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CITY ELECTRICITY PROGRAM NOTIFICATION LETTER

May 3, 2022

Dear Salem Electric Service Customer,

This letter contains important information about your electricity 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 June 6, 2022, 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 electricity bill.

Salem has signed a contract with Dynegy to supply an **additional 15% of your electricity from premium renewable energy projects in New England**, over and above the minimum amount required by Massachusetts law. Alternatively, you may choose to receive all of your electricity from renewable energy projects in New England 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 electricity bill: 1) Dynegy will be your electricity supplier, and 2) your supply services charges will be calculated using a Salem PowerChoice price, which will not change until December 2024. Otherwise:

- You will continue to receive your electricity 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 rate or fuel assistance, you will continue to receive those benefits.

If you do not participate in Salem PowerChoice, the supplier services portion of your electricity bill will be calculated based on National Grid's Basic Service price, and National Grid's price will change every 6 months (for residential and commercial accounts) or 3 months (for industrial accounts).

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

(\$0.11317/kWh)

Compare to National Grid's current 6-month 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 **June 6, 2022**:

- ▶ Sign and return the enclosed reply card (must be postmarked no later than **June 6, 2022**)
- ▶ 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.

1. If you do nothing, you will be automatically enrolled in PowerChoice STANDARD: ▶ Includes 15% from "premium" renewable energy projects in New England (MA Class I RECs) added voluntarily by Salem, in addition to the 20% minimum required by state law in 2022.	11.317 ¢/kWh (\$0.11317/ kWh)* for residential, commercial, and industrial accounts
2. If you want more local renewable energy, you may choose PowerChoice PLUS: ▶ 100% renewable electricity, all from "premium" renewable energy projects in New England (MA Class I RECs). Choose this to support renewable energy in New England.	13.709 ¢/kWh (\$0.13709 /kWh)* for residential, commercial, and industrial accounts
3. If you want the cheapest option within the program, choose PowerChoice BASIC: ▶ Meets Massachusetts minimum renewable energy requirements, including 20% from "premium" renewable energy projects in the New England region (MA Class I RECs).	10.750 ¢/kWh (\$0.10750 /kWh)* for residential, commercial, and industrial accounts
Rate term Enrollment - December 2024 meter read	
Exit terms Leave any time. No exit charge.	

4. If you opt out, you will remain on National Grid's BASIC SERVICE: ▶ Meets Massachusetts minimum renewable energy requirements, including 20% from "premium" renewable energy projects in the New England region (MA Class I RECs).	11.491 ¢/kWh (\$0.11491 /kWh) residential 10.370 ¢/kWh (\$0.10370 /kWh) commercial 11.223 ¢/kWh (\$0.11223 /kWh) industrial
Rate term May 1, 2022 - October 31, 2022, for residential and commercial accounts, and May 1, 2022 - July 31, 2022, for industrial accounts. National Grid's fixed Basic Service prices change every 6 months for residential and commercial accounts and every 3 months for industrial accounts. National Grid's prices will next change on August 1, 2022, for industrial accounts, and on November 1, 2022, for residential and commercial accounts.	
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.	

* Program prices include a \$0.001/kWh administration 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 cancelled, and you may be charged an early termination fee by your existing 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.

Kimberley Driscoll
Mayor

OPT-OUT REPLY CARD



X _____
Signature Date

Opt-Out Instructions

You do not need to take any action to participate in Salem PowerChoice.

If you DO NOT wish to participate, you MUST opt out.

To opt out by mail:

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

This card must be signed by the Customer of Record whose name appears in the address on this card. The envelope must be post-marked no later than **June 6, 2022**, to opt out of the program before being enrolled. You may also opt out at any time by phone at **1-844-483-5004** or online at **Salem.com/PowerChoice**.