



2023 Annual Report for Salem PowerChoice

For calendar year 2023, the City of Salem submitted the following Annual Report to the Massachusetts Department of Public Utilities (DPU) for Salem PowerChoice.

The content of the Annual Report is stipulated by the DPU and is comprised of the following attachments:

- **Attachment III.C: Public Access** - Illustrates how the City of Salem provided access to program information during the year.
- **Attachment IV.A: Organizational Structure** - Shows how program administration responsibilities are divided between the City, the City's aggregation consultant, and the program's electricity supplier.
- **Attachment IV.B.1.c: Equitable Treatment of Customer Classes** - Describes any variances in treatment between customer classes.
- **Attachment IV.B.2: Procurement of Supply** - Presents the timeline of any electricity supply procurement undertaken during the year.
- **Attachment IV.B.6.a: Representative Opt-Out Notification** - Provides a representative Opt-Out Notification (automatic enrollment notification) from the calendar year. The Opt-Out Notification is sent by mail to new electricity account holders in Salem to notify them of their eligibility for automatic enrollment in the program.
- **Attachment IV.B.6.b: Representative Notice of Product Change** - Provides a representative notice of a product change, if such a notice was issued during the year.
- **Attachment IV.B.7.b.i: Annual Product Information** - For each program option, provides details around price components, renewable energy content, and average number of accounts enrolled. Also provides the electricity supplier name and electricity supply contract price term.
- **Attachment IV.B.7.b.ii: Annual Product Rate Component Information** - Includes the total revenue for each rate component for the year.

City of Salem
2023 Municipal Aggregation Annual Report
November 1, 2024

Attachment III.C Public Access

Table III.C - Public Access to Plan/Ongoing Program Information	
Location	Description
Municipal website	Access to the Plan and detailed program information was provided through a link to the program website. Program announcements were posted on the home page.
Program website	The program website (SalemMA.gov/PowerChoice) provided access to the Plan and other program documents, detailed product information, and contact information for both the program supplier and the consultant, MassPowerChoice, which was responsible for customer support. The site also featured easily accessible options for prospective customers to enroll and for current participants to change their program options or opt out of the program if desired.
Communication vehicles/ Outreach activities	
Social media accounts	Program updates were posted on the City’s Facebook and Instagram accounts, on the Sustainability, Energy and Residency Committee’s Facebook account, and on the Resilient Together Instagram and Facebook accounts.
Physical posting in municipal buildings	Program updates were posted on a bulletin board in the City Hall.
Public Events	Program information was distributed at the following City of Salem Events: <ul style="list-style-type: none"> - March: National Grid Energy Assistance Fair - May: Living Green Expo

	<ul style="list-style-type: none">- June-September: Four days of the Farmers Market- September: Salem Landlord Expo- October – December: four instances of “Energy Coach Office Hours”
Mailings	Throughout the year, new utility Basic Service customers were sent Opt-Out Notices informing them of the program, their upcoming automatic enrollment, and the methods for opting out or selecting an optional product.

Attachment IV.A Organizational Structure

Table IV.A – Organizational Structure			
Core Functions	Performing Entity		
	Municipality	Consultant	Supplier
Liaisons/Representatives/Agents			
Municipal Representative/Agent before Department		X	
Liaison with DOER		X	
Liaison with Electric Distribution Companies		X	
Plan Elements			
Procurement of Supply		X	
Product Determination	X		
Other Funding/Costs	X		
Customer Enrollment			X
Customer Notifications/Outreach/ Education	X	X	
Ongoing Program Information	X	X	
Program Termination	X		
Annual Reports		X	
Customer Service		X	

Municipal contact for Department correspondence:

Neal Duffy
nduffy@salem.com
978-945-9595 x41012

Customer Service:

Municipality:

Stacy Kilb, Energy Coach
skilb@salem.com
978-945-9595 x41013 (office)
978-333-0971 (cell)

Consultant:

MassPowerChoice
844-483-5004
salem@masspowerchoice.com

Supplier:

Dynegy
866-220-5696

Attachment IV.B.1.c Equitable Treatment of Customer Classes

Table IV.B.1.c Equitable Treatment of Customer Classes					
Plan Element					
Procurement of Supply (§ IV.B.2)	Product Rate Setting/Renewable Energy Content (§ IV.B.3)	Other Funding Sources/Costs (§ IV.B.4)	Customer Enrollment (§ IV.B.5)	Customer Notification (§ IV.B.6)	Ongoing Program Information (§ IV.B.7)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Table IV.B.1.c identifies the Plan elements for which there may be variances in the treatment between customer classes or subclasses. Those variances in treatment are described below.

Medium/Large commercial and industrial customers enrolling in the Program after Program launch may be offered a market-based price rather than the contract price. Such differential treatment is equitable because these customers have more choices in the marketplace and impose greater costs on the Program than other customers when they join after Program launch.

Customers that previously opted out and later wish to re-enroll in the Program may be offered a market-based price. This differential treatment is equitable because these customers previously made a choice not to participate in the Program and as a result their load was no longer planned for by the electricity supplier.

Attachment IV.B.2 Procurement of Supply

Table IV.B.2 - Procurement of Supply	
Procurement Steps	Timeline
Issue RFQs/RFPs	N/A
Evaluate/Select Bids	N/A
Negotiate/Execute Contracts	N/A

Attachment IV.B.6.a Representative Opt-Out Notification



Visite salem.com/powerchoice para una versión en Español de este documento.

CITY ELECTRICITY PROGRAM NOTIFICATION LETTER

December 29, 2023

Dear Salem Electricity Service Customer,

This letter contains important information about your electric bill.

The City of Salem has an electricity program, **Salem PowerChoice**. When you participate, National Grid remains your electric utility, but you receive an increased amount of electricity from renewable sources like the sun and the wind.

If you received this letter and you do nothing, you will be AUTOMATICALLY enrolled in Salem PowerChoice, unless you choose not to participate. Automatic enrollment is state law.

Your opt-out request must be postmarked by January 31, 2024, to avoid automatic enrollment in Salem PowerChoice.

Salem PowerChoice is a form of group electricity purchasing known as electricity aggregation. In addition to increasing the amount of renewable energy in your electricity, participating will change your electricity supplier and the price used to calculate the Supply Services portion of your National Grid electric bill.

Salem has signed a contract with Dynegy to supply an **additional 15% of your electricity from new renewable energy projects in the New England region**, over and above the minimum amount required by Massachusetts law. Alternatively, you may choose to receive all of your electricity from new renewable energy projects in the New England region or just the minimum amount required. Please see the back of this letter for options and pricing.

Your relationship with National Grid

If you participate in Salem PowerChoice, you will see two changes on your National Grid electric bill: 1) Dynegy will be your electricity supplier, and 2) your Supply Services charge will be calculated using a Salem PowerChoice price, which will not change until December 2024. Otherwise:

- You will continue to receive your electric bill from National Grid.
- You will continue to call National Grid if your power goes out.
- If you are on a budget plan or are eligible for a low-income discount or fuel assistance, you will continue to receive those benefits.

If you do not participate in Salem PowerChoice, the Supply Services portion of your electric bill will be calculated based on National Grid's Basic Service price, and National Grid's price will change seasonally.

Because future National Grid prices are not known, Salem PowerChoice cannot guarantee savings when compared with National Grid's Basic Service price.



Your Electricity Supply Price

11.317 ¢/kWh

(\$.11317/kWh)

Compare to National Grid's current prices on the back. ▶

Customer Support

1-844-483-5004

Salem.com/PowerChoice

salem@masspowerchoice.com

Don't want to participate?

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

To opt out before being enrolled, do one of the following by **January 31, 2024**:

- ▶ Sign and return the enclosed reply card (must be postmarked no later than **January 31, 2024**).
- ▶ Opt out online at **Salem.com/PowerChoice**.
- ▶ Call customer support at **1-844-483-5004**.

You may also try the program and opt out at any time in the future with no penalty.

Program Options & Pricing

To choose either the PowerChoice Plus option or the PowerChoice Basic option, please visit Salem.com/PowerChoice, click “Options & Pricing,” and choose your option. Or call Salem’s program consultants for customer support at 1-844-483-5004.

The Commonwealth of Massachusetts requires that all electricity supply products include a minimum of 62% from renewable electricity resources in 2024. PowerChoice Basic meets the minimum requirement. PowerChoice Standard and PowerChoice Plus exceed it.

<p>1. If you do nothing, you will be automatically enrolled in PowerChoice STANDARD:</p> <p>▶ Includes 15% from new renewable energy projects in the New England region (MA Class I RECs) added voluntarily by Salem, in addition to the 62% minimum renewable energy required by state law.</p>	<p>11.317 ¢/kWh (\$0.11317/kWh)*</p> <p>for residential, commercial, and industrial accounts</p>
<p>2. If you want 100% renewable energy, you may choose PowerChoice PLUS:</p> <p>▶ 100% renewable electricity, all from new renewable energy projects in the New England region (MA Class I RECs).</p>	<p>13.709 ¢/kWh (\$0.13709/kWh)*</p> <p>for residential, commercial, and industrial accounts</p>
<p>3. If you want the cheapest option within the program, choose PowerChoice BASIC:</p> <p>▶ 62% renewable electricity in accordance with Massachusetts minimum renewable energy requirements.</p>	<p>10.750 ¢/kWh (\$0.10750/kWh)*</p> <p>for residential, commercial, and industrial accounts</p>
<p>Rate term Enrollment - December 2024 meter read</p> <p>Exit terms Leave any time. No exit charge.</p>	

<p>4. If you opt out, you will remain on National Grid’s BASIC SERVICE:</p> <p>▶ 62% renewable electricity in accordance with Massachusetts minimum renewable energy requirements.</p>	<p>18.213 ¢/kWh (\$0.18213/kWh) residential</p> <p>17.262 ¢/kWh (\$0.17262/kWh) commercial</p> <p>21.450 ¢/kWh (\$0.21450/kWh) industrial</p>
<p>Rate term November 1, 2023 - July 31, 2024, for residential and commercial accounts, and November 1, 2023 - January 31, 2024, for industrial accounts. National Grid’s fixed Basic Service prices change seasonally. They will next change on August 1, 2024, for residential and commercial accounts, and on February 1, 2024, for industrial accounts.</p>	
<p>Exit terms Leave any time. No exit charge. However, industrial customers only (rates G-2 and G-3) on the fixed-price Basic Service option may receive a billing adjustment, which may be either a credit or a charge.</p>	

* Program prices include a \$0.001/kWh administrative charge. Program prices could increase as a result of a change in law that results in a direct, material increase in costs during the term of the electricity supply agreement.

Important

If you have already signed a contract with an electricity supplier: If you received this letter *and also* you have an electricity supply contract that you wish to retain, you **must** opt out of this program. If you do not opt out, your current electricity supply contract may be canceled, and you may be charged an early termination fee by your electricity supplier.

If your organization is tax exempt: Taxes will be billed as part of the program’s power supply charge. Customers are responsible for identifying and requesting an exemption from the collection of any tax by providing appropriate tax-exemption documentation to Dynegy. Visit Salem.com/PowerChoice for more information.

If you have any questions, please do not hesitate to contact customer support at salem@masspowerchoice.com or **1-844-483-5004**. Our City consultants will be happy to help you. Or visit the program website at Salem.com/PowerChoice.

Attachment IV.B.6.b Representative Notification of Product Change

There was no price or product change in the year 2023.

Attachment IV.B.7.b.i Annual Product Information

Table IV.B.7.b.i Annual Product Information – All customer classes				
2023		Standard (Default)	Plus (Opt-In)	Basic (Opt-In)
Rate Components (in \$/kWh)				
Supply and Renewable Energy Content		0.11217	0.13609	0.10650
Consultant Services		0.00100	0.00100	0.00100
TOTAL		0.11317	0.13709	0.10750
Renewable Energy Content (in % of total)				
Required		59.17	59.17	59.17
Voluntary	MA Class I	15.00	78.00	0.00
TOTAL		74.17	137.17	59.17
Supplier Name		Dynegy Energy Services (East), LLC	Dynegy Energy Services (East), LLC	Dynegy Energy Services (East), LLC
Effective Dates		December 2021 – December 2024	December 2021 – December 2024	December 2021 – December 2024

Table IV.B.7.b.i Annual Product Information – All customer classes						
2023	Standard (Default)		Plus (Opt-In)		Basic (Opt-In)	
Participants	#	kWh	#	kWh	#	kWh
Residential	11,019	60,506,929	108	618,426	572	3,886,617
Low-Income	812	4,412,503	1	1,356	48	330,316
Small Commercial & Industrial	2,209	17,988,237	5	10,603	85	1,296,157
Large Commercial & Industrial	40	6,886,096	0	0	7	2,665,483
TOTAL	14,080	89,793,765	114	630,385	712	8,178,573

Attachment IV.B.7.b.ii Annual Product Rate Component Information

Table IV.B.7.b.ii – Annual Product Rate Component Information	
Rate Component	Revenue (in \$)
Supply and Renewable Content	11,028,974
Consultant Services	98,603

Descriptions:

Supply and Renewable Content

The Supply and Renewable Content rate component covers the cost of the products and services necessary to provide firm power supply to program participants, including:

- electrical energy;
- capacity;
- reserves;
- ancillary services;
- transmission services;
- the cost of distribution system losses; and
- congestion management.

This rate component also covers the cost of Renewable Energy Certificates (RECs), including:

- RECs needed to meet the requirements of state law; and
- additional RECs above state requirements as specified by the City.

Consultant Services

The Consultant Services rate component covers the costs of administering the program, including:

- representing the City before the Department of Public Utilities, including securing regulatory approvals and maintaining regulatory compliance;
- conducting procurements for electricity supply as needed;
- providing customer support by telephone and email;
- providing public education, including through in-person events, printed communications (signs, banners, brochures), electronic communications (video, slides), and social media;
- developing and maintaining a comprehensive, branded program website, including ongoing updates to ensure regulatory compliance;

- receiving customer requests to enroll, change program options, or opt-out; forwarding those requests to the electricity supplier; and monitoring implementation;
- overseeing periodic automatic-enrollment mailings to new customers;
- monitoring electricity supplier performance;
- monitoring electricity market and regulatory developments; and
- preparing reports to the Department of Public Utilities and the City.

Attachment IV.B.7.b.iii Annual Voluntary Renewable Energy Content Information

Table IV.B.7.b.iii – Voluntary Annual Renewable Energy Information	
Category of Renewable Energy	MWh/Certificates
MA Class I	13,961

Mechanism by which the purchases/retirements were tracked:

MA Class I

NEPOOL Generation Information System.