



The City of Gloucester

Community Electricity Aggregation Program

January 23, 2019

Dear Basic Service Customer,

The City of Gloucester approved a Community Electricity Aggregation program authorizing our community to aggregate the electricity load (usage) of those residents and businesses that are on Basic Service with National Grid. The goals of the program are to provide you with competitive choice, longer-term price stability and more renewable energy options.

You will be automatically enrolled in the Gloucester Community Electricity Aggregation program unless you choose not to participate. **YOU MUST MAIL AND POSTMARK YOUR OPT-OUT CARD ON OR BEFORE FEBRUARY 26, 2019 TO AVOID AUTOMATIC ENROLLMENT IN THE AGGREGATION PROGRAM.**

After a competitive bid process, Direct Energy Services, LLC was selected as our Electricity Supplier with a contract term from your scheduled December 2018 meter reading to your December 2021 meter reading.

Rate Class	"Gloucester Local Green" Five (5) Percent More Local Renewable Energy Than Required (Standard Product - No Action Required)	"Gloucester Premium Local Green" One Hundred (100) Percent Local Renewable Energy	"Gloucester Basic" Minimum Required Renewable Energy	Current National Grid Basic Service
Residential (R-1, R-2, R-4)	\$0.11085/kWh	\$0.13080/kWh	\$0.10980/kWh	\$0.13718/kWh
Commercial (G-1, S-1, S-2, S-3, S-5, S-6)	\$0.11085/kWh	\$0.13080/kWh	\$0.10980/kWh	\$0.13166/kWh
Industrial NEMA* (G-2, G-3)	\$0.11085/kWh	\$0.13080/kWh	\$0.10980/kWh	\$0.15024/kWh NEMA*
Duration	December 2018 – December 2021 Rates apply to service beginning and ending on the days of the month that your meter is read in your service area.			November 1, 2018 – April 30, 2019 Residential and Commercial rates change every six months. *Industrial rates change every three months.

Rates indicated above are for Supply Services only. Under the contract, the rate per kWh for electric supply will be fixed until your December 2021 meter reading. This rate will remain below National Grid's Basic Service rate until May 1, 2019 when National Grid Basic Service rates change at the end of April 2019 for Residential and Commercial customers, and at the end of April 2019 for Industrial customers. Program prices could increase as a result of a change in law.

There is no guarantee of future savings. The primary intent of the program is to provide price stability and savings over the duration of the 36-month term. However, National Grid rates for electric supply change every six months (May 1 & November 1) for Residential and Commercial customers and every three months for Industrial customers. Thus, National Grid's Basic Service rates may drop below the Program rate during any given six-month period.

ADMINISTRATIVE ADDERS for all Gloucester programs are included in above rates. These fees are: \$0.001/kWh for the aggregation consultant and \$0.000025/kWh for the Metropolitan Area Planning Council (MAPC), the regional planning agency assisting the program.

PROGRAM DETAILS

- As an eligible participant, your account will be automatically enrolled in the program unless you choose to opt out.
- You may leave the program at any time without early termination fees.
- You will continue to receive one bill from National Grid.
- You will continue to send payment to National Grid.
- National Grid will continue to respond to emergencies and outages.
- Reliability and quality of service will remain the same.

Participation	Needed
If you want to participate in this program	No action is required.
If you do NOT want to participate in this program	Sign the enclosed opt-out card. Mail the card in the enclosed postage-paid envelope no later than February 26, 2019 .

IF YOU HAVE BEEN MAILED THIS NOTIFICATION, you do not need to take any action in order to participate in the Program.

ALL BASIC SERVICE CUSTOMERS who have been mailed this notification will automatically be enrolled in the Program and start benefiting from this fixed rate beginning on the day of the month that your meter read occurs. The new rate will be reflected on your subsequent month's bill. This date varies by service area. Your meter reading date is shown on your bill.

BUDGET PLAN OR ELIGIBLE LOW-INCOME DELIVERY RATE CONSUMERS will continue to receive those benefits from National Grid.

TAX-EXEMPT SMALL BUSINESS CONSUMERS must send or fax a copy of their Energy Exemption Certificate directly to Direct Energy Services, LLC via email, fax, or mail in order to maintain their tax-exempt status.

Email: usn.taxexemption@directenergy.com

Fax: (800) 504-7428

Address: Direct Energy, Attn: USN Tax Exemption Dept, PO Box 180, Tulsa OK 741101-0180

IF YOU ARE RECEIVING ELECTRICITY SUPPLY FROM A COMPETITIVE SUPPLIER AND BELIEVE YOU HAVE RECEIVED THIS OPT-OUT LETTER IN ERROR, you must sign the attached card and opt out of this Program. This will ensure you continue to receive your electricity from that Competitive Supplier and prevent any possible early termination fees.

RENEWABLE ENERGY

- **INCLUDED: "GLOUCESTER LOCAL GREEN" – FIVE (5) PERCENT MORE LOCAL RENEWABLE ENERGY – No action required to receive this offer.** This standard product automatically includes five (5) percent more local renewable energy originating from qualified Massachusetts Class 1 renewable energy sources than is required by state law. The price for the standard product is shown in the price comparison chart on page 1.
- **OPTION: "GLOUCESTER PREMIUM 100% LOCAL GREEN" – ONE HUNDRED (100) PERCENT LOCAL RENEWABLE ENERGY**
The optional product offers an elective one hundred (100) percent local renewable energy originating from qualified Massachusetts Class 1 renewable energy sources. Call our program supplier, Direct Energy Services, LLC at (866) 968-8065 to opt in. The price of this offer is \$0.13080/kWh.
- **OPTION: "GLOUCESTER BASIC" – NO ADDITIONAL RENEWABLE ENERGY**
This optional product offers no additional renewable energy originating from qualified Massachusetts Class 1 renewable energy resources beyond the amount required by state law. Program participants who want this option must opt in by calling our program supplier, Direct Energy Services, LLC at (866) 968-8065. The price of this offer is \$0.10980/kWh.

IF YOU HAVE ALREADY CHOSEN A GREEN POWER SUPPLY OPTION ON YOUR OWN, you must opt out of this Program. This will ensure you continue to receive your electricity from that Green Power Supply.

SOLAR ELECTRICITY CONSUMERS will not be impacted and will continue to receive net metering credits while participating in the program.

INSTRUCTIONS ON HOW TO OPT OUT

If you do not wish to participate in the program, simply sign and return the enclosed postage paid card within thirty (30) days of postmark on this opt-out letter. There is no penalty to opt out in order to remain on National Grid's Basic Service.

ANY TIME AFTER ENROLLMENT, you can leave the program with no early termination fees. This will occur during the next available billing cycle, whereupon your account(s) will be returned to National Grid's Basic Service.

HOW TO ACCESS BASIC SERVICE IF YOU WANT TO LEAVE THE PROGRAM

Additional information about National Grid Basic Service electricity rates may be found on the [MASS.GOV](https://www.mass.gov) website here:

<https://www.mass.gov/information-for-consumers-about-the-electric-industry>. For residential accounts, visit the National Grid website

<https://www.nationalgridus.com/MA-Home/>. Please refer to the Basic Service category to determine the best option for you. For

business accounts, visit the National Grid website <https://www.nationalgridus.com/MA-business/#>. Residential or business account holders may also call National Grid for assistance at (800) 322-3223.

FOR MORE DETAILED INFORMATION regarding your community's Program, visit Gloucester-CEA.com, or call toll-free at (866) 456-8232.

SUPPLIER INFORMATION

The aggregation supplier is Direct Energy Services, LLC. You may contact the supplier at (866) 968-8065 between the hours of 8:00 AM and 8:00 PM Monday – Friday, or 8:00 AM and 5:00 PM on Saturday, or via email at optouts@directenergy.com.

THERE IS NO GUARANTEE OF SAVINGS

The primary intent of the program is to provide price stability and savings over the duration of the 36-month term. However, National Grid's rates for electric supply change every six months (May 1 & November 1) for Residential and Commercial customers and every three months for Industrial customers. Thus, the National Grid's Basic Service rates may drop below the Program rate during any given six-month period.