

# City of Worcester, Massachusetts



## Worcester Community Choice (Electrical) Aggregation Plan

DRAFT January 17, 2019

The City of Worcester (City) has developed the Worcester Community Choice Aggregation program (Program) to bring the benefits of electricity choice, cost stability and sustainable options to its residents and businesses.

The Program will be designed to give Program participants control over their electricity supply by offering a selection of supply options as well as the ability to leave the program and return to National Grid Basic Service at any time with no penalty or fee.

The City's approach toward sustainability is thoughtful and creative, seeking to employ either or both of the following options: adding renewable energy into the power supply and/or reducing electricity consumption through an energy efficiency initiative.

### Table of Contents:

I.	Program Features.....	2
II.	Support for Renewable Energy .....	3
III.	Support for Energy Efficiency.....	3
IV.	Procedural Requirements .....	4
V.	Elements of the Plan.....	5
V.	Substantive Requirements .....	11
VI.	Planned Schedule .....	13
VII.	Conclusion.....	13
	EXHIBIT A .....	14
	EXHIBIT B .....	15
	EXHIBIT C .....	17
	EXHIBIT D.....	18



City of Worcester  
City Energy and Asset Management Division ~ Worcester Energy Program  
Worcester City Hall, 455 Main Street, Room 108, Worcester, Massachusetts 01608  
Email: [worcesterenergy@worcesterma.gov](mailto:worcesterenergy@worcesterma.gov)  
Website: [www.WorcesterEnergy.org](http://www.WorcesterEnergy.org)



## I. Program Features

*The features the City's municipal aggregation program will include:*

**Choice:** The City will give Program participants a choice in the price of their electricity supply and environmental characteristics.

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

*The features the City's municipal aggregation program is likely to include:*

**Renewable power:** The City will look to maximize the use of power from renewable resources such as wind and solar while protecting those customers who cannot afford or do not wish to participate in the purchase of additional renewables; and/or

**Energy efficiency:** The City will explore the possibility of establishing and managing an energy efficiency initiative for the participants because energy efficiency is the lowest-cost, most environmentally friendly 'energy' resource currently available.<sup>1</sup>

---

<sup>1</sup> <https://emp.lbl.gov/publications/trends-program-administrator-cost>. In a 2017 analysis of 5,400 energy efficiency programs collected in 36 states from 78 administrators of programs funded by customers of investor-owned utilities, it was found that over a 5-year period (2009-2013), the cost to efficiency program administrators of saving a kilowatt-hour (kWh) averaged \$0.028/kWh.

## II. Support for Renewable Energy

The integration of renewable energy into the City's power supply is anticipated to be achieved via purchase of Renewable Energy Certificates (RECs) through three mechanisms.

### 1. A Greener Standard Offering

The Program will seek to provide a standard, or default, electricity offering that includes renewable energy content from new, renewable resources within New England, that is higher than the content included in National Grid Basic Service. The City will consider a variety of renewable energy resources and will choose the option that offers the best combination of renewable content and price. The City will establish the final percentage of renewables after it receives price bids.

### 2. An Even Greener Option

The Program will offer at least one option that is even greener than the standard offering. For example, this option may include a higher percentage of renewable content from new, renewable resources within New England. Or it may include a higher percentage of solar specifically. This option would be available at an additional cost to Program participants. By offering this option in addition to the standard offering, the City will give its residents and businesses the freedom to make individual choices about the price and environmental content of their power supply.

### 3. Incorporating Local Renewable Resources

As is possible and cost effective, the City may also choose to integrate electricity produced by local renewable energy projects, such as projects located within the City or other Massachusetts communities, into the City's power supply.

## III. Support for Energy Efficiency

The least expensive and most environmentally friendly watt is the one you don't need to purchase. Energy efficiency is often referred to as the fifth fuel – it is the lowest-cost energy resource currently available. It is clean, readily available, and reliable. In short, it is the most sustainable option out of all the fuels out there, both from a financial and an environmental perspective. Through a small program adder, the City would be able to fund an annual energy efficiency reimbursement program for its participants (which would supplement, not replace, the existing MassSave program).

## IV. Procedural Requirements

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

### 1. Local Approval

The Municipal Aggregation Statute provides that a city may initiate the process to aggregate electrical load upon authorization by a majority vote of the city council with approval of the city manager. The City obtained such authorization by vote of its City Council on June 20, 2017. A copy of the City Council vote is attached as Exhibit A.

### 2. Consultation with the Department of Energy Resources

The aggregation statute also requires the City to consult with the Department of Energy Resources (DOER) in developing its aggregation plan. The City submitted a draft of its Aggregation Plan to DOER and City officials discussed the draft with DOER on \_\_\_\_\_.

### 3. Citizen Review

The City made the Aggregation Plan available for review by its citizens by posting the plan for comment and holding a public meeting on \_\_\_\_\_.

## V. Elements of the Plan

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

- Organizational structure
- Operations
- Funding
- Details on rate setting and other costs to participants
- The method of entering and terminating agreements with other entities
- The rights and responsibilities of Program participants
- The procedure for termination of the Program

Each of those elements is discussed in turn below.

### 1. Organizational Structure and Responsibilities

The organizational structure of the aggregation Program will be as follows:

**City Council:** The City Council authorized the initiation of the aggregation, will be kept closely informed of the development of the Program, and will participate in the public hearing process.

**City Manager:** The City Manager will oversee the aggregation. The City Manager approved the aggregation plan with input from Worcester electricity customers, supervises the aggregation consultant, and will sign the supply contract.

**Consultants:** The City's aggregation consulting team (hereinafter jointly referred to as "Consultant") will manage the aggregation under the City Manager's direction. Their responsibilities will include managing the supply procurement, developing and implementing the public education plan, interacting with the local distribution company, and monitoring the supply contract. The City has selected MassPowerChoice, LLC to provide these services for an initial term.

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

## 2. Operations

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

- a. Issue a Request for Qualifications (RFQ) and Request for Proposals (RFP) and select winning competitive supplier.
- b. Implement the public information program, including notice of the 30-day opt-out period.
- c. Manage a robust campaign to encourage customers to choose an option that is much greener than the default option.
- d. Enroll customers and provide service, including required information disclosures.
- e. Annual reports to the DPU and DOER

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

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

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

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

In addition, suppliers will be required to agree to the terms and conditions of a Competitive Electric Service Agreement (ESA), substantially in the form of the City's model Competitive Electric Service Agreement. The agreement requires the supplier to:

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

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

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

The renewable energy in the power supply will be documented using RECs. The City will require that the RECs either be created and recorded in the New England Power Pool Generation Information System or other regional tracking system or be certified by a third party.

**b. Implement public information program, including notice of the pre-launch opt-out period**

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

The delivery of a public education plan and associated materials are pivotal to ensuring clarity, participation, and enthusiasm for the aggregation. The City will use a variety of communication vehicles to communicate the plan's objectives, the primary terms and conditions of the contract, the right to opt out of the Program, and the availability of the optional product.

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

*i. Broad-based education efforts*

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

- An announcement introducing the Program and the competitive supplier, which will be sent to media contacts at local newspapers and other outlets identified as valuable by the City.
- Dedicated informational City Web pages that explain the Aggregation Plan, community benefits, the opt-out process, the environmental content of the power supply, and other helpful information. This website will be available during the initial educational outreach and also on an ongoing basis so that customers can find information about the Program for its duration.
- A toll-free customer information and support hotline.
- Interviews with the local cable access channel.
- An informational slide broadcast on the local cable access television channel.
- Announcements on the City's social media accounts.
- Informational documents that mirror the aggregation web site content and can be used as handouts during the community presentation. These materials will also be made available through the website as downloadable files and at City Hall.
- A community-wide presentation, open to all community members.
- A presentation targeted specifically for seniors.

The City will ensure that residents with limited English proficiency have access to Program information by translating the opt-out letter into key languages and making it available online and through community channels.

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

*ii. Notice of the 30-day, pre-launch opt-out period*

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

The direct mailing will include an opt-out reply card and a postage-paid return envelope. The reply card will identify the date by which the return envelope must be postmarked in order for the customer to be opted out prior to being enrolled.

The opt-out notice and reply card will be designed by the City and printed and mailed by the competitive supplier, who will process the opt-out replies. A template opt-out notice is attached to this Plan as Exhibit B. The opt-out envelope is attached as Exhibit C. The opt-out reply card is attached as Exhibit D.

**c. Manage campaign to encourage consumers to choose an even greener option**

In addition to the overall public education program, the City will manage a robust campaign to encourage consumers to choose the even greener option. The campaign will use many of the same vehicles as the public information program, including the Program website and the City's social media accounts, and may also use additional vehicles such as signs and banners, door hangers, and videos.

**d. Enroll customers and provide service, including information disclosure**

After the completion of the 30-day opt-out period, the competitive supplier will enroll into the Program all Basic Service customers that did not opt out. All enrollments and other transactions between the competitive supplier and the local distribution company, National Grid, will be conducted in compliance with the relevant provisions of DPU regulations, National Grid's *Terms and Conditions for Municipal Aggregators* (as amended or superseded from time to time), and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the electricity supplier will provide all-requirements power supply service. The supplier will also provide ongoing customer service and process new customer enrollments, ongoing opt-outs, opt-back-ins, and customer selections of optional products. Prior to the expiration of the initial power supply agreement, the City intends to enter a new supply agreement on behalf of the Worcester Community Choice Aggregation customers.

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

**e. Annual reports to the DPU and DOER**

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

### 3. Funding

The costs of the Program will be funded primarily through the supply contract.

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

The administrative costs of the Program will be funded through a per kilowatt-hour Administrative Adder that will be included in the supply price and paid by the competitive supplier to the Consultant, as specified in the Competitive Electric Service Agreement. This fee will cover the services of the Consultant, including developing the Aggregation Plan, managing the DPU and DOER approval process, managing the electrical supply and renewable energy procurement, developing and implementing the public education plan, managing a robust opt-in campaign, providing customer support, interacting with the local distribution company, monitoring the supply contract, and providing ongoing reports. This charge has been set for the initial term of the Consultant's contract at \$0.0009 per kilowatt-hour.

In addition, the City may direct the competitive supplier to include in the supply price an Operational Adder of up to \$0.0025 per kilowatt-hour to be payable by the competitive supplier to the City. Funds collected through the Operational Adder shall be used to support the operational costs of the Program, including, for example, 1) personnel costs associated with an Energy Manager position whose responsibilities would be to assist with the aggregation Program; 2) energy efficiency initiatives; 3) additional REC purchases and related obligations such as escrow accounts and other sureties; and 4) other forms of support for local energy projects that create benefits for Program participants. If the City chooses to implement the Operational Adder, the Program website and opt-out letter will note that the supply price includes that Adder.

### 4. Rate Setting and Other Costs to Participants

As described above, the Program's electricity supply charges will be set through a competitive bidding process and will include the Administrative Adder and may include an Operational Adder. Prices, terms, and conditions will vary by product and may differ among customer classes. For each customer class, prices will be fixed for periods at least as long as the basic service price period for the class.<sup>2</sup> When prices change, the City will notify consumers by issuing a media release and posting a notice on the City web site.

If there is a change in law that results in a direct, material increase in costs during the term of the ESA (see Article 18 of the ESA), the City and the competitive supplier will negotiate a potential change in the Program price. At least 30 days prior to the implementation of any such change, the City will notify consumers of the change in price by issuing a media release and posting a notice in City Hall and on the Program website.

The Program affects only customers' electricity supply charges. Delivery charges will be unchanged and will continue to be charged by the local distribution company in accordance with tariffs approved by the DPU.

Participants will continue to receive one bill from their local distribution company that includes both the electricity supply charge and their local distribution company's delivery charges. Required taxes will be billed as part of the electricity supply charge. Customers are responsible for identifying and requesting an

---

<sup>2</sup> Basic Service pricing periods vary by customer class. For residential and small business customers, the prices change every six months. For medium and large business customers, prices change quarterly.

exemption from the collection of any tax by providing appropriate documentation to the competitive supplier.

## 5. Method of Entering and Terminating Agreements with Other Entities

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

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

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

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

## 6. Rights and Responsibilities of Program Participants

All participants will have the right to opt out of the Program at any time without charge. They may exercise that right by any of the following: 1) calling the competitive supplier's toll-free number; 2) contacting National Grid and asking to be returned to basic service; or 3) enrolling with another competitive supplier.

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

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

## 7. Extension or Termination of Program

Prior to the end of the term of the initial Competitive Electric Service Agreement, the City will solicit bids for a new supply agreement and plans to continue the Program with the same or a new competitive supplier.

Although the City is not contemplating a termination date, the Program could be terminated upon the termination or expiration of the Competitive Electric Service Agreement without any extension, renewal, or negotiation of a subsequent supply contract, or upon the decision of the City Manager to dissolve the Program effective on the end date of any outstanding supply agreement. In the event of termination, customers would be returned to the local distribution company's basic service via Electronic Data Interchange (EDI) by the competitive supplier in accordance with the rules set forth in the Electronic Business Transactions (EBT) Working Group Report unless the customers choose an alternative competitive supplier.

The City will notify the local distribution company of the planned termination or extension of the Program. In particular, the City will provide notice to the local distribution company: (1) 90 days prior to a planned

termination of the Program; (2) 90 days prior to the end of the anticipated term of the Program’s ESA; and (3) four business-days after the successful negotiation of a new electricity service agreement.

The City will notify consumers of Program termination by issuing a media release and posting a notice on the City web site. In addition, consumers will receive notice of a supplier change on their bill from the local distribution company.

## V. Substantive Requirements

The Municipal Aggregation Statute also requires that the aggregation plan satisfy three substantive requirements:

- Universal access
- Reliability
- Equitable treatment of all customer classes

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

### 1. Universal Access

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

Most importantly, all customers will have access to the Program. All eligible<sup>3</sup> Basic Service customers will be automatically enrolled in the Program unless they choose to opt out.

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

All customers will have the right to opt out of the Program at any time. Customers that opt out will have the right to return to the Program, but are not guaranteed to receive the standard contract price; the competitive supplier has the right to offer those customers at a price that reflects market prices at the time of their return. If these customers are still part of the Program when the City enters into a new supply contract, they will receive the standard contract pricing under the new contract.

From 2015 to 2018, National Grid offered a time-of-use pricing program to some Basic Service customers in Worcester. The program was known as Smart Energy Solutions Pilot program (Pilot). As of the date of this Plan, the Pilot has been suspended. As a result, the City does not currently intend to offer time-of-use pricing in the Program. However, if National Grid resumes the Pilot, the City will work with National Grid and seek to offer time of use pricing to Program participants.

---

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

## 2. Reliability

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

## 3. Equitable Treatment of all Customer Classes

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

The Program makes four distinctions among groupings of customers. First, the Program may distinguish among customer classes (residential, small business, large business) by soliciting separate pricing for each of those classes. The Program will use the customer classes that the local distribution company uses for its Basic Service pricing.

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

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

Finally, consistent with DPU rulings, among customers that are served by a competitive supplier at the time of Program launch and later seek to join the aggregation, the Program will distinguish between a) residential and small commercial and industrial (C&I) customers, and b) medium, large, and very large C&I customers. Residential and small C&I customers will be offered standard contract pricing. Medium, large, and very large C&I customers will be offered market based prices that will reflect market conditions at the time the customer seeks to join the aggregation. If these medium, large, and very large C&I customers are still part of the aggregation when the City enters a new supply contract, they will receive the standard contract pricing under the new contract.

## VI. Planned Schedule

Milestone	Day Estimate
RFQ for competitive supplier issued	Day 1
RFP for final supply prices issued	Day 35
Electricity Supply Agreement executed	Day 49
Broad-based educational campaign begins, including the announcement of supply contract and pricing and the launch of Program web site, and including an opt-in campaign for greener power.	Day 50
Opt-out notice mailed to customers	Day 56
Opt-out postmark deadline	Day 89
Service begins as of each customer's next meter read date	Day 97

The planned schedule is presented for illustrative purposes. The final schedule will be established when the City receives DPU approval.<sup>4</sup>

## VII. Conclusion

The Worcester Community Choice Aggregation Program meets all of the requirements of the municipal aggregation statute, including providing universal access and a reliable power supply and treating all customer classes equitably. The City looks forward to the approval of this plan by the DPU so that the City can launch the Program and bring the benefits of electricity choice, cost stability and sustainable options to its residents and businesses.

---

<sup>4</sup> The planned schedule is designed to give the competitive supplier sufficient time to satisfy EDI testing requirements. However, the schedule will be adjusted if additional time is needed to meet those requirements.

EXHIBIT A

City Council Resolution Authorizing Aggregation

cm2017jun16111258

**CITY OF WORCESTER**

**ORDERED: That**

That City Council does hereby authorize the commencement of a Municipal Electric Aggregation and allow City staff to proceed with developing the Aggregation Plan.

**In City Council**

**June 20, 2017**

**Order adopted by a yea and nay vote of Ten Yeas and One Nay**

**A Copy. Attest:**

*Susan M. Ledoux*  
Susan M. Ledoux  
City Clerk

# EXHIBIT B

## Opt-out letter



### CITY OF WORCESTER CITY ELECTRICITY AGGREGATION PROGRAM NOTIFICATION LETTER

[LANGUAGE]: masspowerchoice.com/worcester/letter\_XXXXX.pdf  
[LANGUAGE]: masspowerchoice.com/worcester/letter\_XXXXX.pdf  
[LANGUAGE]: masspowerchoice.com/worcester/letter\_XXXXX.pdf  
[LANGUAGE]: masspowerchoice.com/worcester/letter\_XXXXX.pdf

<MONTH> <DAY>, 2018

Dear Worcester Electricity Service Customer,

I am writing to tell you about the launch of an exciting new City electricity program, the Worcester Community Choice Aggregation. This program will increase the amount of renewable energy in your electricity to XX%. The program also includes options that allow you to choose other amounts of renewable energy.

**If you received this letter and you do nothing, you will be AUTOMATICALLY enrolled in the Worcester Community Choice Aggregation with your <MONTH> 20XX meter read.**

**Your opt-out request must be postmarked by <MONTH> <DAY>, 20XX to avoid automatic enrollment in the program.**

**If you do not opt out, you will be enrolled in the Standard Offering at a price of XX ¢/kWh, and you will receive XX% renewable electricity.**

The program is a form of group electricity purchasing known as electricity aggregation. In an aggregation, the City uses the bulk purchasing power of the community to choose an electricity supplier for the entire community and to determine the amount of renewable energy in the community's electricity supply.

Worcester has signed a XX-month contract with <SUPPLIER NAME> to supply the city with electricity that includes XX% renewable energy as the Standard Offering. You may also choose to receive 100% renewable electricity or just the minimum amount required by Massachusetts law. Please see the back of this letter for options and pricing information.

The program price is fixed until <MONTH> 20XX. This price stability makes the program different from National Grid's Basic Service, which you have now. With National Grid's Basic Service, the price used to calculate the supply charges on your electricity bill changes every 6 months (for residential and commercial accounts) or 3 months (for industrial accounts). Price stability also makes the program different from many commercial offers you may receive by mail or by phone. NOTE: There is no guarantee of savings over the term of the contract with <SUPPLIER NAME> compared with National Grid's Basic Service price.

#### YOUR RELATIONSHIP WITH NATIONAL GRID

- **If you participate**, National Grid will remain your electric utility. You will continue to receive your electricity bill from them and call them if the power goes out. But you will see <SUPPLIER> listed on the Supply portion of your National Grid bill, and the program price will be used to calculate the Supply charges on your bill.
- **If you do not participate**, the Supply charges on your National Grid bill will continue to be calculated using National Grid's Basic Service price.

If you are eligible for a low-income delivery rate or fuel assistance, you will continue to receive those benefits as a participant in the Worcester Community Choice Aggregation.

#### An electricity program from the City of Worcester for residents and businesses

- More renewable electricity
- Stable electricity prices
- Consumer protections
- New electricity choices



#### CUSTOMER SUPPORT

1-8XX-XXX-XXXX

EMAIL: service@worchesterchoice.com

WEB: WorcesterChoice.com

#### OPT OUT AT ANY TIME

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

If you choose not to participate, you will remain on National Grid's Basic Service price.

To opt out before the program begins, do one of the following before <MONTH> <DAY>, 20XX:

- Sign & return the enclosed reply card (must be postmarked by <MONTH> <DAY>, 20XX), call <SUPPLIER> at 1-8XX-XXX-XXXX, or opt out online at **WorcesterChoice.com**.

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

- Call <SUPPLIER> at 1-8XX-XXX-XXXX, or opt out online at **WorcesterChoice.com**.

## PROGRAM OPTIONS & PRICING

- If you do nothing, you will be enrolled in the Standard Offering, which provides XX% renewable electricity.
- If you wish to choose one of the other options below, call <SUPPLIER NAME> directly at 1-8XX-XXX-XXXX.
- If you opt out, you will remain on National Grid's Basic Service price, which changes regularly. You may opt out now, before being enrolled, or you may participate and opt out later. There is no minimum participation period. You may opt out at any time with no fee or penalty.

Compare to what you have now ▼

	Standard Offering	100% Green (Option)	Basic (Option)	National Grid's Basic Service
Renewable Energy Content	XX% renewable electricity (XX% in addition to the 14% that meets minimum Massachusetts renewable energy requirements)	100% renewable electricity (86% in addition to the 14% that meets minimum Massachusetts renewable energy requirements)	Meets minimum Massachusetts renewable energy requirements (14% for 2019)	Meets minimum Massachusetts renewable energy requirements (14% for 2019)
Residential	X.XXX €/kWh*	X.XXX €/kWh*	X.XXX €/kWh*	X.XXX €/kWh
Commercial	X.XXX €/kWh*	X.XXX €/kWh*	X.XXX €/kWh*	X.XXX €/kWh
Industrial	X.XXX €/kWh*	X.XXX €/kWh*	X.XXX €/kWh*	X.XXX €/kWh
Price Period	<MONTH> 2019 meter read – <MONTH> 20XX meter read	<MONTH> 2019 meter read – <MONTH> 20XX meter read	<MONTH> 2019 meter read – <MONTH> 20XX meter read	<MONTH> <DAY>, 20XX – <MONTH> <DAY>, 20XX, for residential and commercial accounts** <MONTH> <DAY>, 20XX – <MONTH> <DAY>, 20XX, for industrial accounts**

\* Program prices include a \$0.001/kWh administration fee. Program prices could increase as a result of a change in law.

\*\* National Grid's fixed Basic Service prices change every 6 months for residential and commercial accounts and every 3 months for industrial accounts. They will next change on <MONTH> <DAY>, 20XX, for residential and commercial accounts and on <MONTH> <DAY>, 20XX, for industrial accounts.

## FREQUENTLY ASKED QUESTIONS

**I have signed my own contract with an electricity supplier. Will I be automatically enrolled?** If you have your own contract with an electricity supplier, you should not have received this letter. However, if you did receive this letter and you already have an electricity supply contract that you wish to retain, you *must* opt out of this program. If you do not opt out, your current electricity supply contract may be cancelled, and you may be charged an early termination fee by your existing electricity supplier.

**I have solar panels on my property. If I join, will I continue to receive net metering credits?** Yes. Net metering will work the same way if you participate in the program. Your net metering credits from your solar panels will continue to appear on your National Grid bill and will continue to be calculated based on National Grid's Basic Service price, not on the program price.

If you have any additional questions, please do not hesitate to contact customer support at [service@worchesterchoice.com](mailto:service@worchesterchoice.com) or 1-8XX-XXX-XXXX. Our City consultants will be happy to help you.

Edward M. Augustus, Jr.  
City Manager

EXHIBIT C

Opt-out envelope

	<p><b>CITY OF WORCESTER</b> C/O [SUPPLIER NAME] [SUPPLIER ADDRESS] [CITY], [STATE] [ZIP]</p>	<p>Presorted Standard U.S. Postage <b>PAID</b> XXXX XXXX</p>
<p><b>Time-sensitive notice sent on behalf of the City regarding your electricity rates.</b></p>		

# EXHIBIT D

## Opt-out reply card

**OPT-OUT REPLY CARD**

**WORCESTER**  
COMMUNITY CHOICE AGGREGATION

### OPT-OUT INSTRUCTIONS

You do not need to take any action to participate in the Worcester Community Choice Aggregation.

If you **DO NOT** wish to participate, you **MUST**:

1. **Sign and date this card.**
2. **Place the card in the enclosed envelope.**
3. **Drop the envelope in the mail.**

This card must be signed by the Customer of Record whose name appears in the address on this card. The envelope must be postmarked by **<MONTH> <DAY>, 2018**, to opt out of the program before being enrolled automatically. You may also opt out anytime after enrollment by phone or online at [WorcesterChoice.com](http://WorcesterChoice.com). There is no fee to opt out.

X \_\_\_\_\_  
Signature Date