The supplier will also provide ongoing customer service and process new customer enrollments, ongoing opt-outs, opt-back-ins, and customer selections of optional products. As below under Section V.2. Reliability, National Grid remains responsible for and is the contact entity related to outages and other local delivery issues. Prior to the expiration of the initial ESA, the Town intends to enter a new ESA on behalf of Program participants.

As new Eligible Customers move into the town, they will have an opportunity to join the Program. New Eligible Customers will initially be placed on utility Basic Service. They will then receive an Opt-Out Notice and will be enrolled in the program unless they choose to opt out within the opt-out period.

Customers may proactively enroll by contacting the Program. Customers that proactively enroll in the Program, or switch products, will be sent a Product Summary Form³ for the product (option) they selected.

As part of its ongoing service, the Town will provide the disclosure information required by G.L. c. 164, § 1(F)(vi) and 220 C.M.R. § 11.06. The Town has requested 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, postings at Town Hall, and postings on the Program website. Please see Attachment A for the Town's Education and Outreach Plan which provides greater detail about the Town's alternative disclosure strategy.

In a prominent location on the Town's website, the Town will provide an appropriate link to the dedicated Program website, in addition to basic information about the Plan. Once completed, all Plan documents and education materials will be available and updated on the Program website.

d. Submit reports to the DPU and DOER

On an annual basis, the Town will report to the DPU and DOER on the status of the Program, including all information requested by the DPU or DOER.

³ The Product Summary Form will be the same as the Contract Summary Form that the DPU specifies for competitive retail suppliers, with minor text edits to make the form appropriate for participants in a municipal aggregation program. For example, because aggregation program participants do not sign a contract, the term "contract" will be replaced by "Program" or "Option" as appropriate.

3. Funding

The costs of the Program will be funded primarily through the supply charge paid by Program participants through the ESA.

The principal Program cost will be the Competitive Supplier's charge for the power supply. This charge will include the costs of RECs and will be established through the competitive solicitation for a supplier.

The administrative costs of the Program will be funded through a per kilowatt-hour fee that will be included in the supply price and paid by the Competitive Supplier to the Consultant, as specified in the ESA. This fee will cover the services of the Consultant, including developing the Aggregation and Outreach and Education Plan, managing public outreach efforts, managing the DPU approval process, managing the supply procurement, developing and implementing the post-approval public education plan, managing a robust opt-in campaign, providing customer support, interacting with the local distribution company, monitoring the supply contract, and providing ongoing reports. This fee has been set for the initial term of the Consultant's contract at \$0.001 per kilowatt-hour.

4. Rate Setting and Other Costs to Participants

As described above, the Program's electricity supply charge will be set through a competitive bidding process and will include the administrative adder. Prices, terms, and conditions will vary by Program Option and may differ by customer class and customer enrollment scenario as described in the Enrollment Pricing table in § V.3-. For each customer class, prices will be fixed for periods at least as long as the utility Basic Service price period for the class.⁴

The Town will notify customers of any change in product price or renewable energy content consistent with all notification requirements for the competitive supply market required by the Department of Public Utilities that are applicable to municipal aggregations. At a minimum, the Town will notify Program participants of any change in Program price or renewable content (including a change at the start of a new supply contract) through a direct mail notice at least 30 days prior to any such change. The direct mail notice will include the Product Summary Form and will contain the new Program price, term, fees, and renewable energy content, and will contain the applicable Basic Service rate and inform participants that they may opt out of the Program at any time and return to Basic Service at no charge. The Town will also issue a media release, post a notice in Town Hall, and post a notice on the Town website and the Program website.

If there is a change in law (i.e., "regulatory event" or "new taxes" per Article 18 of the ESA) that results in a direct, material increase in costs during the term of the ESA (see Article 18 of the ESA), the Town and the Competitive Supplier will negotiate a potential change in the Program price. At least 30 days prior to the implementation of any such change, the Town will notify Program participants as described above. The Town will notify the DPU Consumer Division prior to the implementation of any change in Program price related to a change in law. Such communication shall occur no less than ten business days prior to the consumer notification and include copies of the direct mail notice, all media releases, Town Hall and website postings, and other communications the Town intends to provide to customers regarding the change in price.

⁴ Basic Service pricing periods vary by customer class. For residential and small business customers, the prices change every six months. For medium and large business customers, prices change quarterly.

The Program affects only customers' electricity supply charges. Delivery charges will be unchanged and will continue to be charged by the local distribution company in accordance with tariffs approved by the DPU. Also, low-income discounts provided by the local distribution company will continue to be applied.

Participants will continue to receive one bill from their local distribution company that includes both the electricity supply charge and their local distribution company's delivery charges. Required taxes will be billed as part of the electricity supply charge. Customers are responsible for identifying and requesting an exemption from the collection of any tax by providing appropriate documentation to the Competitive Supplier.

5. Method of Entering and Terminating Agreements with Other Entities

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

For both the initial and subsequent ESAs, the Town will use the competitive solicitation process. The process for entering into an ESA with a competitive supplier is described above in Section IV.2.a. In order to help ensure that the Program is not prematurely terminated, for ESAs after the initial ESA the Town will solicit bids no later than 90 days prior to the end of the term of the then-current ESA. The Town will not enter into any ESA with a competitive supplier unless it is fully consistent with its Department-approved Plan and Department Guidelines.

If the Town determines that it requires the services of an aggregation consultant after the expiration of the existing agreement with MassPowerChoice, the Town will solicit proposals for, and evaluate, potential aggregation consultants using a competitive procurement process or alternative procedure which the Town determines to be in the best interest of its residents and businesses and consistent with all applicable local, state, and federal laws and regulations.

6. Rights and Responsibilities of Program Participants

All participants will have the right to opt out of the Program at any time without charge. They may exercise that right by any of the following: 1) calling the Competitive Supplier's toll-free number; 2) submitting the opt-out form on the Program website; 3) contacting their local distribution company and asking to be returned to Basic Service; or 4) 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, the Consultant, the Competitive Supplier, the local distribution company, and the DPU. As appropriate, the Town and Consultant will direct customer complaints to the competitive supplier, their local distribution company, or the DPU.

Participants will be responsible for paying their bills, for providing access to metering and other equipment necessary to carry out utility operations, and for complying with all applicable laws, regulations, and tariffs.

7. Extension or Termination of Program

At least 90 days prior to the end of the term of the initial ESA, the Town will solicit bids for a new supply and plans to continue the Program with the same or a new competitive supplier. When the Town

determines that it is timely to solicit bids, it will repeat the procurement steps described in Section IV.2.a. If the Town receives a satisfactory price bid, it will enter a new ESA with the winning bidder.

At least thirty days prior to the effective date of a new ESA, Program participants will be informed of the ESA and any price or program changes through the notification process described in § IV.4.

If the Town seeks to change the voluntary renewable energy content for any option, it will notify Program participants of the change as described above. Customers enrolled in an opt-in option that will change voluntary renewable content will be informed that they must affirmatively re-enroll in the new option (or affirmatively enroll in another option or opt-out) or they will be returned to Basic Service. Customers enrolled in Pepperell Green (or an opt-in option where the renewable energy content does not change) will be notified that they will be re-enrolled in their current option unless they opt out.

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 with the approval of the Select Board to dissolve the Program effective on the end date of any outstanding supply agreement or for other legal or contractual reason. In the event of termination, customers would be returned to their local distribution company's Basic Service via Electronic Data Interchange (EDI) by the Competitive Supplier in accordance with the rules set forth in the Electronic Business Transactions (EBT) Working Group Report unless the customers choose an alternative competitive supplier.

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

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

The Town will notify the Director of the DPU's Consumer Division 90 days prior to a planned termination of the Program. Such communication shall include copies of all media releases, town clerk and website postings, and all other communications the town intends to provide to Program participants regarding the termination of the Program and the return of participants to Basic Service.

V. 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

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 Eligible Customers will be automatically enrolled in the Program unless they choose to opt out.

All customers will have the right to opt out of the Program at any time at no charge. Customers that opt out will have the right to return to the Program at any time. Customers that opt out and then return to the Program will be offered a price that reflects market conditions 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 7). The local distribution company will remain responsible for delivery service, including the physical delivery of power to the consumer, maintenance of the delivery system, and restoration of power in the event of an outage. From a financial perspective, the ESA requires the Competitive Supplier to pay actual damages for any failure to provide supply at the contracted rate (i.e., to pay the difference between the contract rate and the utility supply rate). The ESA also requires the Competitive Supplier to maintain insurance (ESA, Article 16).

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 among customer classes to account for the disparate characteristics of those classes.

The Program makes several distinctions among groupings of customers. First, the Program may distinguish among customer classes by soliciting separate pricing for each of those classes. The Program will use the customer classes used by the local distribution company for Basic Service.

Second, the Program will distinguish among customers receiving different Program Options. Customers will be charged the price associated with the Program Option they receive.

Third, the Program makes distinctions according to customers’ enrollment scenario. Those distinctions are described in the two tables below:

Enrollment procedures

Enrollment scenario	Residential	Small C&I	Medium C&I	Large C&I
Eligible Customers at Program initiation	An Opt-Out Notice will be mailed to all Eligible Customers before Program launch. After the completion of the opt-out period, the Competitive Supplier will enroll eligible customers that did not opt out. The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice.			
New Eligible Customers identified after Program initiation	An Opt-Out Notice will be mailed to all new Eligible Customers identified after Program initiation. After the completion of the opt-out period, the Competitive Supplier will enroll Eligible Customers that did not opt out. The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice.			
Competitive supply customers at	Customers may request enrollment by contacting Program customer support or the Program’s electricity supplier.			

Program initiation who wish to enroll in the Program after their competitive supply contract ends	
Customers who opt out and subsequently wish to enroll	Customers may request enrollment by contacting Program customer support or the Program’s electricity supplier.

Pricing procedures

Enrollment scenario	Residential	Small C&I	Medium C&I	Large C&I
Eligible Customers at program initiation	Standard Program pricing ⁵			
New Eligible Customers identified after Program initiation	Standard Program pricing		Market-based pricing ⁶	
Competitive supply customers at Program initiation who wish to enroll in the Program after their competitive supply contract ends	Standard Program pricing		Market-based pricing	
Customers who opt out and subsequently wish to enroll	Market-based pricing			

VI. Planned Schedule

Milestone	Day Estimate
RFQ for competitive supplier issued	Day 1
RFP for final supply prices issued	Day 30
Electricity Supply Agreement executed	Day 44

⁵ Standard Program pricing is the price set in the ESA.

⁶ Market-based pricing is a price based on market conditions at the time the customer seeks to enroll in the program.

Broad-based educational campaign begins, including the announcement of supply contract and pricing and an update of Program web site.	Day 45
Opt-Out Notice mailed to customers	Day 55
Opt-Out Notice postmark deadline	Day 88
Earliest date Program enrollment may begin	Day 92

The planned schedule is presented for illustrative purposes. The final schedule will be established when the Town receives DPU approval.⁷

⁷ The planned schedule is designed to give the Competitive Supplier sufficient time to satisfy EDI testing requirements. However, the schedule will be adjusted if additional time is needed to meet those requirements.