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July 15, 2011

Mark D. Marini, Secretary
Department of Public Utilities
One South Station
Boston, MA 02110

Re: D.P.U. 10-53 — Model Terms and Conditions for Purchase of Receivables

Dear Secretary Marini:

In accordance with the June 16, 2011, Order of the Department of Public Utilities (the “Department”) in the above-referenced proceeding, NSTAR Electric Company (“NSTAR Electric” or the “Company”) hereby files its implementation plan for the Purchase of Receivables (“POR”) for competitive suppliers. D.P.U. 10-53-A, at 18-19. As directed, the implementation plan has four elements: (a) identification of the different customer classes and the bad debt rate for each class; (b) an estimate of the anticipated administrative costs and the proposed amortization period; (c) the percentage discount rates to be used for the purchase of existing receivables payments at the start of the program and the methodology for applying those percentages; and (d) draft amended supplier service agreement to the competitive suppliers.

In addition, the Company is filing amended Terms and Conditions — Competitive Suppliers, consistent with the Department’s order. Please note that the Terms and Conditions do not have a filing and effective date, since they should not take effect until POR implementation. NSTAR Electric will refile the Terms and Conditions 30 days prior to the implementation of the POR program.

Thank you for your attention to this matter.

Sincerely,



Robert N. Werlin

Enclosures

cc: Service List (electronic)

NSTAR ELECTRIC COMPANY — POR IMPLEMENTATION PLAN

On June 16, 2011, the Department of Public Utilities (the “Department”) issued an order in D.P.U. 10-53, approving Model Terms and Conditions for Competitive Suppliers designed to implement the Purchase of Receivables (“POR”) program mandated by Section 60 of Chapter 169 of the Acts of 2008, an Act Relative to Green Communities (“Green Communities Act”). Section 60 of the Green Communities Act amended G.L. c. 164, § 1D to require electric distribution companies to implement POR for competitive suppliers choosing Standard Complete Billing Service.

The Department ordered each distribution company to file an implementation plan, as well as amended Terms and Conditions. The implementation plan is composed of four elements, as follows.

- **Identification of the Different Customer Classes and the Bad Debt Rate for Each Class**

Customer Class	Bad Debt Rate
Residential ¹	2.546 percent
Small C&I ²	0.785 percent
Large C&I ³	0.038 percent

- **An Estimate of the Anticipated Administrative Costs and the Proposed Amortization Period**

The present cost estimate to implement the POR program is \$1.039 million. Attachment A provides the details, assumptions and time line underlying the estimate. The Company will update the estimate in its filing in 30 days. The proposed amortization for collection of the administrative costs is three years.

¹ The Residential Customer Class includes customers taking service under the following rates: Rate R-1, Rate R-2, Rate R-3 and Rate R-4 (Boston Edison Company); Rate R-1, Rate R-2, Rate R-3, Rate R-4, Rate R-5 and Rate R-6 (Cambridge Electric Light Company); and Rate R-1, Rate R-2, Rate R-3, Rate R-4, Rate R-5 and Rate R-6 (Commonwealth Electric Company).

² The Small C&I Customer Class includes customers taking service under the following rates: Rate G-1, Rate G-2, Rate T-1 Rate S-1, Rate S-2 and Rate S-3 (Boston Edison Company); Rate G-0, Rate G-1, Rate G-4, Rate G-5, Rate G-6, Rate S-1 and Rate S-2 (Cambridge Electric Light Company); and Rate G-1, Rate G-4, Rate G-5, Rate G-6, Rate G-7, Rate S-1 and Rate S-2 (Commonwealth Electric Company).

³ The Large C&I Customer Class includes customers taking service under the following rates: Rate G-3, Rate T-2, Rate WR, Rate SB-G3 and Rate SB-T2 (Boston Edison Company); Rate G-2, Rate G-3, Rate SB-G3, Rate SB-1, Rate SS-1 and Rate MS-1 (Cambridge Electric Light Company); and Rate G-2, Rate G-3 and Rate SB-G3 (Commonwealth Electric Company).

- **The Percentage Discount Rates To Be Used for the Purchase of Existing Receivables Payments at the Start of the Program and the Methodology for Applying Those Percentages**

Customer Class	Days Receivable Outstanding	Existing Receivables Discount Rate
Residential	0-30 days	2.546 percent (percentage applied to the ongoing receivables program)
	31-60 days	5.092 percent (twice the percentage applied to the ongoing receivables program)
	61-90 days	30 percent of existing receivable balance
	91-120 days	50 percent of existing receivable balance
	121 days or greater	90 percent of existing receivable balance
Small C&I	0-30 days	0.785 percent (percentage applied to the ongoing receivables program)
	31-60 days	1.570 percent (twice the percentage applied to the ongoing receivables program)
	61-90 days	30 percent of existing receivable balance
	91-120 days	50 percent of existing receivable balance
	121 days or greater	90 percent of existing receivable balance
Large C&I	0-30 days	0.038 percent (percentage applied to the ongoing receivables program)
	31-60 days	0.076 percent (twice the percentage applied to the ongoing receivables program)
	61-90 days	30 percent of existing receivable balance
	91-120 days	50 percent of existing receivable balance
	121 days or greater	90 percent of existing receivable balance

The percentage discount rates noted above are based on NSTAR Electric's experience and various benchmarking study results where history indicates the likelihood of collecting a past-due amount decreases dramatically as the receivable ages. The ongoing uncollectible rate for the shortest-term existing debt (less than 30 days) is based on the Company's historical write-offs. However, based on NSTAR Electric's experience and results of various benchmarking studies show, once a receivable goes into arrears, the probability of collection is dramatically reduced or remote, particularly for those aged receivables in the 31 to 120 plus days categories. Therefore, NSTAR Electric proposes discount rates for aged receivables that correspond to the appropriate risk level those receivables pose regarding the probability of ever actually being collected.

- **Draft of the Amended Supplier Service Agreements to the Competitive Suppliers**

Attachment B is a draft of the amended supplier agreement that the Company intends to use to implement the POR program. Because of the limited time for the preparation of this filing, the Company is continuing its internal review of the agreement and expects to receive input from competitive suppliers. NSTAR Electric anticipates that the Department will establish a comment process on the implementation plan and the Company looks forward to working with other parties to fine-tune this document.

ATTACHMENT A

Purchase of Receivables

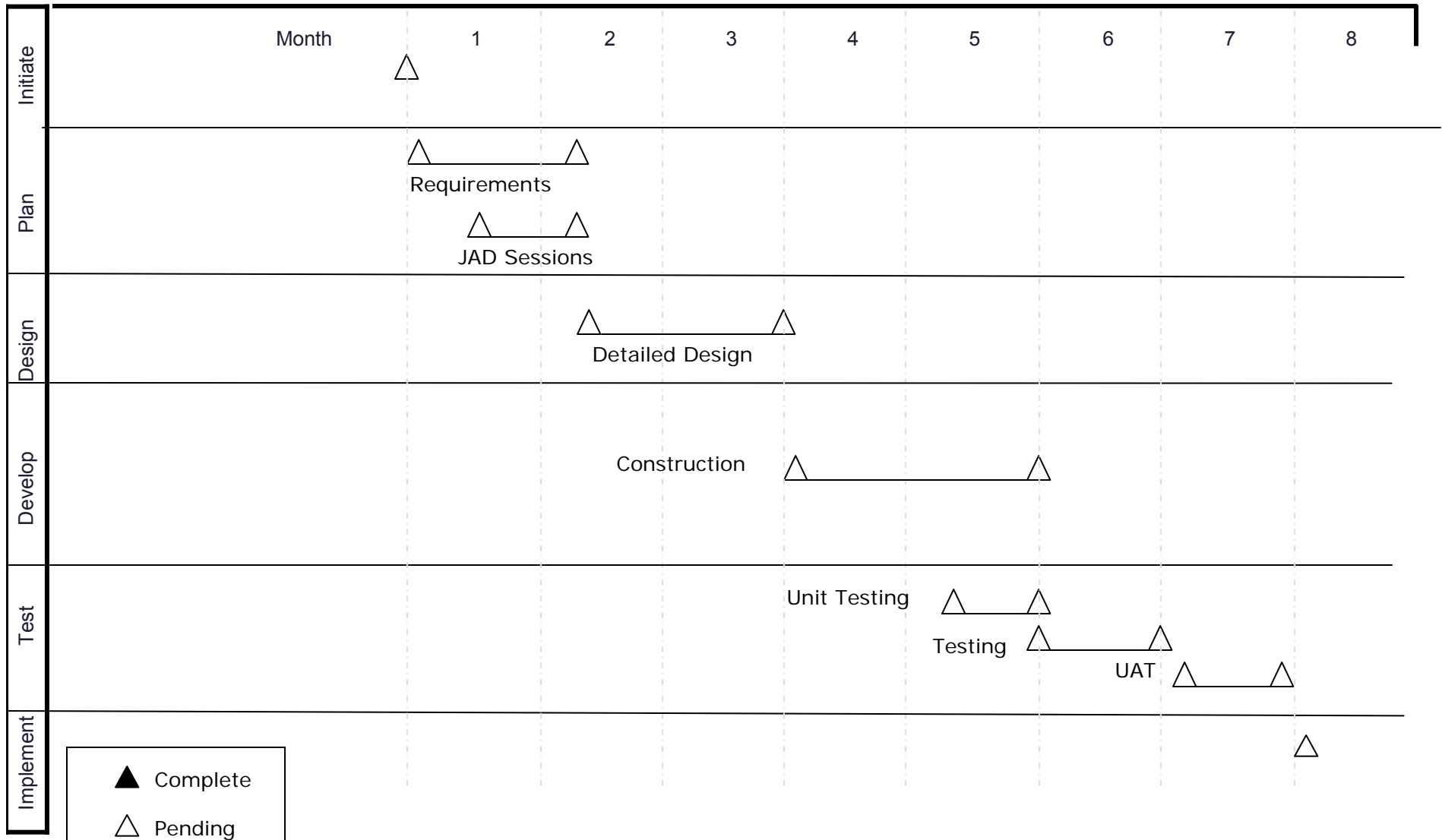
IT	Estimates (hours)	Description of Effort
Requirements	812	Gather requirements for supplier payments, proposed budget calculation, accounting changes, and system modifications.
Design	1,839	
Construction & Unit Test	5,573	
Test	675	
Implementation	224	
NSTAR IT Total Hours	9,123	
NSTAR BUSINESS	Estimates (hours)	Description of Effort
Requirements	640	
User Acceptance Testing	480	
Training	150	
NSTAR Business Total Hours	1,270	
Proxy Rate (\$/hr)	\$100.00	
Total Estimated Hours	10,393	
Total Estimated Costs	\$1,039,300	



Key Assumptions

Purchase of receivables work cannot begin until after the Low Income Billing enhancements are completed mid-September. Suppliers will continue to maintain responsibility for payment of Sales Taxes to the State of Massachusetts and for tax exemption certifications for customers

Gas supplier payments will continue to be processed in the same manner as currently applied to both gas and electric suppliers. Electric supplier payments will conform to the new regulation, i.e. calculated by applying the discount percentage to the billed amount NSTAR will need to modify EDI mapping for 820 transactions, and possibly the 810 transactions as well. It is assumed that one or more external suppliers will be available to test with NSTAR to make sure these formats are correct before implementation (possibilities - ConEd, Dominion, or ESG).

Schedule Chart



 Complete
 Pending

ATTACHMENT B

**COMPETITIVE ELECTRIC SUPPLIER SERVICE AGREEMENT
FOR BILLING SERVICES AND FOR THE PURCHASE OF ACCOUNTS
RECEIVABLE**

This Agreement made this ____ day of _____, 20__, NSTAR Electric Company, with a principal place of business at 800 Boylston Street, Boston, Massachusetts 02199 (the “Company”) and _____, a _____ corporation with a principal place of business at _____ (“Supplier”). The Company and the Supplier are also individually referred to herein as a “Party” or collectively as “Parties”.

WHEREAS, the Company operates as a local distribution electric Company; and

WHEREAS, the Company’s Terms and Conditions – Competitive Suppliers (the “Terms and Conditions”) on file with, and approved by, the Massachusetts Department of Public Utilities (the “MDPU”) permit the Company to perform services on behalf of competitive suppliers of electricity; and

WHEREAS, Supplier desires to offer Generation Service to one or more customers taking distribution service from the Company; and

WHEREAS, the Company’s Terms and Conditions require Supplier to enter into this Competitive Electric Supplier Service Agreement (the “Agreement”) with the Company prior to the initiation of Generation Service.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. Basic Understandings

- 1.0 This Agreement shall be subject to the Company’s Terms and Conditions and related Rate Schedules as are on file with the MDPU and in effect from time to time. The Company’s Terms and Conditions and applicable Rate Schedules are hereby incorporated by reference as though directly set forth herein. In the event the terms of this Agreement conflict with the Company’s Terms and Conditions, the Terms and Conditions shall control.
- 1.1 This form of Agreement has been developed for use between Company and Competitive Suppliers, and may not be waived, altered, amended, or modified, except as provided herein.
- 1.2 Exhibits A and B attached hereto and incorporated herein by reference, include additional terms which are a part of this Agreement.

II. Definitions

Any capitalized terms used in this Agreement and not defined herein shall be as defined in the Terms and Conditions or as stated in the MDPU’s regulations at 220 C.M.R. §§11.00 et seq.

“Account(s) Receivable” shall be defined as, with respect to any eligible Customer, the Supplier’s Generation Service revenue and associated charges determined by Company under the terms of this Agreement.

“Accounts Receivable Purchase Price” shall be defined as the amount with respect to any

Account Receivable purchased hereunder, calculated in accordance with Section 8.B of the Company's Terms and Conditions.

"Billing Date" shall be defined as with respect to any Account Receivable, the date on which Company's billing system calculates such Account Receivable.

"Business Day" shall be defined as any day, other than a Saturday, Sunday or Holiday that is observed on a weekday. If any performance date referenced herein occurs on day other than a Business Day, such performance date shall be the next succeeding Business Day.

"Collateral" shall mean the Security Interest referenced in Section 6.7 hereof.

"Customer" shall be that person or entity that is the customer of record for Distribution Service provided by the company

"Distribution Service" shall mean the delivery of electricity to a Customer by the Company.

"Generation Service" shall mean the sale of electricity to a Customer by a Competitive Supplier, including capacity and ancillary services such as the provision of reserves and all other services relating to generation required by ISO-NE, and retail offerings that utilize renewable energy certificates or represent alternative compliance payments that are bundled with generation, provided that such products can be billed using the Standard Complete Billing Service platform.

"Holidays" are as follows: New Year's Day; President's Day; Patriot's Day; Memorial Day; Independence Day; Labor Day; Columbus Day; Veteran's Day; Thanksgiving Day; the day following Thanksgiving Day; and Christmas Day.

"Program" means the purchase of Accounts Receivable Program approved by the MDPU, as in effect from time to time.

"Purchase of Receivables Plan" shall mean the Company's plan to comply iwht the Program as approved by the MDPU, and as in effect from time to time.

"Security Interest" shall mean the collateral for all obligations of the Supplier to the Company pursuant to this Agreement as referenced in 6.8 hereof.

"Standard Complete Billing Percentage" shall mean the amount to be deducted from the payment to Supplier for Generation Service as specified in paragraph 8B of the Company's Terms and Conditions.

III. Term

3.0 This Agreement shall become effective upon implementation of the Company's Purchase of

Receivables Plan approved by the MDPU pursuant to D.P.U. 10-53, or on the date hereof, whichever is later, (the “Effective Date”) and shall continue in full force and effect from month to month unless terminated by either party upon written notice given no less than thirty (30) days prior to the desired termination date, except as provided in Section VI of this Agreement.

- 3.1 Notwithstanding the foregoing, the parties agree to abide by all terms of this Agreement until all transactions outstanding at the time of termination are completed, including but not limited to, the payment by Supplier to the Company of any and all outstanding balances.
- 3.2 Notwithstanding the Effective Date, Supplier acknowledges and agrees that the Company is obligated to provide services pursuant to this Agreement only upon full satisfaction, or the Company’s express written waiver, of the Conditions Precedent set forth in Article IV of this Agreement.
- 3.3 Notwithstanding anything to the contrary elsewhere in this Agreement or in the Company’s Terms and Conditions, any Party, by written notice to the other Party (the “Breaching Party”), may terminate this Agreement, in whole or in part, with respect to such Breaching Party or suspend further performance without terminating this Agreement upon the occurrence of any of the following: (a) the Breaching Party terminates or suspends doing business; (b) the Breaching Party becomes subject to any bankruptcy or insolvency proceeding under federal or state law (unless removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to direct control of a transferee, receiver or similar authority, or makes an assignment for the benefit of creditors; or (c) the Breaching Party commits a material breach of any of its obligations under this Agreement or the Terms and Conditions; provided however, that any such breach occurring hereunder may be cured within fifteen (15) days after receipt of a written notice from the other party specifying the nature of such breach.
- 3.4 No delay by either party in enforcing any of its rights hereunder shall be deemed a waiver of such rights, nor shall a waiver of one default be deemed a waiver of any other or subsequent default.
- 3.5 The enumeration of the foregoing remedies shall not be deemed a waiver of any other remedies to which either party is legally entitled.

IV. Conditions Precedent

- 4.0 The following requirements shall be conditions precedent to Company’s obligations hereunder:
 - (a) Supplier shall provide all information requested in Exhibit B attached hereto;
 - (b) Supplier shall register and obtain the necessary licensing from the MDPU, shall maintain that registration and license throughout the term of this Agreement, and shall provide evidence of the same to the Company on an annual basis;

- (c) The Company shall confirm the Supplier's creditworthiness. In the event that Supplier has not demonstrated to the Company's satisfaction that it has met the Company's credit evaluation standards, the Supplier shall provide financial assurances, as required by the Company consistent with the provisions of the Company's tariffs;
- (d) Pursuant to the Company's tariffs, where Supplier elects to utilize the Standard Complete Billing Services from the Company, Supplier shall furnish to Company a complete schedule of its relevant rates and rate pricing options for Generation Service in written form or in an electronic format reasonably acceptable to Company, at Company's option, no less than ten (10) Business Days prior to initial Customer enrollment for any such rate or prior to a change in Supplier's existing rates, or five (5) Business Days prior to a change in rate pricing options.
- (e) Prior to customer Enrollment, Supplier shall successfully complete testing of the Electronic Business Transactions ("EBT") as specified in the EBT Working Group Report and any other applicable EBT Working Group standards published under the direction of the EBT Working Group (*i.e.*, on the EBT Working Group Website or its successor) (all of which together with the EBT are referred to as "EBT Standards" herein).
- (f) The Supplier has granted to the Company the Security Interest as stated in Section 6.7 hereof, and has provided documentation acceptable in form and substance acceptable to the Company demonstrating the grant and ongoing effectiveness of that Security Interest.

V. Representations

- 5.0 Each party represents with respect to the satisfaction of its obligations under this Agreement that it is and shall remain in compliance with all applicable laws, tariffs, and regulations during the term of this Agreement.
- 5.1 Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that party.
- 5.2 Each party represents that (a) it has the full power and authority to execute, deliver, and perform this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such party; and (c) this Agreement constitutes that party's legal, valid and binding obligation, enforceable against such party in accordance with its terms.
- 5.3 Each party shall exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement, and carry out its duties in accordance with applicable recognized professional standards.
- 5.4 Supplier warrants that it has good rights in, and the power to, transfer the Collateral and

assign and sell the Accounts Receivable to Company, without the violation of any rights of any third party, and that no third party consent or approval that has not already been obtained is required for the execution of this Agreement, the performance of Supplier's obligations hereunder, or the consummation of the transactions contemplated herein. Further, Supplier warrants that its title to the Collateral and the Accounts Receivable (excepting the Security Interest granted to the Company) is free of all adverse claims, liens, security interest and restrictions on transfer or pledge and are not and will not be subject to any other valid or existing billing, collection, or financing instrument, and have not been billed and will not be collected by or for the benefit of any other party except Company.

- 5.5 Supplier warrants that the Collateral and Accounts Receivable are and will remain free from any and all liens (including, without limitation, tax liens), claims, encumbrances, security interests and restrictions on transfer or pledge, and that no Collateral or Accounts Receivable will be assigned, financed, sold, pledged, hypothecated, or otherwise encumbered, except to Company.
- 5.6 With respect to the Collateral and Accounts Receivable, Supplier warrants that: (i) the prices charged and the services provided to Customers are in accordance with Supplier's agreements with these Customers, and Supplier is not in breach of any of those agreements, and (ii) there is no claim, litigation or proceeding pending or threatened that purports to effect the legality, validity, or enforceability of the Accounts Receivable, this Agreement, or the consummation of the transactions contemplated under this Agreement.

VI. Supplier's Responsibilities

- 6.0 Supplier shall notify Company in writing within 24 hours if its license to act as a Competitive Supplier, as provided in the MDPU's regulations, is acted upon by the MDPU in such a way that it materially affects Supplier's performance under this Agreement, including but not limited to suspension, revocation, modification, or non-renewal. Revocation or non-renewal of Supplier's license shall be grounds for immediate termination of this Agreement by Company.
- 6.1 Supplier shall notify Company no less than forty-eight (48) hours prior to an event reasonably within Supplier's knowledge that will render Supplier or its agent unable to maintain the status with ISO-NE required to serve load. Upon such notice or the occurrence of such an event, Company shall have the immediate right to switch Supplier's Customers to the applicable Default or Standard Offer Service Rate under the Company's tariffs.
- 6.2 Supplier shall update the information requested in Exhibit B not later than five (5) Business Days prior to any change in information contained in Exhibit B.
- 6.3 Supplier acknowledges that Company will select and may change from time to time the application or vendor for implementing the electronic transmission vehicle. Company

acknowledges the benefit to both the Company and the Supplier in minimizing the transaction costs in selecting the electronic transmission methodology. Notwithstanding the above, Company will not change the electronic transmission vehicle without first notifying Supplier by electronic mail at least seven (7) days prior to such change. Supplier shall be responsible for the initial testing cost of the electronic transmission vehicle and costs of subsequent transactions as described in the Terms and Conditions.

- 6.4 Supplier acknowledges that Company is authorized to deny Generation Service to Customers if Company has terminated such Customer's Distribution Service in accordance with the rules and regulations of the MDPU, until such time as the Company reinstates the Customer. In order for Supplier to serve such a Customer after reinstatement, Supplier must re-enroll the Customer.
- 6.5 Subject to the MDPU's regulations relating to the termination of service, the Company shall be authorized to disconnect its tariff delivery service and Supplier's Generation Service to Customers when (i) the Customer fails to make full payment of all amounts due on the consolidated bill issued by the Company; and (ii) Company has purchased the associated Account(s) Receivable. Supplier will indemnify and hold harmless Company for any cost, expense, or penalty or unpaid Account(s) Receivable purchased by Company if the Customer's service is discontinued for non-payment.
- 6.6 During the term of this Agreement, as to any EBT Standards implemented subsequent to the initial testing period referenced in Section 4(e) above, Supplier shall be required to successfully complete testing of said standards in accordance with the EBT Standards.
- 6.7 As collateral for all obligations now existing or hereafter arising from Supplier to Company, Supplier hereby grants to Company a first priority perfected security interest in all the following property of Supplier, wherever located, whether now owned, hereafter acquired, or created, and all proceeds and products thereof (the "Collateral"):
- (a) All Accounts Receivable purchased by Company under this Agreement; and
 - (b) All unbilled Accounts Receivable to be purchased by Company under this Agreement.

The Supplier shall execute and deliver to the Company such additional assurances and instruments as requested by the Company regarding the Collateral and the Accounts Receivable, and as otherwise required to effectuate the provisions of this Agreement.

- 6.8 Supplier shall be responsible for the payment of all taxes (including, without limitation, sales, use and gross receipts taxes and any new taxes) imposed or assessed on the Accounts Receivable or otherwise on the sales by Supplier to the Customers. Supplier shall be considered the vendor for purposes of liability for such taxes. Nothing in this Agreement shall be construed as imposing upon Company the obligation of remitting to

any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of Supplier with respect to Company's purchase of Accounts Receivable from Supplier. Supplier shall indemnify, defend, and save harmless Company from and against any and all liability for such taxes, and any interest or penalties thereon.

VII. Company Services and Responsibilities

7.0 Billing Services

Pursuant to the Company's tariffs on file with the MDPU, the Company has two billing service options available to Customers receiving Generation Service from Competitive Suppliers: (1) Standard Complete Billing Service; and (2) Standard Passthrough Billing Service. All measured billing determinants provided by Company will be based on Company-owned metering, except as provided in Exhibit A or otherwise agreed to in a subsequent agreement.

A. Standard Complete Billing Service

1. In accordance with the provision of the Standard Complete Billing Service Option, the Company agrees to issue a single bill for electric service.
2. Provided that the Supplier has provided the required billing rates to the Company on a complete and timely basis, the Company agree to use the rates and pricing options supplied by Supplier to calculate the Supplier portion of Customer bills, and integrate this billing with Company's billing in a single mailing to the Customer. Such combined bill shall be calculated and produced by the Company.
3. Company agrees to provide Supplier with customer usage and billing information, in accordance with the EBT Standards.
4. Supplier rates and rate pricing options must conform to the rate structure in use by Company for each specific rate class and must be supported by meters in place.
5. Changes in the rates of Supplier charges to be billed shall be prospective only and shall be implemented for the next bill reading, provided that (1) Supplier notifies Company of the rate changes in accordance with Section 4(d); (2) the notification includes the old and new rates, rate pricing options, and effective date; (3) upon Company's request, Supplier provides a sample bill calculation of a 500 kWh Customer or another sample bill calculation more comparable to Customer's rate structure; and (4) Supplier consents to the implementation of the new rate once the Company has tested its billing processes.
6. Supplier agrees to sell and Company agrees to purchase each existing and future Account Receivable for Customers on Standard Complete Billing Service as of the Billing Date in respect of such Account Receivable, and in consideration of such purchase Supplier grants to Company a security interest in the Collateral as stated in Section 6.7 hereof. The methodology

for purchasing a Supplier's existing Accounts Receivable is presented in Attachment 1. As of the Billing Date, title to such Account Receivable shall pass to Company, and Supplier shall have no rights in or to such Account Receivable, and shall not seek to collect in any manner such amount from any Customer. Any Accounts Receivable, or portion thereof, that sold to the Company under this Agreement and for which payment is received by Supplier from Customers shall be held by Supplier in trust as the property of Company and shall be remitted in full to Company immediately, and in any event within five (5) Business Days of receipt, without any deduction or setoff by Supplier. Company shall have the right to endorse the name of Supplier on any and all remittances by Customers received by Company that are payable to Supplier, and the right to collect the same from Customers. In addition, Supplier assigns to Company any and all payments received from state federal or other agencies associated with the Accounts Receivable including without limitation payments for heating or other financial assistance.

7. Company shall pay to Supplier the Accounts Receivable Purchase Price, less the Standard Complete Billing Percentage in the manner and at the time set forth in Section 7.A.9 below and the Company's Terms and Conditions, Sec. 8B. For each Account Receivable purchased under this Agreement, if the Supplier Charges in respect thereof exceed the face amount of such Account Receivable, such that the Accounts Receivable Purchase Price is less than zero (0), Company shall have the right to either (a) set off and apply any and all Supplier Charges, payments, or amounts owing to Company by Supplier under this Agreement to or for the credit on the account of Company against any and all of the obligations of Company including but not limited to the Accounts Receivable Purchase Price to any affected sums, deposits, fees and charges under this Agreement, now or hereafter existing under this Agreement, or (b) require Supplier to pay such Supplier Charges to Company in full, without any deduction or setoff, within ten days after receipt of Company's invoice of any amounts due. Company may request payments by check, ACH or EFT from Supplier. Company has the right to impose a continuing late payment penalty each month in the amount of 1.5% of any unpaid sums previously invoiced and any objections to payment must be made in writing to Company within 60 days after the date of the subject invoice. **SUPPLIER'S FAILURE TO PRESENT AN INVOICE CLAIM WITHIN THIS 60-DAY PERIOD SHALL CONSTITUTE A WAIVER OF ANY CLAIM SUPPLIER MAY HAVE WITH RESPECT TO THE ACCOUNTS RECEIVABLE PURCHASE PRICE SET FORTH IN THE SUBJECT INVOICE.**
8. Fees and Charges. Supplier agrees that Company has the right to deduct from or to reduce the Accounts Receivable Purchase Price by the Standard

Complete Billing Percentage and any supplier charges set forth in the Terms and Conditions.

9. **Payment by Company.** Company shall remit to Supplier the Accounts Receivable Purchase Price on a timetable consistent with the average payment period, pursuant to the Company's Terms and Conditions, Sec. 8B. The Company shall send a "payment/adjustment" transaction to each Supplier to notify the Supplier the amount at which the Company will purchase the Supplier's Accounts Receivable. The Company agrees to pay the Supplier the Accounts Receivable Purchase Price. The amount at which the Company will purchase the Supplier's Accounts Receivable will be the amount which the Company has billed on behalf the Supplier less the Standard Complete Billing Percentage in effect at the time of purchase. At the time the Suppliers' Accounts Receivables are purchased, the Company will reclassify the Accounts Receivables from Supplier's Accounts Receivables to a Company Accounts Receivable. Payment to Supplier shall, at Company's option, be either by (a) Automated Clearing House (ACH) or (b) Electronic Funds Transfer (EFT). Except for the number of days provided in this section, Company reserves the right to modify the payment procedure under this Article to accommodate any Company operational and/or system changes upon thirty (30) days' prior written notice to Supplier.
10. **Supplier Statements/Reports.** Company will provide Supplier with necessary statements/reports through an electronic format.
11. **Right of Offset.** To the fullest extent permitted by law, Company is hereby authorized at any time and from time to time, to set off against and apply any and all payments or amounts owing to Supplier by Company under this Agreement to, or for the credit on the account of Supplier, against any and all of the obligations of Supplier including, but not limited to, any affected sums, deposits, fees and charges under this Agreement, now or hereafter existing under this Agreement, or any Supplier sums owed to the ISO-NE for related charges and expenses whether or not Company shall have made any demand under this Agreement *if* (a) (i) Supplier ceases doing business as a going concern for five or more days; (ii) Supplier makes an assignment for the benefit of creditors; (iii) Supplier admits in writing its inability to pay its debts as they become due; (iv) Supplier is generally not paying its debts as they mature; (v) Supplier files a voluntary petition in bankruptcy; (vi) Supplier files a petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar arrangement under any present or future statute, law or regulation or files an answer admitting the material allegations of a petition filed against it in any such proceeding; (vii) Supplier consents to or acquiesces in the appointment of a custodian, trustee, receiver or

liquidator of it or all or any substantial part of its assets or properties; (viii) Supplier or its shareholders shall take any action looking to its dissolution or liquidation; (ix) any order for relief is entered against Supplier under the federal bankruptcy laws; (x) Supplier fails to pay any sums required by this Article 3 when due or tariffs on file with the FERC or the MDPU; (xi) Supplier has failed to pay when due any sums owed to Company or any other third party or under the Terms & Conditions for Suppliers ; or (xii) Supplier's membership in the ISO-NE is terminated; or (b) Company (i) has reasonable grounds for insecurity regarding the performance of Supplier of any obligations under this Agreement (whether or not then due); or (ii) has reasonable grounds to believe that the fees and/or charges owing from Supplier to Company under this Agreement may exceed any amounts due and owing or to become due and owing from Company to Supplier; or (c) if any amounts that remain due and owing to Company after application of any indemnification proceeds due to Company from Supplier under this Agreement. These rights of Company are in addition to other rights and remedies (including, without limitation, other rights of setoff) Company may have under this Agreement, its Terms and Conditions, the Uniform Commercial Code as codified in Massachusetts or the other laws of the Commonwealth of Massachusetts, and any applicable rules and regulations thereunder.

12. The Company shall have the right upon advance written notice and during regular business hours to inspect, audit and copy the records of the Supplier relating to the Accounts Receivable.

B. Standard Passthrough Billing Service

In accordance with the Company's tariffs regarding Standard Passthrough Billing Service, the Company shall issue a bill for Distribution Service to each Customer. Supplier agrees to separately bill Customers for the cost of Generation Service provided by the Supplier and for the collection of amounts due to the Supplier from the Customer. Company agrees to provide Supplier with Customer usage information, in accordance with EBT Standards.

C. Transaction Processing

Customer transactions will be processed in accordance with the EBT Standards in effect at the time of each transaction. These transactions include, but are not limited to, account administration, reporting of Customer usage and billing, and reporting of Customer payments and adjustments. Any changes in these standard transactions will be in accordance with the EBT Standards.

D. Conditions of Billing

(a) Customers that contact Company concerning the billed amount for Supplier Generation Service or any other Supplier issue will be referred to Supplier's customer service number identified in Exhibit B.

(b) Unless otherwise specified in Exhibit A or with respect to the Standard

Complete Billing Service as specified above, Company will not undertake bill investigations or collection activities, or handle Customer inquiries concerning Supplier charges, or the settlement of billing disputes on behalf of Supplier.

(c) For both Standard Passthrough Billing Service and Standard Complete Billing Service, Supplier shall be responsible for the reporting and payment of all taxes assessed upon Generation Service.

(d) Supplier acknowledges that Company's ability to furnish Standard Complete Billing Service is subject to the provisions of the Terms and Conditions.

E. Rendering of Bills (Standard Complete Billing Option Only)

(a) Rendering of bills is the preparation and mailing of statements of the amounts due from the Customer for Supplier Generation Service.

(b) These statements will be included as part of the regular monthly bill for Company's Distribution Service mailed to the Customer.

(c) These statements will include Supplier's toll free telephone number for Customer inquiries.

(d) The Company shall not be required to include messages or inserts containing Supplier specific information except as otherwise required by the MDPU or as provided in Exhibit A.

F. Billing Errors

(a) If either party finds a billing error or other miscalculation on a bill or in the usage determinants used as the basis for either the Company's or the Supplier's bill calculation, that party shall notify the other party in writing or electronically and explain the nature of the error.

(b) In the event of an error by the Company, the Company shall either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer.

(c) In the event of an error by the Supplier, the Company will, upon Supplier's request, and as is reasonably practicable, either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. If neither of the requested options is reasonably practicable, or if the Supplier affirmatively chooses, the Supplier may submit a rate pricing option correction as provided by the EBT Standards.

(d) Supplier will be responsible to pay any fees, as filed with and approved by the MDPU, for any rebilling and/or adjustment caused by Supplier error.

(e) When either party reasonably believes that an error related to billing activity may have occurred, either party may request the production of documents required to verify the accuracy of such billing, which the other party will provide within ten (10) Business Days.

(f) The Company shall not be required to adjust any errors as described in this paragraph unless it has written notice from Supplier within sixty (60) days from the date of the Customer's statement containing the error.

2. Load Estimating and Reporting

Company shall determine Supplier's hourly loads and report such to the ISO-NE in accordance with the Terms and Conditions. In addition, upon Supplier's written request as indicated in Exhibit B, Company shall provide Supplier with the following reports: (1) daily report of Supplier's aggregated hourly usage and (2) monthly reconciliation of Supplier's aggregated load (completed once Company have read Customers' meters). Company will provide these reports to Supplier in a format designated by the Company and reasonably acceptable to Supplier.

Upon request by Supplier, the Company shall provide a copy of the methodology used by the Company in calculating transmission and distribution line losses and unaccounted for energy. The Company will use best efforts to provide Supplier with accurate Customer Lists. However, the Parties acknowledge that the Company is not responsible for errors contained on the customer list. Moreover, the Parties acknowledge that during the term of this Agreement, a customer's load zone may change. The Company will use reasonable efforts to update customer lists to include customer load zone changes after such information is received by the Company.

3. Pricing

The process of Supplier Load estimation involves statistical samples and estimating error. The Company shall not be responsible for any estimating errors and shall not be liable to the Supplier for any costs that are associated with such estimating errors. Moreover, Company and Supplier acknowledge that pricing structures will change as a result of the implementation of federal and state initiatives regarding standard market design, zone and nodal pricing. Company will use reasonable efforts to ensure the accuracy of pricing estimates for customers but shall not be liable for errors in calculating the nodal and/or zonal price.

4. Additional Services

Additional Services provided by Company are set forth in Exhibit A hereto.

VIII. Fees

Company may charge fees to Supplier as set forth in Exhibit A. Company shall have the right to subtract fees that Supplier owes to Company, and that are sixty (60) days or more past due, from amounts Company collect on behalf of Supplier for reimbursement to Supplier.

IX. Billing and Payment for Services

Bills for services provided by Company under the terms of this Agreement shall be rendered to Supplier on either a monthly basis or annual and shall be due upon receipt of said bill, unless

otherwise specified in Exhibit A. Failure of Supplier to make payment within twenty-five (25) days of the posted date on the bill shall result in the addition of interest on any unpaid balance calculated at the rate of 1.5% per month commencing from the date said bill was posted. The posting date is the date the bill is transmitted to the Supplier. The bill may also be transmitted electronically if agreed to between the parties in Exhibit A.

X. Low-Income Customers

10.1 In accordance with M.G.L. c. 164, § 1F(4)(i), applicable regulations, and the EBT Standards, Company guarantees payment to Supplier for all power sold to each Customer served on the Company's filed Low Income Rate(s).

10.2 Supplier agrees to cease Generation Service with such Customers prior to the request for payment on the guarantee. The guaranteed payment amount will be capped at the lower of (i) the Standard Offer Service price; (ii) Supplier's price as billed; or (iii) such other price that is determined appropriate by the MDPU for the three most recent Company monthly billing periods for the Customer. Supplier agrees to assign to Company all amounts subject to call for payment for which Supplier exercises its option to receive guaranteed payment from the Company.

10.3 If the Customer makes a payment to the Supplier after the Supplier receives a payment from the Company on the guarantee, and such payment results in a credit balance on the Customer's account with the Supplier, Supplier must repay that balance, up to the guaranteed amount, to the Company.

10.4 Supplier shall retain such specific records for two (2) years from the date of payment on the guarantee as may be required to support the validity of its requests for payment on the guarantee. Company may request the production of such documents to allow for a review of the guaranteed payment process. Such documents shall be produced by Supplier within ten (10) Business Days of such request. In the event an error is discovered in the guaranteed amount paid to Supplier by Company, such error shall be adjusted within thirty (30) days of the determination thereof.

XI. Nondisclosure

Neither party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including affiliates of such party, without the express prior written consent of the other party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the parties, Customers of either or both parties, Suppliers for either party, personnel of either party; any trade secrets; and other information of a similar nature; whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either party prior to obtaining the same from the other party, information in the public domain, or information obtained by a party from a third party who did not, directly or indirectly, receive the same from the other party to this Agreement or from a party who

was under an obligation of confidentiality to the other party to this Agreement, or information developed by either party independent of any Confidential Information. The receiving party shall use a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving party shall, upon termination of this Agreement or at any time upon the request of the disclosing party, promptly return or destroy all Confidential Information of the disclosing party then in its possession.

Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosure, the other party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

XII. Force Majeure

Neither party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any other failure to perform if such failure is not caused by the affected party's fault or negligence, is caused by factors beyond the party's reasonable control and that by exercise of reasonable diligence the party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, public authority or ISO-NE or other Independent System Operator. In the event of a force majeure, both parties shall take all reasonable steps to comply with this Agreement.

XIII. Liability and Indemnification

The parties acknowledge and agree that the liability and indemnification provisions in Section 10 of the Company's Terms and Conditions are incorporated herein by reference. For purposes of such liability and indemnification, however, the parties acknowledge and agree that nothing in such Terms and Conditions prohibits one party from impleading the other party as a third-party defendant, whether or not one or both parties are named as defendants in the initial claim of a third-party. The third-party claim shall be stayed pending resolution of any dispute regarding liability and indemnification under this Agreement. Such resolution shall be final and binding upon the parties only after agreement between the parties or after entry of a final judgment, after any further appeals of a court of competent jurisdiction to which any appeal may have been taken from the determination of the arbitrator(s).

The parties acknowledge and agree that for purposes of Section 10 of the Terms and

Conditions, the waiver of recourse language shall be effective only in situations where the party seeking recovery and/or indemnification proves, by a preponderance of the evidence, that its conduct was less negligent than the conduct of the other party.

Notwithstanding the foregoing, the Supplier further agrees to the fullest extent of the law, to indemnify, defend, and save harmless and shall reimburse the Company, and its subsidiaries, affiliates, directors, officers, employees, agents, auditors, attorneys, consultants or advisors by and on behalf of the Parties (collectively "Representatives"), from and against any and all losses, damages, liabilities, obligations, judgments, orders, writs, injunctions, decrees, fines, penalties, taxes, costs, suits, charges, expenses (including attorneys' fees), claims, investigations, proceedings, or causes of action (collectively "Losses"), which may at any time be imposed on, incurred by or asserted against Company by third parties (including Customers) that are directly or indirectly caused by, arise out of or under, associated with, incident to or in connection with this Agreement including but not limited to any of the following: (a) Supplier's acts or omissions regarding the Accounts Receivable or billing determinants provided by Supplier; (b) Supplier's failure to remit to the appropriate taxing jurisdiction any sales and use taxes; (c) any claim, demand, cause of action, litigation, suit, proceeding, hearing or investigation (collectively "Claims") by any Person for payments based upon any agreement or understanding alleged to have been made by such Person, directly or indirectly, with Supplier or any of its Representatives in connection with any of the transactions contemplated by this Agreement; (d) any Claims with respect to the action or inaction of Supplier or its Representatives which is contrary to the requirements of this Agreement or the Terms and Conditions; (e) any inaccuracy in any document or affidavit provided to Company under this Agreement or other breach of any representation or warranty or affidavit made by Supplier in this Agreement; (f) any failure by Supplier to perform or comply, in whole or in part, with any covenant, agreement or provision of this Agreement; and (g) all costs and expenses, including reasonable fees and expenses of counsel and other advisors, associated with any Losses incurred by Company or its Representatives in connection with any Claims subject to indemnification rights as provided under this Article XIII.

Notwithstanding anything in this Agreement or the Company's Terms and Conditions to the contrary, in no event shall any party hereto be liable to any other party hereto for indirect, consequential, punitive, special, or exemplary damages under any theory of law that is now or may in the future be in effect, including without limitation: contract, tort, M.G.L. c. 93A, strict liability, or negligence, and excepting the Company's obligation to pay the Accounts Receivable Purchase Price in respect of Accounts Receivable purchased by Company from time to time pursuant to this Agreement, the Company's total cumulative liability to Supplier for all claims of any kind, whether based upon contract, tort (including negligence and strict liability) or otherwise, for any loss, injury, or damage connected with, or resulting from, this Agreement or any acts or omissions of Company in connection with this Agreement or its activities hereunder, shall in no case exceed \$10,000 in the aggregate.

Notwithstanding the availability of other remedies at law or in equity, either party hereto shall be entitled to seek specific performance to remedy a breach of this Agreement by the other party. The provisions of this Section shall survive the termination of this Agreement.

XIV. Terms and Conditions

The parties agree to act in compliance with the Company's Terms and Conditions at all times.

XV. Dispute Resolution

The parties expressly acknowledge and agree that the dispute resolution provision contained in this Agreement shall apply to any and all disputes between them, including without limitation, those disputes that arise as a result of either of the parties being named as a defendant in the primary action or being named as a third-party defendant by a defendant in the primary action. Disputes hereunder shall be reduced to writing and referred to the parties' representatives for resolution. The parties' representatives shall meet and make all reasonable efforts to resolve the dispute. Pending resolution, the parties shall continue to fulfill their obligations under this Agreement in good faith, unless this Agreement has been suspended or terminated as provided in accordance with its terms and conditions herein or incorporated herein by reference. If the parties fail to resolve the dispute within thirty (30) days, either party may seek judicial relief in the state or federal courts of Massachusetts.

XVI. Notice

All notices and other communications shall be to the Company contacts listed on the Company's website except as provided in Exhibit A. Notices and other communications to Supplier shall be addressed as shown on Exhibit B. The parties agree that such written notice, upon confirmation of receipt, shall constitute an acceptable writing.

XVII. Governing Law

This Agreement is governed by the laws of the Commonwealth of Massachusetts without regard to the conflict of laws in effect therein.

XVIII. Enforceability

In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

XIX. Assignment and Delegation

Either party to this Agreement may assign any of its rights or obligations under this Agreement; provided, however, that no assignment by Supplier shall take effect until the assignee has met the requirements of Section IV hereunder as determined in the sole discretion of the Company.

No assignment of this Agreement shall relieve the assigning party of any of its obligations under this Agreement until such obligations have been assumed by the assignee.

In addition, either party may subcontract its duties under this Agreement to a subcontractor provided that the subcontracting party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, and shall serve as the point of contact between its subcontractor and the other party, and the subcontractor shall meet the requirements of any applicable laws, rules, regulations, and Terms and Conditions. The assigning or subcontracting party shall provide the other party with thirty (30) calendar days' prior written notice of any such subcontracting or assignment, which notice shall include such information about the subcontractor as the other party shall reasonably require.

XX. Miscellaneous

- 20.1 This Agreement is the entire agreement between the parties and supersedes all other agreements, communications, and representations.
- 20.2 This Agreement may be amended by written agreement of the parties.
- 20.3 Paragraph headings are for convenience only and are not to be construed as part of this Agreement.
- 20.4 This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date above.

[SUPPLIER]

By _____
Title _____

NSTAR ELECTRIC COMPANY

By _____
Title _____

**EXHIBIT A
COMPANY SPECIFIC PROVISIONS**

Electronic Transmission Vehicle

NSTAR is currently using NAESB 1.6 communication provided by a third party.

One Time Start-up Fee

NSTAR will bill suppliers an electronic transmission vehicle set-up charge at the conclusion of EDI testing.

Item	Fee	Notes
Electronic Transmission Vehicle set-up	\$1500 per supplier	

Annual Fees

NSTAR will bill suppliers for these charges at the beginning of each calendar year for that year. Any subsequent changes in usage during the year will result in an adjustment in the next year's annual billing. Adjustments will be in calculated using the monthly rates shown in the schedule. New suppliers will not be billed until the next annual billing cycle.

Item	Fee	Notes
Electronic Transmission Vehicle annual usage fee	\$3000 per year per supplier	Pro-rated at \$250/month
Issues Tracker User fee	\$160 per user per year	First user for each company is free. Pro-rated at \$15/month
Interval Data Subscription fee for monthly delivery of interval usage	\$161.64 per year per subscription	Pro-rated at \$13.47/month. Tariff MDPU 151, 251, 351

Additional Fees

NSTAR will bill suppliers for these charges quarterly.

Item	Fee	Notes
Off Cycle Meter Read – TOU meter or AMR	\$68 per meter	Tariff MDPU 155, 256, 354
Off Cycle Meter Read – nonTOU and non-AMR	\$102 per meter	Tariff MDPU 155, 256, 354
Historical interval data, 14 months	\$36.64 per account	First request within a calendar year is free. Tariff MDPU 151, 251, 351

EXHIBIT B
COMPETITIVE SUPPLIER INFORMATION

Supplier must fill this form out completely and return it to Company prior to entering into a contract for services with Company. Failure to fill out this form completely will render Company unable to provide services for Supplier.

A. General Information (all suppliers)

1. Legal name of the Supplier_____
2. d.b.a. name, if applicable_____
3. Supplier Address_____
4. Type of Business Entity_____
5. Supplier Customer Service phone number_____
6. Supplier Customer Service address_____
7. Supplier Tax Identification number_____
8. Supplier Dun & Bradstreet number_____
9. Name of the Supplier's general contact & phone number_____
10. Supplier's general contact facsimile number_____
11. Supplier's general contact Internet address _____
12. Name of Supplier's technical contact and phone number_____
13. Supplier's technical contact facsimile number_____
14. Supplier's technical contact Internet address _____
15. Has Supplier attended Massachusetts supplier training?_____
16. Has Supplier been granted a license by the Department of Telecommunications and Energy?_____

B. Billing and Banking Information (for Suppliers opting Standard Complete Billing Service)

1. If the Supplier is planning to assign its own account number, provide format and size
2. Name of receiving bank (to accept electronic transfer of customer payments):

3. Routing and transit number (ABA number)_____
4. Bank account number_____

C. Electronic Transmission Vehicle

1. Name of Provider (if applicable)_____
2. ISA Qualifier_____
3. ISA ID_____

D. Establishment of ISO-NE Tie Line

1. Name of the ISO-NE Participant in whose ISO-NE Own Load Dispatch the Supplier's load will be served_____
2. Own Load Number (if available)_____
3. Supplier Contact Name and phone number_____
4. Supplier Contact facsimile number_____

- 5. Supplier Contact e-mail address _____
- 6. Estimated Load Transfer (kW Demand) _____
- 7. Estimated Transfer Date (mo/day/year) _____

E. Supplier Load Allocation, if requested

Check to receive load profiling results _____ daily, _____ monthly, both _____
and provide an e-mail address _____

F. Notices to Supplier shall go to:

Name: _____

Address: _____

Telephone: _____

Telecopier: _____

Electronic Mail: _____

Authorized

Signature: _____

Title: _____

Date: _____

ATTACHMENT 1

PURCHASING OF EXISTING ACCOUNTS RECEIVABLE

- The Supplier will be notified of the risk assigned to its commodity Accounts Receivable as of the last day of the month prior to the Effective Date.
- The risk will be determined by an average of the most-recent 12-month's uncollectible risk rates assigned to each indebtedness portfolio (e.g., 30 days or less, 31-60 days, 61-90 days, 91-120 days, over 120 days) for the Company's customers, as approved by the MDPU.
- Any existing Accounts Receivable for a Supplier upon the Supplier's initiation of the Purchase of Receivables Program will be purchased at the discount represented by the weighted average of the most-recent 12-month's uncollectible risk rates assigned to each indebtedness portfolio.

TERMS AND CONDITIONS — COMPETITIVE SUPPLIERS

TERMS AND CONDITIONS – COMPETITIVE SUPPLIERS

1. Applicability

1A. The following Terms and Conditions shall apply to every registered Competitive Supplier authorized to do business within the Commonwealth of Massachusetts, and to every Customer and Distribution Company doing business with said Competitive Suppliers.

1B. These Terms and Conditions may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in M.D.P.U. regulations and Massachusetts law. In case of conflict between these Terms and Conditions and any orders or regulations of the M.D.P.U., said orders or regulations shall govern.

1C. No agent or employee of the Company is authorized to modify any provision contained in these Terms and Conditions or to bind the Company to perform in any manner contrary thereto. Any such modification to these Terms and Conditions or any such promise contrary thereto shall be in writing, duly executed by an authorized officer of the Company, and subject in all cases to applicable statutes and to the orders and regulations of the M.D.P.U., and available for public inspection during normal business hours at the business offices of the Company and at the offices of the M.D.P.U.

2. Definitions

“Basic Service” (previously referred to as “Default Service”) shall mean the service provided by the Distribution Company to a Customer who is not receiving Generation Service from a Competitive Supplier, in accordance with the provisions set forth in the Company’s Basic Service tariff, on file with the M.D.P.U.

“Bill Insert Month” shall mean the three months in any calendar year that the Company will include the Competitive Supplier’s offer information as a bill insert to its residential and small commercial customers.

“Company” shall mean Boston Edison Company, a Distribution Company.

“Competitive Supplier” shall mean any entity licensed by the M.D.P.U. to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Basic Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.

“Customer” shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

TERMS AND CONDITIONS – COMPETITIVE SUPPLIERS

2. **Definitions** (continued)

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Distribution Company" shall mean a company engaging in the distribution of electricity or owning, operating, or controlling distribution facilities; provided, however, a Distribution Company shall not include any entity which owns or operates plant or equipment used to produce electricity, steam, and chilled water, or any affiliate engaged solely in the provision of such electricity, steam, and chilled water, where the electricity produced by such entity or its affiliate is primarily for the benefit of hospitals and non-profit educational institutions, and where such plant or equipment was in operation prior to January 1, 1986.

"Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.

"EBT Working Group Report" or "Report" shall mean the most recently revised version of the report initially submitted by the Electronic Business Transaction Working Group on October 9, 1997. The Report shall be on file at the M.D.P.U.

"Electric Offer" shall mean an offer made by a Competitive Supplier to provide Generation Service to a residential or small commercial Customer in the Company's service territory.

"Enrollment period" shall mean, for a particular Customer, the period of time during which a Competitive Supplier may submit an enrollment transaction to a Distribution Company for initiation of Generation Service concurrent with the start of the Customer's next billing cycle.

"Generation Service" shall mean the sale of electricity, ~~including ancillary services such as the provision of reserves,~~ to a Customer by a Competitive Supplier, including capacity and ancillary services such as the provision of reserves and all other services relating to generation required by ISO-NE, and retail offerings that utilize renewable energy certificates or represent alternative compliance payments that are bundled with generation, provided that such products can be billed using the Standard Complete Billing Service platform.

"ISO-NE" shall mean the Independent System Operator of the New England bulk power system.

"M.D.P.U." shall mean the Massachusetts Department of Public Utilities.

"NEPOOL" shall mean the New England Power Pool and its successors.

"NEPOOL PTF" shall mean pool transmission facilities included in the NEPOOL Open Access

TERMS AND CONDITIONS – COMPETITIVE SUPPLIERS

Transmission Tariff on file with the Federal Energy Regulatory Commission.

"Own-Load Calculation" shall mean the settlement method utilized by NEPOOL for its members, as set forth in the NEPOOL Agreement, as amended from time to time, on file as a tariff with the Federal Energy Regulatory Commission.

"Terms and Conditions" shall mean these Terms and Conditions for Competitive Suppliers.

3. Obligations of Parties

3A. Customer

A Customer shall select one Competitive Supplier for each account at any given time, or authorize an agent to make the selection for the Customer, for the purposes of the Distribution Company (1) reporting the Customer's hourly electric consumption to the ISO-NE, and (2) providing billing services. The Customer must provide the selected Competitive Supplier with the information necessary to allow the Competitive Supplier to initiate Generation Service, in accordance with Section 5A, below. A Customer may choose only a Competitive Supplier that is licensed by the M.D.P.U.

The Company shall reasonably accommodate a change from Basic Service or Generation Service to a new Competitive Supplier in accordance with the Terms and Conditions for Competitive Suppliers, and shall accommodate a change to Basic Service from Generation Service; provided, however, that when a Customer changes from a Competitive Supplier to Basic Service, unless the Customer or the Customer's applicable Competitive Supplier can demonstrate to the Company's reasonable satisfaction that the Customer has been placed on Basic Service upon the expiration of a contract with such Competitive Supplier, the Customer is not permitted to return to the same Competitive Supplier for a period of six (6) months from the effective date of the change. Customers are permitted to switch from Basic Service to a different Competitive Supplier who has not supplied the Customer with Generation Service in the same six (6) month period.

Nothing in these Terms and Conditions shall prohibit a Customer from entering into arrangements with multiple suppliers, provided that a single Competitive Supplier is designated for the purposes described above.

3B. Distribution Company

The Company shall:

- (1) Arrange for or provide (i) regional network transmission service over NEPOOL PTF and (ii) local network transmission service from NEPOOL PTF to the

TERMS AND CONDITIONS – COMPETITIVE SUPPLIERS

Company's Distribution System for each Customer, unless the Customer or its Competitive Supplier otherwise arranges for such service;

- (2) Deliver power over distribution facilities to each Customer Delivery Point;
- (3) Provide Customer service and support for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B.3 below;
- (4) Respond to service interruptions or power quality problems;
- (5) Handle connections and terminations;
- (6) Read meters;
- (7) Submit bills to Customers for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B below;
- (8) Address billing inquiries for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B.3 below;
- (9) Answer general questions about Distribution Service;
- (10) Report Competitive Suppliers' estimated and metered loads, including local network transmission and distribution losses, to the ISO-NE, in accordance with Section 9 below;
- (11) Process the electronic business transactions submitted by Competitive Suppliers, and send the necessary electronic business transactions to Competitive Suppliers, in accordance with Section 5, below, and the rules and procedures set forth in the EBT Working Group Report;
- (12) Provide information regarding, at a minimum, rate tariffs, billing cycles, and load profiles, on its Internet website or by alternate electronic means;
- (13) Provide Basic Service to Customers in accordance with the Company's tariff.
- (14) Provide residential and small commercial Customers in the Company's service territory with information regarding their electricity supply options pursuant to the provisions of Section 11 of the Terms and Conditions including then-available offers from Competitive Suppliers in the Company's service territory.

TERMS AND CONDITIONS – COMPETITIVE SUPPLIERS

3C. Competitive Supplier

- 1. Each Competitive Supplier must meet the registration and licensing requirements established by law or regulation and either (i) be a member of NEPOOL subject to an Own-Load Calculation or (ii) have an agreement in place with a NEPOOL member whereby the NEPOOL member agrees to include the load to be served by the Competitive Supplier in such NEPOOL member's Own-Load Calculation.**
- 2. A Competitive Supplier shall be responsible for providing all-requirements service to meet each of its Customers' needs and to deliver the associated capacity and energy to a point or points on NEPOOL PTF.**
- 3. A Competitive Supplier providing Generation Service to Customers will be responsible for any and all losses incurred on (i) local network transmission systems and distribution systems, as determined by the Company; (ii) NEPOOL PTF, as determined by the ISO-NE; and (iii) facilities linking generation to NEPOOL PTF. A Competitive Supplier shall also be responsible for all transmission wheeling charges necessary to reach NEPOOL PTF.**
- 4. A Competitive Supplier shall be required to complete testing of the transactions included in the EBT Working Group Report prior to the initiation of Generation Service to any Customer in the Company's service territory. Such testing shall be in accordance with the rules and procedures set forth in the Report.**
- 5. Each Competitive Supplier shall be required to enter into a service contract with the Distribution Company that resolves issues associated with, among other things, information exchange, problem resolution, and revenue liability. This contract must be entered prior to the initiation of Generation Service to any Customer in the Company's service territory.**
- 6. A Competitive Supplier shall be responsible for obtaining the necessary authorization from each Customer prior to initiating Generation Service to the Customer. Such authorization shall be in accordance with St. 1997, c. 164, § 193 (G.L. c. 164, § 1F(8)(a)) and 220 C.M.R. § 11.05.**

TERMS AND CONDITIONS – COMPETITIVE SUPPLIERS

7. A Competitive Supplier not affiliated with the Company shall be responsible for obtaining the necessary authorization from each Customer prior to requesting the Company to release the Company's historic usage information specific to that Customer to such Competitive Supplier. Such authorization shall consist of (i) letter of authorization; (ii) third-party verification; or (iii) a Customer-initiated call to an independent third-party, consistent with 220 C.M.R. § 11.05. A Competitive Supplier affiliated with the Company must obtain a Customer's written authorization prior to requesting the release of the Company's historic usage information specific to that Customer consistent with St. 1997, c. 164, § 193 (G.L. c.164, § 1C(v)) and 220 C.M.R. § 12.00 et seq.

8. A Competitive Supplier wishing to have offer information provided to Customers by the Company shall abide by the provisions of Section 11 of the Terms and Conditions.

4. **Customer Usage Information to be Made Available to Competitive Suppliers**

The Company shall be required to provide twelve months' of a Customer's historic usage data to a Competitive Supplier, provided that the Competitive Supplier has received the appropriate authorization, in accordance with the provisions established in Section 3C.7, above. This information shall be provided in electronic form.

The Company shall print twelve months' of historic usage data on Customers' bills, in addition to the usage data for the current billing period.

The Company shall be required to provide Customers who, since January 1, 1995, have been billed in part on a demand basis, with twelve months of usage data, upon the Customer's written request. These data shall be provided pursuant to the requirements set forth in St. 1997, c.164, § 193 (G.L. c. 164, § 1F(9)).

5. **Initiation and Termination of Generation Service**

5A. **Initiation of Generation Service**

To initiate Generation Service to a Customer, the Competitive Supplier shall submit an "enroll Customer" transaction to the Company, in accordance with the rules and procedures set forth in the EBT Working Group Report. The Competitive Supplier shall hold the "enroll Customer" transaction until any applicable right of rescission has lapsed."

If the information on the enrollment transaction is correct, the Distribution Company shall send the Competitive Supplier a "successful enrollment" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report. Generation Service shall commence on the date of the Customer's next scheduled meter read, provided that the Supplier has submitted the enrollment transaction to the Distribution Company no fewer

TERMS AND CONDITIONS – COMPETITIVE SUPPLIERS

than two business days prior to the meter read date. If the Supplier has not submitted the enrollment transaction at least two days before the meter read date, Generation Service shall commence on the date of the Customer's subsequent scheduled meter read.

If more than one Competitive Supplier submits an enrollment transaction for a given Customer during the same enrollment period, the first transaction that is received by the Distribution Company shall be accepted. All other transactions shall be rejected. Rejected transactions may be resubmitted during the Customer's next enrollment period.

5B. Termination of Generation Service

To terminate Generation Service with a Customer, a Competitive Supplier shall submit a "supplier drops Customer" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report. Generation Service shall be terminated on the date of the Customer's next scheduled meter read, provided that the Competitive Supplier has submitted this transaction to the Distribution Company no fewer than two business days prior to the meter read date.

If the Competitive Supplier has not submitted this transaction at least two days before the meter read date, Generation Service shall be terminated on the date of the Customer's subsequent scheduled meter read. The Distribution Company shall send a "confirm drop date" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

To terminate Generation Service with a Competitive Supplier, a Customer shall so inform the Distribution Company or Competitive Supplier. In the event that the Customer informs the Distribution Company directly, Generation Service shall be terminated within two business days for residential Customers; for other Customers, Generation Service shall be terminated on the date of the Customer's next scheduled meter read. The Distribution Company shall send a "Customer drops supplier" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report. In the event that the Customer informs the Competitive Supplier, the Supplier shall send a "supplier drops Customer" transaction to the Distribution Company in accordance with the rules and procedures set forth in the EBT Working Group Report.

In those instances when a Customer who is receiving Generation Service from an existing Competitive Supplier initiates such service with a new Competitive Supplier, the Distribution Company shall send the existing Competitive Supplier a "Customer drops supplier" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report.

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5C. Customer Moves

A Customer that moves within a Distribution Company's service territory shall have the opportunity to notify the Distribution Company that he/she seeks to continue Generation Service with his/her existing Competitive Supplier. Upon such notification, the Distribution Company shall send a "Customer move" transaction to the Competitive Suppliers, in accordance with the rules and procedures set forth in the EBT Working Group Report.

In those instances when a Customer moves into a Distribution Company's service territory, the Customer's existing Competitive Supplier must submit an "enroll Customer" transaction to the new Distribution Company in order to initiate Generation Service. Otherwise, the Customer shall receive Basic Service, in accordance with the Company's respective tariffs.

5D. Other Provisions

Distribution Companies and Suppliers shall send "change enrollment detail" transactions to change any information included on the "enroll Customer" transactions, in accordance with the rules and procedures set forth in the EBT Working Group Report.

If any of the transactions described above are rejected by the Distribution Company, the Distribution Company shall send an "error" transaction to the Competitive Supplier identifying the reason for the rejection, in accordance with the rules and procedures set forth in the EBT Working Group Report.

5E. Fees

The Company may charge fees to Competitive Supplier for processing the transactions described above, as approved by the M.D.P.U. These fees are included in Appendix A.

6. Distribution Service Interruption

6A. Planned Outages

In the event that the loading of the Distribution System, or a portion thereof, must be reduced for safe and reliable operation, such reduction in loading shall be proportionately allocated among all Customers whose load contributes to the need for the reduction, when such proportional curtailments can be accommodated within good utility practices.

6B. Unplanned Outages

In the event of unplanned outages, service will be restored in accordance with good utility

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practice. When appropriate, service restoration shall be accomplished in accordance with the Company System Storm Emergency Plan on file with the M.D.P.U.

6C. Disconnection of Service

The Distribution Company may discontinue Distribution Service to a Customer in accordance with the provisions set forth in the Terms and Conditions for Distribution Service. The Company shall provide electronic notification, using the “Customer Usage and Billing Information” transaction, to the Customer’s Competitive Supplier of record upon final billing to the Customer. Once disconnection occurs, the provision of Generation Service to the Customer is no longer the obligation of the Competitive Supplier. The Company shall not be liable for any revenue losses to the Competitive Supplier as a result of any such disconnection.

7. Metering

7A. Meter Reading

The Company shall meter each Customer in accordance with tariff provisions. Upon request by a Competitive Supplier, the Company shall schedule meter reads on a monthly cycle.

Each Customer shall be metered or estimated such that the loads can be reported to the ISO-NE for inclusion in the Competitive Supplier’s, or the Competitive Supplier’s wholesale provider’s, Own-Load Calculation.

7B. Ownership of Metering Equipment

Should a Customer or Competitive Supplier a request a new meter or that a communication device be attached to the existing meter, the Company shall provide, install, test, and maintain the requested metering or communication device. The requested meter or communication device must meet the Company’s requirements. The Customer or Competitive Supplier shall bear the cost of providing and installing the meter or communication device. Upon installation, the meter or communication device shall become the property of the Company and will be maintained by the Company. The Company shall complete installation of the meter or communication device, if reasonably possible, within thirty (30) days of receiving a written request from the Customer or Competitive Supplier. The Company shall bill the Customer or Competitive Supplier upon installation.

8. Billing

The Company shall provide a single bill, reflecting unbundled charges for electric service,

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to Customers who receive Basic Service.

The Company shall offer two billing service options to Customers receiving Generation Service from Competitive Suppliers: (1) Standard Complete Billing Service; and (2) Standard Passthrough Billing Service. The Competitive Supplier shall inform the Distribution Company of the selected billing option, in accordance with the rules and procedures set forth in the EBT Working Group Report.

8A. Standard Passthrough Billing Service

The Company shall issue a bill for Distribution Service to each Customer. The Competitive Supplier shall be responsible for separately billing Customers for the cost of Generation Service provided by the Competitive Supplier and for the collection of amounts due to the Competitive Supplier from the Customer.

The Company shall send a "Customer usage information" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

8B. Standard Complete Billing Service and Purchase of Receivables Program

1. Eligibility for Purchase of Receivables ("POR") Program

Competitive Suppliers that choose the Standard Complete Billing service, either for all or a portion of their customer accounts in a class ("Participating Competitive Suppliers"), will be required to sell their accounts receivable to the Company relating to Generation Service for those customers for whom the Company issues a Standard Complete Bill.

12. Billing Procedure

The Company shall issue a single bill for electric service to each Customer.

The Company shall use the rates supplied by the Competitive Supplier to calculate the Competitive Supplier portion of Customer bills, and integrate this billing with its own billing in a single mailing to the Customer. The Company shall send a "Customer usage and billing information" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

~~Upon receipt of Customer payments, t~~The Company shall send a "payment/adjustment" transaction to the Competitive Supplier, in accordance with

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rules and procedures set forth in the EBT Working Group Report, or in accordance with a negotiated, uniform set of rules and procedures that apply to all Competitive Suppliers participating in the Company's POR program. Customer revenue due to the Competitive Supplier shall be transferred to the Competitive Supplier in accordance with the service contract entered into by the Competitive Supplier and the Company, calculated in the manner described in paragraph 8B.2b, below.

~~Effective January 1, 2003, the following payment allocation between the Company and Competitive Suppliers shall apply if a Customer pays the Company less than the full amount billed. The payment shall first be allocated to Distribution Service prior balance and Generation Service prior balance in proportion to the percentage of the combined prior balances represented by each charge.~~

~~Any remaining payment shall be allocated to Distribution Service and Generation Service current charges in proportion to the percentage of the combined current charges represented by each charge.~~

a. Timing of Payment to Competitive Suppliers

The payment to Competitive Suppliers of the amounts computed in accordance with the provisions of paragraph 8B.2.b, below, shall be made consistent with the average payment period of the relevant Customer Class.

Unless otherwise ordered by the MDPU, the average payment period shall be based on actual historical data for the most recent 12-month period for which data is available in the relevant classification, or other appropriate period, as approved by the MDPU. On or about October 1 of each year, the Company shall file with the MDPU data on the average historical payment period that will be in place for the subsequent year beginning January 1. The Standard Complete Billing Percentage computed in accordance with the provisions of paragraph 8B.2.b, below, will remain in effect for the entire year, unless otherwise approved by the MDPU.

b. Amount of Payment to Competitive Suppliers

The Company shall pay the Competitive Supplier the full amounts due from Customers for Generation Service, less the Standard Complete Billing Percentage as defined below. For any customer that has elected Budget Billing, the full amounts due for Generation Service shall be based on the customer's actual usage, rather than the amount the customer is billed under the Company's Budget Billing Program. In all other instances, the full amounts due for Generation Service shall be based on the amount actually billed to the customer.

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On or about October 1 of each year, the Company shall file with the MDPU the said percentages that will be in place for the subsequent year beginning January 1. The percentages will remain in effect for the entire year unless otherwise approved by the MDPU. The percentages shall be computed in accordance with the following formula:

$$\text{SCBP}_{\text{CC}} = \text{UP}_{\text{CC}} + \text{ACP}_{\text{CC}} + \text{PPRP}_{\text{CC}}$$

Where

CC = The Customer Class defined as Customers in a rate class or classes as designated by the Company and approved by the MDPU.

SCBP_{CC} = Standard Complete Billing Percentage for the Customer Class to be deducted from the full amounts due for Generation Service.

UP_{CC} = Uncollectible Percentage is the uncollectible expense for the participating Customer Class based on actual data for the most recent period for which data is available prior to the annual filing (or other appropriate period approved by the MDPU), divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense, to that participating Customer Class for the same period. The period to be used for purposes of calculating the Uncollectible Percentage shall be the same period the Company uses for calculating its uncollectible costs associated with the amounts the Company bills for Basic Service supply.

ACP_{CC} = Administrative Cost Percentage is total forecasted Administrative Costs to be recovered for the subsequent year divided by the total amounts billed for Generation Service by the Company for the most recent 12-month period for which data is available prior to the annual filing.

Administrative Costs shall include the amortization of costs over a period approved by the MDPU directly related to the development and implementation of changes to billing, information and accounting systems directly related to the implementation of the billing procedures necessary to incorporate a Purchase of Receivables program into Standard Complete Billing Service as instituted in accordance with Section 60 of Chapter 169 of the Acts of 2008 and ongoing administrative costs directly associated with providing such Standard Complete Billing Service, to the extent

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approved by the MDPU.

PPRP_{CC} = Past Period Reconciliation Percentage for the Customer Class is the sum of the following three percentages:

1) the difference between (a) the uncollectible expenses actually experienced for previous year(s) for all Customers in the Customer Class and (b) the total amounts actually billed to all Customers in the Customer Class times the applicable UP_{CC}, divided by the total amounts billed to all Customers in the Customer Class by the Company, including any late payment fees if included in uncollectible expense, for the most recent 12-month period for which data is available prior to the annual filing.

2) the difference between (a) the Administrative Costs actually incurred for previous year(s) for Customers in the Customer Class purchasing Generation Service from Competitive Suppliers; and (b) the total amounts actually billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers for those years times the applicable ACP_{CC}, divided by the total amounts billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

3) Interest calculated on the average monthly balance of the Past Period Reconciliation using the customer deposit rate in 220 CMR 26.09, divided by the total amounts billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing. The rate of interest, effective February 1st of each year, shall be the equivalent of the rate paid on two-year, United States Treasury notes for the preceding 12 months ending December 31.

c. Information Required to be Filed with the MDPU

Information pertaining to the annual filing pursuant to paragraph 8B.2.a, and paragraph 8B.2.b, above, and any other filings to seek changes to the above provisions, shall be fully documented and include updated information relating to preliminary reconciliation data for the year in which the filing is made, with actual reconciliation amounts to be submitted the subsequent year.

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3. Implementation of POR Program

a. Effective Date

The Company's POR program shall take effect on [INSERT DATE].

b. Existing Receivables

Pursuant to the terms of a service contract applicable to the POR program, the Company shall pay a Participating Competitive Supplier for amounts already existing as outstanding accounts receivables of the Participating Competitive Supplier at the commencement of the Company's POR program.

4. Security Interests

Pursuant to the terms of a service contract applicable to the POR program, Participating Competitive Suppliers shall grant the Company a first priority perfected security interest in the accounts receivable that the Company will be purchasing through its POR program. A Participating Competitive Supplier shall be authorized by the Company to place a security interest on the accounts receivable from the Company to the Participating Competitive Supplier associated with the purchase by the Company of the Participating Competitive Supplier's accounts receivable.

25. Changes to Rate Classes

If a Competitive Supplier requests different Customer classes or rate structures than are offered by the Company, the Company shall accommodate changes to the billing system, if reasonably possible, at the Competitive Supplier's expense. The costs of making the designated changes shall be quoted by the Company to the Competitive Supplier prior to the start of programming.

36. Optional Customer Services

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Upon request by a Competitive Supplier, the Company may offer optional Customer services to those Competitive Suppliers who receive Standard Complete Billing Service. Pricing for these optional services shall be customized to the Competitive Supplier's needs, and shall be dependent on the specific Customer services required by the Competitive Supplier, the volume of Customer calls, requested coverage hours, and/or the specific number of Customer service representatives requested.

47. Summary Billing

The Company may offer a Summary Billing option for Competitive Suppliers who have qualified Customers with multiple electric service accounts. Designed to consolidate multiple individual billings on a single bill format, this optional service allows Customers to pay multiple accounts with one check.

58. Existing Fees

Existing Company service fees, such as interest charges for unpaid balances and bad check charges, shall remain in effect and shall be assessed, as applicable, according to the Company's Terms and Conditions for Distribution Service, applicable to all Customers.

8C. Definition of Standard Units of Service

1. Billing Demand

Units of billing demand shall be as defined in the Company's applicable tariffs on file with the M.D.P.U.

2. On-Peak/Off-Peak Period Definitions

The on-peak and off-peak periods shall be as defined in the Company's applicable tariffs on file with the M.D.P.U.

Competitive Suppliers may define on-peak and off-peak periods differently from those above; however, they will be required to make special metering arrangements with the Company to reflect different on-peak and off-peak definitions. Any costs incurred to provide the special metering arrangements shall be assigned to the Competitive Supplier.

8D. Fees

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The Company may charge fees to Competitive Suppliers for providing the services described in this section of the Terms and Conditions, as approved by the M.D.P.U. These fees are included in Appendix A.

9. Determination of Hourly Loads

9A. For each Competitive Supplier, hourly loads for each day shall be estimated or telemetered and reported daily to the ISO-NE for inclusion in the Competitive Supplier's Own-Load Calculation. Hourly load estimates for non-telemetered Customers will be based upon load profiles developed for each Customer class or Customer of the Company. The total hourly loads will be determined in accordance with the appropriate hourly load for the Company.

9B. The Company shall normally report previous days' hourly loads to the ISO-NE by a specified time. These loads shall be included in the Competitive Supplier's Own Load Calculation.

9C. To refine the estimates of the Competitive Suppliers' loads that result from the estimated hourly loads, a monthly calculation shall be performed to incorporate the most recent Customer usage information, which is available after the monthly meter readings are processed.

9D. The hourly loads shall be determined consistent with the following steps:

- 1.** The Company shall identify or develop a load profile for each Customer class or each Customer for use in each day's daily determination of hourly load.
- 2.** The Company shall calculate a usage factor for each Customer that reflects the Customer's relative usage level.
- 3.** The Company shall develop estimates of hourly load profiles for the previous day for each Competitive Supplier such that the sum of the Competitive Suppliers' loads equals the hourly metered loads collected each day. Distribution losses, which are included in the hourly metered Company loads, shall be fully allocated into Competitive Supplier loads.
- 4.** Transmission losses from local network facilities shall be approximated and added to the Competitive Supplier's hourly loads.

9E. The process of Competitive Supplier load estimation involves statistical samples and estimating error. The Distribution Company shall not be responsible for any estimating

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errors and shall not be liable to the Competitive Supplier for any costs that are associated with such estimating errors.

10. Liability and Indemnification

The liability of the Competitive Supplier to the Customer shall be as set forth in the specific Customer/Competitive Supplier Contract.

Except as provided in § 9E of the Model Terms and Conditions, the Company and the Competitive Supplier shall indemnify and hold the other and their respective affiliates, and the directors, officers, employees, and agents of each of them (collectively, "Affiliates") harmless from and against any and all damages, costs (including attorneys' fees), fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts or omissions of such party in connection with the performance of its obligations under these Terms and Conditions. The Company and the Competitive Supplier shall waive recourse against the other party and its Affiliates for or arising from the non-negligent performance by such other party in connection with the performance of its obligations under these Terms and Conditions.

11. Electric Offer Information

This section outlines information that shall be made available by the Company to inform residential and small commercial Customers in the Company's service territory of available electricity supply options. The Program shall consist of the Company's communication of Electric Offers and other information through the Company's website, mailings, and inserts in the Company's bills, each as described herein and in a manner approved by the M.D.P.U.

11.A Competitive Supplier Obligations

1. A Competitive Supplier may choose to have the Company provide customers with information on its current Electric Offers. If it so chooses, the Competitive Supplier shall comply with the provisions of this section. Nothing in this section shall prevent a Competitive Supplier from making offers available to customers outside of the provisions of this section.
2. A Competitive Supplier shall notify the Company in writing of its intent to have Electric Offer information distributed and shall include in such notification the telephone number and email address of the Competitive Supplier's customer service center and the Competitive Supplier's website address.

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3. For dissemination of the Competitive Supplier's offer information on the Company's website, a Competitive Supplier shall notify the Company in writing electronically by the fifth day before the end of each month of the Competitive Supplier's Electric Offers that shall be effective on the first day of the following month. Such notification shall be required even if there is no change in the Competitive Supplier's Electric Offers from the prior month.
 - a. For dissemination of the Competitive Supplier's offer information by bill insert, a Competitive Supplier shall notify the Company in writing electronically by the first day of the month preceding the Bill Insert Month.
4. A Competitive Supplier shall report its Electric Offers to the Company pursuant to a format to be determined by the M.D.P.U.
5. A Competitive Supplier shall respond to Customers' inquiries regarding the provision of Generation Service that the Customers receive through the Competitive Supplier's Electric Offers.
6. A Competitive Supplier may withdraw from the Program at any time, but may not return to the Program until the first day of the next month following the date of the withdrawal; provided, however, that the Competitive Supplier must comply with the advance notification requirement set forth in paragraph 3 above in order to participate in the Program during any given month.

11.B. Company Obligations

1. The Company shall offer to residential and small commercial Customers the option to learn about their electricity supply options when they contact the Company to: (a) initiate new utility service; (b) reinstate service following a change of residence or business location; (c) make an inquiry regarding their rates; or (d) seek information regarding energy efficiency.
2. The Company shall direct Customers expressing an interest in learning about their electricity supply options (hereinafter "Interested Customers") to the Company's webpage containing the Company's existing Basic Service rate/rates, information on the Electric Offers available from Competitive Suppliers, and contact information for each Competitive Supplier, including the telephone number and e-mail address of the Competitive Supplier's customer service center and a live link to the Competitive Supplier's website address.

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3. The Company shall mail to those Interested Customers who do not have web access a printed version of the information contained on the Competitive Supplier webpage described above, by U.S. Mail, postage prepaid.
4. The Company may suspend the communications described above during periods of high call volume resulting from storm restoration or other emergency situations but must resume such communications when call volume subsides.
5. The Company shall maintain on its homepage a clear and obvious link to the webpage containing the Competitive Supplier information.
6. Three times per calendar year, the Company shall include in residential and small commercial Customer bills a printed version of the most current information contained on the Competitive Supplier webpage described above. By November 1st of each year, the Company shall provide the Competitive Suppliers with a list of the Bill Insert Months for the following calendar year.
7. Two times per calendar year, if space is available and during those months when there is no bill insert, the Company shall include on residential and small commercial Customer bills a brief statement that competitive supply offers are available, and provide the telephone number and website address for the webpage containing the Competitive Supplier information.

11.C Fees

The Company may charge a fee to participating Competitive Suppliers for the reasonable incremental costs incurred by the Company in administering the distribution of Electric Offer Information, as approved by the M.D.P.U. These fees are set forth in Appendix A.

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APPENDIX A

SCHEDULE OF FEES AND CHARGES

The following fees and charges shall be a part of the Terms and Conditions for Competitive Suppliers in accordance with order D.P.U. 09-46-A issued by the Department of Public Utilities (“M.D.P.U.”), which may be updated annually, subject to the approval of the M.D.P.U.

Pursuant to Section 11 of the Terms and Conditions for Competitive Suppliers, the Company may assess the following charges to Competitive Suppliers (“Suppliers”) requesting such additional services relating to the provision of Electric Offers:

A. Administrative Fee

The Company will assess an Administrative Fee of \$18,807 per month. This fee will be allocated equally to each Supplier who participates in the Electric Offer Information Program (“Program”) in a particular month. The Administrative Fee is designed to recover the administrative costs necessary to implement and administer the Program on an ongoing basis.

B. Bill Insert Charge

The Company will assess a Bill Insert Charge for the design, printing, shipping and insertion of a bill insert in its bills issued during a billing, on behalf of one or more than one Supplier. The Bill Insert Charge will range from \$15,300 for a single pane insert to \$37,300 for a triple pane insert. The Bill Insert Charge will be charged to and collected from a Supplier requesting this service prior to the Company providing this service. In the case in which more than one Supplier is requesting this service, the Bill Insert Charge will be allocated equally to each of the Suppliers requesting the service and will be charged to and collected from the group of Suppliers prior to the Company providing the service.

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C. Additional Postage Charge

In the event that the bill inserts supplied to customers pursuant to Section 11.B.6 of the Terms and Conditions for Competitive Suppliers cause the Company to incur additional postage to deliver customers' monthly bills in any month that the bill inserts are included in bills, the Company will charge the Supplier requesting this service the Additional Postage Charge for each bill delivered based on the currently effective postage charge as set by the U.S. Postal Service. In the case in which more than one Supplier is requesting this service, the Additional Postage Charge will be allocated proportionally to each of the Suppliers requesting the service, pro rating the costs by the number of offers each Supplier has provided for inclusion in the bill insert, and will be charged to and collected from the group of Suppliers prior to the Company providing the service.

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1. Applicability

1A. The following Terms and Conditions shall apply to every registered Competitive Supplier authorized to do business within the Commonwealth of Massachusetts, and to every Customer and Distribution Company doing business with said Competitive Suppliers.

1B. These Terms and Conditions may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in Massachusetts Department of Public Utilities ("M.D.P.U.") regulations and Massachusetts law. In case of conflict between these Terms and Conditions and any orders or regulations of the M.D.P.U., said orders or regulations shall govern.

1C. No agent or employee of the Company is authorized to modify any provision contained in these Terms and Conditions or to bind the Company to perform in any manner contrary thereto. Any such modification to these Terms and Conditions or any such promise contrary thereto shall be in writing, duly executed by an authorized officer of the Company, and subject in all cases to applicable statutes and to the orders and regulations of the M.D.P.U., and available for public inspection during normal business hours at the business offices of the Company and at the offices of the M.D.P.U..

2. Definitions

"Basic Service" (previously referred to as "Default Service") shall mean the service provided by the Distribution Company to a Customer who is not receiving Generation Service from a Competitive Supplier, in accordance with the provisions set forth in the Company's Basic Service tariff, on file with the M.D.P.U.

"Bill Insert Month" shall mean the three months in any calendar year that the Company will include the Competitive Supplier's offer information as a bill insert to its residential and small commercial customers.

"Company" shall mean Cambridge Electric Light Company, a Distribution Company

"Competitive Supplier" shall mean any entity licensed by the M.D.P.U. to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Basic Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

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"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

2. Definitions (continued)

"Distribution Company" or "Company" shall mean a company engaging in the distribution of electricity or owning, operating, or controlling distribution facilities; provided, however, a Distribution Company shall not include any entity which owns or operates plant or equipment used to produce electricity, steam, and chilled water, or any affiliate engaged solely in the provision of such electricity, steam, and chilled water, where the electricity produced by such entity or its affiliate is primarily for the benefit of hospitals and non-profit educational institutions, and where such plant or equipment was in operation prior to January 1, 1986.

"Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.

"EBT Working Group Report" or "Report" shall mean the most recently revised version of the report initially submitted by the Electronic Business Transaction Working Group on October 9, 1997. The Report shall be on file at the M.D.P.U.

"Electric Offer" shall mean an offer made by a Competitive Supplier to provide Generation Service to a residential or small commercial Customer in the Company's service territory.

"Enrollment Period" shall mean, for a particular Customer, the period of time during which a Competitive Supplier may submit an enrollment transaction to a Distribution Company for initiation of Generation Service concurrent with the start of the Customer's next billing cycle.

"Generation Service" shall mean the sale of electricity, ~~including ancillary services such as the provision of reserves,~~ to a Customer by a Competitive Supplier, including capacity and ancillary services such as the provision of reserves and all other services relating to generation required by ISO-NE, and retail offerings that utilize renewable energy certificates or represent alternative compliance payments that are bundled with generation, provided that such products can be billed using the Standard Complete Billing Service platform.

"ISO-NE" shall mean the Independent System Operator of the New England bulk power system.

"M.D.P.U." shall mean the Massachusetts Department of Public Utilities.

"NEPOOL" shall mean the New England Power Pool and its successors.

"NEPOOL PTF" shall mean pool transmission facilities included in the NEPOOL Open Access

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Transmission Tariff on file with the Federal Energy Regulatory Commission.

"Own-Load Calculation" shall mean the settlement method utilized by NEPOOL for its members, as set forth in the NEPOOL Agreement, as amended from time to time, on file as a tariff with the Federal Energy Regulatory Commission.

"Terms and Conditions" shall mean these Terms and Conditions for Competitive Suppliers.

3. Obligations of Parties

3A. Customer

A Customer shall select one Competitive Supplier for each account at any given time, or authorize an agent to make the selection for the Customer, for the purposes of the Distribution Company (1) reporting the Customer's hourly electric consumption to the ISO-NE, and (2) providing billing services. The Customer must provide the selected Competitive Supplier with the information necessary to allow the Competitive Supplier to initiate Generation Service, in accordance with Section 5A, below. A Customer may choose only a Competitive Supplier that is licensed by the M.D.P.U.

The Company shall reasonably accommodate a change from Basic Service or Generation Service to a new Competitive Supplier in accordance with the Terms and Conditions for Competitive Suppliers, and shall accommodate a change to Basic Service from Generation Service; provided, however, that when a Customer changes from a Competitive Supplier to Basic Service, unless the Customer or the Customer's applicable Competitive Supplier can demonstrate to the Company's reasonable satisfaction that the Customer has been placed on Basic Service upon the expiration of a contract with such Competitive Supplier, the Customer is not permitted to return to the same Competitive Supplier for a period of six (6) months from the effective date of the change. Customers are permitted to switch from Basic Service to a different Competitive Supplier who has not supplied the Customer with Generation Service in the same six (6) month period.

Nothing in these Terms and Conditions shall prohibit a Customer from entering into arrangements with multiple suppliers, provided that a single Competitive Supplier is designated for the purposes described above.

3B. Distribution Company

The Company shall:

- (1) Arrange for or provide (I) regional network transmission service over NEPOOL PTF

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and (ii) local network transmission service from NEPOOL PTF to the Company's Distribution System for each Customer, unless the Customer or its Competitive Supplier otherwise arranges for such service;

- (2) Deliver power over distribution facilities to each Customer Delivery Point;
- (3) Provide Customer service and support for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B.3 below;
- (4) Respond to service interruptions or power quality problems;
- (5) Handle connections and terminations;
- (6) Read meters;
- (7) Submit bills to Customers for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B below;
- (8) Address billing inquiries for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B.3 below;
- (9) Answer general questions about Distribution Service;
- (10) Report Competitive Suppliers' estimated and metered loads, including local network transmission and distribution losses, to the ISO-NE, in accordance with Section 9 below;
- (11) Process the electronic business transactions submitted by Competitive Suppliers, and send the necessary electronic business transactions to Competitive Suppliers, in accordance with Section 5, below, and the rules and procedures set forth in the EBT Working Group Report;
- (12) Provide information regarding, at a minimum, rate tariffs, billing cycles, and load profiles, on its Internet website or by alternate electronic means;
- (13) Provide Basic Service to Customers in accordance with the Company's tariff; and
- (14) Provide residential and small commercial Customers in the Company's service territory with information regarding their electricity supply options pursuant to the provisions of Section 11 of the Terms and Conditions including then-available offers from Competitive Suppliers in the Company's service territory.

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3C. Competitive Supplier

- 1. Each Competitive Supplier must meet the registration and licensing requirements established by law or regulation and either (I) be a member of NEPOOL subject to an Own-Load Calculation or (ii) have an agreement in place with a NEPOOL member whereby the NEPOOL member agrees to include the load to be served by the Competitive Supplier in such NEPOOL member's Own-Load Calculation.**

- 2. A Competitive Supplier shall be responsible for providing all-requirements service to meet each of its Customers' needs and to deliver the associated capacity and energy to a point or points on NEPOOL PTF.**

- 3. A Competitive Supplier providing Generation Service to Customers will be responsible for any and all losses incurred on (I) local network transmission systems and distribution systems, as determined by the Company; (ii) NEPOOL PTF, as determined by the ISO-NE; and (iii) facilities linking generation to NEPOOL PTF. A Competitive Supplier shall also be responsible for all transmission wheeling charges necessary to reach NEPOOL PTF.**

- 4. A Competitive Supplier shall be required to complete testing of the transactions included in the EBT Working Group Report prior to the initiation of Generation Service to any Customer in the Company's service territory. Such testing shall be in accordance with the rules and procedures set forth in the Report.**

- 5. Each Competitive Supplier shall be required to enter into a service contract with the Distribution Company that resolves issues associated with, among other things, information exchange, problem resolution, and revenue liability. This contract must be entered prior to the initiation of Generation Service to any Customer in the Company's service territory.**

- 6. A Competitive Supplier shall be responsible for obtaining the necessary authorization from each Customer prior to initiating Generation Service to the Customer. Such authorization shall be in accordance with St. 1997, c. 164, § 193 (G.L. c. 164, § 1F(8)(a)) and 220 C.M.R. § 11.05.**

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7. A Competitive Supplier not affiliated with the Company shall be responsible for obtaining the necessary authorization from each Customer prior to requesting the Company to release the Company's historic usage information specific to that Customer to such Competitive Supplier. Such authorization shall consist of (i) letter of authorization; (ii) third-party verification; or (iii) a Customer-initiated call to an independent third-party, consistent with 220 C.M.R. § 11.05. A Competitive Supplier affiliated with the Company must obtain a Customer's written authorization prior to requesting the release of the Company's historic usage information specific to that Customer consistent with St. 1997, c. 164, § 193 (G.L. c.164, § 1C(v)) and 220 C.M.R. § 12.00 et seq.

8. A Competitive Supplier wishing to have offer information provided to Customers by the Company shall abide by the provisions of Section 11 of the Terms and Conditions.

4. **Customer Usage Information to be Made Available to Competitive Suppliers**

The Company shall be required to provide twelve months' of a Customer's historic usage data to a Competitive Supplier, provided that the Competitive Supplier has received the appropriate authorization, in accordance with the provisions established in Section 3C.7, above. This information shall be provided in electronic form.

The Company shall print twelve months' of historic usage data on Customers' bills, in addition to the usage data for the current billing period.

The Company shall be required to provide Customers who, since January 1, 1995, have been billed in part on a demand basis, with twelve months of usage data, upon the Customer's written request. These data shall be provided pursuant to the requirements set forth in St. 1997, c. 164, § 193 (G.L. c. 164, § 1F(9)).

5. **Initiation and Termination of Generation Service**

5A. **Initiation of Generation Service**

To initiate Generation Service to a Customer, the Competitive Supplier shall submit an "enroll Customer" transaction to the Company, in accordance with the rules and procedures set forth in the EBT Working Group Report. The Competitive Supplier shall hold the "enroll Customer" transaction until any applicable right of rescission has lapsed.

If the information on the enrollment transaction is correct, the Distribution Company shall send the Competitive Supplier a "successful enrollment" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report. Generation Service shall commence on the date of the Customer's next scheduled meter read, provided that the Supplier has submitted the enrollment transaction to the Distribution Company no fewer

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than two business days prior to the meter read date. If the Supplier has not submitted the enrollment transaction at least two days before the meter read date, Generation Service shall commence on the date of the Customer's subsequent scheduled meter read.

If more than one Competitive Supplier submits an enrollment transaction for a given Customer during the same enrollment period, the first transaction that is received by the Distribution Company shall be accepted. All other transactions shall be rejected. Rejected transactions may be resubmitted during the Customer's next enrollment period.

5B. Termination of Generation Service

To terminate Generation Service with a Customer, a Competitive Supplier shall submit a "supplier drops Customer" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report. Generation Service shall be terminated on the date of the Customer's next scheduled meter read, provided that the Competitive Supplier has submitted this transaction to the Distribution Company no fewer than two business days prior to the meter read date. If the Competitive Supplier has not submitted this transaction at least two days before the meter read date, Generation Service shall be terminated on the date of the Customer's subsequent scheduled meter read. The Distribution Company shall send a "confirm drop date" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

To terminate Generation Service with a Competitive Supplier, a Customer shall so inform the Distribution Company or the Competitive Supplier. In the event that the Customer informs the Distribution Company directly, Generation Service shall be terminated within two business days for residential Customers; for other Customers, Generation Service shall be terminated on the date of the Customer's next scheduled meter read. The Distribution Company shall send a "Customer drops supplier" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report. In the event that the Customer informs the Competitive Supplier, the Competitive Supplier shall send a "supplier drops Customer" transaction to the Distribution Company in accordance with the rules and procedures set forth in the EBT Working Group Report.

In those instances when a Customer who is receiving Generation Service from an existing Competitive Supplier initiates such service with a new Competitive Supplier, the Distribution Company shall send the existing Competitive Supplier a "Customer drops supplier" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report.

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5C. Customer Moves

A Customer that moves within a Distribution Company's service territory shall have the opportunity to notify the Distribution Company that he/she seeks to continue Generation Service with his/her existing Competitive Supplier. Upon such notification, the Distribution Company shall send a "Customer move" transaction to the Competitive Suppliers, in accordance with the rules and procedures set forth in the EBT Working Group Report.

In those instances when a Customer moves into a Distribution Company's service territory, the Customer's existing Competitive Supplier must submit an "enroll Customer" transaction to the new Distribution Company in order to initiate Generation Service. Otherwise, the Customer shall receive Basic Service, in accordance with the Company's respective tariffs.

5D. Other Provisions

Distribution Companies and Suppliers shall send "change enrollment detail" transactions to change any information included on the "enroll Customer" transactions, in accordance with the rules and procedures set forth in the EBT Working Group Report.

If any of the transactions described above are rejected by the Distribution Company, the Distribution Company shall send an "error" transaction to the Competitive Supplier identifying the reason for the rejection, in accordance with the rules and procedures set forth in the EBT Working Group Report.

5E. Fees

The Company may charge fees to Competitive Supplier for processing the transactions described above, as approved by the M.D.P.U. These fees are included in Appendix A.

6. Distribution Service Interruption

6A. Planned Outages

In the event that the loading of the Distribution System, or a portion thereof, must be reduced for safe and reliable operation, such reduction in loading shall be proportionately allocated among all Customers whose load contributes to the need for the reduction, when such proportional curtailments can be accommodated within good utility practices.

6B. Unplanned Outages

In the event of unplanned outages, service will be restored in accordance with good utility practice. When appropriate, service restoration shall be accomplished in accordance with the

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Company System Storm Emergency Plan on file with the M.D.P.U.

6C. Disconnection of Service

The Distribution Company may discontinue Distribution Service to a Customer in accordance with the provisions set forth in the Terms and Conditions for Distribution Service. The Company shall provide electronic notification, using the Customer Usage and Billing Information transaction, to the Customer's Competitive Supplier of record upon final billing to the Customer. Once disconnection occurs, the provision of Generation Service to the Customer is no longer the obligation of the Competitive Supplier. The Company shall not be liable for any revenue losses to the Competitive Supplier as a result of any such disconnection.

7. Metering

7A. Meter Reading

The Company shall meter each Customer in accordance with tariff provisions. Upon request by a Competitive Supplier, the Company shall schedule meter reads on a monthly cycle.

Each Customer shall be metered or estimated such that the loads can be reported to the ISO-NE for inclusion in the Competitive Supplier's, or the Competitive Supplier's wholesale provider's, Own-Load Calculation.

7B. Ownership of Metering Equipment

Should a Customer or Competitive Supplier request a new meter or request that a communication device be attached to the existing meter, the Company shall provide, install, test, and maintain the requested metering or communication device. The requested meter or communication device must meet the Company's requirements. The Customer or Competitive Supplier shall bear the cost of providing and installing the meter or communication device. Upon installation, the meter or communication device shall become the property of the Company and will be maintained by the Company. The Company shall complete installation of the meter or communication device, if reasonably possible, within thirty (30) days of receiving a written request from the Customer or Competitive Supplier. The Company shall bill the Customer or Competitive Supplier upon installation.

8. Billing

The Company shall provide a single bill, reflecting unbundled charges for electric service, to Customers who receive Basic Service.

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The Company shall offer two billing service options to Customers receiving Generation Service from Competitive Suppliers: (1) Standard Complete Billing Service; and (2) Standard Passthrough Billing Service. The Competitive Supplier shall inform the Distribution Company of the selected billing option, in accordance with the rules and procedures set forth in the EBT Working Group Report.

8A. Standard Passthrough Billing Service

The Company shall issue a bill for Distribution Service to each Customer. The Competitive Supplier shall be responsible for separately billing Customers for the cost of Generation Service provided by the Competitive Supplier and for the collection of amounts due to the Competitive Supplier from the Customer.

The Company shall send a "Customer usage information" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

8B. Standard Complete Billing Service and Purchase of Receivables Program

1. Eligibility for Purchase of Receivables ("POR") Program

Competitive Suppliers that choose the Standard Complete Billing service, either for all or a portion of their customer accounts in a class ("Participating Competitive Suppliers"), will be required to sell their accounts receivable to the Company relating to Generation Service for those customers for whom the Company issues a Standard Complete Bill.

12. Billing Procedure

The Company shall issue a single bill for electric service to each Customer.

The Company shall use the rates supplied by the Competitive Supplier to calculate the Competitive Supplier portion of Customer bills, and integrate this billing with its own billing in a single mailing to the Customer. The Company shall send a "Customer usage and billing information" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

Upon receipt of Customer payments, tThe Company shall send a "payment/adjustment" transaction to the Competitive Supplier, in accordance with rules and procedures set forth in the EBT Working Group or in accordance with a negotiated, uniform set of rules and procedures that apply to all Competitive

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Suppliers participating in the Company's POR program, Report. Customer revenue due to the Competitive Supplier shall be transferred to the Competitive Supplier in accordance with the service contract entered into by the Competitive Supplier and the Company, calculated in the manner described in paragraph 8B.2b, below.

~~Effective January 1, 2003, the following payment allocation between the Company and Competitive Suppliers shall apply if a Customer pays the Company less than the full amount billed. The payment shall first be allocated to Distribution Service prior balance and Generation Service prior balance in proportion to the percentage of the combined prior balances represented by each charge. Any remaining payment shall be allocated to Distribution Service and Generation Service current charges in proportion to the percentage of the combined current charges represented by each charge.~~

a. Timing of Payment to Competitive Suppliers

The payment to Competitive Suppliers of the amounts computed in accordance with the provisions of paragraph 8B.2.b, below, shall be made consistent with the average payment period of the relevant Customer Class.

Unless otherwise ordered by the MDPU, the average payment period shall be based on actual historical data for the most recent 12-month period for which data is available in the relevant classification, or other appropriate period, as approved by the MDPU. On or about October 1 of each year, the Company shall file with the MDPU data on the average historical payment period that will be in place for the subsequent year beginning January 1. The Standard Complete Billing Percentage computed in accordance with the provisions of paragraph 8B.2.b, below, will remain in effect for the entire year, unless otherwise approved by the MDPU.

b. Amount of Payment to Competitive Suppliers

The Company shall pay the Competitive Supplier the full amounts due from Customers for Generation Service, less the Standard Complete Billing Percentage as defined below. For any customer that has elected Budget Billing, the full amounts due for Generation Service shall be based on the customer's actual usage, rather than the amount the customer is billed under the Company's Budget Billing Program. In all other instances, the full amounts due for Generation Service shall be based on the amount actually billed to the customer.

On or about October 1 of each year, the Company shall file with the MDPU the said percentages that will be in place for the subsequent year beginning January 1. The percentages will remain in effect for the entire year unless otherwise approved by

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the MDPU. The percentages shall be computed in accordance with the following formula:

$$\text{SCBP}_{CC} = \text{UP}_{CC} + \text{ACP}_{CC} + \text{PPRP}_{CC}$$

Where

CC = The Customer Class defined as Customers in a rate class or classes as designated by the Company and approved by the MDPU.

SCBP_{CC} = Standard Complete Billing Percentage for the Customer Class to be deducted from the full amounts due for Generation Service.

UP_{CC} = Uncollectible Percentage is the uncollectible expense for the participating Customer Class based on actual data for the most recent period for which data is available prior to the annual filing (or other appropriate period approved by the MDPU), divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense, to that participating Customer Class for the same period. The period to be used for purposes of calculating the Uncollectible Percentage shall be the same period the Company uses for calculating its uncollectible costs associated with the amounts the Company bills for Basic Service supply.

ACP_{CC} = Administrative Cost Percentage is total forecasted Administrative Costs to be recovered for the subsequent year divided by the total amounts billed for Generation Service by the Company for the most recent 12-month period for which data is available prior to the annual filing.

Administrative Costs shall include the amortization of costs over a period approved by the MDPU directly related to the development and implementation of changes to billing, information and accounting systems directly related to the implementation of the billing procedures necessary to incorporate a Purchase of Receivables program into Standard Complete Billing Service as instituted in accordance with Section 60 of Chapter 169 of the Acts of 2008 and ongoing administrative costs directly associated with providing such Standard Complete Billing Service, to the extent approved by the MDPU.

PPRP_{CC} = Past Period Reconciliation Percentage for the Customer Class is the

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sum of the following three percentages:

1) the difference between (a) the uncollectible expenses actually experienced for previous year(s) for all Customers in the Customer Class and (b) the total amounts actually billed to all Customers in the Customer Class times the applicable UP_{CC}, divided by the total amounts billed to all Customers in the Customer Class by the Company, including any late payment fees if included in uncollectible expense, for the most recent 12-month period for which data is available prior to the annual filing.

2) the difference between (a) the Administrative Costs actually incurred for previous year(s) for Customers in the Customer Class purchasing Generation Service from Competitive Suppliers; and (b) the total amounts actually billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers for those years times the applicable ACP_{CC}, divided by the total amounts billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

3) Interest calculated on the average monthly balance of the Past Period Reconciliation using the customer deposit rate in 220 CMR 26.09, divided by the total amounts billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing. The rate of interest, effective February 1st of each year, shall be the equivalent of the rate paid on two-year, United States Treasury notes for the preceding 12 months ending December 31.

c. Information Required to be Filed with the MDPU

Information pertaining to the annual filing pursuant to paragraph 8B.2.a, and paragraph 8B.2.b, above, and any other filings to seek changes to the above provisions, shall be fully documented and include updated information relating to preliminary reconciliation data for the year in which the filing is made, with actual reconciliation amounts to be submitted the subsequent year.

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3. Implementation of POR Program

a. Effective Date

The Company's POR program shall take effect on [INSERT DATE].

b. Existing Receivables

Pursuant to the terms of a service contract applicable to the POR program, the Company shall pay a Participating Competitive Supplier for amounts already existing as outstanding accounts receivables of the Participating Competitive Supplier at the commencement of the Company's POR program.

4. Security Interests

Pursuant to the terms of a service contract applicable to the POR program, Participating Competitive Suppliers shall grant the Company a first priority perfected security interest in the accounts receivable that the Company will be purchasing through its POR program. A Participating Competitive Supplier shall be authorized by the Company to place a security interest on the accounts receivable from the Company to the Participating Competitive Supplier associated with the purchase by the Company of the Participating Competitive Supplier's accounts receivable.

3. ~~5.~~ Changes to Rate Classes

If a Competitive Supplier requests different Customer classes or rate structures than are offered by the Company, the Company shall accommodate changes to the billing system, if reasonably possible, at the Competitive Supplier's expense. The costs of making the designated changes shall be quoted by the Company to the Competitive Supplier prior to the start of programming.

36. Optional Customer Services

Upon request by a Competitive Supplier, the Company may offer optional Customer services to those Competitive Suppliers who receive Standard Complete Billing Service. Pricing for these optional services shall be customized to the Competitive Supplier's needs, and shall be dependent on the specific Customer services required by the Competitive Supplier, the volume of Customer calls, requested coverage hours, and/or the specific number of Customer service representatives requested.

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47. Summary Billing

The Company may offer a Summary Billing option for Competitive Suppliers who have qualified Customers with multiple electric service accounts. Designed to consolidate multiple individual billings on a single bill format, this optional service allows Customers to pay multiple accounts with one check.

58. Existing Fees

Existing Company service fees, such as interest charges for unpaid balances and bad check charges, shall remain in effect and shall be assessed, as applicable, according to the Company's Terms and Conditions for Distribution Service, applicable to all Customers.

8C. Definition of Standard Units of Service

1. Billing Demand

Units of billing demand shall be as defined in the Company's applicable tariffs on file with the M.D.P.U.

2. On-Peak/Off-Peak Period Definitions

The on-peak and off-peak periods shall be as defined in the Company's applicable tariffs on file with the M.D.P.U.

Competitive Suppliers may define on-peak and off-peak periods differently from those above; however, they will be required to make special metering arrangements with the Company to reflect different on-peak and off-peak definitions. Any costs incurred to provide the special metering arrangements shall be assigned to the Competitive Supplier.

8D. Fees

The Company may charge fees to Competitive Suppliers for providing the services described in this section of the Terms and Conditions, as approved by the M.D.P.U. These fees are included in Appendix A.

9. Determination of Hourly Loads

9A. For each Competitive Supplier, hourly loads for each day shall be estimated or telemetered and reported daily to the ISO-NE for inclusion in the Competitive Supplier's

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Own-Load Calculation. Hourly load estimates for non-telemetered Customers will be based upon load data developed for or within each Customer class or Customer of the Company. The total hourly loads will be determined in accordance with the appropriate hourly load for the Company.

9B. The Company shall normally report previous days' hourly loads to the ISO-NE by a specified time. These loads shall be included in the Competitive Supplier's Own Load Calculation.

9C. To refine the estimates of the Competitive Suppliers' loads that result from the estimated hourly loads, a monthly calculation shall be performed to incorporate the most recent Customer usage information, which is available after the monthly meter readings are processed.

9D. The hourly loads shall be determined consistent with the following steps:

- (1)** The Company shall identify or develop a load profile for or within each Customer class or each Customer for use in each day's daily determination of hourly load.
- (2)** The Company shall calculate a usage factor for each Customer that reflects the Customer's relative usage level.
- (3)** The Company shall develop estimates of hourly load profiles for the previous day(s) for each Competitive Supplier such that the sum of the Competitive Suppliers' loads equals the hourly metered loads collected each day. Distribution losses, which are included in the hourly metered Company loads, shall be fully allocated into Competitive Supplier loads.
- (4)** Transmission losses from local network facilities shall be approximated and added to the Competitive Supplier's hourly loads.

9E. The process of Competitive Supplier load estimation involves statistical samples and estimating error. The Distribution Company shall not be responsible for any estimating errors and shall not be liable to the Competitive Supplier for any costs that are associated with such estimating errors.

10. Liability and Indemnification

The liability of the Competitive Supplier to the Customer shall be as set forth in the specific Customer/Competitive Supplier Contract.

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Except as provided in § 9E of these Terms and Conditions, the Company and the Competitive Supplier shall indemnify and hold the other and their respective affiliates, and the directors, officers, employees, and agents of each of them (collectively, "Affiliates") harmless from and against any and all damages, costs (including attorneys' fees), fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts or omissions of such party in connection with the performance of its obligations under these Terms and Conditions. The Company and the Competitive Supplier shall waive recourse against the other party and its Affiliates for or arising from the non-negligent performance by such other party in connection with the performance of its obligations under these Terms and Conditions.

11. Electric Offer Information

This section outlines information that shall be made available by the Company to inform residential and small commercial Customers in the Company's service territory of available electricity supply options. The Program shall consist of the Company's communication of Electric Offers and other information through the Company's website, mailings, and inserts in the Company's bills, each as described herein and in a manner approved by the M.D.P.U.

11.A Competitive Supplier Obligations

1. A Competitive Supplier may choose to have the Company provide customers with information on its current Electric Offers. If it so chooses, the Competitive Supplier shall comply with the provisions of this section. Nothing in this section shall prevent a Competitive Supplier from making offers available to customers outside of the provisions of this section.
2. A Competitive Supplier shall notify the Company in writing of its intent to have Electric Offer information distributed and shall include in such notification the telephone number and email address of the Competitive Supplier's customer service center and the Competitive Supplier's website address.
3. For dissemination of the Competitive Supplier's offer information on the Company's website, a Competitive Supplier shall notify the Company in writing electronically by the fifth day before the end of each month of the Competitive Supplier's Electric Offers that shall be effective on the first day of the following month. Such notification shall be required even if there is no change in the Competitive Supplier's Electric Offers from the prior month.
 - a. For dissemination of the Competitive Supplier's offer information by bill insert, a Competitive Supplier shall notify the Company in

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writing electronically by the first day of the month preceding the Bill Insert Month.

4. A Competitive Supplier shall report its Electric Offers to the Company pursuant to a format to be determined by the M.D.P.U.
5. A Competitive Supplier shall respond to Customers' inquiries regarding the provision of Generation Service that the Customers receive through the Competitive Supplier's Electric Offers.
6. A Competitive Supplier may withdraw from the Program at any time, but may not return to the Program until the first day of the next month following the date of the withdrawal; provided, however, that the Competitive Supplier must comply with the advance notification requirement set forth in paragraph 3 above in order to participate in the Program during any given month.

11.B. Company Obligations

1. The Company shall offer to residential and small commercial Customers the option to learn about their electricity supply options when they contact the Company to: (a) initiate new utility service; (b) reinstate service following a change of residence or business location; (c) make an inquiry regarding their rates; or (d) seek information regarding energy efficiency.
2. The Company shall direct Customers expressing an interest in learning about their electricity supply options (hereinafter "Interested Customers") to the Company's webpage containing the Company's existing Basic Service rate/rates, information on the Electric Offers available from Competitive Suppliers, and contact information for each Competitive Supplier, including the telephone number and e-mail address of the Competitive Supplier's customer service center and a live link to the Competitive Supplier's website address.
3. The Company shall mail to those Interested Customers who do not have web access a printed version of the information contained on the Competitive Supplier webpage described above, by U.S. Mail, postage prepaid.
4. The Company may suspend the communications described above during periods of high call volume resulting from storm restoration or other emergency situations but must resume such communications when call volume subsides.

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5. The Company shall maintain on its homepage a clear and obvious link to the webpage containing the Competitive Supplier information.
6. Three times per calendar year, the Company shall include in residential and small commercial Customer bills a printed version of the most current information contained on the Competitive Supplier webpage described above. By November 1st of each year, the Company shall provide the Competitive Suppliers with a list of the Bill Insert Months for the following calendar year.
7. Two times per calendar year, if space is available and during those months when there is no bill insert, the Company shall include on residential and small commercial Customer bills a brief statement that competitive supply offers are available, and provide the telephone number and website address for the webpage containing the Competitive Supplier information.

11.C Fees

The Company may charge a fee to participating Competitive Suppliers for the reasonable incremental costs incurred by the Company in administering the distribution of Electric Offer Information, as approved by the M.D.P.U. These fees are set forth in Appendix A.

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APPENDIX A

SCHEDULE OF FEES AND CHARGES

The following fees and charges shall be a part of the Terms and Conditions for Competitive Suppliers in accordance with order D.P.U. 09-46-A issued by the Department of Public Utilities (“M.D.P.U.”), which may be updated annually, subject to the approval of the M.D.P.U.

Pursuant to Section 11 of the Terms and Conditions for Competitive Suppliers, the Company may assess the following charges to Competitive Suppliers (“Suppliers”) requesting such additional services relating to the provision of Electric Offers:

A. Administrative Fee

The Company will assess an Administrative Fee of \$18,807 per month. This fee will be allocated equally to each Supplier who participates in the Electric Offer Information Program (“Program”) in a particular month. The Administrative Fee is designed to recover the administrative costs necessary to implement and administer the Program on an ongoing basis.

B. Bill Insert Charge

The Company will assess a Bill Insert Charge for the design, printing, shipping and insertion of a bill insert in its bills issued during a billing, on behalf of one or more than one Supplier. The Bill Insert Charge will range from \$15,300 for a single pane insert to \$37,300 for a triple pane insert. The Bill Insert Charge will be charged to and collected from a Supplier requesting this service prior to the Company providing this service. In the case in which more than one Supplier is requesting this service, the Bill Insert Charge will be allocated equally to each of the Suppliers requesting the service and will be charged to and collected from the group of Suppliers prior to the Company providing the service.

C. Additional Postage Charge

In the event that the bill inserts supplied to customers pursuant to Section 11.B.6 of the Terms and Conditions for Competitive Suppliers cause the Company to incur additional postage to deliver customers’ monthly bills in any month that the bill inserts are included in bills, the Company will charge the Supplier requesting this service the Additional Postage Charge for each bill delivered based on the currently effective postage charge as set by the U.S. Postal Service. In the case in which more than one Supplier is requesting this service, the Additional Postage Charge will be

Issued by: Thomas J. May
President

Filed: [January 25, 2010](#)
Effective: [January 1, 2010](#)

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allocated proportionally to each of the Suppliers requesting the service, pro rating the costs by the number of offers each Supplier has provided for inclusion in the bill insert, and will be charged to and collected from the group of Suppliers prior to the Company providing the service.

Issued by: Thomas J. May
President

Filed: ~~January 25, 2010~~
Effective: ~~January 1, 2010~~

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1. Applicability

1A. The following Terms and Conditions shall apply to every registered Competitive Supplier authorized to do business within the Commonwealth of Massachusetts, and to every Customer and Distribution Company doing business with said Competitive Suppliers.

1B. These Terms and Conditions may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in the Massachusetts Department of Public Utilities ("M.D.P.U.") regulations and Massachusetts law. In case of conflict between these Terms and Conditions and any orders or regulations of the M.D.P.U., said orders or regulations shall govern.

1C. No agent or employee of the Company is authorized to modify any provision contained in these Terms and Conditions or to bind the Company to perform in any manner contrary thereto. Any such modification to these Terms and Conditions or any such promise contrary thereto shall be in writing, duly executed by an authorized officer of the Company, and subject in all cases to applicable statutes and to the orders and regulations of the M.D.P.U., and available for public inspection during normal business hours at the business offices of the Company and at the offices of the M.D.P.U.

2. Definitions

"Basic Service" (previously referred to as "Default Service") shall mean the service provided by the Distribution Company to a Customer who is not receiving Generation Service from a Competitive Supplier, in accordance with the provisions set forth in the Company's Basic Service tariff, on file with the M.D.P.U.

"Bill Insert Month" shall mean the three months in any calendar year that the Company will include the Competitive Supplier's offer information as a bill insert to its residential and small commercial customers.

"Company" shall mean Commonwealth Electric Company, a Distribution Company.

"Competitive Supplier" shall mean any entity licensed by the M.D.P.U. to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Basic Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

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"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Distribution Company" or "Company" shall mean a company engaging in the distribution of electricity or owning, operating, or controlling distribution facilities; provided, however, a Distribution Company shall not include any entity which owns or operates plant or equipment used to produce electricity, steam, and chilled water, or any affiliate engaged solely in the provision of such electricity, steam, and chilled water, where the electricity produced by such entity or its affiliate is primarily for the benefit of hospitals and non-profit educational institutions, and where such plant or equipment was in operation prior to January 1, 1986.

"Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.

"EBT Working Group Report" or "Report" shall mean the most recently revised version of the report initially submitted by the Electronic Business Transaction Working Group on October 9, 1997. The Report shall be on file at the M.D.P.U.

"Electric Offer" shall mean an offer made by a Competitive Supplier to provide Generation Service to a residential or small commercial Customer in the Company's service territory.

"Enrollment Period" shall mean, for a particular Customer, the period of time during which a Competitive Supplier may submit an enrollment transaction to a Distribution Company for initiation of Generation Service concurrent with the start of the Customer's next billing cycle.

"Generation Service" shall mean the sale of electricity, ~~including ancillary services such as the provision of reserves~~, to a Customer by a Competitive Supplier, including capacity and ancillary services such as the provision of reserves and all other services relating to generation required by ISO-NE, and retail offerings that utilize renewable energy certificates or represent alternative compliance payments that are bundled with generation, provided that such products can be billed using the Standard Complete Billing Service platform.

"ISO-NE" shall mean the Independent System Operator of the New England bulk power system.

"M.D.P.U." shall mean the Massachusetts Department of Public Utilities.

"NEPOOL" shall mean the New England Power Pool and its successors.

"NEPOOL PTF" shall mean pool transmission facilities included in the NEPOOL Open Access Transmission Tariff on file with the Federal Energy Regulatory Commission.

"Own-Load Calculation" shall mean the settlement method utilized by NEPOOL for its members,

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as set forth in the NEPOOL Agreement, as amended from time to time, on file as a tariff with the Federal Energy Regulatory Commission.

"Terms and Conditions" shall mean these Terms and Conditions for Competitive Suppliers.

3. Obligations of Parties

3A. Customer

A Customer shall select one Competitive Supplier for each account at any given time, or authorize an agent to make the selection for the Customer, for the purposes of the Distribution Company (1) reporting the Customer's hourly electric consumption to the ISO-NE, and (2) providing billing services. The Customer must provide the selected Competitive Supplier with the information necessary to allow the Competitive Supplier to initiate Generation Service, in accordance with Section 5A, below. A Customer may choose only a Competitive Supplier that is licensed by the M.D.P.U.

The Company shall reasonably accommodate a change from Basic Service or Generation Service to a new Competitive Supplier in accordance with the Terms and Conditions for Competitive Suppliers, and shall accommodate a change to Basic Service from Generation Service; provided, however, that when a Customer changes from a Competitive Supplier to Basic Service, unless the Customer or the Customer's applicable Competitive Supplier can demonstrate to the Company's reasonable satisfaction that the Customer has been placed on Basic Service upon the expiration of a contract with such Competitive Supplier, the Customer is not permitted to return to the same Competitive Supplier for a period of six (6) months from the effective date of the change. Customers are permitted to switch from Basic Service to a different Competitive Supplier who has not supplied the Customer with Generation Service in the same six (6) month period..

Nothing in these Terms and Conditions shall prohibit a Customer from entering into arrangements with multiple suppliers, provided that a single Competitive Supplier is designated for the purposes described above.

3B. Distribution Company

The Company shall:

- (1) Arrange for or provide (i) regional network transmission service over NEPOOL PTF and (ii) local network transmission service from NEPOOL PTF to the Company's Distribution System for each Customer, unless the Customer or its Competitive Supplier otherwise arranges for such service;

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- (2) Deliver power over distribution facilities to each Customer Delivery Point;
 - (3) Provide Customer service and support for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B.3 below;
 - (4) Respond to service interruptions or power quality problems;
 - (5) Handle connections and terminations;
 - (6) Read meters;
 - (7) Submit bills to Customers for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B below;
 - (8) Address billing inquiries for Distribution Service and, if contracted by the Competitive Supplier, for Generation Service in accordance with Section 8B.3 below;
 - (9) Answer general questions about Distribution Service;
 - (10) Report Competitive Suppliers' estimated and metered loads, including local network transmission and distribution losses, to the ISO-NE, in accordance with Section 9 below;
 - (11) Process the electronic business transactions submitted by Competitive Suppliers, and send the necessary electronic business transactions to Competitive Suppliers, in accordance with Section 5, below, and the rules and procedures set forth in the EBT Working Group Report;
 - (12) Provide information regarding, at a minimum, rate tariffs, billing cycles, and load profiles, on its Internet website or by alternate electronic means;
 - (13) Provide Basic Service to Customers in accordance with the Company's tariff; and
 - (14) Provide residential and small commercial Customers in the Company's service territory with information regarding their electricity supply options pursuant to the provisions of Section 11 of the Terms and Conditions including then-available offers from Competitive Suppliers in the Company's service territory.
- 3C. **Competitive Supplier**
1. Each Competitive Supplier must meet the registration and licensing requirements

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established by law or regulation and either (i) be a member of NEPOOL subject to an Own-Load Calculation or (ii) have an agreement in place with a NEPOOL member whereby the NEPOOL member agrees to include the load to be served by the Competitive Supplier in such NEPOOL member's Own-Load Calculation.

2. A Competitive Supplier shall be responsible for providing all-requirements service to meet each of its Customers' needs and to deliver the associated capacity and energy to a point or points on NEPOOL PTF.

3. A Competitive Supplier providing Generation Service to Customers will be responsible for any and all losses incurred on (i) local network transmission systems and distribution systems, as determined by the Company; (ii) NEPOOL PTF, as determined by the ISO-NE; and (iii) facilities linking generation to NEPOOL PTF. A Competitive Supplier shall also be responsible for all transmission wheeling charges necessary to reach NEPOOL PTF.

4. A Competitive Supplier shall be required to complete testing of the transactions included in the EBT Working Group Report prior to the initiation of Generation Service to any Customer in the Company's service territory. Such testing shall be in accordance with the rules and procedures set forth in the Report.

5. Each Competitive Supplier shall be required to enter into a service contract with the Distribution Company that resolves issues associated with, among other things, information exchange, problem resolution, and revenue liability. This contract must be entered prior to the initiation of Generation Service to any Customer in the Company's service territory.

6. A Competitive Supplier shall be responsible for obtaining the necessary authorization from each Customer prior to initiating Generation Service to the Customer. Such authorization shall be in accordance with St. 1997, c. 164, § 193 (G.L. c. 164, § 1F(8)(a)) and 220 C.M.R. § 11.05.

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7. A Competitive Supplier not affiliated with the Company shall be responsible for obtaining the necessary authorization from each Customer prior to requesting the Company to release the Company's historic usage information specific to that Customer to such Competitive Supplier. Such authorization shall consist of (i) letter of authorization; (ii) third-party verification; or (iii) a Customer-initiated call to an independent third-party, consistent with 220 C.M.R. § 11.05. A Competitive Supplier affiliated with the Company must obtain a Customer's written authorization prior to requesting the release of the Company's historic usage information specific to that Customer consistent with St. 1997, c. 164, § 193 (G.L. c.164, § 1C(v)) and 220 C.M.R. § 12.00 et seq.,

8. A Competitive Supplier wishing to have offer information provided to Customers by the Company shall abide by the provisions of Section 11 of the Terms and Conditions.

4. Customer Usage Information to be Made Available to Competitive Suppliers

The Company shall be required to provide twelve months' of a Customer's historic usage data to a Competitive Supplier, provided that the Competitive Supplier has received the appropriate authorization, in accordance with the provisions established in Section 3C.7, above. This information shall be provided in electronic form.

The Company shall print twelve months' of historic usage data on Customers' bills, in addition to the usage data for the current billing period.

The Company shall be required to provide Customers who, since January 1, 1995, have been billed in part on a demand basis, with twelve months of usage data, upon the Customer's written request. These data shall be provided pursuant to the requirements set forth in St. 1997, c. 164, § 193 (G.L. c. 164, § 1F(9)).

5. Initiation and Termination of Generation Service

5A. Initiation of Generation Service

To initiate Generation Service to a Customer, the Competitive Supplier shall submit an "enroll Customer" transaction to the Company, in accordance with the rules and procedures set forth in the EBT Working Group Report. The Competitive Supplier shall hold the "enroll Customer" transaction until any applicable right of rescission has lapsed.

If the information on the enrollment transaction is correct, the Distribution Company shall send the Competitive Supplier a "successful enrollment" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report. Generation Service shall commence on the date of the Customer's next scheduled meter read, provided that the Supplier has submitted the enrollment transaction to the Distribution Company no fewer

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than two business days prior to the meter read date. If the Supplier has not submitted the enrollment transaction at least two days before the meter read date, Generation Service shall commence on the date of the Customer's subsequent scheduled meter read.

If more than one Competitive Supplier submits an enrollment transaction for a given Customer during the same enrollment period, the first transaction that is received by the Distribution Company shall be accepted. All other transactions shall be rejected. Rejected transactions may be resubmitted during the Customer's next enrollment period.

5B. Termination of Generation Service

To terminate Generation Service with a Customer, a Competitive Supplier shall submit a "supplier drops Customer" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report. Generation Service shall be terminated on the date of the Customer's next scheduled meter read, provided that the Competitive Supplier has submitted this transaction to the Distribution Company no fewer than two business days prior to the meter read date. If the Competitive Supplier has not submitted this transaction at least two days before the meter read date, Generation Service shall be terminated on the date of the Customer's subsequent scheduled meter read. The Distribution Company shall send a "confirm drop date" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

5. Initiation and Termination of Generation Service (continued)

To terminate Generation Service with a Competitive Supplier, a Customer shall so inform the Distribution Company or the Competitive Supplier. In the event that the Customer informs the Distribution Company directly, Generation Service shall be terminated within two business days for residential Customers; for other Customers, Generation Service shall be terminated on the date of the Customer's next scheduled meter read. The Distribution Company shall send a "Customer drops supplier" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report. In the event that the Customer informs the Competitive Supplier, the Competitive Supplier shall send a 'supplier drops Customer' transaction to the Distribution Company in accordance with the rules and procedures set forth in the EBT Working Group Report.

In those instances when a Customer who is receiving Generation Service from an existing Competitive Supplier initiates such service with a new Competitive Supplier, the Distribution Company shall send the existing Competitive Supplier a "Customer drops supplier" transaction, in accordance with the rules and procedures set forth in the EBT Working Group Report.

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5C. Customer Moves

A Customer that moves within a Distribution Company's service territory shall have the opportunity to notify the Distribution Company that he/she seeks to continue Generation Service with his/her existing Competitive Supplier. Upon such notification, the Distribution Company shall send a "Customer move" transaction to the Competitive Suppliers, in accordance with the rules and procedures set forth in the EBT Working Group Report.

In those instances when a Customer moves into a Distribution Company's service territory, the Customer's existing Competitive Supplier must submit an "enroll Customer" transaction to the new Distribution Company in order to initiate Generation Service. Otherwise, the Customer shall receive Basic Service, in accordance with the Company's respective tariffs.

5D. Other Provisions

Distribution Companies and Suppliers shall send "change enrollment detail" transactions to change any information included on the "enroll Customer" transactions, in accordance with the rules and procedures set forth in the EBT Working Group Report.

If any of the transactions described above are rejected by the Distribution Company, the Distribution Company shall send an "error" transaction to the Competitive Supplier identifying the reason for the rejection, in accordance with the rules and procedures set forth in the EBT Working Group Report.

5E. Fees

The Company may charge fees to Competitive Supplier for processing the transactions described above, as approved by the M.D.P.U. These fees are included in Appendix A.

6. Distribution Service Interruption

6A. Planned Outages

In the event that the loading of the Distribution System, or a portion thereof, must be reduced for safe and reliable operation, such reduction in loading shall be proportionately allocated among all Customers whose load contributes to the need for the reduction, when such proportional curtailments can be accommodated within good utility practices.

6B. Unplanned Outages

In the event of unplanned outages, service will be restored in accordance with good utility practice. When appropriate, service restoration shall be accomplished in accordance with the

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Company System Storm Emergency Plan on file with the M.D.P.U.

6C. Disconnection of Service

The Distribution Company may discontinue Distribution Service to a Customer in accordance with the provisions set forth in the Terms and Conditions for Distribution Service. The Company shall provide electronic notification, using the Customer Usage and Billing Information transaction, to the Customer's Competitive Supplier of record upon final billing to the Customer. Once disconnection occurs, the provision of Generation Service to the Customer is no longer the obligation of the Competitive Supplier. The Company shall not be liable for any revenue losses to the Competitive Supplier as a result of any such disconnection.

7. Metering

7A. Meter Reading

The Company shall meter each Customer in accordance with tariff provisions. Upon request by a Competitive Supplier, the Company shall schedule meter reads on a monthly cycle.

Each Customer shall be metered or estimated such that the loads can be reported to the ISO-NE for inclusion in the Competitive Supplier's, or the Competitive Supplier's wholesale provider's, Own-Load Calculation.

7B. Ownership of Metering Equipment

Should a Customer or Competitive Supplier request a new meter or request that a communication device be attached to the existing meter, the Company shall provide, install, test, and maintain the requested metering or communication device. The requested meter or communication device must meet the Company's requirements. The Customer or Competitive Supplier shall bear the cost of providing and installing the meter or communication device. Upon installation, the meter or communication device shall become the property of the Company and will be maintained by the Company. The Company shall complete installation of the meter or communication device, if reasonably possible, within thirty (30) days of receiving a written request from the Customer or Competitive Supplier. The Company shall bill the Customer or Competitive Supplier upon installation.

8. Billing

The Company shall provide a single bill, reflecting unbundled charges for electric service, to Customers who receive Basic Service.

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The Company shall offer two billing service options to Customers receiving Generation Service from Competitive Suppliers: (1) Standard Complete Billing Service; and (2) Standard Passthrough Billing Service. The Competitive Supplier shall inform the Distribution Company of the selected billing option, in accordance with the rules and procedures set forth in the EBT Working Group Report.

8A. Standard Passthrough Billing Service

The Company shall issue a bill for Distribution Service to each Customer. The Competitive Supplier shall be responsible for separately billing Customers for the cost of Generation Service provided by the Competitive Supplier and for the collection of amounts due to the Competitive Supplier from the Customer.

The Company shall send a "Customer usage information" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

8B. Standard Complete Billing Service and Purchase of Receivables Program

1. Eligibility for Purchase of Receivables ("POR") Program

Competitive Suppliers that choose the Standard Complete Billing service, either for all or a portion of their customer accounts in a class ("Participating Competitive Suppliers"), will be required to sell their accounts receivable to the Company relating to Generation Service for those customers for whom the Company issues a Standard Complete Bill.

12. Billing Procedure

The Company shall issue a single bill for electric service to each Customer.

The Company shall use the rates supplied by the Competitive Supplier to calculate the Competitive Supplier portion of Customer bills, and integrate this billing with its own billing in a single mailing to the Customer. The Company shall send a "Customer usage and billing information" transaction to the Competitive Supplier, in accordance with the rules and procedures set forth in the EBT Working Group Report.

Upon receipt of Customer payments, the Company shall send a "payment/adjustment" transaction to the Competitive Supplier, in accordance with rules and procedures set forth in the EBT Working Group Report, or in accordance with a negotiated, uniform set of rules and procedures that apply to all Competitive

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Suppliers participating in the Company's POR program. Customer revenue due to the Competitive Supplier shall be transferred to the Competitive Supplier in accordance with the service contract entered into by the Competitive Supplier and the Company, calculated in the manner described in paragraph 8B.2b, below.

~~Effective January 1, 2003, the following payment allocation between the Company and Competitive Suppliers shall apply if a Customer pays the Company less than the full amount billed. The payment shall first be allocated to Distribution Service prior balance and Generation Service prior balance in proportion to the percentage of the combined prior balances represented by each charge. Any remaining payment shall be allocated to Distribution Service and Generation Service current charges in proportion to the percentage of the combined current charges represented by each charge.~~

a. Timing of Payment to Competitive Suppliers

The payment to Competitive Suppliers of the amounts computed in accordance with the provisions of paragraph 8B.2.b, below, shall be made consistent with the average payment period of the relevant Customer Class.

Unless otherwise ordered by the MDPU, the average payment period shall be based on actual historical data for the most recent 12-month period for which data is available in the relevant classification, or other appropriate period, as approved by the MDPU. On or about October 1 of each year, the Company shall file with the MDPU data on the average historical payment period that will be in place for the subsequent year beginning January 1. The Standard Complete Billing Percentage computed in accordance with the provisions of paragraph 8B.2.b, below, will remain in effect for the entire year, unless otherwise approved by the MDPU.

b. Amount of Payment to Competitive Suppliers

The Company shall pay the Competitive Supplier the full amounts due from Customers for Generation Service, less the Standard Complete Billing Percentage as defined below. For any customer that has elected Budget Billing, the full amounts due for Generation Service shall be based on the customer's actual usage, rather than the amount the customer is billed under the Company's Budget Billing Program. In all other instances, the full amounts due for Generation Service shall be based on the amount actually billed to the customer.

On or about October 1 of each year, the Company shall file with the MDPU the said percentages that will be in place for the subsequent year beginning January 1. The percentages will remain in effect for the entire year unless otherwise approved by

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the MDPU. The percentages shall be computed in accordance with the following formula:

$$\text{SCBP}_{CC} = \text{UP}_{CC} + \text{ACP}_{CC} + \text{PPRP}_{CC}$$

Where

CC = The Customer Class defined as Customers in a rate class or classes as designated by the Company and approved by the MDPU.

SCBP_{CC} = Standard Complete Billing Percentage for the Customer Class to be deducted from the full amounts due for Generation Service.

UP_{CC} = Uncollectible Percentage is the uncollectible expense for the participating Customer Class based on actual data for the most recent period for which data is available prior to the annual filing (or other appropriate period approved by the MDPU), divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense, to that participating Customer Class for the same period. The period to be used for purposes of calculating the Uncollectible Percentage shall be the same period the Company uses for calculating its uncollectible costs associated with the amounts the Company bills for Basic Service supply.

ACP_{CC} = Administrative Cost Percentage is total forecasted Administrative Costs to be recovered for the subsequent year divided by the total amounts billed for Generation Service by the Company for the most recent 12-month period for which data is available prior to the annual filing.

Administrative Costs shall include the amortization of costs over a period approved by the MDPU directly related to the development and implementation of changes to billing, information and accounting systems directly related to the implementation of the billing procedures necessary to incorporate a Purchase of Receivables program into Standard Complete Billing Service as instituted in accordance with Section 60 of Chapter 169 of the Acts of 2008 and ongoing administrative costs directly associated with providing such Standard Complete Billing Service, to the extent approved by the MDPU.

PPRP_{CC} = Past Period Reconciliation Percentage for the Customer Class is the

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sum of the following three percentages:

1) the difference between (a) the uncollectible expenses actually experienced for previous year(s) for all Customers in the Customer Class and (b) the total amounts actually billed to all Customers in the Customer Class times the applicable UP_{CC}, divided by the total amounts billed to all Customers in the Customer Class by the Company, including any late payment fees if included in uncollectible expense, for the most recent 12-month period for which data is available prior to the annual filing.

2) the difference between (a) the Administrative Costs actually incurred for previous year(s) for Customers in the Customer Class purchasing Generation Service from Competitive Suppliers; and (b) the total amounts actually billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers for those years times the applicable ACP_{CC}, divided by the total amounts billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

3) Interest calculated on the average monthly balance of the Past Period Reconciliation using the customer deposit rate in 220 CMR 26.09, divided by the total amounts billed to Customers in the Customer Class purchasing Generation Service from Competitive Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing. The rate of interest, effective February 1st of each year, shall be the equivalent of the rate paid on two-year, United States Treasury notes for the preceding 12 months ending December 31.

c. Information Required to be Filed with the MDPU

Information pertaining to the annual filing pursuant to paragraph 8B.2.a, and paragraph 8B.2.b, above, and any other filings to seek changes to the above provisions, shall be fully documented and include updated information relating to preliminary reconciliation data for the year in which the filing is made, with actual reconciliation amounts to be submitted the subsequent year.

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3. Implementation of POR Program

a. Effective Date

The Company's POR program shall take effect on [INSERT DATE].

b. Existing Receivables

Pursuant to the terms of a service contract applicable to the POR program, the Company shall pay a Participating Competitive Supplier for amounts already existing as outstanding accounts receivables of the Participating Competitive Supplier at the commencement of the Company's POR program.

4. Security Interests

Pursuant to the terms of a service contract applicable to the POR program, Participating Competitive Suppliers shall grant the Company a first priority perfected security interest in the accounts receivable that the Company will be purchasing through its POR program. A Participating Competitive Supplier shall be authorized by the Company to place a security interest on the accounts receivable from the Company to the Participating Competitive Supplier associated with the purchase by the Company of the Participating Competitive Supplier's accounts receivable.

25. Changes to Rate Classes

If a Competitive Supplier requests different Customer classes or rate structures than are offered by the Company, the Company shall accommodate changes to the billing system, if reasonably possible, at the Competitive Supplier's expense. The costs of making the designated changes shall be quoted by the Company to the Competitive Supplier prior to the start of programming.

36. Optional Customer Services

Upon request by a Competitive Supplier, the Company may offer optional Customer services to those Competitive Suppliers who receive Standard Complete Billing Service. Pricing for these optional services shall be customized to the Competitive Supplier's needs, and shall be dependent on the specific Customer services required by the Competitive Supplier, the volume of Customer calls, requested coverage hours, and/or the specific number of Customer service representatives requested.

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74. Summary Billing

The Company may offer a Summary Billing option for Competitive Suppliers who have qualified Customers with multiple electric service accounts. Designed to consolidate multiple individual billings on a single bill format, this optional service allows Customers to pay multiple accounts with one check.

58. Existing Fees

Existing Company service fees, such as interest charges for unpaid balances and bad check charges, shall remain in effect and shall be assessed, as applicable, according to the Company's Terms and Conditions for Distribution Service, applicable to all Customers.

8C. Definition of Standard Units of Service

1. Billing Demand

Units of billing demand shall be as defined in the Company's applicable tariffs on file with the M.D.P.U.

2. On-Peak/Off-Peak Period Definitions

The on-peak and off-peak periods shall be as defined in the Company's applicable tariffs on file with the M.D.P.U.

Competitive Suppliers may define on-peak and off-peak periods differently from those above; however, they will be required to make special metering arrangements with the Company to reflect different on-peak and off-peak definitions. Any costs incurred to provide the special metering arrangements shall be assigned to the Competitive Supplier.

8D. Fees

The Company may charge fees to Competitive Suppliers for providing the services described in this section of the Terms and Conditions, as approved by the M.D.P.U. These fees are included in Appendix A.

9. Determination of Hourly Loads

9A. For each Competitive Supplier, hourly loads for each day shall be estimated or telemetered and reported daily to the ISO-NE for inclusion in the Competitive Supplier's

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Own-Load Calculation. Hourly load estimates for non-telemetered Customers will be based upon load data developed for or within each Customer class or Customer of the Company. The total hourly loads will be determined in accordance with the appropriate hourly load for the Company.

9B. The Company shall normally report previous days' hourly loads to the ISO-NE by a specified time. These loads shall be included in the Competitive Supplier's Own Load Calculation.

9C. To refine the estimates of the Competitive Suppliers' loads that result from the estimated hourly loads, a monthly calculation shall be performed to incorporate the most recent Customer usage information, which is available after the monthly meter readings are processed.

9D. The hourly loads shall be determined consistent with the following steps:

- (1)** The Company shall identify or develop a load profile for or within each Customer class or each Customer for use in each day's daily determination of hourly load.
- (2)** The Company shall calculate a usage factor for each Customer that reflects the Customer's relative usage level.
- (3)** The Company shall develop estimates of hourly load profiles for the previous day(s) for each Competitive Supplier such that the sum of the Competitive Suppliers' loads equals the hourly metered loads collected each day. Distribution losses, which are included in the hourly metered Company loads, shall be fully allocated into Competitive Supplier loads.
- (4)** Transmission losses from local network facilities shall be approximated and added to the Competitive Supplier's hourly loads.

9E. The process of Competitive Supplier load estimation involves statistical samples and estimating error. The Distribution Company shall not be responsible for any estimating errors and shall not be liable to the Competitive Supplier for any costs that are associated with such estimating errors.

10. Liability and Indemnification

The liability of the Competitive Supplier to the Customer shall be as set forth in the specific Customer/Competitive Supplier Contract.

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Except as provided in § 9E of these Terms and Conditions, the Company and the Competitive Supplier shall indemnify and hold the other and their respective affiliates, and the directors, officers, employees, and agents of each of them (collectively, "Affiliates") harmless from and against any and all damages, costs (including attorneys' fees), fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts or omissions of such party in connection with the performance of its obligations under these Terms and Conditions. The Company and the Competitive Supplier shall waive recourse against the other party and its Affiliates for or arising from the non-negligent performance by such other party in connection with the performance of its obligations under these Terms and Conditions.

11. Electric Offer Information

This section outlines information that shall be made available by the Company to inform residential and small commercial Customers in the Company's service territory of available electricity supply options. The Program shall consist of the Company's communication of Electric Offers and other information through the Company's website, mailings, and inserts in the Company's bills, each as described herein and in a manner approved by the M.D.P.U.

11.A Competitive Supplier Obligations

1. A Competitive Supplier may choose to have the Company provide customers with information on its current Electric Offers. If it so chooses, the Competitive Supplier shall comply with the provisions of this section. Nothing in this section shall prevent a Competitive Supplier from making offers available to customers outside of the provisions of this section.
2. A Competitive Supplier shall notify the Company in writing of its intent to have Electric Offer information distributed and shall include in such notification the telephone number and email address of the Competitive Supplier's customer service center and the Competitive Supplier's website address.
3. For dissemination of the Competitive Supplier's offer information on the Company's website, a Competitive Supplier shall notify the Company in writing electronically by the fifth day before the end of each month of the Competitive Supplier's Electric Offers that shall be effective on the first day of the following month. Such notification shall be required even if there is no change in the Competitive Supplier's Electric Offers from the prior month.
 - a. For dissemination of the Competitive Supplier's offer information by bill insert, a Competitive Supplier shall notify the Company in

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writing electronically by the first day of the month preceding the Bill Insert Month.

4. A Competitive Supplier shall report its Electric Offers to the Company pursuant to a format to be determined by the M.D.P.U.
5. A Competitive Supplier shall respond to Customers' inquiries regarding the provision of Generation Service that the Customers receive through the Competitive Supplier's Electric Offers.
6. A Competitive Supplier may withdraw from the Program at any time, but may not return to the Program until the first day of the next month following the date of the withdrawal; provided, however, that the Competitive Supplier must comply with the advance notification requirement set forth in paragraph 3 above in order to participate in the Program during any given month.

11.B. Company Obligations

1. The Company shall offer to residential and small commercial Customers the option to learn about their electricity supply options when they contact the Company to: (a) initiate new utility service; (b) reinstate service following a change of residence or business location; (c) make an inquiry regarding their rates; or (d) seek information regarding energy efficiency.
2. The Company shall direct Customers expressing an interest in learning about their electricity supply options (hereinafter "Interested Customers") to the Company's webpage containing the Company's existing Basic Service rate/rates, information on the Electric Offers available from Competitive Suppliers, and contact information for each Competitive Supplier, including the telephone number and e-mail address of the Competitive Supplier's customer service center and a live link to the Competitive Supplier's website address.
3. The Company shall mail to those Interested Customers who do not have web access a printed version of the information contained on the Competitive Supplier webpage described above, by U.S. Mail, postage prepaid.
4. The Company may suspend the communications described above during periods of high call volume resulting from storm restoration or other emergency situations but must resume such communications when call volume subsides.

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5. The Company shall maintain on its homepage a clear and obvious link to the webpage containing the Competitive Supplier information.
6. Three times per calendar year, the Company shall include in residential and small commercial Customer bills a printed version of the most current information contained on the Competitive Supplier webpage described above. By November 1st of each year, the Company shall provide the Competitive Suppliers with a list of the Bill Insert Months for the following calendar year.
7. Two times per calendar year, if space is available and during those months when there is no bill insert, the Company shall include on residential and small commercial Customer bills a brief statement that competitive supply offers are available, and provide the telephone number and website address for the webpage containing the Competitive Supplier information.

11.C **Fees**

The Company may charge a fee to participating Competitive Suppliers for the reasonable incremental costs incurred by the Company in administering the distribution of Electric Offer Information, as approved by the M.D.P.U. These fees are set forth in Appendix A.

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APPENDIX A

SCHEDULE OF FEES AND CHARGES

The following fees and charges shall be a part of the Terms and Conditions for Competitive Suppliers in accordance with order D.P.U. 09-46-A issued by the Department of Public Utilities (“M.D.P.U.”), which may be updated annually, subject to the approval of the M.D.P.U.

Pursuant to Section 11 of the Terms and Conditions for Competitive Suppliers, the Company may assess the following charges to Competitive Suppliers (“Suppliers”) requesting such additional services relating to the provision of Electric Offers:

A. Administrative Fee

The Company will assess an Administrative Fee of \$18,807 per month. This fee will be allocated equally to each Supplier who participates in the Electric Offer Information Program (“Program”) in a particular month. The Administrative Fee is designed to recover the administrative costs necessary to implement and administer the Program on an ongoing basis.

B. Bill Insert Charge

The Company will assess a Bill Insert Charge for the design, printing, shipping and insertion of a bill insert in its bills issued during a billing, on behalf of one or more than one Supplier. The Bill Insert Charge will range from \$15,300 for a single pane insert to \$37,300 for a triple pane insert. The Bill Insert Charge will be charged to and collected from a Supplier requesting this service prior to the Company providing this service. In the case in which more than one Supplier is requesting this service, the Bill Insert Charge will be allocated equally to each of the Suppliers requesting the service and will be charged to and collected from the group of Suppliers prior to the Company providing the service.

C. Additional Postage Charge

In the event that the bill inserts supplied to customers pursuant to Section 11.B.6 of the Terms and Conditions for Competitive Suppliers cause the Company to incur additional postage to deliver customers’ monthly bills in any month that the bill inserts are included in bills, the Company will charge the Supplier requesting this service the Additional Postage Charge for each bill delivered based on the currently effective postage charge as set by the U.S. Postal Service. In the case in which more

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than one Supplier is requesting this service, the Additional Postage Charge will be allocated proportionally to each of the Suppliers requesting the service, pro rating the costs by the number of offers each Supplier has provided for inclusion in the bill insert, and will be charged to and collected from the group of Suppliers prior to the Company providing the service.

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