

Community Energy Aggregation FAQs

1. **What is Community Electricity Aggregation?**

Community Electricity Aggregation (CEA) is a program in Massachusetts that empowers cities and towns to create large buying groups of residential and business electricity accounts in order to seek bids for cheaper supply rates, essentially bulk-purchasing. The purpose of the Act was to ensure that the benefits of energy deregulation were passed onto residential customers and businesses by providing the ability to “aggregate” their accounts within their municipal boundaries in order to obtain competitive bids from Third Party Suppliers (TPS). Grouping residential accounts together creates economies of scale, enabling participating municipalities to achieve greater savings for account holders as a whole.

2. **What are the objectives of community electricity aggregation**

The objective of CEA is simply to lower the cost of electricity bills through the formation of a buying group composed of residents and businesses of one or more municipalities without interfering with the level of service provided by the utility (Eversource, National Grid, or WMECo) that distributes the electricity supply.

3. **How does community electricity aggregation work?**

First, the municipality must pass an article at a town meeting or a motion at City Council. The municipality will use Good Energy, L.P., to seek bids from TPS to obtain competitive electricity rates for participants. An account holder will be able to opt-out of the program

during a 30-day period at the onset of the program. They may also leave the program at any point with no associated termination penalties or fees.

4. How does community electricity aggregation impact my electricity bill?

The goal of CEA is primarily savings and long term price stability, though savings cannot be guaranteed, due to the fact that there is no visibility into future rates. Participants will see no change in their utility bill other than a change in price on energy supply. They will continue to receive a single bill, make one payment, and continue to receive the same level of service from your National Grid.

5. Will the single bill come from National Grid?

Yes, your bills will continue to come from National Grid.

6. When will the community electricity aggregation go into effect?

Accounts are expected to be enrolled in December 2016/January 2017. Participants will see the new supply charge reflected on the following bill for the previous month's service.

7. What do I need to do in order to participate?

If you are currently receiving your electricity supply from National Grid basic service and do not participate in National Grid's Green Up program, you do not need to do anything. You will automatically be enrolled in the program, assuming your community has voted to join the program.

8. Do I have to participate in the community electricity aggregation program if I don't want to?

No, residents and businesses can opt-out without penalty during a 30-day opt-out period. Opt-out notices will be provided via USPS mail prior to the program commencing. Simply return the opt-out notice within 30 days and your account(s) will not be included. Participating account holders may leave the program at any time and without penalty.

9. What part of my electricity bill will this program affect?

Your electricity bill has two cost components – delivery and supply. The aggregation program only changes the supply component of your bill. The delivery portion of your bill will not be affected.

10. When will I begin seeing a change in my electricity bill?

Enrollment is expected to take place in December 2016/January 2017. Changes will be reflected on the next billing cycle after enrollment.

11. Under the program, can I continue to participate in National Grid's budget billing/equal payment plan?

Yes, you may continue to participate in a budget billing/equal payment plan.

12. Will the community electricity aggregation program include both electricity and natural gas?

No, the program will focus exclusively on electricity.

13. What if I choose to leave the program early?

Residents and businesses who are enrolled in the program may terminate their participation at any time without any early termination or exit fees.

14. How will I be notified that my account(s) was successfully enrolled in the community electricity aggregation program?

Each eligible account holder will receive written notification after the bid informing them of the winning supplier price compared to National Grid's rates, in addition to the account holder's right to opt-out. After the 30-day opt-out period has ended, each eligible account holder will receive a letter from National Grid confirming enrollment and that supply service will soon be switched to the winning supplier.

15. Can businesses participate in the program?

Yes, any account currently on basic service that is not enrolled with a TPS is eligible and will be automatically enrolled unless they choose to opt-out.

16. I switched to a third party supplier and a few months later, my rate increased and I was paying much more than the utility rate. How do I know this won't happen again by participating in this program?

The final contract will require the winning supplier rate to maintain the new rate for the entire term. This is called a fixed rate.

17. How do I know the community electricity aggregation rate will always be below the utility rate?

The consultant has extensive knowledge of how utility tariff rates are determined, and as such, will structure a term with the goal of providing annual savings throughout the term of the contract.

18. How are we sure that a competent and reputable supplier will be selected?

Only TPS licensed by the state will be eligible to bid. In addition, an in-depth request for proposal is disseminated by the energy consultant to interested TPS requiring them to provide their qualifications. Among other things, the request requires suppliers to demonstrate financial strength, experience, as well as customer service capabilities.

19. Will my utility be eligible to bid?

No, by law, utilities are not permitted to bid. With regard to supply, the utility only provides default service, however, the utility will always be responsible for delivering your electricity.

20. How long will the contract term be for?

The contract term will be between 12 and 36 months. The final term will be based on the most favorable price and will be selected by the municipality's governing body.

21. Do I have to sign a contract?

No, there is no contract to sign. The program is designed to be as easy as possible for participants. Accounts are automatically enrolled as long as they are currently receiving supply from the utility. Regular updates

will be posted on the municipality's website as the opt-out period approaches.

22. If I opt-out, can I opt back in at a later date?

No, once you opt-out of the program you will not be able to re-enroll until the end of the current contract term.

23. What if I have a photo-voltaic or solar panel system?

Having a solar system does not preclude you from participating. As long as the account holder is receiving supply from National Grid, they are able to participate in the aggregation program.

24. Who do I call if there is an outage or issues with my electricity bill?

All service and billing questions will continue to be directed to National Grid (800) 465-1212.

25. Will the utility take longer to restore my electricity if I am with a third party supplier?

No, the delivery of your electricity is always the responsibility of the utility. As a result of energy deregulation in 1997 in Massachusetts, utilities are only able to collect revenue from delivering the power to your meter, not from the actual supply. This is why utilities in Massachusetts are indifferent to the supply portion of the bill. Simply put, your utility does not make any money on the actual electricity they supply to your account(s). They only generate revenue from the delivery of that electricity.

26. Will I be charged a higher delivery rate?

Delivery rates do not change based on participation in a CEA program. Utility delivery rates are regulated by the state and the Federal Energy Regulatory Commission (FERC).

27. I am currently receiving offers from third party suppliers promising lower electricity rates. What should I do?

TPS are currently very active within the Commonwealth. This is due to the recent significant increases in electricity rates for all utilities within Massachusetts. We strongly advise any account holder to read the complete contract fine print and have a clear understanding of any termination penalties, along with rate details, before agreeing to purchase electricity from a TPS.

28. Does my municipality profit from the program?

No, your municipality does not profit from a CEA program.

29. What administrative functions will the municipality be performing related to this program?

The energy consultant will be responsible for managing all aspects of the program and keeping the municipality appropriately informed.

30. How can I get more information about the community electricity aggregation program?

Various public meetings and information sessions will take place in your area. Please check for announcements from your municipality and local

news outlets. You may also call and speak to a Good Energy representative at (844) XXX-XXXX.

31. What if the selected CEA supplier goes out of business or is bought?

Good Energy's due diligence process requires bidding suppliers to meet strict qualification requirements. Among other things, the request requires suppliers to demonstrate financial strength and experience, as well as customer service capabilities. This process minimizes any chance of a supplier going out of business. If the supplier is bought, the purchasing entity will continue to provide supply service under the existing contract terms.

32. Is there any change to my meter? If so, how/who reads the meter?

No, there are no changes to your current meter. National Grid continues to read your meter.

33. Is a deposit required?

No, no deposit is required.

34. What happens at the end of the community electricity aggregation supply contract term?

Good Energy will work with your community to obtain renewal pricing. Similar to the original term, eligible customers will be given the opportunity to opt-out.

35. Does the municipality pay any administrative fees?

No, the municipality does not pay any administrative fees.

36. Who is Good Energy, L.P.?

Good Energy, L.P. is a leading national energy management and consulting firm that has been implementing large and small CEA programs in various states across the country since 2008. They have partnered with your municipality to design and operate this CEA program. Good Energy is headquartered in New York City and is currently the retained community electricity aggregation consultant for over 200 communities across the country.