

City of Salem

Municipal Aggregation Plan

May 7, 2015

The City of Salem has developed Salem PowerChoice to bring the benefits of renewable energy and electricity choice to its residents and businesses. The program will feature renewable energy in the power supply, support for local renewable energy projects, and maximum consumer protections, all at a price at or below the price of Basic Service power from the utility. The program is part of Salem's efforts to promote environmental sustainability and economic growth.

Before being implemented, the aggregation program must be reviewed and approved by the Massachusetts Department of Public Utilities (DPU). The DPU will ensure that the program satisfies all of the statutory requirements, including that the plan provides universal access and a reliable power supply and treats all customer classes equitably. This aggregation plan was developed to demonstrate that Salem's program satisfies all of the requirements necessary for DPU approval.

I. Key Features

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

Renewable power: Salem's aggregation will maximize the use of power from renewable resources such as hydro, wind, and solar. Our goal is to use 100% clean power.

Price protection: Salem will secure its power supply by requesting competitive bids from the largest and most experienced power suppliers in the region. This competition will result in the best possible price. Salem will only launch the aggregation when it obtains a price that meets or beats the price of utility Basic Service.

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

Local power sources: Salem will seek to purchase and include in the power supply Renewable Energy Certificates (RECs) from renewable energy generators in Salem, including any current or future solar energy projects in City, and RECs from solar and wind generation in the Northeast Massachusetts (NEMA) electricity load zone.

Product options: Salem will offer at least one optional product (PowerChoice Plus) as an alternative to the standard product (PowerChoice), giving customers a choice of environmental characteristics and price.

II. Support for Renewable Energy

A centerpiece of Salem's aggregation program will be support for renewable energy. Salem has a long-standing commitment to reducing its carbon footprint. The City has implemented many environmental initiatives, including conversion of streetlights to LED fixtures, Salem Spins bicycle share program, curbside composting and expanded recycling opportunities, Solarize Salem, municipal and school solar net

metering, energy efficiency upgrades in public buildings, and an expansive climate change vulnerability assessment and mitigation plan. Municipal aggregation will enable Salem to make renewable energy a core component of the City's power supply.

1. A Greener Standard Product

The program will provide a standard electricity product (PowerChoice) that is greener than utility basic service. When procuring power, Salem will request bids for power with a higher renewable content than is required by the Renewable Portfolio Standard. To test the price of different options, the City will seek bids incorporating RECs from a variety of renewable resources within New England and bids incorporating Green-e certified RECs from other parts of the country. Salem will select the bid that offers the best combination of renewable content and price. Our goal is to secure a power supply that is 100% clean, comprises – as much as possible – a renewable energy portfolio from local renewable energy generation, and also meets or beats the utility basic service price. We expect that there will be limitations on the variety of RECs that can be incorporated while meeting the price goal, and therefore we will offer an even greener optional product, as described below.

2. An Even Greener Optional Product

The program will also offer at least one optional product (PowerChoice Plus) that is even greener than the standard product. For example, the optional product may include a higher percentage of RECs from new, renewable resources within New England. Or, it may include a higher percentage of solar. This will enable Salem's residents and businesses to make choices about the environmental content of their power supply and to purchase an even cleaner product if they choose to do so.

3. Incorporating Local Renewable Resources

In order to support local renewable energy resources and to make a connection between local generating projects and the power supplied to the City's residents and businesses, Salem will make a particular effort to secure RECs from renewable generation within Salem. Because many of these projects may have sold their RECs under multi-year contracts, this initiative may start slowly. However, the City anticipates that it will grow as new projects are built and as more RECs from existing projects become available. Over time this will become a central feature of the aggregation program.

III. Statutory Requirements

The municipal aggregation statute, G.L. c. 164, sec. 134, sets out the requirements that a plan must meet in order to be approved by the DPU. Those requirements include procedural requirements, specified plan elements, and substantive requirements. Salem's plan satisfies all of these requirements, as discussed below.

1. Local Approval

The Municipal Aggregation Statute requires that the City obtain approval from the local governing authorities before initiating the development of the plan. Salem satisfied the local approval requirement when the City Council voted to initiate the process of municipal aggregation on November 20, 2014. The Council Order is attached as Exhibit A.

2. Consultation with the Department of Energy Resources (DOER)

The aggregation statute also requires the City to consult with the DOER in developing the plan. Salem submitted a draft of the plan to DOER and Salem officials met with DOER to discuss that draft on April 6, 2015. DOER provided many helpful comments on the draft which were incorporated into the final version of the plan.

3. Citizen Review

Salem has made the plan available for review by its electricity customers and held a public meeting on the plan at the February 26, 2015 Salem City Council Meeting. The draft aggregation plan was also posted on the City's web site.

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:

Mayor and City Council: The aggregation will be overseen by the Mayor and the City Council, the elected representatives of the citizens of Salem. The City Council and Mayor authorized the initiation of the process of municipal aggregation. The Mayor approved the aggregation plan with input by the City Council and Salem electricity customers, supervises the aggregation consultant, and will sign the supply contract.

Consultants: The City's aggregation consulting team (hereinafter jointly referred to as "Consultant") will manage the aggregation under the Mayor's direction. Their responsibilities will include managing the supply procurement, developing and implementing the public education plan, interacting with the local distribution company, and monitoring the supply contract. Through a competitive procurement process, Salem has selected the team of Bay State Consultants and Peregrine Energy Group to provide these services for an initial three-year term.

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

2. Operations

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

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

a. Issue supply RFP and select winning competitive supplier

i. Power supply

After the DPU approves the plan, the next step is to procure an energy supply contract.

Salem will solicit bids from leading competitive suppliers, including those currently supplying aggregations in Massachusetts and other states. The RFP will require that the supplier satisfy key threshold criteria, including:

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

In addition, suppliers will be required to agree to the substantive terms and conditions of Salem's model electricity service agreement. The agreement requires the supplier to:

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

Salem will solicit price bids from suppliers that meet the threshold criteria and agree to the terms and conditions. The City will request bids for a variety of terms and for power from different sources. 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. Salem will only accept a bid that enables it to launch the aggregation with a price that is equal to or less than the Basic Service price.

ii. RECs

In addition to soliciting bids for power supply that meets the required MA RPS obligation, Salem will solicit bids to supply additional Renewable Energy Certificates (RECs) for both the standard product and the optional product. Salem's goal is for the standard product to be 100% green.¹ The optional product will be even greener than the standard product, for example by including a higher percentage of "new"

¹ Green electricity sources include both renewable resources, such as wind and solar, and clean, non-renewable resources, such as combined heat and power, required by the Massachusetts Alternative Energy Portfolio Standard.

renewables. The City will seek RECs from a variety of renewable sources, and will choose the proposals that offer the best combination of environmental benefit and price.

Salem will ask bidders to identify the technology, vintage, and location of the renewable generators that are the sources of the RECs. It will require that the RECs either be created and recorded in the New England Power Pool Generation Information System or be certified by a third party such as Green-e.

b. Implement public information program, including 30-day opt-out notice

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

The delivery of a public education plan 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 plan's objectives, the primary terms and conditions of the contract, and the right to opt out at any time.

The public education plan will include both broad-based efforts and a 30-day opt-out notice to be mailed to every eligible customer on basic service.

i. Broad-based education efforts

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

- An announcement introducing the program and the competitive supplier, which will be sent to media contacts at local newspapers, the local radio station, and other outlets identified as valuable by the City
- A dedicated informational Web site that explains the aggregation plan, community benefits, the opt-out process, and other helpful information. This site will be available during the initial educational outreach and also on an ongoing basis so that customers can find information about the program for its duration.
- A toll-free customer information and support hotline
- Interviews with local media outlets, including the local cable access channel
- Public service announcements on the local cable access channel
- Social-media-based connections with local community groups. Specifically, Salem will provide announcement text to local groups for posting on their active Facebook pages
- Informational documents that mirror the aggregation web site content and can be used as handouts during the community presentation. These materials will also be made available through the web site as downloadable files and in the City Hall and other public buildings.
- A community-wide presentation, open to all community members.

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

ii. 30-day opt-out notice

In addition to the broad-based education initiatives, a 30-day opt-out notice will be mailed to every eligible customer on basic service. The notice will be an official City communication, and it will be sent in an envelope clearly marked as containing time-sensitive information related to the program. The notice will: (1) introduce and describe the program; (2) inform customers of their right to opt-out and that they will be automatically enrolled if they do not exercise that right; (3) explain how to opt out; and (4)

prominently state all program charges and compare the price and primary terms of the City's competitive supply to the price and terms of National Grid's basic service. The opt-out notice is attached to this Plan as Exhibit B.

The direct mailing will include an opt-out reply card. Customers will have 30 days from the date of the mailing to return the reply card if they wish to opt out of the program by this method. The notice will be designed by Salem and printed and mailed by the competitive supplier, who will process the opt-out replies. The opt-out reply card is attached to this Plan as Exhibit C.

c. Enroll customers and provide service, including quarterly notifications

After the completion of the 30-day opt-out period, the competitive supplier will enroll into the program all basic service customers that did not opt out. All enrollments and other transactions between the competitive supplier and 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 electricity supplier will provide all-requirements power supply service. The supplier will also provide ongoing customer service, maintain the program web site, and process new customer enrollments, ongoing opt-outs, opt-back-ins, and customer selections of optional products. Prior to the expiration of the initial power supply agreement, Salem intends to procure a new supply agreement

As part of its ongoing service, Salem will provide the quarterly disclosure information required by G.L. c. 164, § 1(F)(6) and 220 C.M.R. § 11.06. Like the other Massachusetts aggregations, Salem requests a waiver from the requirement that the disclosure label be mailed to every customer and seeks permission instead to provide the information through alternative means, including press releases, announcements on cable television, postings at City Hall, and postings on the program website. As the DPU has found with other aggregations, this alternate information disclosure strategy will allow Salem to provide the required information to its customers as effectively as quarterly mailings.

c. Annual report to DOER

On an annual basis, Salem will report to DOER on the status of the program, including number of customers enrolled and opting-out, kilowatt-hour sales, customer savings, participation in green products, and such other information as DOER may request.

3. Funding

All of the costs of the program will be funded through the supply contract.

The primary cost will be the competitive supplier's charges for the power supply. These charges will be established through the competitive solicitation for a supplier.

The administrative costs of the program will be funded through a per kilowatt-hour adder that will be included in the supply price and paid by the competitive supplier to the Consultant, as specified in the electricity supply agreement (ESA). This fee will cover the services of the Consultant, including developing the aggregation plan, managing the DPU approval process, managing the supply procurement, developing and implementing the public education plan, providing customer support, interacting with the local distribution company, monitoring the supply contract, and providing ongoing reports. This charge has

been set initially at \$0.001 per kilowatt-hour and was established through the competitive solicitation that Salem conducted for an aggregation consultant.

4. Rate Setting and Other Costs to Participants

As described above, the program's generation charges will be set through a competitive bidding process and will include the administrative adder. Prices, terms, and conditions may differ among customer classes. 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.²

The program affects only customers' electricity supply charges. Delivery charges will be unchanged and will continue to be charged by National Grid in accordance with tariffs approved by the DPU.

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

5. Method of Entering and Terminating Agreements with Other Entities

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

When the City has decided that it is timely to solicit bids for a new electric service agreement, the procurement steps will be as follows:

1. The City's consultants will prepare and issue an RFP on behalf of the City for both energy and RECs
2. Salem will receive and evaluate contractual responses (without prices)
3. The City's consultants will issue a final call for prices
4. A few days prior to the pricing date Salem will receive from its consultants a memo providing the most recent information on energy market trends
5. On pricing day, Salem will receive and evaluate bids and, if acceptable, execute a contract with the winning bidder. The Mayor will be responsible for executing the supply contract.

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

If Salem determines that it requires the services of an aggregation consultant for the period after the expiration of the City's current contract with Bay State Consultants, the City will conduct a competitive procurement. The City will draft and issue a Request for Proposals (RFP) pursuant to the authority granted in MGL c. 30B, §1(b)(32).

² Basic service pricing periods vary by customer class. For residential and small commercial and industrial customers, the prices change every six months. For medium and large commercial and industrial customers, prices change monthly.

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) contacting National Grid and asking to be returned to basic service; 3) returning the opt-out reply card; 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 City, Consultant, the competitive supplier, National Grid, and the DPU. As appropriate, the City and Consultant will direct customer complaints to the competitive supplier, National Grid, or the DPU.

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

7. Extension or Termination of Program

Prior to the end of the term of the initial ESA, Salem will solicit bids for a new supply agreement and plans 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 ESA without any extension, renewal, or negotiation of a subsequent supply contract, or upon the decision of the Mayor to dissolve the program effective on the end date of any outstanding supply agreement. In the event of termination, customers would return to National Grid's basic service unless they choose an alternative competitive supplier.

Salem will notify National Grid of the planned termination or extension of the program. In particular, Salem will provide National Grid notice: (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 electricity service agreement.

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

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

1. Universal Access

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

Most importantly, all customers will have access to the program. All existing basic service customers will be automatically enrolled in the program unless they choose to opt out.

As new customers move into Salem, they will have an opportunity to join the program. New customers 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 30 days of the opt-out notice. New customers will be enrolled at the same price as the existing customers, with the exception of new Very Large C&I Customers (“VLC&I Customers”). New VLC&I Customers are defined as any customer that is on the utility’s largest rate class and has historical or projected consumption in excess of 1,000,000 kWh per year. These customers, if any, will be enrolled at a price that reflects market prices at the time of enrollment.

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

2. Reliability

Reliability has both physical and financial components. The program will address both through the ESA with the competitive supplier. From a physical perspective, the ESA commits the competitive supplier to provide all-requirements power supply and to use proper standards of management and operations (ESA, Article 2.) The local distribution company will remain responsible for delivery service, including the physical delivery of power to the consumer, maintenance of the delivery system, and restoration of power in the event of an outage. From a financial perspective, the ESA requires the supplier to pay actual damages for any failure to provide supply at the contracted rate (i.e., to pay the difference between the contract rate and the utility supply rate). The ESA requires the competitive supplier to maintain insurance (ESA, Article 16) and the RFP for a competitive supplier will require that an investment-grade entity either execute or guarantee the ESA. Accordingly, the program satisfies the reliability requirement of the statute.

3. Equitable Treatment of all Customer Classes

The Aggregation Statute requires “equitable” treatment of all customer classes. The DPU has determined that this does not mean that all customers must be treated “equally,” but rather that similarly-situated classes be treated “equitably.” In particular, the DPU has allowed variations in pricing and terms and conditions between customer classes to account for the disparate characteristics of those classes.

The program makes four distinctions between groupings of customers. First, the program will distinguish among customer classes (residential, commercial, industrial) by soliciting separate pricing for each of those classes. The program will use the same customer classes that National Grid uses for its basic service pricing.

Second, the program will distinguish between customers receiving the standard PowerChoice product and customers that affirmatively choose the optional PowerChoice Plus product. Customers selecting the optional product will be charged the price associated with that product.

Third, as described above under “Universal Access,” among New Customers, the program will distinguish between a) New VLC&I Customers, and b) all other New Customers. The program will offer New Customers other than New VLC&I Customers the standard contract pricing. However, the program will offer new VLC&I Customers pricing based on market prices at the time the customer seeks to join the aggregation.

Finally, consistent with DPU rulings, among 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.

VI. PLANNED SCHEDULE

Milestone	Day Estimate
RFQ for competitive supplier issued	Day 1
RFP for final supply prices issued	Day 35
Electricity Supply Agreement executed	Day 49
Broad-based educational campaign begins, including the announcement of supply contract and pricing and the launch of program web site.	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.³

VII. CONCLUSION

Salem PowerChoice meets all of the requirements of the municipal aggregation statute, including providing universal access and a reliable power supply and treating all customer classes equitably. Salem looks forward to the approval of this plan by the DPU so that the City can launch the program and bring the benefits of renewable energy and electricity choice to the residents and businesses of Salem.

³ 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

City Council Order Authorizing Aggregation



CITY OF SALEM

In City Council, June 26, 2014

Ordered: The Salem City Council, with the approval of the Mayor, hereby authorizes the City of Salem to initiate the process of aggregating the electrical load of interested electricity consumers within the City, pursuant to M.G.L. Chapter 164, Section 134.

In City Council June 26, 2014

Referred to the Committee on Ordinances, Licenses and Legal Affairs co-posted with Committee of the Whole

In City Council September 11, 2014

Referred to the Committee of the Whole

In City Council November 20, 2014

Authorize City of Salem to initiate process and explore options of aggregating the electrical load at no expense to the City and report back to City Council

CHERYL A. LAPOINTE
CITY CLERK

ATTEST:

EXHIBIT B

Opt-Out Notice



ELECTRICITY PROGRAM NOTIFICATION LETTER

<Month> <Day>, 2015

Dear Salem Electric Service Customer,

Welcome to the **Salem PowerChoice** – a new local option for electricity!

Salem PowerChoice is a new City program that gives you electricity supply alternatives to National Grid while helping to support Salem's sustainability efforts.

All eligible residential and commercial electricity customers will receive their electricity supply from <VENDOR NAME> instead of National Grid, starting on the first meter read after <MONTH> <DAY>, 2015.



How You Benefit

- **Savings:** Salem has negotiated an electricity supply price that is lower than National Grid's price.
- **Renewable energy, cost effectively:** Your electricity will now be powered by 100% green energy, vastly reducing our community's collective carbon footprint.
- **Choice:** The program gives you a choice in the type of renewable energy that supplies you. (For more information, visit www.salem.com/PowerChoice.)
- **Predictability:** Salem has negotiated an XX-month contract with <VENDOR NAME>, which means your electricity supply price will not change in that time. (National Grid prices change every six months.)

These benefits are possible because Massachusetts law allows communities like Salem to select an electricity supplier and bring the benefits of that choice to all eligible residents and businesses. This kind of program is a municipal electricity aggregation program.

No Interruption in Power, Billing, or Customer Service

Participating in **Salem PowerChoice** will change only your electricity supplier. National Grid will continue to read meters, maintain distribution and transmission lines, and provide customer service.

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

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

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

You Will Be Automatically Enrolled

To participate in **Salem PowerChoice**, you don't need to do anything. As an eligible National Grid Basic Service customer, you will be automatically enrolled and a part of Salem's efforts to meet its commitment to sustainability.

How to Opt Out

If you prefer not to participate, you may opt out by filling out, signing, and returning the enclosed postcard within 30 days of the date on

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

► **Read the FAQ online at:**
www.salem.com/PowerChoice

YOUR NEW SUPPLY PRICE

- **Residential accounts**
XX.XX ¢/kWh
- **Small business accounts**
XX.XX ¢/kWh
- **Medium and large business accounts**
XX.XX ¢/kWh

COMPARE TO NATIONAL GRID
RATES ON THE BACK ►

this letter. There is *no penalty, fee, or charge* for opting out of the program, and you may do so *at any time*. To opt out in the future, call <VENDOR NAME> at 1-XXX-XXX-XXXX.

If you opt out, you will remain a National Grid Basic Service customer. At that time, you also have the option to choose a different electricity supplier on your own, if you wish.

NOTE: If you have already established a contract with a different electricity supplier but you received this letter, *you should opt out of the program*.

COMPARATIVE ELECTRICITY SUPPLY RATES AND TERMS

	Salem PowerChoice	National Grid Basic Service
Rate Term	<MONTH> <YEAR> meter read – <MONTH> <YEAR> meter read	<MONTH> <DAY>, <YEAR> – <MONTH> <DAY>, <YEAR>
Residential accounts	XX.XX ¢/kWh	XX.XXX ¢/kWh
Small business accounts	XX.XX ¢/kWh	XX.XXX ¢/kWh
Medium and large business accounts	XX.XX ¢/kWh	XX.XXX ¢/kWh (<MONTH> <DAY> - <MONTH> <DAY>, <YEAR>)
Duration	Rate is in effect from <MONTH> <YEAR> meter read through <MONTH> <YEAR> meter read	National Grid’s fixed Basic Service rates change every six (6) months for residential and small business accounts and every three (3) months for medium and large business accounts.
Exit Terms	No exit charge	May receive a reconciliation charge or credit.



CITY OF SALEM
C/O <VENDOR NAME>
1 SUPPLIER STREET
SUPPLIER, MA 00000

PRESORTED
STANDARD
US POSTAGE PAID
CITY, MA
PERMIT, NO XX

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

EXHIBIT C

Opt-Out Reply Card

OPT-OUT REPLY CARD



OPT-OUT INSTRUCTIONS

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

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

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

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

X _____
Signature Date

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL

FIRST-CLASS MAIL PERMIT NO. XX CITY, STATE

POSTAGE WILL BE PAID BY ADDRESSEE

CITY OF SALEM
C/O <VENDOR NAME>
1 SUPPLIER STREET
SUPPLIER, MA 00000