

July 11, 2003

By Hand Delivery & By Electronic Mail

Ms. Luly Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: GreenUp Service Filing of The Narragansett Electric Company, et al.

Dear Ms. Massaro:

Please find enclosed on behalf of The Narragansett Electric Company (“Narragansett” or “Company”); Community Energy, Inc.; Conservation Services Group; Green Mountain Energy Company; People’s Power & Light; and Sterling Planet, Inc. (collectively, the “Parties”) ten copies of the Company’s GreenUp Service (“GreenUp Service”) filing. GreenUp Service is a new program sponsored by the Company that is designed to support the growth of renewable energy resources. By this filing, the Company is requesting Commission approval of the enclosed Terms and Conditions for GreenUp Service (“Terms and Conditions”). The GreenUp Service Supplier Service Agreement is attached for informational purposes.

The proposed GreenUp Service is designed to:

- (i) introduce new opportunities for Standard Offer and Last Resort Service customers to voluntarily support the growth of renewable energy resources; and
- (ii) expand the number of retail suppliers offering renewable energy alternatives.

GreenUp Service is being proposed as an optional service, which offers Narragansett’s residential and small commercial customers taking Standard Offer and Last Resort Service with the opportunity to purchase Renewable Energy Certificates (“RECs”) corresponding to either a fixed block of energy or to a percentage of the customer’s usage. Customers will be invited to select one of the suppliers participating in GreenUp Service (“GreenUp Service Supplier”) through an insert to their monthly electric bill. Once a customer has selected a GreenUp Service Supplier, the Company will facilitate the transaction by adding the purchase amount directly to the customer’s monthly electric bill. Customers will be under no obligation to buy GreenUp Service and may terminate at any time. Furthermore, customers who do not choose to participate in the program will not incur any incremental costs related to the program. Instead, the

Company's incremental costs to administer the program will be paid by participating GreenUp Service Suppliers.

We believe that GreenUp Service maintains Rhode Island's position as a national leader in the development of environmentally sound energy policy that currently includes award-winning Demand Side Management programs. It also introduces retail choices for residential and small commercial customers taking Standard Offer and Last Resort Service. Key features of GreenUp Service include:

- **Green-E Eligible Certificates** – Only renewable energy certificates that meet Green-e standards for renewable generators will be utilized for GreenUp Service.
- **Administrative Simplicity for All GreenUp Service Participants** – Customers participating in the program will experience seamless and straightforward transactions. GreenUp Service Suppliers will enroll the customer and sell to the customer the GreenUp Service Supplier's particular product offerings, but the renewable energy transactions will be reflected in the customer's existing electricity bill. The delivery of electricity and other Company obligations under its tariffs will remain otherwise unaffected by GreenUp Service.
- **Standardized Transactions and Decreased Transaction Costs** – The Company, using the EBT procedures, will act as the central processing entity for all renewable energy transactions, a superior alternative to having each individual GreenUp Service Supplier develop its own billing and tracking systems. This will greatly reduce the transaction and administrative costs associated with implementing GreenUp Service and the GreenUp Service Suppliers' costs to participate in GreenUp Service, in addition to providing a uniform system for processing all transactions under GreenUp Service.

Successful implementation of GreenUp Service depends upon the use of the New England Power Pool Generation Information System ("GIS") for accounting and environmental disclosure purposes. The GIS, which has only recently become operational, allows us for the first time in New England to track the environmental attributes of generating units. Thus, GreenUp Service Suppliers can purchase these attributes or certificates from renewable generating sources and market them directly to the Company's customers. In order to accomplish this, we have developed a protocol for environmental disclosure statements that will be provided by the GreenUp Service

Suppliers to customers participating in the program.¹ This new protocol is set forth as Appendix A to the Terms and Conditions.

Specifically, the Company will establish separate subaccounts under the GIS for its own Standard Offer and Last Resort Service loads, and for the loads of Standard Offer and Last Resort Service customers who are purchasing RECs at retail from the GreenUp Service Suppliers. The Company will then record the quarterly billing obligations associated with the GreenUp Service Supplier's sales to retail customers in the GreenUp Service Supplier's subaccount, and match those obligations with purchases of certificates made by the GreenUp Service Supplier from renewable energy sources. The Company will also report these subaccount totals to the Commission, the Rhode Island State Energy Office, Division of Public Utilities and Carriers ("Division"), and the Attorney General each quarter. Under the protocol, the GreenUp Service Supplier must provide environmental disclosure statements to its customers each quarter. Accordingly, we are requesting the Commission to approve the protocol.²

The Parties are currently engaged in collaborative efforts to develop educational and marketing campaigns to promote GreenUp Service and expect to roll out GreenUp Service by the end of the third quarter of this year. Accordingly, the Parties expect that there will be educational and marketing initiatives over the next several months prior to the official launch of GreenUp Service. The Parties contemplate that the timeline for GreenUp Service will be as follows:

- July 11, 2003: The Parties file the GreenUp Service documents with the Commission. The GreenUp Service Suppliers begin EBT training and testing, develop their product offerings and marketing plans, arrange for administrative support, and draft their environmental disclosure statements. The Company finalizes the list of participating GreenUp Service Suppliers, conducts training and educational programs for Company personnel involved in GreenUp Service, modifies its

¹ The Company has no obligation, regulatory or otherwise, to prepare and send environmental disclosure statements to its customers for Standard Offer and Last Resort Service, and the Company is not proposing to change its current practices by means of this filing. Utilization of GIS by the Company to prepare and send environmental disclosure statements to customers would result in the Company being subject to and liable for greatly increased GIS administrative costs.

² Because GreenUp Service Suppliers do not sell the electricity supply to their retail customers, the GreenUp Service Supplier is not a Nonregulated Power Producer ("NPP") under Rhode Island law and the regulations of the Commission and the Division. However, by requiring GreenUp Service Suppliers to register as NPPs and to issue the environmental disclosure statement to their retail customers, as provided for in the Terms and Conditions, the program provides an oversight function that ensures GreenUp Service Suppliers and NPPs are treated consistently and that the GreenUp Service Suppliers perform under their contracts with their retail customers.

information systems to accommodate GreenUp Service requirements, and coordinates with the GIS to track the GreenUp Service Suppliers' product offerings.

- August 15, 2003: Anticipated approval by the Commission of this filing. The August 15th approval date provides sufficient time for the Company to print the bill inserts for the September mailing.
- September 1, 2003: The Company begins including bill inserts regarding GreenUp Service in customer bills. The Parties launch their educational and marketing campaigns.
- October 1, 2003: Enrollment of customers in GreenUp Service commences.

Following the implementation of the GreenUp Service program, the Terms and Conditions provide that the program will be reevaluated in the event of any change in law or regulation having an adverse effect on the provision of the program or if twenty percent of residential customers move to the competitive market. The term of the program, however, will continue at least to the end of the Standard Offer Service period.

The Parties respectfully request the Commission's approval of this program by August 15, 2003, so that the Company can print the bill inserts on a timely basis.

The Parties thank you for your time and attention to this matter.

Very truly yours,

Terry L. Schwennesen

Enclosure

cc: Parties (By U.S. Mail & by Electronic Mail)
Paul Roberti, Esq.
Steve Scialabba

THE NARRAGANSETT ELECTRIC COMPANY

TERMS AND CONDITIONS FOR GREENUP SERVICE

1. Applicability

1A. The following Terms and Conditions shall apply to every GreenUp Service Supplier authorized to do business within the State of Rhode Island and Providence Plantations, and to every Customer and Distribution Company doing business with said GreenUp Service Supplier.

1B. Nothing in these Terms and Conditions shall be construed to affect the Distribution Company's obligations under the Distribution Company's Basic Residential Rate (A-16) – Retail Delivery Service and Small C&I Rate (C-06), each as revised, amended, supplemented, or supplanted in whole or in part from time to time pursuant to the procedures established in R.I.P.U.C. regulations and Rhode Island law.

1C. These Terms and Conditions may be revised, amended, supplemented or supplanted in whole or in part from time to time pursuant to the procedures established in R.I.P.U.C. regulations and Rhode Island law. In the case of a conflict between these Terms and Conditions and any orders or regulations of the R.I.P.U.C., said orders or regulations shall govern. In the event of: (i) a change in Rhode Island law or R.I.P.U.C. regulations that, in the Company's sole judgment, adversely affects the provision of GreenUp Service as set forth in these Terms and Conditions or (ii) in the event that twenty percent (20%), in the aggregate, of the Company's Customers currently taking Distribution Service under the Company's residential rates select an NPP to provide generation service, the Company will institute a review of GreenUp Service with interested parties to evaluate the need for the continuation of GreenUp Service.

1D. 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 hereto. Any such modification to these Terms and Conditions or any such promise contrary hereto shall be in writing, duly executed by an authorized officer of the Company, subject in all cases to applicable statutes and to the orders and regulations of the R.I.P.U.C., and available for public inspection during normal business hours at the business offices of the Company and at the offices of the R.I.P.U.C.

2. Definitions

Any capitalized term used in these Terms and Conditions and not otherwise defined herein shall have the meaning ascribed to it in the R.I.P.U.C.'s rules and requirements or in the New England Power Pool Generation Information System Operating Rules.

“Customer” shall mean any person, partnership, corporation, or any other entity, whether public or private, who: (i) obtains Distribution Service at a Customer Delivery Point under the

Company's Basic Residential Rate (A-16) or Small C&I Rate (C-06) (ii) is a customer of record of the Company, and (iii) is receiving Standard Offer or Last Resort Service from the Company.

"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 The Narragansett Electric Company.

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

"EBT Standards" shall mean the Electronic Business Transactions ("EBT") Standards found on the Company's website at <http://www.narragansett.com/inside/supinfo/ebt/index.htm>.

"Effective Date" shall mean the date on which GreenUp Service commences for a given Customer, pursuant to Section 4B below.

"Enrollment Date" shall be, for a given Customer, the date on which the Distribution Company receives the enrollment transaction, such date to be at least two business days prior to the Effective Date.

"Environmental Disclosure Statement" shall mean a statement or label provided by GreenUp Service Supplier to the Customer in compliance with the R.I.P.U.C. Consumer Protection Requirements for NPPs and prepared in accordance with these Terms and Conditions.

"GIS" shall mean the New England Power Pool Generation Information System.

"GreenUp Service" shall mean the program under which GreenUp Service Supplier will sell RECs to Customers who are provided Standard Offer and Last Resort Service by the Company and will purchase on the behalf of Customers the number of RECs equal to GreenUp Service Supplier's billed REC obligation, and the Company will perform the functions necessary to bill and account for the RECs.

"GreenUp Service Supplier" shall mean any entity selling RECs to Customers and purchasing RECs on behalf of Customers in Rhode Island pursuant to these Terms and Conditions.

"Last Resort Service" shall mean the service provided by the Distribution Company pursuant to the Distribution Company's tariffs, on file with the R.I.P.U.C.

"Nonregulated Power Producer" or "NPP" shall have the meaning set forth in the Rhode Island General Laws §39-1-2.

"Proper Authorities" shall mean the R.I.P.U.C., the Rhode Island State Energy Office, the Division of Public Utilities and Carriers, and the Attorney General of the State of Rhode Island and Providence Plantations.

“Quarterly Billed Obligation” shall mean the RECs billed to Customers in any given quarter, as adjusted for transmission and distribution losses, using the methodology set forth in Appendix A to these Terms and Conditions.

“REC” shall mean Renewable Energy Certificate, which shall be one one-thousandth (1/1000th) of a GIS certificate from a generator that is eligible under the New England region-specific portions of the Green-e Standard for Electricity Products (II. Qualifying Sources of Renewable Generation), as established by the Center for Resource Solutions and found at http://www.green-e.org/ipp/standard_for_marketers.html. The definition of REC does not encompass the Green-e Tradable Renewable Certificate Certification Standard, also established by the Center for Resource Solutions and found at http://www.green-e.org/pdf/trc_standard.pdf. RECs transferred through the GreenUp Service program represent all of the value, attributes, and credits of the associated unit of energy. Specifically, RECs will not be eligible for inclusion in the GreenUp Service program if the associated emissions credits or emission allowances have been or are scheduled to be sold in a separate market.

“R.I.P.U.C.” shall mean the Rhode Island Public Utilities Commission.

“Service Drop Date” shall mean the date on which GreenUp Service terminates for a given Customer, pursuant to Section 4C below.

“Standard Offer Service” shall mean the service provided by the Distribution Company pursuant to the Distribution Company's tariffs, on file with the R.I.P.U.C.

“Terms and Conditions” shall mean these Terms and Conditions for GreenUp Service, applicable to GreenUp Service Suppliers.

“Trading Period” shall have the meaning set for in the GIS Operating Rules.

3. Obligations of the Parties

3A. Customer

A Customer shall select one GreenUp Service Supplier per account at any given time, or authorize an agent to make the selection for the Customer. The Customer must provide the selected GreenUp Service Supplier with the information necessary to allow the GreenUp Service Supplier to initiate GreenUp Service, in accordance with Section 4B below.

3B. Distribution Company

The Company shall:

- (1) Read meters;

- (2) Submit bills to Customers for the GreenUp Service Supplier's sale of the RECs to the Customer;
- (3) Address billing inquiries for GreenUp Service;
- (4) Account for the RECs billed to each Customer receiving GreenUp Service;
- (5) Process EBTs submitted by GreenUp Service Suppliers and send the necessary EBTs to GreenUp Service Suppliers, in accordance with Section 4 and Section 8 below and the rules and procedures set forth in the EBT Standards;
- (6) Coordinate the accounting of the RECs with GIS;
- (7) Send quarterly activity reports specifying each GreenUp Service Supplier's Quarterly Billed Obligation, deposits of GIS certificates into each GreenUp Service Supplier's account, net balance of RECs in each GreenUp Service Supplier's subaccount, and revenues billed and collected by the Company for each GreenUp Service Supplier, together with any adjustments to those revenues, to GreenUp Service Suppliers prior to the start of the subsequent Trading Period as described in Section 5B below; and
- (8) Send to GreenUp Service Suppliers, on a quarterly basis, the information necessary for GreenUp Service Suppliers to create their Environmental Disclosure Statements.

3C. GreenUp Service Supplier

- (1) GreenUp Service Supplier shall comply with all R.I.P.U.C. and Division of Public Utilities and Carriers requirements relating to NPPs and shall register as an NPP pursuant to the rules, regulations, and prerequisites established by and under the Proper Authorities and Rhode Island law, including, but not limited to, the Rules Applicable to NPPs as promulgated by the State of Rhode Island and Providence Plantations – Division of Public Utilities and Carriers; provided, however, that GreenUp Service Suppliers shall not be required to comply with Rule II, Section A(10) of the Rules Applicable to NPPs unless such GreenUp Service Supplier is engaged in the business of producing, manufacturing, generating, buying, aggregating, marketing, or brokering electricity for sale at wholesale or for retail sale to the general public.

- (2) GreenUp Service Supplier shall be required to execute a standard service agreement (“Service Agreement”) with the Company.
- (3) GreenUp Service Supplier shall be required to complete testing of the transactions included in the EBT Standards prior to the initiation of GreenUp 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 EBT Standards.
- (4) GreenUp Service Supplier shall purchase RECs in quantities sufficient to meet the commitments outlined in Section 5 below for Customers who are purchasing GreenUp Service.
- (5) GreenUp Service Supplier shall deliver RECs to the Company at such times and in such quantities sufficient to meet the commitments outlined in Section 5 below. GreenUp Service Supplier's obligation to deliver RECs in accordance with Section 5 shall not be reduced, cancelled, or otherwise affected by Customer's nonpayment for GreenUp Service; provided, however, that pursuant to Section 4C(1) below of these Terms and Conditions, GreenUp Service Supplier shall have the right to terminate GreenUp Service to a Customer for, among other things, such Customer's nonpayment for GreenUp Service.
- (6) GreenUp Service Supplier shall obtain the necessary authorization from each Customer by an approved method prior to initiating GreenUp Service to any Customer. A request by the GreenUp Service Supplier to the Company that contains both the Customer's account number and first four (4) characters of the account name shall be deemed as confirmation that the Customer has consented to the enrollment.
- (7) GreenUp Service Supplier shall be solely responsible for responding to Customer questions related to GreenUp Service Supplier's obligations under these Terms and Conditions, the Service Agreement, and any related agreements.
- (8) GreenUp Service Supplier may not require Customers to participate in GreenUp Service for a fixed term or length of time or to purchase a minimum number of RECs. Upon termination of GreenUp Service by either Customer or GreenUp Service Supplier, GreenUp Service Supplier may not assess a termination fee or other penalty to such Customer.
- (9) GreenUp Service Supplier may not require Customers receiving GreenUp Service to post deposits with GreenUp Service Supplier or assess Customers any charges, fees, or penalties beyond the charges for GreenUp

Service reflected on the billings by the Company to the Customer for GreenUp Service.

- (10) GreenUp Service Supplier shall provide Environmental Disclosure Statements to Customers in accordance with Section 5E below.

4. GreenUp Service Options; Initiation and Termination of GreenUp Service

4A. Options for GreenUp Service

Each GreenUp Service product offered to Customers by GreenUp Service Suppliers shall be based on the following options: (i) RECs corresponding to fixed blocks of energy consumption (“Fixed Block Option”) or (ii) RECs corresponding to percentages of actual energy consumption (“Percentage of Energy Option”). For each GreenUp Service product offered to Customers, the GreenUp Service Supplier shall inform the Company of the percentage of RECs included in that particular GreenUp Service product offering, disaggregated to a level of detail sufficient to determine whether the GreenUp Service Supplier has provided the required Generation Attribute mix corresponding to that product offering.

- (i) **Fixed Block Option** – GreenUp Service Supplier offers Customers products based on blocks of RECs. The size of the individual blocks will be determined by each GreenUp Service Supplier. For this option, the quantity of RECs provided by GreenUp Service Supplier to the Company would be the lesser of: (a) the block amount or (b) the Customer’s billed consumption.
- (ii) **Percentage of Energy Option** – GreenUp Service Supplier offers Customers different prices per kilowatt-hour applied to all billed consumption based on the following options: (a) purchase of RECs equal to twenty-five percent (25%) of billed consumption; (b) purchase of RECs equal to fifty percent (50%) of billed consumption; (c) purchase of RECs equal to seventy-five percent (75%) of billed consumption; or (d) purchase of RECs equal to one-hundred percent (100%) of billed consumption. For any GreenUp Service Supplier product offering based upon this option, the percentage of RECs contained in that product offering shall be no less than twenty-five percent (25%).

4B. Initiation of GreenUp Service

To initiate GreenUp Service to a Customer, the GreenUp Service Supplier shall submit an “enroll customer” transaction to the Company, in accordance with the rules and procedures set forth in the EBT Standards. The GreenUp Service 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 GreenUp Service Supplier a “successful enrollment” transaction, in accordance with the rules and procedures set forth in the EBT Standards. GreenUp Service shall commence on the Effective Date, which date shall be at least two business days after the enrollment transaction was received by the Distribution Company and successful.

If a second GreenUp Service Supplier submits an “enroll customer” transaction for the same Customer during the period between the Enrollment Date corresponding to the first GreenUp Service Supplier’s enrollment transaction and the associated Effective Date, the first GreenUp Service Supplier’s enrollment transaction shall be accepted and all other enrollment transactions received during the period between the Enrollment Date corresponding to the first GreenUp Service Supplier’s enrollment transaction and the associated Effective Date shall be rejected.

4C. Termination of GreenUp Service

(1) Termination Initiated by the GreenUp Service Supplier

To terminate GreenUp Service to a Customer, the GreenUp Service Supplier shall submit a “supplier drops customer” transaction to the Distribution Company, in accordance with the rules and procedures set forth in the EBT Standards. GreenUp Service shall be terminated on the Service Drop Date, which date shall be at least two business days after the “supplier drops customer” transaction is received by the Distribution Company and successful. The Distribution Company shall send a “confirm drop date” transaction to the GreenUp Service Supplier, in accordance with the rules and procedures set forth in the EBT Standards. GreenUp Service Supplier shall have the right, in its sole discretion, to terminate GreenUp Service to a Customer for any reason pursuant to these Terms and Conditions.

(2) Termination Initiated by Customer

To terminate GreenUp Service with a GreenUp Service Supplier, a Customer may inform either the Distribution Company or the GreenUp Service Supplier. If the Customer informs the Distribution Company directly, GreenUp Service to the Customer shall be terminated within two business days. The Distribution Company shall send a “customer drops supplier” transaction to the GreenUp Service Supplier, in accordance with the rules and procedures set forth in the EBT Standards. If the GreenUp Service Supplier informs the Distribution Company of the Customer’s desire to terminate GreenUp Service, the GreenUp Service Supplier shall send a “supplier drops customer” transaction to the Distribution Company, in accordance with the rules and procedures set forth in the EBT Standards. The Customer’s GreenUp Service shall be terminated on the Service Drop Date, which date shall be at least two business days after the “supplier drops customer” transaction is received by the Distribution Company and successful. The Distribution Company shall send a

“confirm drop” transaction to the GreenUp Service Supplier, in accordance with the rules and procedures set forth in the EBT Standards.

(3) Customer Switches GreenUp Service Supplier

In those instances when a Customer who is receiving GreenUp Service from an existing GreenUp Service Supplier initiates GreenUp Service with a new GreenUp Service Supplier, the Distribution Company shall send the existing GreenUp Service Supplier a “customer drops supplier” transaction, in accordance with the rules and procedures set forth in the EBT Standards.

(4) Customer Leaves Standard Offer or Last Resort Service

GreenUp Service to a Customer shall be terminated automatically and the Company shall send a “customer drops supplier” transaction when a Customer leaves Standard Offer or Last Resort Service for any reason, including but not limited to the following: (i) the Customer selects an NPP to provide Customer’s generation service; (ii) the Customer moves out of the Distribution Company’s service territory; or (iii) the Customer is transferred to an alternative electric service provider at the end of Standard Offer Service.

4D. Customer Moves

A Customer that moves within Distribution Company's service territory shall have the opportunity to notify the Distribution Company that Customer seeks to continue GreenUp Service with Customer’s existing GreenUp Service Supplier. Upon such notification, the Distribution Company shall send a “customer move” transaction to the GreenUp Service Supplier, in accordance with the rules and procedures set forth in the EBT Standards.

Should a customer move into Distribution Company's service territory, the Customer's existing GreenUp Service Supplier must submit an “enroll customer” transaction to the Distribution Company in order to initiate GreenUp Service to the Customer.

4E. Other Provisions

Distribution Companies and GreenUp Service Suppliers shall send “change enrollment detail” transactions to change any information included in the “enroll customer” transactions, in accordance with the rules and procedures set forth in the EBT Standards.

If any of the transactions described in these Terms and Conditions are rejected by the Distribution Company, the Distribution Company shall send an “error” transaction to the GreenUp Service Supplier identifying the reason for the rejection, in accordance with the rules and procedures set forth in the EBT Standards.

4F. Fees

The Company shall charge reasonable fees to the GreenUp Service Supplier for processing the transactions described above, as approved by the R.I.P.U.C. These fees, and the fees described in Section 9 below, are included in Appendix B.

5. GreenUp Service Supplier Purchase and Delivery Obligations; Reporting; REC Deficiency; Environmental Disclosure Statements

5A. GreenUp Service Supplier's Delivery of RECs; Accounting

On behalf of each GreenUp Service Supplier, the Company shall establish one or more GIS subaccounts to track and account for the RECs required to be delivered by each GreenUp Service Supplier to the Company. The Company shall calculate the GreenUp Service Supplier's Quarterly Billed Obligation within each subaccount and compare that total to the RECs delivered by each GreenUp Service Supplier to the Company. Delivered RECs shall be deposited into GreenUp Service Supplier's subaccount(s) as directed by the GreenUp Service Supplier. Each GreenUp Service Supplier shall be responsible for providing sufficient RECs to comply with its agreements with its Customers and all applicable regulatory requirements, and, subject to those requirements, shall retain the discretion to provide to the Company greater or fewer quantities of RECs during a given Trading Period than required to meet GreenUp Service Supplier's Quarterly Billed Obligation. By the close of such Trading Period, the Company shall deposit into each GreenUp Service Supplier's subaccount(s) the number of RECs actually delivered by GreenUp Service Supplier to the Company during the Trading Period. The GreenUp Service Supplier's REC deliveries and Quarterly Billed Obligation will be used by GreenUp Service Supplier to develop GreenUp Service Supplier's Environmental Disclosure Statement in accordance with Section 5E below and Appendix A to these Terms and Conditions. The GreenUp Service Supplier shall be solely responsible for assuring that sufficient RECs are delivered to each of its subaccounts to meet its contractual obligations to its Customers.

5B. Reporting

The Company shall provide to each GreenUp Service Supplier a report, in electronic form, of activity generated from GreenUp Service Supplier's subaccounts on a quarterly basis, as described in Section 3B(7) above. The subaccount activity report shall be provided prior to the start of each Trading Period and shall include load information pertaining to GreenUp Service Supplier through the prior calendar quarter corresponding to such Trading Period. In providing load information to the GreenUp Service Supplier,

the Company shall not be responsible to the GreenUp Service Supplier for any estimating errors associated with the load information nor for any costs, revenue losses, or other losses or damages suffered by GreenUp Service Supplier in connection with such estimating errors.

In addition, the Company will provide quarterly reports of each GreenUp Service Supplier's subaccount activities to the Proper Authorities with a request that the information be treated on a confidential basis under the regulations governing the Proper Authorities. Where possible, the subaccount activity reports for each GreenUp Service Supplier submitted to the Proper Authorities shall be based on aggregate data within each subaccount without identification of the Customers served by specific GreenUp Service Suppliers.

5C. Disqualification in the Event of REC Deficiency

If GreenUp Service Supplier commits a material breach of this Section 5, as determined by a Proper Authority, such GreenUp Service Supplier shall be barred from providing GreenUp Service in the future, the Company shall discontinue the performance of its GreenUp Service obligations to the breaching GreenUp Service Supplier, and the Company will notify the other Proper Authorities of the GreenUp Service Supplier's failure to meet its commitments. The Company shall not be liable to the GreenUp Service Supplier for any revenue losses or other losses or damages suffered by the GreenUp Service Supplier as a result of the GreenUp Service Supplier's disqualification or the Company's discontinuance.

5D. Responsibilities for REC Deficiency

The Company shall not be responsible to the Customer or the GreenUp Service Supplier for any deficiency between the GreenUp Service Supplier's REC obligations pursuant to this Section 5 and the quantity of RECs actually delivered by the GreenUp Service Supplier to the Company.

5E. Environmental Disclosure Statements

GreenUp Service Suppliers shall provide Environmental Disclosure Statements to Customers in accordance with the R.I.P.U.C. Consumer Protection Requirements for NPPs and these Terms and Conditions.

6. Distribution Service Interruption

6A. Disconnection of Service

The Distribution Company may discontinue Distribution Service to a Customer in accordance with the provisions set forth in its tariffs. The Company shall provide electronic notification, using the "customer usage and billing information" transaction, to the Customer's GreenUp Service Supplier of record upon final billing to the Customer.

Upon the discontinuance of Distribution Service to a Customer, the provision of GreenUp Service to the Customer shall also be terminated and a new enrollment transaction shall be required to reinstate GreenUp Service. The Company shall not be liable to the GreenUp Service Supplier for any revenue losses or any other losses or damages suffered by the GreenUp Service Supplier as a result of any such disconnection.

The Customer shall not be subject to disconnection of Distribution Service solely for the nonpayment of GreenUp Service.

7. Metering

7A. Meter Reading

The Company shall meter each Customer in accordance with the Company's tariff provisions.

7B. Ownership of Metering Equipment

Should a Customer or a GreenUp Service Supplier 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 GreenUp Service 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 shall 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 GreenUp Service Supplier. The Company shall bill the Customer or GreenUp Service Supplier for the provision and installation of the meter or communication device upon installation of the meter or communication device.

8. Billing

8A. Billing Procedure

The Company shall issue a single bill for electric service and GreenUp Service to each Customer receiving GreenUp Service.

The Company shall use the pricing options and rates supplied by the GreenUp Service Supplier to calculate the GreenUp Service Supplier's portion of Customer bills, and integrate the billing relating to the GreenUp Service Supplier with the Company's own billing in a single mailing to the Customer. The Company shall send a "customer usage and billing information" transaction to the GreenUp Service Supplier, in accordance with the rules and procedures set forth in the EBT Standards.

Gross earnings tax and sales tax shall be computed, billed, treated, and paid in accordance with the Company's Terms and Conditions for NPPs.

Upon receipt of Customer payments, the Company shall send a "payment/adjustment" transaction to the GreenUp Service Supplier, in accordance with the rules and procedures set forth in the EBT Standards. Customer revenue due to the GreenUp Service Supplier shall be transferred to the GreenUp Service Supplier in accordance with the Service Agreement entered into between the GreenUp Service Supplier and the Company.

A Customer's payment shall be allocated between the Distribution Company and the GreenUp Service Supplier in the following manner: 1) Company 4th arrears; 2) GreenUp Service Supplier 4th arrears; 3) Company 3rd arrears; 4) GreenUp Service Supplier 3rd arrears; 5) Company 2nd arrears; 6) GreenUp Service Supplier 2nd arrears; 7) Company 1st arrears; 8) GreenUp Service Supplier 1st arrears; 9) Company current bill; and 10) GreenUp Service Supplier current bill.

No interest will accrue on residential Customer arrears associated with GreenUp Service.

8B. Summary Billing

The Company has offered certain of the Company's Customers with multiple electric service accounts a Summary Billing option. Customers who have previously elected this option will have GreenUp Service charges included in their summary bill.

9. Fees

As approved by the R.I.P.U.C., the Company shall charge GreenUp Service Suppliers for the Company's reasonable administrative costs to administer GreenUp Service, which shall include, but not be limited to:

- (a) Incremental postage for separate mailing of marketing information about GreenUp Service, if applicable;
- (b) Reasonable administrative costs for tracking the GreenUp Service Supplier's REC obligations to Customers and GreenUp Service Supplier's delivery of RECs to the Company; and
- (c) Reasonable administrative costs for developing the information and billing systems necessary to implement GreenUp Service.

Any billing charges for such reasonable administrative costs that are owed by the GreenUp Service Supplier to the Company, which are included in Appendix B, shall be billed to the GreenUp Service Supplier directly. The Company will provide estimates and details for said charges to the GreenUp Service Supplier prior to the commencement of GreenUp Service to a Customer by a GreenUp Service Supplier.

10. Liability and Indemnification

The Company and the GreenUp Service 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 (including, but not limited to, the GreenUp Service Supplier's Customers and the Proper Authorities) 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 Service Agreement, and related agreements. The Company and the GreenUp Service 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, the Service Agreement, and related agreements.

Effective: October 1, 2003

THE NARRAGANSETT ELECTRIC COMPANY

TERMS AND CONDITIONS FOR GREENUP SERVICE

APPENDIX A

ACCOUNTING FOR GREENUP SERVICE OBLIGATIONS
AND PREPARING GREENUP SERVICE SUPPLIER ENVIRONMENTAL
DISCLOSURE STATEMENTS

The implementation of GreenUp Service and the measurement of compliance of GreenUp Service Supplier's commitments to Customers are achieved through the GIS and the Environmental Disclosure Statement, consistent with the R.I.P.U.C. Consumer Protection Requirements for Nonregulated Power Producers and these Terms and Conditions. The following provisions set forth the protocol for: (1) calculating each GreenUp Service Supplier's Quarterly Billed Obligation for each of its GreenUp Service product offerings and accounting for REC deposits into the GreenUp Service Supplier's subaccount; (2) determining the Company's environmental attributes for Standard Offer and Last Resort Service in order for GreenUp Service Suppliers to create their Environmental Disclosure Statements; and (3) the development of Environmental Disclosure Statements by GreenUp Service Suppliers for each of the GreenUp Service Supplier's product offerings.

1. Accounting for GreenUp Service Supplier's Quarterly Billed Obligation and REC Deposits into GreenUp Service Supplier's Subaccount

The accounting process begins with the determination of the GreenUp Service Supplier's sales of RECs at retail to its Customers. The Company will develop a separate product identification and subaccount for each product offering developed by each GreenUp Service Supplier, with a separate subaccounts for Customers served under Standard Offer and Last Resort Service. The Company will provide at the end of each quarter a report to the GreenUp Service Supplier that includes the following information calculated on a current quarter and trailing four quarters basis for each such product offering made by the GreenUp Service Supplier:

- (a) The kilowatthours delivered to the GreenUp Service Supplier's Customers buying the product, as billed and adjusted for transmission and distribution losses;
- (b) The RECs billed to the GreenUp Service Supplier's Customers buying the product, as billed and adjusted for transmission and distribution losses (the latter figure is the GreenUp Service Supplier's Quarterly Billed Obligation, which is the quantity of RECs that the GreenUp Service Supplier must deposit in the subaccount to meet the sales included in the subaccount);

- (c) The RECs deposited by the GreenUp Service Supplier in the subaccount; and
- (d) Any excess or deficiency in the subaccount at the time of the report.

2. Determining the Company's Environmental Attributes for Standard Offer and Last Resort Service for GreenUp Service Supplier's Preparation of Environmental Disclosure Statements

In order to implement GreenUp Service in a meaningful fashion, the Company has developed a methodology to determine the environmental attributes of its Standard Offer and Last Resort Service, which, in turn will be used in the creation of GreenUp Service Suppliers' Environmental Disclosure Statements. This new methodology uses the GIS reporting system and assures the accuracy of the GreenUp Service Supplier's environmental disclosures. The methodology, which the Company will implement on the effective date of the Terms and Conditions, is as follows:

- (a) The Company's total kilowatthours as a load serving entity, including both Standard Offer and Last Resort Service, will be reported to it by the ISO and will be adjusted for transmission and distribution losses and included in a single main account. The certificates provided by the Company's wholesale suppliers of Standard Offer and Last Resort Service or purchased by the Company will be deposited into the main account;
- (b) The Standard Offer and Last Resort Service obligations as adjusted for transmission and distribution losses will be placed into separate subaccounts;
- (c) The GIS Certificates provided by Standard Offer Service wholesale suppliers and the GIS Certificates provided by Last Resort Service wholesale suppliers will be deposited into the respective Standard Offer and Last Resort Service Subaccounts.
- (d) The GIS administrator assigns residual certificates to balance obligations and certificates in each of the subaccounts; and
- (e) The Company then calculates the environmental attributes for its Standard Offer and Last Resort Service based on the GIS certificates in the balanced subaccounts.

3. Developing the GreenUp Suppliers' Environmental Disclosure Statements

Under the Terms and Conditions, the GreenUp Service Supplier is obligated to prepare and mail Environmental Disclosure Statements to Customers taking GreenUp Service. This section sets forth the process for creating the GreenUp Service Supplier's Environmental Disclosure Statements. The process is as follows:

- (a) Subaccounts are established, as described in Section 1, for each of the GreenUp Service Supplier's product offerings provided to the Company's Standard Offer and Last Resort Service customers and under Section 2(b), for the Standard Offer and Last Resort Service provided by the Company. In each quarter, the kilowatthours delivered to the GreenUp Service Supplier's Customers as adjusted for transmission and distribution losses are recorded as an obligation in the GreenUp Service Supplier's subaccount and are excluded from the Company's Standard Offer or Last Resort Service subaccount. Similarly, the kilowatthours delivered to all other customers who supplied Standard Offer or Last Resort Service by the Company, but not taking GreenUp Service, are included in the Company's Standard Offer and Last Resort Service subaccounts. The sum of the subaccounts for Standard Offer Service should equal 100 percent of the Company's Standard Offer Service obligations, adjusted for transmission and distribution losses, and the sum of the subaccounts for Last Resort Service, adjusted for transmission and distribution losses should equal 100 percent of the obligations associated with Last Resort Service;
- (b) The GIS Certificates provided by the GreenUp Service Supplier are deposited in the GreenUp Service Supplier's subaccounts as designated by that GreenUp Service Supplier;
- (c) The Company allocates the GIS certificates provided by its Standard Offer or Last Resort Service wholesale suppliers to the Standard Offer or Last Resort Service subaccounts based on the percentage of obligations not otherwise met through Section 3(b) in each subaccount to total Standard Offer or Last Resort Service obligations;
- (d) The GIS Administrator allocates Residual Certificates to balance the obligations and certificates in each subaccount;
- (e) Each GreenUp Service Supplier calculates the Environmental Disclosure in each subaccount for the quarter using the data generated by the process set forth above. The GreenUp Service Supplier then prepares the Environmental Disclosure Statement in accordance with the R.I.P.U.C. Consumer Protection Requirements for Nonregulated Power Producers and these Terms and Conditions.

4. Other Requirements

In addition, GreenUp Service Supplier shall meet the following requirements:

- (a) GreenUp Service Supplier shall be subject to the same rules and regulations as a Nonregulated Power Producer and will be directly responsible to all

Customers to whom it provides GreenUp Service. The Company shall have no obligation to provide Environmental Disclosure Statements or information disclosures to any Customers, whether or not such Customers take GreenUp Service.

- (b) GreenUp Service Supplier shall prepare the Environmental Disclosure Statement in accordance with and using the information developed through the process described above. The Company will provide the GreenUp Service Supplier price information for Standard Offer and Last Resort Service for the purposes of preparing the GreenUp Service Supplier's Environmental Disclosure Statement.
- (c) GreenUp Service Supplier shall comply with the rules and regulations of the Proper Authorities.
- (d) GreenUp Service Supplier will include its toll free number for customer service and complaints on the Environmental Disclosure Statement.
- (e) GreenUp Service Supplier shall develop the Environmental Disclosure Statement using the processes described in Sections 2 and 3 of this Appendix A. The reporting period shall be the most recent one year period. For its first year of operation, the GreenUp Service Supplier shall rely on a reasonable estimate of its resource portfolio (determined by projected deposits of GIS certificates in the GreenUp Service Supplier's subaccount) for the first three months of its operation, and thereafter, shall rely on the historic information that is available for the portion of the year that the GreenUp Service Supplier has operated to produce the Environmental Disclosure Statement. GIS shall be the exclusive method for determining GreenUp Service Supplier's portfolio for the Environmental Disclosure Statement, and known resources, system power, imports, and energy storage facilities shall apply to the Environmental Disclosure Statement only to the extent that these resources are reflected in the GIS.
- (f) GreenUp Service Supplier may disaggregate its resource portfolio into separate products using the subaccount methodology set forth in this Protocol.
- (g) GreenUp Service Supplier shall file an annual report with the R.I.P.U.C. for the GreenUp Service it provides to Customers.
- (h) GreenUp Service Supplier shall be responsible for developing the fuel source characteristics used in the Environmental Disclosure Statements for GreenUp Service. GreenUp Service Suppliers will use GIS and this Appendix to determine the fuel source characteristics of its resource portfolios.

- (i) GreenUp Service Supplier shall be responsible for developing the emissions characteristics used in the Environmental Disclosure Statements for GreenUp Service. GreenUp Service Suppliers will use GIS and this Appendix to determine the emissions characteristics of its resource portfolios. GIS shall be the exclusive source of emission data used in the development of the Environmental Disclosure Statements by GreenUp Service Suppliers.

- (j) GreenUp Service Supplier shall be responsible for sending an Environmental Disclosure Statement to its new GreenUp Service Customers prior to the initiation of service and for sending the quarterly Environmental Disclosure Statements to Customers. In addition, the GreenUp Service Supplier shall provide Environmental Disclosure Statements to Customers or Proper Authorities upon request.

APPENDIX B

[Administrative fees charged by Company to GreenUp Service Supplier]

GREENUP SERVICE SUPPLIER SERVICE AGREEMENT

This Agreement (the “Agreement”), dated as of _____, 2003 (“Effective Date”), is made and entered into by and between The Narragansett Electric Company, a Rhode Island corporation with a principal place of business at 280 Melrose Street, Providence, RI (“Company”); and _____, a _____ corporation with a principal place of business at _____ (“GreenUp Service Supplier”). The Company and the GreenUp Service Supplier may hereinafter be referred to individually as the “Party” or referred to collectively as the “Parties.”

WHEREAS, the Parties to this Agreement desire to stimulate the development of renewable energy resources, to promote the sale of renewable energy and the growth of renewable energy markets in the Company’s service territory, and to offer the Company’s Customers increased options to support the growth of renewable energy resources;

WHEREAS, the Parties desire to work together to provide GreenUp Service to Customers, whereby: (i) the GreenUp Service Supplier will sell RECs to and purchase RECs on behalf of Customers who are provided Standard Offer and Last Resort Service by the Company, and (ii) the Company will perform the functions necessary to bill GreenUp Service for the GreenUp Service Supplier and account for the RECs billed on behalf of and provided by the GreenUp Service Supplier;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and obligations set forth hereinafter, the Parties agree as follows:

I. Definitions

Any capitalized term used in this Agreement and not otherwise defined herein shall have the meaning ascribed to it in the Terms and Conditions for GreenUp Service (“Terms and Conditions”), which is attached hereto as Exhibit C and incorporated herein by reference, or in the R.I.P.U.C.’s regulations.

II. Term

Except as provided in Section X of this Agreement, this Agreement shall become effective on the Effective Date and shall continue in full force and effect until the later of the end of Standard Offer Service, the R.I.P.U.C.’s approval of the termination of the Terms and Conditions, or the R.I.P.U.C.’s approval of any modification of the Terms and Conditions that has a material adverse effect on the Company’s ability to provide GreenUp Service.

Notwithstanding the foregoing, the Parties agree to abide by all terms of this Agreement until the processing of any transactions that are outstanding or pending at termination is completed.

Notwithstanding the Effective Date, GreenUp Service Supplier acknowledges that the Company will provide services as set forth in Section VI only upon the satisfaction or express, written waiver by the Company of the requirements found in Section III of this Agreement.

III. Conditions Precedent

The following requirements shall be conditions precedent to the Company’s obligations hereunder:

- A. GreenUp Service Supplier shall provide all information required by the GreenUp Service Supplier Information document, attached hereto as Exhibit B.
- B. GreenUp Service Supplier shall furnish to the Company a complete schedule of

its pricing options for each GreenUp Service product offering in an electronic format reasonably acceptable to the Company, in the Company's discretion, no fewer than ten (10) business days prior to initial Customer enrollment for any such GreenUp Service product offering.

C. Prior to Customer enrollment, GreenUp Service Supplier shall successfully complete testing with the Company of the Electronic Business Transactions ("EBT") as specified in the EBT Standards.

IV. Representations

Each Party represents that it is and shall remain in compliance with all laws, tariffs, and R.I.P.U.C. regulations applicable to this Agreement or to the transactions contemplated hereunder during the term of this Agreement.

Each person executing this Agreement for his or her respective Party represents and warrants that he or she has authority to bind that Party.

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.

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.

V. GreenUp Service Supplier's Responsibilities

Any pending change in the information required in Exhibit B shall be updated by GreenUp Service Supplier five (5) business days prior to the effective date of such pending change.

GreenUp Service Supplier acknowledges that the Company will select and may, from time to time, change the value added network ("VAN") or other electronic transmission vehicle. The Company acknowledges the benefits to both the Company and GreenUp Service Supplier in minimizing the transaction costs related to VAN selection. Notwithstanding the foregoing, the Company will not change the VAN or other electronic transmission vehicle without first providing GreenUp Service Supplier via Internet electronic mail at least seven (7) days notice of any such change. GreenUp Service Supplier shall be responsible for the initial testing costs of the VAN and the costs of any subsequent VAN-related transactions.

During the term of this Agreement, should any revisions be implemented to the EBT contained in EBT Standards subsequent to the initial testing period referenced in Section III(C) above, GreenUp Service Supplier shall be required to successfully complete testing of said revised EBT in accordance with the EBT Standards.

Any change in pricing for GreenUp Service Supplier's GreenUp Service product offerings shall be pursuant to the Company's Complete Billing Process for Competitive Suppliers, found at <http://www.narragansett.com/inside/suppinfo/index.htm>.

VI. Company Service and Responsibilities

A. Standard Complete Billing Service

Company agrees to issue a single bill for electric service and GreenUp Service.

The Company agrees to use the pricing options supplied by GreenUp Service Supplier to calculate the GreenUp Service Supplier portion of Customer bills, and integrate GreenUp Service Supplier's billing with the Company's billing in a single mailing to the Customer. The Company agrees to provide GreenUp Service Supplier with Customer usage and billing information in accordance with the EBT Standards. Upon receipt of Customer payments, the Company agrees to send a payment/adjustment transaction to the GreenUp Service Supplier in accordance with the EBT Standards.

B. Transaction Processing

Customer transactions will be processed consistent with the procedures set forth in EBT Standards. 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 consistent with the procedures set forth in EBT Standards.

C. Rendering of Bills

Rendering of bills is the preparation and mailing of statements of the amounts due from the Customer for GreenUp Service. These statements will be included as part of the regular monthly bill mailed to the Customer for the Company's Distribution Service. These statements will include GreenUp Service Supplier's toll-free telephone number for Customer inquiries. The Company shall not be required to include messages or inserts containing GreenUp Service Supplier specific information.

D. Billing Errors

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 or the GreenUp Service Supplier's

bill calculation, that Party shall, within sixty (60) days from the date of the Customer's statement containing the error, notify the other Party in writing or electronically and explain the nature of the error. 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. In the event of an error by the GreenUp Service Supplier, the Company will, upon GreenUp Service 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 determined by the Company to be reasonably practicable, or if the GreenUp Service Supplier affirmatively chooses, the GreenUp Service Supplier may submit a rate pricing option correction as provided by the EBT Standards. GreenUp Service Supplier will be responsible to pay any fees, as filed with and approved by the R.I.P.U.C., for any rebilling and/or adjustment caused by GreenUp Service Supplier error. 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. Notwithstanding the foregoing, the Parties acknowledge that the Company may send estimated bills to Customers in accordance with R.I.P.U.C. regulations, and such estimated bills shall not be considered billing errors.

E. Payment Processing

GreenUp Service Supplier hereby authorizes the Company to process payments and apply monies in accordance with this Agreement. A Customer's payment shall be allocated between the Company and the GreenUp Service Supplier in accordance with the provisions of the Terms and Conditions. Upon posting a received payment, the Company shall notify GreenUp Service Supplier prior to the close of the next business day that it has posted that payment, and shall send the payment to the GreenUp Service Supplier within three (3) business days, or as otherwise specified in Exhibit A.

VII. Customer Education and Information

The Company and the GreenUp Service Supplier shall undertake reasonable efforts to inform and educate the Company's Customers about the opportunities to participate in, support, and receive GreenUp Service. The Company intends to support a program to disseminate information to Customers about the GreenUp Service Suppliers offering GreenUp Service to the Company's Customers. The program will include information on the Company's website describing GreenUp Service and educational material sent by the Company identifying the GreenUp Service Supplier as a member in good standing of a list of participating GreenUp Service Suppliers in the program. To be eligible for inclusion in this program, the GreenUp Service Supplier must: (1) offer GreenUp Service on a nondiscriminatory basis to all Customers, subject to REC availability and supply; (2) offer GreenUp Service to Customers on terms and conditions for retail service that are consistent with the model terms and conditions that have been agreed to by all GreenUp Service Suppliers participating in the program; (3) have all of its most recent Environmental Disclosure Statements conform to the Terms and Conditions, the orders and regulations of R.I.P.U.C, and the contracts with Customers whose load is included in

each of GreenUp Service Supplier's subaccounts; (4) not be under any enforcement order or injunction by the Proper Authorities; and (5) abide by the Marketing Guidelines included as Exhibit D to this Agreement.

GreenUp Service Supplier shall be free to issue and disseminate its own marketing materials and to advertise its products as it wishes. However, any independent marketing materials issued by the GreenUp Service Supplier shall be provided to the Company seven (7) days in advance for the Company's informational purposes only. Other than stating that GreenUp Service is available to the Company's Customers, GreenUp Service Supplier shall not use the Company's logo or name on any independent marketing materials without the Company's prior written consent.

VIII. Billing and Payment for Services

Bills for services provided by the Company under the terms of this Agreement shall be rendered to GreenUp Service Supplier on a monthly basis and shall be due upon receipt of said bill, unless otherwise specified in Exhibit A. Failure by GreenUp Service Supplier to pay within twenty-five (25) days of the posting date on the bill shall result in the addition of interest on any unpaid balance, calculated at the rate of one and one-half percent (1.5%) per month commencing from the date said bill was posted. The posting date is the date the bill is transmitted to the GreenUp Service Supplier. The bill may also be transmitted electronically if agreed to in Exhibit A by the Parties.

IX. Nondisclosure

No 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 affected Party. As used herein, the term “Confidential Information” shall include, but not be limited to: (i) all business, financial, and commercial information pertaining to a Party, customers of a Party, suppliers for a Party, and personnel of a Party, (ii) any trade secrets of a Party, and (iii) 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: (a) information known to a Party prior to obtaining the same from the other Party, (b) information in the public domain, (c) 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 (d) information developed by a Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own Confidential Information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. The 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 foregoing, a Party may disclose Confidential Information without prior consent from the non-disclosing Party to: (i) any governmental, judicial, regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, including, without limitation, the reports filed with Proper Authorities under the Terms and Conditions, provided that such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or

regulatory authority and prior to such disclosure, the affected 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, (ii) any of its directors, officers, employees, agents, advisors, accountants, consultants or representatives on a need-to-know basis, and (iii) any independent certifying, auditing, or standard-setting authority or body that audits or oversees such Party (including without limitation the Center for Resource Solutions, Green-E Renewable Electricity Certification Program or any similar authority or body) as required by such authority or body, provided that such Confidential Information shall be submitted under any applicable provision, if any, for confidential treatment by such certifying or stand-setting authority or body or under a confidentiality agreement with such authority or body. Notwithstanding the foregoing, a Party may disclose in its marketing and advertising communications to the public the following information: (i) the number of customers served by the GreenUp Service Supplier, (ii) the number of RECs sold as part of GreenUp Service, and (iii) such other information as may be required to be disclosed to Customers receiving GreenUp Service in the GreenUp Service Environmental Disclosure Statements, as provided in the Terms and Conditions.

X. Termination

Notwithstanding anything to the contrary elsewhere in this Agreement, a Party, by written notice to the other Party (“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 and has not cured such breach within fifteen (15) days after receipt of a written notice from the other Party specifying the nature of such (other than the obligations set forth in Section 5 of the Terms and Conditions).

No delay by a 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.

The enumeration of the foregoing remedies shall not be deemed a waiver of any other remedies to which a Party is legally entitled.

XI. Force Majeure

No 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 affected Party's reasonable control and that by exercise of reasonable diligence the affected Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, act of war (whether declared or otherwise), insurrection, act of God or the public enemy, and acts of a judicial, government or regulatory body, public authority or Independent

System Operator. In the event of a force majeure, both Parties shall take all reasonable steps to comply with this Agreement.

XII. Liability and Indemnification

The Parties acknowledge and agree that the liability and indemnification provisions in Section 11 of the 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 more Parties are named as defendants in the initial underlying claim brought by a third-party against the Party seeking indemnification under this Agreement. Proceedings to resolve the third-party claim as between the Parties hereto 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, a Party seeking recovery from the other Party in connection with the performance of its obligations of the Terms and Conditions shall not be entitled to recovery if its conduct is deemed to be more negligent than the conduct of the other Party.

Notwithstanding anything in this Agreement or the Terms and Conditions to the contrary, in no event shall a Party hereto be liable to the 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, strict liability, or negligence.

Notwithstanding the availability of other remedies at law or in equity, a Party hereto shall be entitled to 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.

XIII. Terms and Conditions

The Parties agree to act in compliance with the Terms and Conditions at all times. In the event of a conflict between the provisions of this Agreement and the provisions of the Terms and Conditions, the provisions of the Terms and Conditions shall control.

XIV. Notice

All notices and other communications to the Company shall be sent to the Company contacts listed on the Company's website. Notices and other communications to GreenUp Service Supplier shall be sent to the address or facsimile as shown on Exhibit B. A Party may designate different address or facsimile information by giving notice in writing to the other Party as set forth in this Section XIV. The Parties agree that such written notice, upon confirmation of receipt, shall constitute an acceptable writing.

XV. Governing Law

This Agreement is governed by the laws of the State of Rhode Island and Providence Plantations without regard to the conflict of laws in effect therein.

XVI. Severability

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 competent jurisdiction, the validity and enforceability of the remaining portions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

XVII. Dispute Resolution

A Party shall provide to the other Party, in writing, the basis for any dispute. Disputes shall be 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 for under this Agreement or in the Terms and Conditions. If the Parties fail to resolve the dispute within thirty (30) days of receipt of the written basis for the dispute, or such longer period to which the Parties mutually agree, the dispute shall be filed with the R.I.P.U.C. for resolution.

XVIII. Assignment and Delegation

A Party to this Agreement may assign any of its rights or obligations under this Agreement; provided however, that no assignment by GreenUp Service Supplier shall take effect until the assignee has met the requirements of Section III hereunder. 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, a 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 the 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.

XIX. Miscellaneous

This Agreement, and any agreement signed by the Parties hereto that expressly references this Agreement, together constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior agreements, communications, and representations; provided, that, both Parties shall be bound by any applicable tariff provisions in effect at the time of this Agreement or as may be added or amended at a future date.

This Agreement may be amended by written agreement of the Parties.

Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original instrument, and all of such counterparts shall together constitute one and the same Agreement.

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

THE NARRAGANSETT ELECTRIC COMPANY

By: _____

Name:

Title:

[GREENUP SERVICE SUPPLIER]

By: _____

Name:

Title:

EXHIBIT A

COMPANY SPECIFIC PROVISIONS

1. Holidays and Time

Any reference made with respect to time either in this agreement or the EBT Standards is understood to be Eastern Standard Time (EST).

The Company observes the following holidays and will not receive or process EBT on the following days: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, The Last Weekday Before Christmas Day, and Christmas Day. All holidays will be the nationally observed day.

2. Money Transfers

The Company will transfer payments to the GreenUp Service Supplier by way of Automated Clearing House within three (3) business days of the Company's receipt of payment from the Customer.

3. Business Continuity Plan

If the electronic transmission vehicle used to send and receive files is out of service, the Company will use a business continuity plan that will be posted on the Company's web site. In such an event, GreenUp Service Supplier agrees to cooperate with Company and abide by the procedures of the Company's business continuity plan. GreenUp Service Supplier may contact the Company's representative, as provided below, for further information about accessing the business continuity plan.

EXHIBIT B

GREENUP SERVICE SUPPLIER INFORMATION

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

A. General Information (all GreenUp Service Suppliers)

1. Legal name of GreenUp Service Supplier _____
2. d.b.a. name, if applicable _____
3. GreenUp Service Supplier Address _____

4. Type of Business Entity _____
5. GreenUp Service Supplier Customer Service phone number _____
6. GreenUp Service Supplier Tax Identification number _____
7. GreenUp Service Supplier Dun & Bradstreet number _____
8. Name of the GreenUp Service Supplier's general contact _____
9. GreenUp Service Supplier's general contact phone number _____
10. GreenUp Service Supplier's general contact facsimile number _____
11. GreenUp Service Supplier's general contact e-mail address _____
12. Name of GreenUp Service Supplier's technical contact _____
13. GreenUp Service Supplier's technical contact phone number _____
14. GreenUp Service Supplier's technical contact facsimile number _____
15. GreenUp Service Supplier's technical contact e-mail address _____

B. Billing and Banking Information

1. If the GreenUp Service 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. Value Added Network (VAN)

1. Name of VAN Provider _____
2. ISA Qualifier _____
3. ISA ID _____
4. GS Identifier _____

D. Notices to GreenUp Service Supplier shall go to:

Name: _____

Address: _____

Phone Number: _____

Facsimile Number: _____

Electronic Mail: _____

Authorized Signature: _____

Title: _____

Date: _____

EXHIBIT C

Terms and Conditions for GreenUp Service

EXHIBIT D

RENEWABLE ENERGY UPGRADE SERVICE MARKETING GUIDELINES

The Company is fully committed to making GreenUp Service a success. The Company will treat all GreenUp Service Suppliers fairly, equally, and in a non-discriminatory manner. The Company will not partner with, nor promote, any one GreenUp Service Supplier over another.

The Company will not recommend or take a position on the customer selection of a GreenUp Service Supplier. If customers request information about obtaining GreenUp Service, the Company will provide a list of all GreenUp Service Suppliers pursuant to the Service Agreement.

The Company will help facilitate GreenUp Service marketing by providing on its website information about the program and participating GreenUp Service Suppliers. The Company will provide a minimum of one bill insert per year, over the life of the program, describing the offerings of participating GreenUp Service Suppliers. Customer education initiatives may include press releases, bill inserts, and bill newsletter articles. The Company will work with interested parties to develop a standard description and endorsement of GreenUp Service that GreenUp Service Suppliers may use in their marketing materials without the Company's prior written consent.

In addition, the Company's website will include detailed information about each GreenUp Service Supplier's product offerings and prices, along with links to each of their websites to help facilitate the enrollment process. GreenUp Service Suppliers will have the opportunity to comment on the content of website information prior to the website going live.

Absent the prior written consent of the Company, GreenUp Service Suppliers may not use the Company logos in any customer communication or marketing materials prepared by or for any GreenUp Service Supplier. Any communications to customers relating to GreenUp Service shall be forwarded to the Company at least seven (7) days prior to public release.

The Company reserves the right, in its sole discretion, to change these guidelines at any time without notice.