

City of Cambridge

Municipal Electricity Aggregation Plan

May 26, 2017

This Municipal Electricity Aggregation Plan (“Aggregation Plan”) was developed by the City of Cambridge (the “City”) pursuant to M.G.L. c. 164, § 134, the Massachusetts Load Aggregation Statute (the “Aggregation Statute”), and describes the Cambridge Municipal Electricity Aggregation Program (“Program”), which will bring the benefits of Renewable Energy (as defined, below) and electricity choice to the residents of and businesses located in the City. The Program will feature Renewable Energy in the Power Supply (as defined, below), support for Renewable Energy projects, and maximum consumer protections, all at a price at or below the average price of Basic Service (as defined, below) power from the Local Distribution Company (as defined, below). The Program is part of the City’s efforts to promote environmental sustainability.

1. Defined Terms

- A. Administrative Adder – a charge included in the Supply Price (as defined, below) that funds the administrative costs of the Program.
- B. Aggregation – one or more municipalities that groups interested electricity consumers within its(their) municipal boundaries to facilitate or otherwise arrange the purchase and sale of electricity pursuant to M.G.L. c. 164, § 134.
- C. All-Requirements Service - the service under which the Competitive Supplier (as defined, below) provides all of the electrical energy, capacity, reserves, and ancillary services, transmission services, transmission to the point of delivery, distribution losses, congestion management, and all other services or products necessary to provide firm power supply to Participating Consumers (as defined, below) at the point of sale in accordance with the Competitive Electric Service Agreement (as defined, below).
- D. Basic Service - electric supply service by the Local Distribution Company (as defined, below), 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.
- E. Community Engagement Team – a multi-agency collaborative that reaches out to underserved Cambridge families and connects them to community events and resources.
- F. Competitive Electric Service Agreement – the agreement entered into between the City and the Competitive Supplier (as defined below) selected by the City as described further herein.
- G. Competitive Supplier – an entity licensed by the Department of Public Utilities (“DPU”) to sell electricity and related services to retail customers, subject to the exceptions identified in 220 CMR 11.02.
- H. Consultant - the City’s aggregation consulting team, which consists of Peregrine Energy Group and Bay State Consultants, who were selected to provide these services for an initial term through a competitive procurement process.

- I. EDI – Electronic Data Interchange: The exchange of business data in a standardized format between business computer systems.
- J. Eligible Consumers – (i) residential, commercial, industrial, municipal, and/or other consumers of electricity who receive Basic Service from the Local Distribution Company (as defined, below) as of the effective date of the Competitive Electric Service Agreement, at one or more locations within the geographic boundaries of the City; (ii) New Consumers (as defined, below); or (iii) consumers within the City that are supplied by third party suppliers at the inception of the Program and are therefore ineligible, but 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 City, as such boundaries exist on the Effective Date. Participating Consumers (as defined, below) are Eligible Consumers.
- K. Local Distribution Company – the company(ies) or entity(ies), or successor company(ies) or entity(ies), that provide electricity distribution services in the City.
- L. Massachusetts Electronic Business Transactions Working Group – the working group of Massachusetts local distribution companies and competitive suppliers that facilitates the electronic business transactions process for the competitive retail electric market in Massachusetts.
- M. 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 Opt-Out Notice (as defined, below).
- N. Operational Adder - a charge that the City may elect to include in the aggregation Supply Price (as defined, below) to fund operational costs of the Program and/or to support Renewable Energy (as defined, below) projects that create benefits for Participating Consumers.
- O. Opt-Out Notice - the notice provided to Eligible Consumers notifying them of their right to opt-out of purchasing All-Requirements Service from the Competitive Supplier through the Program.
- P. Opt-Out Period – the thirty (30) day period prior to Program launch where Eligible Consumers can opt-out of purchasing All-Requirements Service from the Competitive Supplier.
- Q. Opt-Out Process - the process that enables Eligible Consumers to affirmatively elect not to participate in the Program and either remain on or revert to Basic Service.
- R. Optional Product – a Power Supply (as defined, below) option offered to Participating Consumers (as defined below), which Participating Consumers need to affirmatively elect.
- S. Participating Consumers - Eligible Consumers enrolled in the Program. Eligible Consumers who have opted out of the Program are not Participating Consumers.
- T. Power Supply – electricity including capacity and ancillary services and any associated Renewable Energy Certificates (as defined, below).
- U. Public Information Program – the information program described in Section 5.B.ii, below.

- V. Renewable Energy – as defined in M.G.L. c. 164, § 1, (i) resources whose common characteristic is that they are nondepletable or are naturally replenishable but flow-limited; or (ii) existing or emerging non-fossil fuel energy sources or technologies, which have significant potential for commercialization in New England and New York, and shall include the following: solar photovoltaic or solar thermal electric energy; wind energy; ocean thermal, wave, or tidal energy; geothermal; fuel cells; landfill gas; waste-to-energy which is a component of conventional municipal solid waste plant technology in commercial use; naturally flowing water and hydroelectric; and low emission advanced biomass power conversion technologies using such fuels such as wood, by-products or waste from agricultural crops, food or animals, energy crops, biogas, liquid biofuel including but not limited to biodiesel, organic refuse-derived fuel, or algae; provided, however, that renewable energy supplies shall not include coal, oil, natural gas except when used in fuel cells, and nuclear power.
- W. Renewable Energy Certificate – a certificate that documents the environmental attributes of the power produced from Renewable Energy projects.
- X. Renewable Portfolio Standard – the standard established pursuant to M.G.L. c. 25A, §§ 11F and 11F1/2.
- Y. Standard Product – the Power Supply that Participating Consumers will receive through the Program if they do not select an Optional Product.
- Z. Supply Price – the price paid by Participating Consumers for Power Supply including the Administrative Adder and the Operational Adder, if any.

2. Key Features

The key features of the City’s Program will include:

Renewable Energy: The City will provide support for Renewable Energy, with a focus on renewable generators that provide new Renewable Energy on the grid.

Price: The City will secure the Power Supply for its Aggregation by requesting competitive bids from the largest and most experienced Competitive Suppliers in the region. The City will only launch the Program when it obtains a price that meets or beats the reasonably projected price of utility Basic Service over the term of the Competitive Electric Service Agreement.

Consumer protection: The City’s Program will include strong consumer protections, including the ability for any customer to leave the Standard Product at any time with no fee. There will be no hidden charges of any kind.

3. Support for Renewable Energy

The City will use Aggregation to help reduce the community’s greenhouse gas footprint. Support for Renewable Energy will be the centerpiece of the Program. The City will evaluate several Renewable Energy strategies, including, but not limited to, those listed below, and will choose the strategy or combination of strategies that creates the most meaningful environmental impact.

- A. **Additional Renewable Energy Certificates in the Standard Product:** Under this approach, the Program’s Standard Product, which is provided to all Participating Consumers by default, would

include more Massachusetts Class 1 Renewable Energy Certificates (“RECs”) than are required by the state Renewable Portfolio Standard.

- B. **An Optional Green Product:** Under this approach, the Program would offer an Optional Product with additional renewable content over and above the Standard Product. This Optional Product would be available at an additional cost. By offering the Optional Product, the Program would enable the City’s residents and businesses to make individual choices about the environmental content of their Power Supply.
- C. **Support for New Renewable Energy Projects:** Under this approach, the Program would provide support that would lead to the development of new Renewable Energy projects.

4. Statutory Requirements

The Aggregation Statute sets out the legal requirements for a municipal electricity 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.

A. Local Approval

The Aggregation Statute requires that the City obtain approval from the local governing authority before initiating the development of the Aggregation Plan. The City satisfied the local approval requirement when the Cambridge City Council voted to initiate the process of Aggregation on June 6, 2016. The Council Order is attached hereto as Exhibit A.

B. Consultation with the Department of Energy Resources

The Aggregation Statute also requires the City to consult with the Department of Energy Resources (“DOER”) in developing the Aggregation Plan. The City submitted a draft of its Aggregation Plan to DOER and City officials met with DOER to discuss that draft on August 16, 2016. DOER confirmed that it had consulted with the City in a letter, dated August 30, 2016.

C. Citizen Review

The City made a draft of the Aggregation Plan available for review by its citizens at a public meeting on June 29, 2016. The draft Aggregation Plan was also posted on the City’s website with a comment period for the City’s electricity consumers to submit feedback.

5. Elements of the Plan

The Aggregation Statute requires that the Aggregation Plan contain the following elements:

- organizational structure
- program operations
- funding
- details on rate setting and other costs to Participating Consumers
- method of entering and terminating agreements with other entities
- rights and responsibilities of Participating Consumers
- procedure for terminating the Participating Consumers

Each of those elements is discussed in turn below.

A. Organizational Structure

The organizational structure of the Program will be as follows:

- i. **City Manager and City Council:** The Cambridge City Council authorized the initiation of the process of Aggregation. The Cambridge City Manager approves the Aggregation Plan, supervises the Consultant, and will sign the Competitive Electric Service Agreement.
- ii. **Consultant:** The Consultant will manage the Aggregation under the Cambridge City Manager's direction. The Consultant's responsibilities will include managing the Supply Procurement, developing and implementing the Public Information Program, interacting with the Local Distribution Company, and monitoring the Competitive Electric Service Agreement.
- iii. **Competitive Supplier:** The Competitive Supplier will provide power for the City's Aggregation, provide customer support including staffing, a toll-free number for customer questions, and fulfill other responsibilities as detailed in the Competitive Electric Service Agreement.

B. Operations

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

- issue a Request for Quotations ("RFQ") and/or a Request for Proposals ("RFP") for a Competitive Supplier and a select winning Competitive Supplier
- implement a Public Information Program, including notice of the 30-day Opt-Out Period
- enroll customers and provide service, including required notifications

i. Issue Supply Request for Proposals and Select Winning Competitive Supplier

After the DPU approves the Aggregation Plan, the next step is to procure a Competitive Electric Service Agreement.

The City 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:

- licensing by the DPU
- strong financial background
- experience serving the Massachusetts competitive electricity market or municipal electricity aggregations in other states
- demonstrated ability, supported by references, to provide strong customer service

In addition, Competitive Suppliers will be required to agree to the substantive terms and conditions of a Competitive Electric Service Agreement, substantially in the form attached as Exhibit 2 to the City's Petition to the DPU. The Competitive Electric Service Agreement requires the Competitive Supplier to:

- provide All-Requirements Service

- allow customers to exit the Standard Product at any time with no fee
- agree to specified customer service standards
- comply with all applicable federal, state and local laws and regulations

The City will solicit price bids from Competitive Suppliers that meet the threshold criteria and agree to the terms and conditions prescribed in the Competitive Electric Service Agreement. The City will request bids for a variety of terms and may request bids for a variety of pricing structures within each contract term. If none of the bids are satisfactory, the City will reject all bids and repeat the solicitation for prices as often as needed until market conditions yield a price that is acceptable to the City. The City will only accept a bid that enables it to launch the Aggregation with a price that meets or is lower than the reasonably projected price of Basic Service over the term of the Competitive Electric Service Agreement.

ii. Implement Public Information Program, Including Notice of the Opt-Out Period

Once a winning Competitive Supplier is selected, the City will implement a Public Information Program.

The delivery of a Public Information Program and associated materials are pivotal to ensuring clarity, participation, and enthusiasm for the Aggregation. The City will use a variety of communication vehicles to communicate the Aggregation Plan’s objectives, the primary terms and conditions of the Competitive Electric Service Agreement, and the right to opt out of the Program.

The Public Information Program will include both broad-based efforts and a 30-day Opt-Out Notice to be mailed to every Eligible Consumer on Basic Service.

a. Broad-based Education Efforts

The broad-based efforts will take advantage of traditional media, the internet, and social media to ensure as many people as possible learn about the City’s Aggregation. Planned elements include:

- an announcement introducing the Program and the Competitive Supplier, which will be sent to media contacts at local newspapers, local radio stations, and other outlets identified as valuable by the City.
- a dedicated informational website that explains the Aggregation Plan, community benefits, the Opt-Out Process, the environmental content of the Power Supply, and other helpful information. This site will be available during the initial outreach of the City’s Public Information Program and also on an ongoing basis so that customers can find information about the Program for its duration.
- a toll-free customer information and support hotline.
- interviews with local media outlets, including the City’s local cable access channel.
- public service announcements on the local cable access channel
- social-media-based connections with local community groups.
- informational documents that mirror the Aggregation website content and can be used as handouts during community presentations. These materials will also be made available through the website as downloadable files and in Cambridge City Hall and other public buildings.
- a community-wide presentation, open to all community members.

The City will ensure that residents with limited English proficiency have access to Program information by translating Program materials and distributing them through the City’s multi-lingual outreach program, the Community Engagement Team.

A detailed timeline for these efforts will be developed by the City as the launch of the Program gets closer.

b. Notice of the Opt-Out Period

In addition to broad-based education initiatives, a 30-day Opt-Out Notice will be mailed to every Eligible Consumer on Basic Service. The Opt-Out Notice will be an official City communication that will include information for opting out both before and after the launch of the Program. The notice will be sent in an envelope clearly marked as containing time-sensitive information related to the Program. The Opt-Out Notice will: (1) introduce and describe the Program; (2) inform Eligible Consumer of their right to opt-out and that they will be automatically enrolled if they do not exercise that right within 30 days; (3) explain how to opt out; and (4) prominently state all Program charges and compare the price and primary terms of the City's competitive supply under the Program to the price and terms of utility Basic Service. The draft Opt-Out Notice is attached to this Aggregation Plan as Exhibit B. The draft opt-out envelope is attached to this Plan as Exhibit C.

The direct mailing will include an opt-out reply card and reply envelope. 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 before launch of the Program. The Opt-Out Notice will be designed by the City and printed and mailed by the Competitive Supplier, who will process the opt-out replies. The draft opt-out reply card is attached to this Plan as Exhibit D.

In addition to the opt-out reply card, customers will be able to opt-out using the Program website or by calling the Competitive Supplier's toll-free number.

Eligible Consumers that opt out during the 30-day, pre-launch period will not be enrolled in the Program. Those Eligible Consumer that do not opt out during that period will be enrolled in the Program; however they will be free to opt out at any time thereafter. They will be able to opt out using the Program website or by calling the Competitive Supplier's toll-free number.

iii. Enroll Customers and Provide Service, Including Information Disclosure

After the completion of the Opt-Out Period, the Competitive Supplier will enroll into the Program all Eligible Consumers that did not opt out. All enrollments and other transactions between the Competitive Supplier and the Local Distribution Company will be conducted in compliance with the relevant provisions of DPU regulations and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the Competitive Supplier will provide All-Requirements Supply Service to Participating Consumers. The Competitive Supplier will also provide ongoing customer service and process new customer enrollments, ongoing opt-outs, opt-back-ins, and customer selections of Optional Products. Prior to the expiration of the initial Competitive Electric Service Agreement, the City intends to enter a new supply agreement.

The City will provide consumers with information regarding the ongoing operations of the Program, including program details, program changes and power supply sources. The City will notify customers of the execution of all Competitive Electric Service Agreements and changes in prices through website postings, press releases, and public notices. The City will post the current prices on the Program website.

As part of its ongoing service, the City will provide the disclosure information required by G.L. c. 164, § 1(F)(6) and 220 C.M.R. § 11.06. The City has requested a waiver from the DPU with respect to the requirement that the disclosure label be mailed to every Participating Consumer and is seeking permission instead to provide the information through alternative means, including press releases, announcements on cable television, postings at Cambridge City Hall, and postings on the Program website. The DPU, in approving aggregation plans for other municipalities has found that this alternate information disclosure strategy allows municipalities to provide required information to their customers as effectively as through mailings.

iv. Annual Report to DOER

On an annual basis, the City will report to the DOER on the status of the Program, the number of customers enrolled and opting-out, kilowatt-hour sales, customer savings, participation in Optional Products, and such other information as the DOER may request.

C. Funding

Below are all of the costs of the Program, which will be funded through the Competitive Electric Service Agreement.

- i. **Power Supply Charges.** 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 Competitive Supplier.
- ii. **Operational Adder.** The City may direct the Competitive Supplier to include in the Supply Price an Operational Adder to be payable by the Competitive Supplier to the City. Funds collected through the Operational Adder will be used to support the operational costs of the Program and/or to support Renewable Energy projects that create benefits for Participating Consumers. The amount of the Operational Adder and the budget for the use of funds collected through the Operational Adder will be approved by the Cambridge City Manager in writing. If the City chooses to implement the Operational Adder, the Program website and Opt-Out Notice will note that the Supply Price includes the Operational Adder.
- iii. **Administrative Costs.** The administrative costs of the Program will be funded through a per kilowatt-hour Administrative Adder that will be included in the Supply Price and paid by the Competitive Supplier to the Consultants, as specified in the Competitive Electric Service Agreement. This fee will cover the services of the Consultants, including developing the Aggregation Plan, managing the DPU approval process, managing the procurement of the Competitive Supplier, developing and implementing the Public Education Plan, providing customer support, interacting with the Local Distribution Company, monitoring the Competitive Electric Service Agreement, and providing ongoing reports. This charge has been set initially at \$0.00075 per kilowatt-hour and was established through the competitive solicitation that the City conducted for the Consultant.

D. Rate Setting and Other Costs to Participating Consumers

The Program's electricity supply charges will be set through a competitive bidding process and will include the Administrative Adder and, if applicable, an Operational Adder. Prices, terms, and conditions will vary by product and may differ among customer classes. The City will seek bids for a variety of terms and may

also seek bids for a variety of pricing periods within each contract term. For each customer class, prices will be fixed for periods at least as long as the Basic Service price period for the class.¹ When prices change, the City will notify Participating Consumers by issuing a media release and posting a notice on the City's website.

The Program affects only Participating Consumers' 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.

Participating Consumers will receive one bill from the Local Distribution Company that includes both the electricity supply charge and the Local Distribution Company's delivery charges.

E. Method of Entering and Terminating Agreements with Other Entities

The City's process for entering, modifying, enforcing, and terminating all agreements associated with the Aggregation Plan will comply with any and all applicable, federal, state and local laws and regulations, and the provisions of the relevant agreement.

If and when the City has decided that it is timely to solicit bids for a new Competitive Electric Service Agreement, the procurement steps will be as follows:

- the City's Consultant will prepare and issue an RFQ and/or RFP on behalf of the City
- the City will receive and evaluate qualifications
- the City's Consultant will issue an RFP for prices
- the City will receive and evaluate bids and, if acceptable, execute a contract with the winning bidder. The Cambridge City Manager will be responsible for executing the Competitive Electric Service Agreement.

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

F. Rights and Responsibilities of Eligible Consumers and Participating Consumers

All Participating Consumers will have the right to opt-out of the Standard Product at any time without charge. They may exercise that right by any of the following: 1) calling the Competitive Supplier's toll-free number; 2) contacting the utility and asking to be returned to Basic Service; or 3) enrolling with another Competitive Supplier.

All Participating Consumers 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 City, the Consultants, the Competitive Supplier, the Local Distribution Company, and the DPU. As appropriate, the City and the Consultants will direct customer complaints to the Competitive Supplier, the Local Distribution Company, or the DPU.

¹ Basic Service pricing periods vary by customer class. For residential and small business customers, the prices change every six months. For medium and large business customers, prices change monthly.

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

As part of the Program, the Local Distribution Company will provide the Competitive Supplier and the City with Eligible Consumer information and/or data (including, but not limited to, addresses, account numbers and usage histories). The Competitive Supplier's use of such information and/or data will be limited to providing services related to the Program and for specific uses identified in the Competitive Electric Service Agreement. Unless otherwise provided in the Competitive Electric Service Agreement, the Competitive Supplier may not disclose or sell, in whole or in part, Eligible Consumer information and/or data to any third party without the Eligible Consumer's permission.

G. Extension or Termination of Program

Prior to the end of the term of the initial Competitive Electric Service Agreement, the City will solicit bids for a new Competitive Electric Service Agreement and will plan to continue the Program with the same or a new Competitive Supplier.

Although the City is not contemplating a termination date, the Program could be terminated upon the termination or expiration of the Competitive Electric Service Agreement without any extension, renewal, or negotiation of a subsequent Competitive Electric Service Agreement, or upon the decision of the Cambridge City Manager to dissolve the Program effective on the end date of any outstanding Competitive Electric Service Agreement. In the event of termination, customers would return to Basic Service unless the customers choose an alternative Competitive Supplier.

The City will notify the Local Distribution Company of the planned termination or extension of the Program. In particular, the City will provide notice: (1) 90 days prior to a planned termination of the Program; (2) ninety (90) days prior to the end of the anticipated term of the Program's Competitive Electric Service Agreement; and (3) four (4) business-days after the successful negotiation of a new Competitive Electric Service Agreement.

The City will notify consumers of Program termination by issuing a media release and posting a notice on the City website. In addition, consumers will receive notice of a supplier change on their bill from the Local Distribution Company.

6. Substantive Requirements

The Statute also requires that the Aggregation Plan satisfy three substantive requirements:

- universal access
- reliability
- equitable treatment of all customer classes

The City's Program will satisfy all three requirements, as discussed below.

A. Universal Access

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

Most importantly, all Eligible Consumers 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 Consumers move into the City, they will have an opportunity to join the program. New Consumers will initially be placed on basic service. They will then receive an opt-out notice and will be enrolled in the aggregation unless they choose to opt out within the 30-day opt-out period. New Consumers will be offered the same price as the existing Participating Consumers, with the exception of new Very Large Commercial and Industrial Customers (“VLC&I Customers”). New VLC&I Customers are defined as any customer that is on the utility’s largest rate class and has historical or projected consumption in excess of 1,000,000 kWh per year. New VLC&I Customers, if any, will be offered a price that reflects market prices at the time of enrollment.

All customers will have the right to opt-out of the Program at any time. Customers that opt-out will have the right to return to the Program at a price that reflects market prices at the time of their return.

B. Reliability

Reliability has both physical and financial components. The Program will address both through the Competitive Electric Service Agreement with the Competitive Supplier. From a physical perspective, the Competitive Electric Service Agreement commits the Competitive Supplier to provide All-Requirements Supply and to use proper standards of management and operations (Competitive Electric Service Agreement, Article 2.) The Local Distribution Company will remain responsible for delivery service, including the physical delivery of power to the consumer, maintenance of the delivery system that delivers electricity to customers, and restoration of power in the event of an outage. From a financial perspective, the Competitive Electric Service Agreement 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 Competitive Electric Service Agreement also requires the Competitive Supplier to maintain insurance (Competitive Electric Service Agreement, Article 16). Accordingly, the Program satisfies the reliability requirement of the statute.

C. Equitable Treatment of all Customer Classes

The Aggregation Statute requires “equitable” treatment of all customer classes. The DPU, in reviewing Aggregation plans for other municipalities, 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.

- i. The Program will distinguish among customer classes (residential, commercial, industrial) by soliciting separate pricing for each of those classes. The Program will use the same customer classes that the Local Distribution Company uses for its Basic Service pricing.
- ii. 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 an Optional Product will be charged the price and receive the terms of service associated with that product.
- iii. As described above under “Universal Access,” among New Customers, the Program may distinguish between a) New VLC&I Customers, and b) all other New Customers. The Program will offer New Customers other than New VLC&I Customers the standard contract pricing.

However, the Program will offer new VLC&I Customers pricing based on market prices at the time the customer seeks to join the Aggregation.

- iv. Consistent with DPU rulings, among Eligible Customers that are served by a Competitive Supplier at the time of Program launch and later seek to join the Aggregation, the Program will distinguish between a) residential and small C&I customers, and b) medium, large, and very large C&I customers. Residential and small C&I customers will be offered standard contract pricing. Medium, large, and very large C&I customers will be offered market-based rates which will reflect market conditions at the time the customer seeks to join the Aggregation.

7. PLANNED SCHEDULE

Milestone	Day Estimate
RFQ for Competitive Supplier issued	Day 1
RFP for final Supply Prices issued	Day 35
Competitive Electric Supply Agreement executed	Day 49
Broad-based educational campaign begins, including the announcement of Competitive Electric Service Agreement and pricing and the launch of Program website.	Day 50
Opt-Out Notice mailed to customers	Day 56
Opt-out deadline	Day 86
Service begins as of each customer's next meter read date	Day 90

The planned schedule is presented for illustrative purposes. The final schedule will be established when the City receives regulatory approval from the DPU.²

8. CONCLUSION

The Program meets all of the requirements of the Aggregation Statute, including providing universal access and a reliable Power Supply and treating all customer classes equitably.

² The planned schedule is designed to give the Competitive Supplier sufficient time to satisfy EDI testing requirements. However, the schedule will be adjusted if additional time is needed to meet those requirements.

EXHIBIT A

Cambridge City Council Order Authorizing Aggregation



City of Cambridge

City Manager Agenda
Item #13
IN CITY COUNCIL
June 6, 2016

ORDERED: The City Council, with the approval of the City Manager, hereby authorizes the City of Cambridge to initiate the process of aggregating the electric load of consumers within the City pursuant to M.G.L. Chapter 164, Section 134.

In City Council June 6, 2016.
Adopted by the affirmative vote of nine members.
Attest:- Donna P. Lopez, City Clerk

A true copy;

ATTEST:-

Handwritten signature of Donna P. Lopez in cursive.

Donna P. Lopez, City Clerk

JUN 16 2016

CERTIFIED COPY

Handwritten signature of Donna P. Lopez in cursive, underlined.
City Clerk

EXHIBIT B

Opt-Out Notice



CITY OF CAMBRIDGE

COMMUNITY ELECTRICITY AGGREGATION PROGRAM NOTIFICATION LETTER

<MONTH> <DAY>, 2017

Dear Cambridge resident or business,

This letter contains important information about your electricity bill.

You currently have Eversource Basic Service. This means Eversource delivers your electricity, and Eversource is also your electricity supplier (they buy electricity for you).

In July, the City of Cambridge will launch an electricity aggregation program called **Cambridge Community Electricity**. Eversource will continue delivering your electricity, but the City will select its own electricity supplier. This program will give you a price that is the same as or lower than Eversource Basic Service at program launch, and it will increase the amount of renewable energy you receive.

You will be AUTOMATICALLY enrolled in Cambridge Community Electricity, unless you choose not to participate. Participation is not required.

Participation means: You will see <SUPPLIER NAME> and the program price under Supply Services on your Eversource bill beginning in August 2017 and ending in <MONTH> 20XX. Cambridge has negotiated a XX-month contract with <SUPPLIER NAME>. However, your primary relationship for electricity will continue to be with Eversource:

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

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

Choosing not to participate means: Eversource will continue to be your electricity supplier, and the supply portion of your bill will remain on the Eversource Basic Service rate.

Benefits of participating

Savings - The program price will be the same as or lower than Eversource Basic Service at program launch. However, the Eversource basic service price changes every six months for residential and small commercial customers and every three months for medium and large commercial customers. As a result, the program price may not remain below the Eversource basic service price, and savings cannot be guaranteed.

Local, renewable electricity - Your electricity will now include more solar energy than the minimum required by the state, and that extra solar energy will come from projects located in or near Cambridge.

Choice - The program gives you two options: 1) Standard Green, with X% more solar energy than required by the state, and 2) 100% Green. You will be automatically enrolled in Standard Green, but you may choose 100% Green. *(Details on back.)*

Cambridge Community Electricity

Your new electricity supply price

<X.XX> ¢/kWh

Eversource residential Basic Service

<X.XX> ¢/kWh

Eversource business rates on the back. ▶

Customer support:

1-800-XXX-XXXX

Don't want to participate?

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

If you choose not to participate, you will remain an Eversource Basic Service customer.

To opt out before the program begins, do one of the following before <MONTH> <DAY>, 2017:

- ▶ Sign & return the enclosed card, call <SUPPLIER> at 1-8XX-XXX-XXXX, or opt out online at www.masspowerchoice.com/cambridge

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

- ▶ Call <SUPPLIER> at 1-8XX-XXX-XXXX or opt out online at www.masspowerchoice.com/cambridge

Program options and pricing

1. If you do nothing, you will be automatically enrolled in STANDARD GREEN:		X.XXX €/kWh* for residential, small business, and large business accounts <i>(This is the least expensive option)</i>
Renewable energy content	X% more solar energy than required by the state.**	
Rate term	<MONTH> 2017 meter read - <MONTH> <YEAR> meter read.	
Exit terms	Leave any time. No exit fee.	
2. If you want 100% renewable energy, you may choose 100% GREEN:		X.XXX €/kWh* for residential, small business, and large business accounts <i>(This is the more expensive option)</i>
▶ To choose 100% GREEN, call <SUPPLIER NAME> at 1-8XX-XXX-XXXX.		
Renewable energy content	100% clean energy from renewable energy projects in New England.	
Rate term	<MONTH> 2017 meter read - <MONTH> <YEAR> meter read.	
Exit terms	Leave any time. No exit fee.	
3. If you choose not to participate, you will remain on EVERSOURCE BASIC SERVICE:		X.XXX €/kWh residential X.XXX €/kWh small business X.XXX €/kWh large business
Renewable energy content	Meets Massachusetts minimum renewable energy requirements.	
Rate term	July 1, 2017 - December 31, 2017, for residential and small business accounts. July 1, 2017 - September 30, 2017, for large business accounts. Eversource's fixed Basic Service rates change every 6 months for residential and small business accounts and every 3 months for large business accounts.	
Exit terms	Leave any time. No exit fee.	

* The Standard Green price and the 100% Green price both include a \$0.00075/kWh administration fee.

** The purchase of additional solar energy refers specifically to the purchase of Massachusetts Solar Renewable Energy Certificates (SRECs) from SREC II-eligible projects, in addition to the minimum required by the state.

Frequently asked questions

Are savings guaranteed? No. The program price is guaranteed to be the same as or lower than Eversource only until the end of the current Eversource rate term. The Eversource rate will next change on October 1, 2017, for large business accounts and on January 1, 2018, for residential and small business accounts.

I joined a green power program already. What should I do? If you have already joined a green power program, you can also participate in Cambridge Community Electricity, but you may not wish to do both. For more information, contact the consultants hired by the City to answer questions about this program at **1-844-379-9935** or **cambridge@masspowerchoice.com**.

I have solar panels on my property. Will I continue to receive net metering credits? Yes. Net metering will work the same way if you participate in the program. Your net metering credits from your solar panels will continue to appear on your Eversource bill and will continue to be calculated based on Eversource's Basic Service price.

If you have any additional questions, please contact customer support at **1-844-379-9934** or **cambridge@masspowerchoice.com**, or visit **www.masspowerchoice.com/cambridge**. Our program consultants will be happy to help you.

Louis DePasquale
 City Manager

EXHIBIT C

Opt-Out Envelope


	<p>CITY OF CAMBRIDGE C/O VENDOR NAME [Street address] [City], XX 00000-0000</p>	<p>PRESORTED STANDARD US POSTAGE PAID CITY, XX PERMIT, NO XXXX</p>
<p>Time-sensitive notice sent on behalf of the City regarding your electricity rates.</p>		

EXHIBIT D

Opt-Out Reply Card

OPT-OUT REPLY CARD

**CAMBRIDGE ELECTRICITY CHOICE
OPT-OUT REPLY CARD**

OPT-OUT INSTRUCTIONS

You do not need to take any action to participate in Cambridge Electricity Choice.

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

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

X _____
Signature Date

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