

City of Chelsea

Municipal Aggregation Plan

December 4, 2023

The City of Chelsea (City) has developed the Chelsea Electricity Choice / Opción Eléctrica de Chelsea program (Program) to bring the benefits of renewable energy and electricity choice to its residents and businesses. A centerpiece of the Program will be the integration of additional renewable energy into the power supply. The Program will offer a selection of supply options as well as the ability to leave the Program and return to utility Basic Service at any time with no penalty or fee. The Program is part of the City's efforts to achieve its sustainability goals.

I. Key Features

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

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

Price stability: The City will seek to provide greater price stability when compared with utility Basic Service prices. The City will also seek to provide competitive prices, but savings cannot be guaranteed.

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

II. Three New Electricity Choices

The City will give Program participants a choice in the percentage of renewable energy and price of their electricity supply by offering three Program options. Because the integration of renewable energy into the city's power supply is a driving motivation for the Program, the City will offering additional renewable energy in two of the three Program options. The additional renewable energy will come from the purchase of additional Renewable Energy Certificates (RECs)² over and above the state minimum requirement. The additional RECs may be Massachusetts Class I RECs,³ other types of RECs, or a combination. The charges for RECs will be included in the Program supply rate for each product option.

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

² A REC represents the environmental attributes associated with electricity generation. RECs are part of an accounting system that enables generators to sell, and customers to buy, renewable electricity.

³ Massachusetts Class I RECs come from generators that are fueled by renewable sources such as the sun and wind, began operating after 1997, and are located in, or deliver power to, New England.

1. Chelsea Standard

Chelsea Standard will be the default, opt-out product. The goal for this product is to incorporate additional renewable energy into the city's power supply while providing an affordable price. The percentage of RECs will be greater than the state minimum, up to 100%.

The percentage and type of RECs will be set by the City Manager after receiving price bids, considering both price and environmental benefit. The percentage and type of RECs may change after they are initially established. Customers will be notified before any such change.

Customers, including Environmental Justice populations, that do not wish to purchase additional RECs will have the option to purchase Basic, which has no additional RECs, or to opt out of the Program at any time without penalty. The City will make customers aware of these choices as described in the Education and Outreach Plan.

2. Chelsea 100% Green⁴

Chelsea 100% Green will contain 100% Massachusetts Class I RECs, including both the state-required RECs and RECs added voluntarily. The goal for this product is to give residents and businesses an option with more renewable energy content than Chelsea Standard. This option will be available at an additional cost to Program participants. By offering this option in addition to the standard offering, the City will give its residents and businesses the freedom to make individual choices about the price and environmental impact of their power supply.

3. Chelsea Basic

Chelsea Basic will include no additional RECs above state minimum requirements. The goal for this product is to provide an option that is less expensive than Chelsea Standard and Chelsea 100% Green.

Any new product the City seeks to make available to Program participants is subject to Department of Public Utilities (Department) approval.

III. Procedural Requirements

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

1. Local Approval

The Municipal Aggregation Statute provides that a City may initiate the process to aggregate electrical load upon authorization by a majority vote of the City Council. The City obtained such authorization by vote at a City Council meeting on October 21, 2019.

⁴ Products described as "Green" contain RECs above the amount required by state law. The additional RECs will come from emissions-free sources such as solar and wind.

2. Consultation with the Department of Energy Resources

The Municipal Aggregation Statute also requires the City to consult with the Department of Energy Resources (DOER) in developing its aggregation plan. The City submitted a draft of its Municipal Aggregation Plan (Plan) to DOER, and City officials discussed the draft with DOER on January 27, 2021.

3. Citizen Review

The City made the Plan available for review by its citizens by posting the Plan for comment and holding a public meeting on December 1, 2020.

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:

City Manager and City Council: The aggregation is overseen by the City Manager and City Council. The City Council will set the policy direction and approved the Plan. The City Manager manages the consulting team and will sign the competitive electric service agreement (ESA). The City Manager will also establish the Operational Fee and oversee City staff who work on the Program.

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

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

2. Operations

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

- a. Issue a Request for Qualifications (RFQ) and Request for Prices (RFP) and select winning competitive supplier
- b. Implement the public education effort, including notice of the opt-out period
- c. Enroll customers and provide service, including required information disclosures

d. Submit reports to the Department and DOER

a. Issue a Request for Qualifications and Request for Proposals and select winning competitive supplier

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

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

- Licensed by the Department
- 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, competitive suppliers will be required to agree to the terms and conditions of an ESA, substantially in the form of the City's model ESA. The ESA requires the competitive supplier to:

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

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

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

The City will solicit bids for power supply that meets the Massachusetts Renewable Portfolio Standard (RPS) requirements and for a supply containing additional renewable energy over and above the RPS requirements. The City will seek bids that include a variety of renewable sources, and will choose the proposal that offers the best combination of environmental benefit and price.

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

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

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

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

The public education effort will include both broad-based efforts and an opt-out notice to be mailed to every Eligible Customer. Program materials will be available in both English and Spanish.

Where the City's education and outreach materials address the availability of the Program to competitive supply customers, those materials will clearly disclose that such customers may be subject to penalties or early

termination fees from their competitive supplier if they switch from competitive supply to the City's Program during the term of an ESA. The City will provide the Department with a copy of any materials it proposes to send to competitive supply customers for the purpose of notifying them of their eligibility to receive power from the Program. The City will provide such materials to the Department no later than ten business days prior to the proposed date of issuance.

Please see Attachment A for Chelsea's Education and Outreach Plan, which provides greater detail around the broad-based efforts.

Opt-out Notice

As a part of Chelsea's public education and outreach efforts, an opt-out notice will be mailed to every Eligible Customer after the ESA is signed and before Program launch. 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 Eligible Customers of their right to opt out and that they will be automatically enrolled if they do not exercise that right; (3) explain how to opt out; and (4) prominently state all Program charges and compare the price and primary terms of the City's competitive supply to the price and terms of utility Basic Service.

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

The opt-out notice and reply card will be designed by the City and printed and mailed by the competitive supplier, who will process the opt-out replies. An exemplar opt-out notice is provided with this Plan as Attachment B-1. An exemplar language access document cover sheet is provided as Attachment B-2. An exemplar opt-out reply card is provided as Attachment B-3. An exemplar opt-out reply card return envelope is provided as Attachment B-4.

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

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

The enrollments shall commence no sooner than 37 days after the mailing of the opt-out notice. All enrollments and other transactions between the competitive supplier and the local distribution company, Eversource, will be conducted in compliance with the relevant provisions of Department regulations, Eversource's *Terms and Conditions for Competitive Suppliers*, and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the competitive supplier will provide all-requirements power supply service. The 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 ESA, the City intends to enter a new ESA on behalf of Program customers.

As part of its ongoing service, the City will provide the disclosure information required by G.L. c. 164, § 1(F)(vi) and 220 C.M.R. § 11.06. Like the other Massachusetts aggregations, the City has requested a waiver from the requirement that the disclosure label be mailed to every customer and seeks permission instead to provide the information through the following alternative means:

- Posting a physical notice and disclosure label on bulletin boards in City Hall, the Senior Center, and the public library
- Posting a news item on the home page of the City website with a link to the Program website where the label can be found
- Posting a notice on the City's social media accounts, including Facebook and Twitter, with a link to the Program website where the notice can be found
- Posting a notice and disclosure label on the Resources page of the Program website
- Submitting a notice to the City's local access television station with information about where the disclosure label can be found (online and physical)

Please see Attachment A for Chelsea's Education and Outreach Plan which provides greater detail about the City's alternative disclosure strategy.

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

d. Submit reports to the Department and DOER

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

3. Funding

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

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

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

In addition, the City may direct the competitive supplier to include in the supply price an operational fee of up to \$0.001 per kilowatt-hour to be payable by the competitive supplier to the City. Funds collected through the operational fee shall be used to support personnel costs associated with an energy manager position and other City staff whose responsibilities include assisting with the Program. The operational fee may be excluded from the price of the Basic product. If the City chooses to implement the operational fee, the Program website and opt-out notice will note that the supply price includes that Fee.

City staff will be supported by the operational fee only for the performance of Program tasks that are not performed by the Consultant. These tasks will include providing enhanced customer education and outreach, particularly to Environmental Justice populations, and providing multi-lingual Program customer support through

the City's toll-free Chelsea 311 customer support center, as described in the Education and Outreach Plan, § I.D.4.⁵ The City Manager will monitor the activities of City staff and the consultant and ensure that there is no overlap and that operational fee funds are used only to support activities that are related to the Program.

The operational fee will be established by the City Manager based on 1) an assessment of the amount of time that City staff will spend on the Program; 2) the cost of that time, i.e., salary, benefits, and overhead; and 3) a projection of revenue based on a projection of Program sales. The City Manager will review the operational fee annually, and adjust the fee as appropriate. The City plans to begin collecting the operational fee at Program launch at a rate of \$0.001/kWh.

4. Rate Setting and Other Costs to Participants

As described above, the Program's electricity supply charges will be set through a competitive bidding process and will include the administrative fee and operational fee. Prices, terms, and conditions will vary by product. The City may solicit price bids by customer class and prices may differ accordingly. Prices will differ based on customer class and customer enrollment scenario as described in the Enrollment Pricing table in § V.3. For each customer class, prices will be fixed for periods at least as long as the Basic Service price period for the class.⁶

The City will notify customers of any change in product price or renewable energy content consistent with all notification requirements for the competitive supply market required by the Department. At least 30 days prior to a change in price (including a change in Program price due to a change in law) or renewable energy content or the start of a new ESA (regardless of whether there is a change in Program price, renewable energy content, or term), the City will notify customers through a direct mail notice and by issuing a media release, posting a notice in City Hall, posting a notice on the City website, and posting a notice on the Program website. The direct mail notice will include the product summary form and will contain the Program price, term, fees, and renewable energy content, and will contain the applicable Basic Service rate and inform participants that they may opt out of the Program at any time and return to Basic Service at no charge.

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

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

⁵ The City anticipates that the Chelsea 311 call center will be especially busy with Program-related calls during Program launch when all Eligible Customers will receive the opt-out notice. The City believes that the use of the 311 call center, with its multi-lingual staff, will be particularly beneficial for city residents for whom English is not their first language.

⁶ Basic Service pricing periods vary by customer class. For residential and small business customers, the prices change every six months. For medium and large business customers, prices change quarterly.

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

5. Method of Entering and Terminating Agreements with Other Entities

The City'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 ESA, the procurement steps will be as follows:

- The City's Consultant will prepare and issue an RFQ on behalf of the City
- The City will receive and evaluate qualifications
- The Consultant will issue an RFP for prices
- The City will receive and evaluate bids and, if acceptable, execute an ESA with the winning bidder. The City Manager will be responsible for executing the ESA.

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.

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

6. Rights and Responsibilities of Program Participants

All participants will have the right to opt out of the Program at any time without charge. They may exercise that right by any of the following: 1) calling the competitive supplier's toll-free number; 2) submitting the opt-out form on the Program website; 3) contacting their local distribution company and asking to be returned to Basic Service; or 4) enrolling with another competitive supplier.

All participants will have the consumer protection provisions of Massachusetts law and regulations, including the right to question billing and service quality practices. Customers will be able to ask questions of and register complaints with the City, the Consultant, the competitive supplier, the local distribution company, and the Department. As appropriate, the City and Consultant will direct customer complaints to the competitive supplier, their local distribution company, or the Department.

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

No later than 90 days prior to the end of the term of the initial ESA, the City will solicit bids for a new ESA 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 ESA, or upon the decision

of the City Manager with the approval of the City Council to dissolve the Program effective on the end date of any outstanding ESA. In the event of termination, customers would be returned to their local distribution company's Basic Service via Electronic Data Interchange (EDI) by the competitive supplier in accordance with the rules set forth in the Electronic Business Transactions (EBT) Working Group Report unless the customers choose an alternative competitive supplier.

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

The 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 their local distribution company.

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

V. Substantive Requirements

The Municipal Aggregation Statute also requires that the 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.

1. Universal Access

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

Most importantly, all customers will have access to the Program. All Eligible Customers will be automatically enrolled in the Program unless they choose to opt out.

As new Eligible Customers move into the City, they will have an opportunity to join the Program. New Eligible 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 the opt-out period. New customers will be offered the same price as the existing customers, 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. The competitive supplier may offer VLC&I Customers either the same price as the existing customers or 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 at no charge and may return to Basic Service at any time after Program enrollment. Customers that opt out will have the right to return to the Program at any time. The competitive supplier may offer these customers either the Program price or a price that reflects market conditions at the time of their return.

2. Reliability

Reliability has both physical and financial components. The Program will address both through the ESA with the competitive supplier. From a physical perspective, the ESA commits the competitive supplier to provide all-requirements power supply and to use proper standards of management and operations (ESA, Article 7.) The local distribution company will remain responsible for delivery service, including the physical delivery of power to the consumer, maintenance of the delivery system, and restoration of power in the event of an outage. From a financial perspective, the ESA requires the competitive supplier to pay actual damages for any failure to provide supply at the contracted rate (i.e., to pay the difference between the contract rate and the utility supply rate). The ESA also requires the competitive supplier to maintain insurance (ESA, Article 16).

3. Equitable Treatment of all Customer Classes

The Municipal Aggregation Statute requires “equitable” treatment of all customer classes. The Department 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 Department has allowed variations in pricing and terms and conditions among customer classes to account for the disparate characteristics of those classes.

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

Second, the Program will distinguish among customers receiving different products, for example, the standard product and the optional product. Customers will be charged the price associated with the product they receive.

Third, 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, for new VLC&I Customers, the competitive supplier has the option to offer either the Program price or a price based on market prices at the time the customer seeks to join the aggregation.

Finally, consistent with Department 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 commercial and industrial (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 Program.

Enrollment procedures

Enrollment Scenario	Enrollment Procedures
Eligible Customers at Program launch	<i>All Customers</i> An opt-out notice will be mailed to all Eligible Customers at Program launch. After the completion of the 30-day opt-out period, inclusive of mailing, the competitive supplier will enroll all Eligible Customers who did not opt out.
New Eligible Customers identified after Program launch	<i>All Customers except Very Large C&I</i> An opt-out notice will be mailed to all identified New Eligible Customers after Program launch. After the completion of the 30-

	<p>day opt-out period, inclusive of mailing, the competitive supplier will enroll all Eligible Customers who did not opt out.</p> <p><i>Very Large C&I</i></p> <p>Same as above except the opt-out notice will include the current, market-based prices.</p>
Customers who opted out and later want to enroll	<p><i>All Customers</i></p> <p>Customers may enroll in the Program by contacting Program customer support or the competitive supplier.</p>
Customers on third-party supply at Program launch who want to enroll in the Program after their supply contract ends	<p><i>All Customers</i></p> <p>Customers may enroll in the Program by contacting Program customer support or the competitive supplier.</p>
All customers enrolled in the Program at the start of a supply term under a new ESA, including any customers currently on market-based prices.	<p><i>All Customers</i></p> <p>At least 30 days prior to the effective date of a price change under a new ESA, Program participants will be informed through postings on the Program and municipality websites, media releases, social media, a physical posting in municipal buildings and a direct mail notice containing the new price, term, fees, renewable energy content, and applicable Basic Service rate, in accordance with Section IV.4 above. Customers enrolled in an optional opt-in product that will change voluntary renewable content will be informed that they must affirmatively re-enroll in the new optional product (or affirmatively enroll in the default product or other optional product) or they will be returned to Basic Service. Customers enrolled in the default opt-out product shall be notified that they will be re-enrolled in the new default product unless they opt out.</p>

Enrollment Pricing

Enrollment Scenario	Enrollment Pricing
Eligible Customers at Program launch	<p><i>All Customers</i></p> <p>Program pricing for all product offers.</p>
New Eligible Customers identified after Program launch	<p><i>All Customers except Very Large C&I</i></p> <p>Program pricing for all product offers.</p> <p><i>Very Large C&I</i></p> <p>Market-based price based on then-current wholesale prices and competitive supplier costs at the time the customer wants to enroll. The competitive supplier will provide a market-based price that is fixed for the remainder of the current ESA.</p>
Customers who opted out and later want to enroll	<p><i>All Customers</i></p> <p>Market-based price based on then-current wholesale prices and competitive supplier costs at the time the customer wants to enroll. The competitive supplier will provide a market-based price that is fixed for the remainder of the current ESA.</p>

<p>Customers on third-party supply at Program launch who want to enroll in the Program after their supply contract ends</p>	<p><i>Residential and Small C&I</i> Program pricing for all product offers.</p> <p><i>Medium, Large & Very Large C&I</i> Market-based price based on then-current wholesale prices and competitive supplier costs at the time the customer wants to enroll. The competitive supplier will provide a market-based price that is fixed for the remainder of the current ESA.</p>
<p>All customers enrolled in the Program at the start of a supply term under a new ESA, including any customers currently on market-based prices</p>	<p><i>All Customers</i> Program pricing for all product offers.</p>

VI. Planned Schedule

Milestone	Day Estimate
RFQ for competitive supplier issued	Day 1
RFP for final supply prices issued	Day 30
ESA executed	Day 44
Broad-based educational campaign begins, including the announcement of ESA and pricing and an update of the Program web site, and including an opt-in campaign for more renewable energy content.	Day 45
Opt-out notice mailed to customers	Day 55
Opt-out postmark by deadline	Day 88
Earliest date Program enrollment may begin	Day 92

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

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