Jennifer Brooks Hutchinson
Senior Counsel

January 18, 2017

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4605 - Standard Offer Service Procurement Plan

Proposed Standard Offer Service Rates for the Residential Group and the Commercial Group for the Months of April 2017 through September 2017, and for the Industrial Group for the Months of April 2017 through June 2017

Results of Competitive Procurement for the Months of April 2017 through March 2019 for the Residential Group, April 2017 through March 2019 for the Commercial Group, and April 2017 through June 2017 for the Industrial Group, and Request for Confidential Treatment.

Dear Ms. Massaro:

Pursuant to Rule 1.2(g) of the Rhode Island Public Utilities Commission's (PUC) Rules of Practice and Procedure, I have enclosed ten (10) copies of a redacted Procurement Summary, one redacted Master Power Agreement, and five redacted Transaction Confirmations by The Narragansett Electric Company d/b/a National Grid (National Grid or the Company) pursuant to its Standard Offer Service Procurement Plan (Plan) approved by the PUC in Docket 4605, at an open meeting on June 27, 2016.

As part of the Plan, National Grid is required to file with the PUC a summary of the initial and final bids it receives as well as the final executed power supply contracts. In the initial Request for Proposal (RFP), issued on December 9, 2016, the Company solicited:

- Residential Group - 15% of the SOS supply for the period April 2017 through March 2019
- Commercial Group - 15% of the SOS supply for the period April 2017 through March 2019; and
- Industrial Group - 100% of the SOS supply for the period from April 2017 through June 2017.

Included in this filing are the proposed base Residential and Commercial SOS retail rates for April 2017 through September 2017, and proposed base Industrial SOS retail rates for April 2017 through June 2017, as well as a typical bill analysis showing the bill impact of the proposed

280 Melrose Street, Providence, RI 02907
T: 401-784-7288 ■ jennifer.hutchinson@nationalgrid.com ■ www.nationalgrid.com

SOS rates compared to the SOS rates currently in effect. The total SOS rates presented in this filing reflect the SOS Administrative Cost Factor, the Standard Offer Adjustment Factor, and the Renewable Energy Standard Charge currently in effect; revised SOS Administrative Cost Factors, Standard Offer Adjustment Factors, and a revised Renewable Energy Standard Charge will be proposed in separate filings in February 2017, all with a proposed effective date of April 1, 2017. As a result, a Summary of Rates Tariff (RIPUC 2096) is not included with this filing. A compliance filing will be submitted after the PUC has ruled on these rates.

National Grid respectfully requests confidential and privileged treatment of the un-redacted version of Attachments 4 and 5 described below. These attachments contain commercially sensitive market information, the disclosure of which could affect the balance of wholesale markets, as well as National Grid's ability to negotiate competitive terms with its wholesale electric suppliers. This information is also the type of information that the PUC has historically recognized as proprietary information. Therefore, the Company requests that this letter serve as the Company's request for confidential treatment pursuant to Rule 1.2(g)(3), and that the PUC grant protection from public disclosure of Attachments 4 and 5. National Grid also hereby requests that, pending entry of that finding, the PUC preliminarily grant National Grid's request for confidential treatment pursuant to Rule 1.2 (g)(2). In compliance with Rule 1.2(g), National Grid is providing one complete un-redacted copy of the confidential documents in a sealed envelope marked **"Contains Privileged and Confidential Materials – Do Not Release."** Copies of the confidential, un-redacted documents have also been provided to Steve Scialabba of the Division of Public Utilities and Carriers.

National Grid has enclosed the following attachments for the PUC's information:

Attachment 1- A schedule showing the calculation of the retail SOS rates for the Residential, Commercial, and Industrial Groups for the applicable service period.

Attachment 2- A typical bill analysis for the Residential, Commercial, and Industrial Groups.

Attachment 3- A copy of the RFP issued by the Company on December 9, 2016 to solicit SOS supply for the Residential Group for the period April 2017 through March 2019, for the Commercial Group for the period April 2017 through March 2019, and for the Industrial Group for the period April 2017 through June 2017.

Attachment 4- A redacted summary of the procurement process identifying the key actions taken by National Grid to procure SOS for its customers.

Attachment 5- Redacted versions of the executed confidential Master Power Agreement and Transaction Confirmations for the period April 1, 2017 through March 31, 2019 for the Residential Group, April 1, 2017 through March 31, 2019 for the Commercial Group, and April 1, 2017 through June 30, 2017 for the Industrial Group.

As described above, National Grid has provided un-redacted versions of the Procurement Summary, Master Power Agreement, and Transaction Confirmations under separate cover.

The Rhode Island load covered by this RFP is subject to a 11.5% Renewable Energy Standard (RES) requirement in calendar year 2017. The PUC approved the Company's Renewable Energy Standard Procurement Plan (RES Plan) at the open meeting on June 27, 2016. Under the Company's RES Plan, New Renewable Energy Certificates (RECs) obtained through Long-Term Renewable Contracts are expected to be used to fulfill all of the Company's RES obligations in 2017, in accordance with R.I. Gen. Laws § 39-26.1-5(d). As a result, the Company no longer will attempt to procure RECs through its SOS RFPs.

Thank you for your attention to this filing. If you have any questions concerning this matter, please contact me at 401-784-7288.

Very truly yours,

Jennifer Brooks Hutchinson

Enclosures

cc: Docket 4605 Service List
Steve Scialabba (w/confidential attachments)

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

Joanne M. Scanlon

January 18, 2017
Date

Docket No. 4605 - National Grid – 2017 Standard Offer Service (SOS) and 2017 Renewable Energy Standard (RES) Procurement Plans
Service List updated 10/16/16

Name/Address	E-mail Distribution	Phone
Jennifer Brooks Hutchinson, Esq. National Grid. 280 Melrose St. Providence, RI 02907	Jennifer.hutchinson@nationalgrid.com; Celia.obrien@nationalgrid.com; margaret.janzen@nationalgrid.com; Joanne.scanlon@nationalgrid.com; James.Ruebenacker@nationalgrid.com;	401-784-7667
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	Lwold@riag.ri.gov; Steve.scialabba@dpuc.ri.gov; Al.mancini@dpuc.ri.gov; Joseph.shilling@dpuc.ri.gov; dmacrae@riag.ri.gov; jmunoz@riag.ri.gov;	401-274-4400
Richard Hahn Daymark Energy Advisors One Washington Mall, 9th floor Boston, MA 02108	rhahn@daymarkea.com; mneal@daymarkea.com;	617-778-2467
File an original & 9 copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov; Alan.nault@puc.ri.gov; Todd.bianco@puc.ri.gov; Cynthia.WilsonFrias@puc.ri.gov;	401-780-2017
Office of Energy Resources Nicholas Ucci Christopher Kearns	Nicholas.ucci@energy.ri.gov; Christopher.Kearns@energy.ri.gov; Danny.Musher@energy.ri.gov;	
Douglas Gablinske, TEC-RI	Doug@tecri.org;	401-741-5101

National Grid

The Narragansett Electric Company

Proposed Standard Offer Service Rates for the Residential Group and the Commercial Group for the Months of April 2017 through September 2017, and for the Industrial Group for the Months of April 2017 through June 2017.

Results of Competitive Procurement for the Months of April 2017 through March 2019 for the Residential Group, for the Months of April 2017 through March 2019 for the Commercial Group, and for the Months April 2017 through June 2017 for the Industrial Group

January 2017

Submitted to:
Rhode Island Public Utilities Commission
RIPUC Docket No. 4605

Submitted by:

nationalgrid

Attachment 1

The Narragansett Electric Company
d/b/a National Grid

Standard Offer Service Prices (cents per kWh at retail)
Residential Group: April 2017 through September 2017
Commercial Group: April 2017 through September 2017
Industrial Group: April 2017 through June 2017

Power Supply
¢ per kWh

Contract Month	1	2	3	4	5	6
Calendar Month	April	May	June	July	August	September
Year	2017	2017	2017	2017	2017	2017
Customer Group						
Residential (1)	5.607	5.015	7.187	6.847	6.787	6.996
Commercial Group (1)	5.240	4.654	6.782	7.052	6.997	6.603
Industrial Group	5.159	4.681	5.859	n/a	n/a	n/a

Footnotes:

1) Monthly prices calculated as the sum of the average cost of supply (converted to retail delivery) as provided in a confidential submission under separate cover plus estimated cost of providing 10% of Residential and Commercial Customer supply for the period April 2017 through September 2017 through spot market purchases.

The Narragansett Electric Company
d/b/a National Grid
Summary of Proposed Standard Offer Service Charges

		Residential Group (A-16 and A-60) (a)	Commercial Group (C-06, G-02 and SL) (b)	Industrial Group (B-32, B-62, G-32, G-62, X-01) (c)
Section 1: Variable Standard Offer Service Charges, ¢/kWh				
(1)	April 2017	n/a	6.012	4.792
(2)	May 2017	n/a	5.426	4.314
(3)	June 2017	n/a	7.554	5.492
(4)	July 2017	n/a	7.824	n/a
(5)	August 2017	n/a	7.769	n/a
(6)	September 2017	n/a	7.375	n/a
Section 2: Fixed Standard Offer Service Charge, ¢/kWh				
(7)	April 2017 through September 2017	6.766	7.070	n/a

Column Notes:

(a) Page 3, Line 15
(b) Page 4, Line 15
(c) Page 5, Line 4

The Narragansett Electric Company
d/b/a National Grid
Residential Group Standard Offer Service Charge
(Rates A-16 and A-60)
Based on Weighted Average Effective Standard Offer Service Prices
April 2017 through September 2017

Section 1: Percentage of Residential Customer kWhs Attributable to Standard Offer Service

(1)	Residential Group Standard Offer Service kWhs - December 2016	207,944,662
(2)	Total Residential Group kWhs - December 2016	238,374,619
(3)	Percentage of Residential Group Standard Offer Service kWhs to Total Residential Customer kWhs	87.23%

Section 2: Projected Residential Group Standard Offer Service kWhs

		April (a)	May (b)	June (c)	July (d)	August (e)	September (f)	Total (g)
(4)	Projected Total Company Residential Group kWhs	219,777,267	194,989,337	225,600,505	292,078,477	337,549,763	285,643,717	1,555,639,066
(5)	Percentage of Residential Group Standard Offer Service kWhs to Total Residential Customer kWhs	87.23%	87.23%	87.23%	87.23%	87.23%	87.23%	
(6)	Projected Residential Group Standard Offer Service kWhs	191,711,710	170,089,199	196,791,321	254,780,056	294,444,658	249,167,014	1,356,983,958

Section 3: Weighted Average Residential Group Standard Offer Service Charge

(7)	Projected Residential Group Standard Offer Service kWhs	191,711,710	170,089,199	196,791,321	254,780,056	294,444,658	249,167,014	1,356,983,958
(8)	Estimated Residential Group Standard Offer Service Price per kWh	$0.05607	$0.05015	$0.07187	$0.06847	$0.06787	$0.06996	
(9)	Projected Residential Group Standard Offer Service Cost	$10,749,276	$8,529,973	$14,143,392	$17,444,790	$19,983,959	$17,431,724	$88,283,114
(10)	Weighted Average Residential Group Base Standard Offer Service Charge							$0.06505
(11)	Monthly and Weighted Average Standard Offer Service Base Price per kWh	$0.05607	$0.05015	$0.07187	$0.06847	$0.06787	$0.06996	$0.06505
(12)	Standard Offer Service Administrative Cost Factor	$0.00291	$0.00291	$0.00291	$0.00291	$0.00291	$0.00291	$0.00291
(13)	Standard Offer Adjustment Factor	($0.00318)	($0.00318)	($0.00318)	($0.00318)	($0.00318)	($0.00318)	($0.00318)
(14)	Renewable Energy Standard Charge	$0.00288	$0.00288	$0.00288	$0.00288	$0.00288	$0.00288	$0.00288
(15)	Total Estimated Residential Group Standard Offer Service Price per kWh	$0.05868	$0.05276	$0.07448	$0.07108	$0.07048	$0.07257	$0.06766
(16)	Currently Effective Residential Group Standard Offer Service Charge							$0.08179
(17)	Proposed Increase/(Decrease) to Residential Group Standard Offer Service Charge							($0.01413)

Line Descriptions:

(1) Per Company revenue reports (Rates A-16 and A-60) - December 2016
(2) Per Company revenue reports (Rates A-16 and A-60) - December 2016
(3) Line (1) ÷ Line (2), rounded to four decimal places
(4) Per Company forecast for Residential Group rates
(5) Line (3)
(6) Line (4) x Line (5)
(7) Line (6)
(8) Attachment 1, Page 1 (truncated to 5 decimal places)
(9) Line (7) x Line (8)
(10) Line (9) total ÷ Line (7) total, truncated after 5 decimal places
(11) Line (8) for monthly prices and Line (10) for weighted average price
(12) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(13) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(14) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(15) Sum of Lines (11) through (14)
(16) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(17) Line (15) total - Line (16)

The Narragansett Electric Company
d/b/a National Grid
Commercial Group Standard Offer Service Charge
(Rates C-06, G-02 and SL)
Based on Weighted Average Effective Standard Offer Service Prices
April 2017 through September 2017

Section 1: Percentage of Commercial Group kWhs Attributable to Standard Offer Service

(1)	Commercial Group Standard Offer Service kWhs - December 2016	73,636,646
(2)	Total Commercial Group kWhs - December 2016	149,193,265
(3)	Percentage of Commercial Group Standard Offer Service kWhs to Total Commercial Customer kWhs	49.36%

Section 2: Projected Commercial Group Standard Offer Service kWhs

		2017 April (a)	May (b)	June (c)	July (d)	August (e)	September (f)	Total (g)
(4)	Projected Total Company Commercial Group kWhs	151,325,458	143,729,850	158,738,788	178,077,395	187,287,233	179,596,090	998,754,814
(5)	Percentage of Commercial Group Standard Offer Service kWhs to Total Commercial Customer kWhs	49.36%	49.36%	49.36%	49.36%	49.36%	49.36%	
(6)	Projected Commercial Group Standard Offer Service kWhs	74,694,246	70,945,054	78,353,466	87,899,002	92,444,978	88,648,630	492,985,376

Section 3: Weighted Average Commercial Group Standard Offer Service Charge

(7)	Projected Commercial Group Standard Offer Service kWhs	74,694,246	70,945,054	78,353,466	87,899,002	92,444,978	88,648,630	492,985,376
(8)	Estimated Commercial Group Standard Offer Service Price per kWh	$0.05240	$0.04654	$0.06782	$0.07052	$0.06997	$0.06603	
(9)	Projected Commercial Group Standard Offer Service Cost	$3,913,979	$3,301,783	$5,313,932	$6,198,638	$6,468,375	$5,853,469	$31,050,176
(10)	Weighted Average Commercial Group Base Standard Offer Service Charge							$0.06298
(11)	Monthly and Weighted Average Standard Offer Service Base Price per kWh	$0.05240	$0.04654	$0.06782	$0.07052	$0.06997	$0.06603	$0.06298
(12)	Standard Offer Service Administrative Cost Factor	$0.00278	$0.00278	$0.00278	$0.00278	$0.00278	$0.00278	$0.00278
(13)	Standard Offer Adjustment Factor	$0.00206	$0.00206	$0.00206	$0.00206	$0.00206	$0.00206	$0.00206
(14)	Renewable Energy Standard Charge	$0.00288	$0.00288	$0.00288	$0.00288	$0.00288	$0.00288	$0.00288
(15)	Total Estimated Standard Offer Service Price per kWh	$0.06012	$0.05426	$0.07554	$0.07824	$0.07769	$0.07375	$0.07070
(16)	Currently Effective Commercial Group Standard Offer Service Charge							$0.08396
(17)	Proposed Increase/(Decrease) to Commercial Group Standard Offer Service Charge							($0.01326)

Line Descriptions:

(1) Per Company revenue reports (Rates C-06, G-02 and SL) - December 2016
(2) Per Company revenue reports (Rates C-06, G-02 and SL) - December 2016
(3) Line (1) ÷ Line (2), rounded to four decimal places
(4) Per Company forecast for Commercial Group rates
(5) Line (3)
(6) Line (4) x Line (5)
(7) Line (6)
(8) Attachment 1, Page 1, (truncated to 5 decimal places)
(9) Line (7) x Line (8)
(10) Line (9) total ÷ Line (7) total, truncated after 5 decimal places
(11) Line (8) for monthly prices and Line (10) for weighted average price
(12) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(13) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(14) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(15) Sum of Lines (11) through (14)
(16) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(17) Line (15) total - Line (16)

The Narragansett Electric Company
d/b/a National Grid
Industrial Group Standard Offer Service Charge
(Rates B-32, B-62, G-32, G-62, and X-01)
April 2017 through June 2017

	Industrial Group Standard Offer Service Charge	Proposed Rates		
		April 2017	May 2017	June 2017
(1)	Industrial Group Standard Offer Service Price per kWh	$0.05159	$0.04681	$0.05859
(2)	Standard Offer Service Administrative Cost Factor	$0.00359	$0.00359	$0.00359
(3)	Standard Offer Adjustment Factor	($0.01014)	($0.01014)	($0.01014)
(4)	Renewable Energy Standard Charge	$0.00288	$0.00288	$0.00288
(5)	Total Industrial Group Standard Offer Service Price per kWh	$0.04792	$0.04314	$0.05492

Line Descriptions:

(1) Attachment 1, Page 1, (truncated to 5 decimal places)
(2) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(3) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(4) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, issued 10/13/16)
(5) sum of Lines (1) through (4)

Attachment 2

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to A-16 Rate Customers

Monthly kWh	Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill				Percentage of Customers
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	
150	$19.16	$12.27	$1.31	$32.74	$19.16	$10.15	$1.22	$30.53	$0.00	($2.12)	($0.09)	($2.21)	0.0%	-6.5%	-0.3%	-6.8%	13.7%
300	$32.29	$24.54	$2.37	$59.20	$32.29	$20.30	$2.19	$54.78	$0.00	($4.24)	($0.18)	($4.42)	0.0%	-7.2%	-0.3%	-7.5%	17.5%
400	$41.04	$32.72	$3.07	$76.83	$41.04	$27.06	$2.84	$70.94	$0.00	($5.66)	($0.23)	($5.89)	0.0%	-7.4%	-0.3%	-7.7%	11.8%
500	$49.80	$40.90	$3.78	$94.48	$49.80	$33.83	$3.48	$87.11	$0.00	($7.07)	($0.30)	($7.37)	0.0%	-7.5%	-0.3%	-7.8%	10.8%
600	$58.55	$49.07	$4.48	$112.10	$58.55	$40.60	$4.13	$103.28	$0.00	($8.47)	($0.35)	($8.82)	0.0%	-7.6%	-0.3%	-7.9%	9.4%
700	$67.30	$57.25	$5.19	$129.74	$67.30	$47.36	$4.78	$119.44	$0.00	($9.89)	($0.41)	($10.30)	0.0%	-7.6%	-0.3%	-7.9%	7.7%
1,200	$111.07	$98.15	$8.72	$217.94	$111.07	$81.19	$8.01	$200.27	$0.00	($16.96)	($0.71)	($17.67)	0.0%	-7.8%	-0.3%	-8.1%	15.0%
2,000	$181.09	$163.58	$14.36	$359.03	$181.09	$135.32	$13.18	$329.59	$0.00	($28.26)	($1.18)	($29.44)	0.0%	-7.9%	-0.3%	-8.2%	14.1%

		Present Rates		Proposed Rates	
Customer Charge		$5.00		$5.00	
RE Growth Factor		$0.22		$0.22	
LIHEAP Charge		$0.81		$0.81	
Transmission Energy Charge	kWh x	$0.02705		$0.02705	
Distribution Energy Charge	kWh x	$0.04278		$0.04278	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08179	(1)	$0.06766	(2)

Note (1): includes the base Standard Offer Service Charge of 7.918¢/kWh, the Standard Offer Service Adjustment Charge of (0.318¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.291¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.505¢/kWh, the Standard Offer Service Adjustment Charge of (0.318¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.291¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to A-60 Rate Customers

Monthly kWh	Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill				Percentage of Customers
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	
150	$12.14	$12.27	$1.02	$25.43	$12.14	$10.15	$0.93	$23.22	$0.00	($2.12)	($0.09)	($2.21)	0.0%	-8.3%	-0.4%	-8.7%	13.7%
300	$23.25	$24.54	$1.99	$49.78	$23.25	$20.30	$1.81	$45.36	$0.00	($4.24)	($0.18)	($4.42)	0.0%	-8.5%	-0.4%	-8.9%	17.5%
400	$30.65	$32.72	$2.64	$66.01	$30.65	$27.06	$2.40	$60.11	$0.00	($5.66)	($0.24)	($5.90)	0.0%	-8.6%	-0.4%	-8.9%	11.8%
500	$38.06	$40.90	$3.29	$82.25	$38.06	$33.83	$3.00	$74.89	$0.00	($7.07)	($0.29)	($7.36)	0.0%	-8.6%	-0.4%	-8.9%	10.8%
600	$45.47	$49.07	$3.94	$98.48	$45.47	$40.60	$3.59	$89.66	$0.00	($8.47)	($0.35)	($8.82)	0.0%	-8.6%	-0.4%	-9.0%	9.4%
700	$52.87	$57.25	$4.59	$114.71	$52.87	$47.36	$4.18	$104.41	$0.00	($9.89)	($0.41)	($10.30)	0.0%	-8.6%	-0.4%	-9.0%	7.7%
1,200	$89.90	$98.15	$7.84	$195.89	$89.90	$81.19	$7.13	$178.22	$0.00	($16.96)	($0.71)	($17.67)	0.0%	-8.7%	-0.4%	-9.0%	15.0%
2,000	$149.15	$163.58	$13.03	$325.76	$149.15	$135.32	$11.85	$296.32	$0.00	($28.26)	($1.18)	($29.44)	0.0%	-8.7%	-0.4%	-9.0%	14.1%

		Present Rates		Proposed Rates	
Customer Charge		$0.00		$0.00	
RE Growth Factor		$0.22		$0.22	
LIHEAP Charge		$0.81		$0.81	
Transmission Energy Charge	kWh x	$0.02705		$0.02705	
Distribution Energy Charge	kWh x	$0.02931		$0.02931	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08179	(1)	$0.06766	(2)

Note (1): includes the base Standard Offer Service Charge of 7.918¢/kWh, the Standard Offer Service Adjustment Charge of (0.318¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.291¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.505¢/kWh, the Standard Offer Service Adjustment Charge of (0.318¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.291¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to C-06 Rate Customers

Monthly kWh	Present Rates Delivery	SOS	GET	Total	Proposed Rates Delivery	SOS	GET	Total	Increase (Decrease) $ Delivery	SOS	GET	Total	% of Total Bill Delivery	SOS	GET	Total	Percentage of Customers
250	$31.63	$20.99	$2.19	$54.81	$31.63	$17.68	$2.05	$51.36	$0.00	($3.31)	($0.14)	($3.45)	0.0%	-6.0%	-0.3%	-6.3%	35.2%
500	$52.10	$41.98	$3.92	$98.00	$52.10	$35.35	$3.64	$91.09	$0.00	($6.63)	($0.28)	($6.91)	0.0%	-6.8%	-0.3%	-7.1%	17.0%
1,000	$93.04	$83.96	$7.38	$184.38	$93.04	$70.70	$6.82	$170.56	$0.00	($13.26)	($0.56)	($13.82)	0.0%	-7.2%	-0.3%	-7.5%	19.0%
1,500	$133.98	$125.94	$10.83	$270.75	$133.98	$106.05	$10.00	$250.03	$0.00	($19.89)	($0.83)	($20.72)	0.0%	-7.3%	-0.3%	-7.7%	9.8%
2,000	$174.92	$167.92	$14.29	$357.13	$174.92	$141.40	$13.18	$329.50	$0.00	($26.52)	($1.11)	($27.63)	0.0%	-7.4%	-0.3%	-7.7%	19.1%

		Present Rates		Proposed Rates	
Customer Charge		$10.00		$10.00	
RE Growth Factor		$0.35		$0.35	
LIHEAP Charge		$0.81		$0.81	
Transmission Energy Charge	kWh x	$0.02566		$0.02566	
Distribution Energy Charge	kWh x	$0.03852		$0.03852	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08396	(1)	$0.07070	(2)

Note (1): includes the base Standard Offer Service Charge of 7.624¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.298¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 200

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20	4000	$409.62	$335.84	$31.06	$776.52	$409.62	$282.80	$28.85	$721.27	$0.00	($53.04)	($2.21)	($55.25)	0.0%	-6.8%	-0.3%	-7.1%
50	10000	$898.98	$839.60	$72.44	$1,811.02	$898.98	$707.00	$66.92	$1,672.90	$0.00	($132.60)	($5.52)	($138.12)	0.0%	-7.3%	-0.3%	-7.6%
100	20000	$1,714.58	$1,679.20	$141.41	$3,535.19	$1,714.58	$1,414.00	$130.36	$3,258.94	$0.00	($265.20)	($11.05)	($276.25)	0.0%	-7.5%	-0.3%	-7.8%
150	30000	$2,530.18	$2,518.80	$210.37	$5,259.35	$2,530.18	$2,121.00	$193.80	$4,844.98	$0.00	($397.80)	($16.57)	($414.37)	0.0%	-7.6%	-0.3%	-7.9%

		Present Rates		Proposed Rates	
Customer Charge		$135.00		$135.00	
RE Growth Factor		$3.37		$3.37	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.59		$3.59	
Transmission Energy Charge	kWh x	$0.01068		$0.01068	
Distribution Demand Charge-xcs 10 kW	kW x	$5.58		$5.58	
Distribution Energy Charge	kWh x	$0.00733		$0.00733	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08396	(1)	$0.07070	(2)

Note (1): includes the base Standard Offer Service Charge of 7.624¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.298¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 300

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20	6000	$481.04	$503.76	$41.03	$1,025.83	$481.04	$424.20	$37.72	$942.96	$0.00	($79.56)	($3.31)	($82.87)	0.0%	-7.8%	-0.3%	-8.1%
50	15000	$1,077.53	$1,259.40	$97.37	$2,434.30	$1,077.53	$1,060.50	$89.08	$2,227.11	$0.00	($198.90)	($8.29)	($207.19)	0.0%	-8.2%	-0.3%	-8.5%
100	30000	$2,071.68	$2,518.80	$191.27	$4,781.75	$2,071.68	$2,121.00	$174.70	$4,367.38	$0.00	($397.80)	($16.57)	($414.37)	0.0%	-8.3%	-0.3%	-8.7%
150	45000	$3,065.83	$3,778.20	$285.17	$7,129.20	$3,065.83	$3,181.50	$260.31	$6,507.64	$0.00	($596.70)	($24.86)	($621.56)	0.0%	-8.4%	-0.3%	-8.7%

		Present Rates		Proposed Rates	
Customer Charge		$135.00		$135.00	
RE Growth Factor		$3.37		$3.37	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.59		$3.59	
Transmission Energy Charge	kWh x	$0.01068		$0.01068	
Distribution Demand Charge-xcs 10 kW	kW x	$5.58		$5.58	
Distribution Energy Charge	kWh x	$0.00733		$0.00733	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08396	(1)	$0.07070	(2)

Note (1): includes the base Standard Offer Service Charge of 7.624¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.298¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 400

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20	8000	$552.46	$671.68	$51.01	$1,275.15	$552.46	$565.60	$46.59	$1,164.65	$0.00	($106.08)	($4.42)	($110.50)	0.0%	-8.3%	-0.3%	-8.7%
50	20000	$1,256.08	$1,679.20	$122.30	$3,057.58	$1,256.08	$1,414.00	$111.25	$2,781.33	$0.00	($265.20)	($11.05)	($276.25)	0.0%	-8.7%	-0.4%	-9.0%
100	40000	$2,428.78	$3,358.40	$241.13	$6,028.31	$2,428.78	$2,828.00	$219.03	$5,475.81	$0.00	($530.40)	($22.10)	($552.50)	0.0%	-8.8%	-0.4%	-9.2%
150	60000	$3,601.48	$5,037.60	$359.96	$8,999.04	$3,601.48	$4,242.00	$326.81	$8,170.29	$0.00	($795.60)	($33.15)	($828.75)	0.0%	-8.8%	-0.4%	-9.2%

		Present Rates		Proposed Rates	
Customer Charge		$135.00		$135.00	
RE Growth Factor		$3.37		$3.37	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.59		$3.59	
Transmission Energy Charge	kWh x	$0.01068		$0.01068	
Distribution Demand Charge-xcs 10 kW	kW x	$5.58		$5.58	
Distribution Energy Charge	kWh x	$0.00733		$0.00733	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08396	(1)	$0.07070	(2)

Note (1): includes the base Standard Offer Service Charge of 7.624¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.298¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 500

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20	10000	$623.88	$839.60	$60.98	$1,524.46	$623.88	$707.00	$55.45	$1,386.33	$0.00	($132.60)	($5.53)	($138.13)	0.0%	-8.7%	-0.4%	-9.1%
50	25000	$1,434.63	$2,099.00	$147.23	$3,680.86	$1,434.63	$1,767.50	$133.42	$3,335.55	$0.00	($331.50)	($13.81)	($345.31)	0.0%	-9.0%	-0.4%	-9.4%
100	50000	$2,785.88	$4,198.00	$291.00	$7,274.88	$2,785.88	$3,535.00	$263.37	$6,584.25	$0.00	($663.00)	($27.63)	($690.63)	0.0%	-9.1%	-0.4%	-9.5%
150	75000	$4,137.13	$6,297.00	$434.76	$10,868.89	$4,137.13	$5,302.50	$393.32	$9,832.95	$0.00	($994.50)	($41.44)	($1,035.94)	0.0%	-9.1%	-0.4%	-9.5%

		Present Rates		Proposed Rates	
Customer Charge		$135.00		$135.00	
RE Growth Factor		$3.37		$3.37	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.59		$3.59	
Transmission Energy Charge	kWh x	$0.01068		$0.01068	
Distribution Demand Charge-xcs 10 kW	kW x	$5.58		$5.58	
Distribution Energy Charge	kWh x	$0.00733		$0.00733	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08396	(1)	$0.07070	(2)

Note (1): includes the base Standard Offer Service Charge of 7.624¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.298¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 600

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20	12000	$695.30	$1,007.52	$70.95	$1,773.77	$695.30	$848.40	$64.32	$1,608.02	$0.00	($159.12)	($6.63)	($165.75)	0.0%	-9.0%	-0.4%	-9.3%
50	30000	$1,613.18	$2,518.80	$172.17	$4,304.15	$1,613.18	$2,121.00	$155.59	$3,889.77	$0.00	($397.80)	($16.58)	($414.38)	0.0%	-9.2%	-0.4%	-9.6%
100	60000	$3,142.98	$5,037.60	$340.86	$8,521.44	$3,142.98	$4,242.00	$307.71	$7,692.69	$0.00	($795.60)	($33.15)	($828.75)	0.0%	-9.3%	-0.4%	-9.7%
150	90000	$4,672.78	$7,556.40	$509.55	$12,738.73	$4,672.78	$6,363.00	$459.82	$11,495.60	$0.00	($1,193.40)	($49.73)	($1,243.13)	0.0%	-9.4%	-0.4%	-9.8%

		Present Rates		Proposed Rates	
Customer Charge		$135.00		$135.00	
RE Growth Factor		$3.37		$3.37	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.59		$3.59	
Transmission Energy Charge	kWh x	$0.01068		$0.01068	
Distribution Demand Charge-xcs 10 kW	kW x	$5.58		$5.58	
Distribution Energy Charge	kWh x	$0.00733		$0.00733	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.08396	(1)	$0.07070	(2)

Note (1): includes the base Standard Offer Service Charge of 7.624¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed base Standard Offer Service Charge of 6.298¢/kWh, the Standard Offer Service Adjustment Charge of 0.206¢/kWh, the Standard Offer Service Administrative Cost Factor of 0.278¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 200

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	40,000	$3,078.30	$2,999.60	$253.25	$6,331.15	$3,078.30	$1,946.40	$209.36	$5,234.06	$0.00	($1,053.20)	($43.89)	($1,097.09)	0.0%	-16.6%	-0.7%	-17.3%
750	150,000	$11,647.30	$11,248.50	$953.99	$23,849.79	$11,647.30	$7,299.00	$789.43	$19,735.73	$0.00	($3,949.50)	($164.56)	($4,114.06)	0.0%	-16.6%	-0.7%	-17.2%
1,000	200,000	$15,542.30	$14,998.00	$1,272.51	$31,812.81	$15,542.30	$9,732.00	$1,053.10	$26,327.40	$0.00	($5,266.00)	($219.41)	($5,485.41)	0.0%	-16.6%	-0.7%	-17.2%
1,500	300,000	$23,332.30	$22,497.00	$1,909.55	$47,738.85	$23,332.30	$14,598.00	$1,580.43	$39,510.73	$0.00	($7,899.00)	($329.12)	($8,228.12)	0.0%	-16.5%	-0.7%	-17.2%
2,500	500,000	$38,912.30	$37,495.00	$3,183.64	$79,590.94	$38,912.30	$24,330.00	$2,635.10	$65,877.40	$0.00	($13,165.00)	($548.54)	($13,713.54)	0.0%	-16.5%	-0.7%	-17.2%

		Present Rates		Proposed Rates	
Customer Charge		$825.00		$825.00	
RE Growth Factor		$24.49		$24.49	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.97		$3.97	
Transmission Energy Charge	kWh x	$0.01047		$0.01047	
Distribution Demand Charge-xcs 10 kW	kW x	$4.44		$4.44	
Distribution Energy Charge	kWh x	$0.00768		$0.00768	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 300

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	60,000	$3,795.30	$4,499.40	$345.61	$8,640.31	$3,795.30	$2,919.60	$279.79	$6,994.69	$0.00	($1,579.80)	($65.82)	($1,645.62)	0.0%	-18.3%	-0.8%	-19.0%
750	225,000	$14,336.05	$16,872.75	$1,300.37	$32,509.17	$14,336.05	$10,948.50	$1,053.52	$26,338.07	$0.00	($5,924.25)	($246.85)	($6,171.10)	0.0%	-18.2%	-0.8%	-19.0%
1,000	300,000	$19,127.30	$22,497.00	$1,734.35	$43,358.65	$19,127.30	$14,598.00	$1,405.22	$35,130.52	$0.00	($7,899.00)	($329.13)	($8,228.13)	0.0%	-18.2%	-0.8%	-19.0%
1,500	450,000	$28,709.80	$33,745.50	$2,602.30	$65,057.60	$28,709.80	$21,897.00	$2,108.62	$52,715.42	$0.00	($11,848.50)	($493.68)	($12,342.18)	0.0%	-18.2%	-0.8%	-19.0%
2,500	750,000	$47,874.80	$56,242.50	$4,338.22	$108,455.52	$47,874.80	$36,495.00	$3,515.41	$87,885.21	$0.00	($19,747.50)	($822.81)	($20,570.31)	0.0%	-18.2%	-0.8%	-19.0%

		Present Rates		Proposed Rates	
Customer Charge		$825.00		$825.00	
RE Growth Factor		$24.49		$24.49	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.97		$3.97	
Transmission Energy Charge	kWh x	$0.01047		$0.01047	
Distribution Demand Charge-xcs 10 kW	kW x	$4.44		$4.44	
Distribution Energy Charge	kWh x	$0.00768		$0.00768	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 400

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	80,000	$4,512.30	$5,999.20	$437.98	$10,949.48	$4,512.30	$3,892.80	$350.21	$8,755.31	$0.00	($2,106.40)	($87.77)	($2,194.17)	0.0%	-19.2%	-0.8%	-20.0%
750	300,000	$17,024.80	$22,497.00	$1,646.74	$41,168.54	$17,024.80	$14,598.00	$1,317.62	$32,940.42	$0.00	($7,899.00)	($329.12)	($8,228.12)	0.0%	-19.2%	-0.8%	-20.0%
1,000	400,000	$22,712.30	$29,996.00	$2,196.18	$54,904.48	$22,712.30	$19,464.00	$1,757.35	$43,933.65	$0.00	($10,532.00)	($438.83)	($10,970.83)	0.0%	-19.2%	-0.8%	-20.0%
1,500	600,000	$34,087.30	$44,994.00	$3,295.05	$82,376.35	$34,087.30	$29,196.00	$2,636.80	$65,920.10	$0.00	($15,798.00)	($658.25)	($16,456.25)	0.0%	-19.2%	-0.8%	-20.0%
2,500	1,000,000	$56,837.30	$74,990.00	$5,492.80	$137,320.10	$56,837.30	$48,660.00	$4,395.72	$109,893.02	$0.00	($26,330.00)	($1,097.08)	($27,427.08)	0.0%	-19.2%	-0.8%	-20.0%

		Present Rates		Proposed Rates	
Customer Charge		$825.00		$825.00	
RE Growth Factor		$24.49		$24.49	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.97		$3.97	
Transmission Energy Charge	kWh x	$0.01047		$0.01047	
Distribution Demand Charge-xcs 10 kW	kW x	$4.44		$4.44	
Distribution Energy Charge	kWh x	$0.00768		$0.00768	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 500

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	100,000	$5,229.30	$7,499.00	$530.35	$13,258.65	$5,229.30	$4,866.00	$420.64	$10,515.94	$0.00	($2,633.00)	($109.71)	($2,742.71)	0.0%	-19.9%	-0.8%	-20.7%
750	375,000	$19,713.55	$28,121.25	$1,993.12	$49,827.92	$19,713.55	$18,247.50	$1,581.71	$39,542.76	$0.00	($9,873.75)	($411.41)	($10,285.16)	0.0%	-19.8%	-0.8%	-20.6%
1,000	500,000	$26,297.30	$37,495.00	$2,658.01	$66,450.31	$26,297.30	$24,330.00	$2,109.47	$52,736.77	$0.00	($13,165.00)	($548.54)	($13,713.54)	0.0%	-19.8%	-0.8%	-20.6%
1,500	750,000	$39,464.80	$56,242.50	$3,987.80	$99,695.10	$39,464.80	$36,495.00	$3,164.99	$79,124.79	$0.00	($19,747.50)	($822.81)	($20,570.31)	0.0%	-19.8%	-0.8%	-20.6%
2,500	1,250,000	$65,799.80	$93,737.50	$6,647.39	$166,184.69	$65,799.80	$60,825.00	$5,276.03	$131,900.83	$0.00	($32,912.50)	($1,371.36)	($34,283.86)	0.0%	-19.8%	-0.8%	-20.6%

		Present Rates		Proposed Rates	
Customer Charge		$825.00		$825.00	
RE Growth Factor		$24.49		$24.49	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.97		$3.97	
Transmission Energy Charge	kWh x	$0.01047		$0.01047	
Distribution Demand Charge-xcs 10 kW	kW x	$4.44		$4.44	
Distribution Energy Charge	kWh x	$0.00768		$0.00768	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 600

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	120,000	$5,946.30	$8,998.80	$622.71	$15,567.81	$5,946.30	$5,839.20	$491.06	$12,276.56	$0.00	($3,159.60)	($131.65)	($3,291.25)	0.0%	-20.3%	-0.8%	-21.1%
750	450,000	$22,402.30	$33,745.50	$2,339.49	$58,487.29	$22,402.30	$21,897.00	$1,845.80	$46,145.10	$0.00	($11,848.50)	($493.69)	($12,342.19)	0.0%	-20.3%	-0.8%	-21.1%
1,000	600,000	$29,882.30	$44,994.00	$3,119.85	$77,996.15	$29,882.30	$29,196.00	$2,461.60	$61,539.90	$0.00	($15,798.00)	($658.25)	($16,456.25)	0.0%	-20.3%	-0.8%	-21.1%
1,500	900,000	$44,842.30	$67,491.00	$4,680.55	$117,013.85	$44,842.30	$43,794.00	$3,693.18	$92,329.48	$0.00	($23,697.00)	($987.37)	($24,684.37)	0.0%	-20.3%	-0.8%	-21.1%
2,500	1,500,000	$74,762.30	$112,485.00	$7,801.97	$195,049.27	$74,762.30	$72,990.00	$6,156.35	$153,908.65	$0.00	($39,495.00)	($1,645.62)	($41,140.62)	0.0%	-20.2%	-0.8%	-21.1%

		Present Rates		Proposed Rates	
Customer Charge		$825.00		$825.00	
RE Growth Factor		$24.49		$24.49	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.97		$3.97	
Transmission Energy Charge	kWh x	$0.01047		$0.01047	
Distribution Demand Charge-xcs 10 kW	kW x	$4.44		$4.44	
Distribution Energy Charge	kWh x	$0.00768		$0.00768	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 200

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	600,000	$58,520.11	$44,994.00	$4,313.09	$107,827.20	$58,520.11	$29,196.00	$3,654.84	$91,370.95	$0.00	($15,798.00)	($658.25)	($16,456.25)	0.0%	-14.7%	-0.6%	-15.3%
5,000	1,000,000	$85,840.11	$74,990.00	$6,701.25	$167,531.36	$85,840.11	$48,660.00	$5,604.17	$140,104.28	$0.00	($26,330.00)	($1,097.08)	($27,427.08)	0.0%	-15.7%	-0.7%	-16.4%
7,500	1,500,000	$119,990.11	$112,485.00	$9,686.46	$242,161.57	$119,990.11	$72,990.00	$8,040.84	$201,020.95	$0.00	($39,495.00)	($1,645.62)	($41,140.62)	0.0%	-16.3%	-0.7%	-17.0%
10,000	2,000,000	$154,140.11	$149,980.00	$12,671.67	$316,791.78	$154,140.11	$97,320.00	$10,477.50	$261,937.61	$0.00	($52,660.00)	($2,194.17)	($54,854.17)	0.0%	-16.6%	-0.7%	-17.3%
20,000	4,000,000	$290,740.11	$299,960.00	$24,612.50	$615,312.61	$290,740.11	$194,640.00	$20,224.17	$505,604.28	$0.00	($105,320.00)	($4,388.33)	($109,708.33)	0.0%	-17.1%	-0.7%	-17.8%

		Present Rates		Proposed Rates	
Customer Charge		$17,000.00		$17,000.00	
RE Growth Factor		$539.30		$539.30	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.22		$3.22	
Transmission Energy Charge	kWh x	$0.01378		$0.01378	
Distribution Demand Charge-xcs 10 kW	kW x	$3.81		$3.81	
Distribution Energy Charge	kWh x	$0.00167		$0.00167	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the proposed Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the proposed Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 300

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	900,000	$68,465.11	$67,491.00	$5,664.84	$141,620.95	$68,465.11	$43,794.00	$4,677.46	$116,936.57	$0.00	($23,697.00)	($987.38)	($24,684.38)	0.0%	-16.7%	-0.7%	-17.4%
5,000	1,500,000	$102,415.11	$112,485.00	$8,954.17	$223,854.28	$102,415.11	$72,990.00	$7,308.55	$182,713.66	$0.00	($39,495.00)	($1,645.62)	($41,140.62)	0.0%	-17.6%	-0.7%	-18.4%
7,500	2,250,000	$144,852.61	$168,727.50	$13,065.84	$326,645.95	$144,852.61	$109,485.00	$10,597.40	$264,935.01	$0.00	($59,242.50)	($2,468.44)	($61,710.94)	0.0%	-18.1%	-0.8%	-18.9%
10,000	3,000,000	$187,290.11	$224,970.00	$17,177.50	$429,437.61	$187,290.11	$145,980.00	$13,886.25	$347,156.36	$0.00	($78,990.00)	($3,291.25)	($82,281.25)	0.0%	-18.4%	-0.8%	-19.2%
20,000	6,000,000	$357,040.11	$449,940.00	$33,624.17	$840,604.28	$357,040.11	$291,960.00	$27,041.67	$676,041.78	$0.00	($157,980.00)	($6,582.50)	($164,562.50)	0.0%	-18.8%	-0.8%	-19.6%

		Present Rates		Proposed Rates	
Customer Charge		$17,000.00		$17,000.00	
RE Growth Factor		$539.30		$539.30	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.22		$3.22	
Transmission Energy Charge	kWh x	$0.01378		$0.01378	
Distribution Demand Charge-xcs 10 kW	kW x	$3.81		$3.81	
Distribution Energy Charge	kWh x	$0.00167		$0.00167	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the proposed Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the proposed Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 400

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease)							
										$				% of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	1,200,000	$78,410.11	$89,988.00	$7,016.59	$175,414.70	$78,410.11	$58,392.00	$5,700.09	$142,502.20	$0.00	($31,596.00)	($1,316.50)	($32,912.50)	0.0%	-18.0%	-0.8%	-18.8%
5,000	2,000,000	$118,990.11	$149,980.00	$11,207.09	$280,177.20	$118,990.11	$97,320.00	$9,012.92	$225,323.03	$0.00	($52,660.00)	($2,194.17)	($54,854.17)	0.0%	-18.8%	-0.8%	-19.6%
7,500	3,000,000	$169,715.11	$224,970.00	$16,445.21	$411,130.32	$169,715.11	$145,980.00	$13,153.96	$328,849.07	$0.00	($78,990.00)	($3,291.25)	($82,281.25)	0.0%	-19.2%	-0.8%	-20.0%
10,000	4,000,000	$220,440.11	$299,960.00	$21,683.34	$542,083.45	$220,440.11	$194,640.00	$17,295.00	$432,375.11	$0.00	($105,320.00)	($4,388.34)	($109,708.34)	0.0%	-19.4%	-0.8%	-20.2%
20,000	8,000,000	$423,340.11	$599,920.00	$42,635.84	$1,065,895.95	$423,340.11	$389,280.00	$33,859.17	$846,479.28	$0.00	($210,640.00)	($8,776.67)	($219,416.67)	0.0%	-19.8%	-0.8%	-20.6%

		Present Rates		Proposed Rates	
Customer Charge		$17,000.00		$17,000.00	
RE Growth Factor		$539.30		$539.30	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.22		$3.22	
Transmission Energy Charge	kWh x	$0.01378		$0.01378	
Distribution Demand Charge-xcs 10 kW	kW x	$3.81		$3.81	
Distribution Energy Charge	kWh x	$0.00167		$0.00167	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the proposed Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the proposed Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 500

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	1,500,000	$88,355.11	$112,485.00	$8,368.34	$209,208.45	$88,355.11	$72,990.00	$6,722.71	$168,067.82	$0.00	($39,495.00)	($1,645.63)	($41,140.63)	0.0%	-18.9%	-0.8%	-19.7%
5,000	2,500,000	$135,565.11	$187,475.00	$13,460.00	$336,500.11	$135,565.11	$121,650.00	$10,717.30	$267,932.41	$0.00	($65,825.00)	($2,742.70)	($68,567.70)	0.0%	-19.6%	-0.8%	-20.4%
7,500	3,750,000	$194,577.61	$281,212.50	$19,824.59	$495,614.70	$194,577.61	$182,475.00	$15,710.53	$392,763.14	$0.00	($98,737.50)	($4,114.06)	($102,851.56)	0.0%	-19.9%	-0.8%	-20.8%
10,000	5,000,000	$253,590.11	$374,950.00	$26,189.17	$654,729.28	$253,590.11	$243,300.00	$20,703.75	$517,593.86	$0.00	($131,650.00)	($5,485.42)	($137,135.42)	0.0%	-20.1%	-0.8%	-20.9%
20,000	10,000,000	$489,640.11	$749,900.00	$51,647.50	$1,291,187.61	$489,640.11	$486,600.00	$40,676.67	$1,016,916.78	$0.00	($263,300.00)	($10,970.83)	($274,270.83)	0.0%	-20.4%	-0.8%	-21.2%

		Present Rates		Proposed Rates	
Customer Charge		$17,000.00		$17,000.00	
RE Growth Factor		$539.30		$539.30	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.22		$3.22	
Transmission Energy Charge	kWh x	$0.01378		$0.01378	
Distribution Demand Charge-xcs 10 kW	kW x	$3.81		$3.81	
Distribution Energy Charge	kWh x	$0.00167		$0.00167	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the proposed Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the proposed Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 600

Monthly Power		Present Rates				Proposed Rates				Increase (Decrease) $				Increase (Decrease) % of Total Bill			
kW	kWh	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	1,800,000	$98,300.11	$134,982.00	$9,720.09	$243,002.20	$98,300.11	$87,588.00	$7,745.34	$193,633.45	$0.00	($47,394.00)	($1,974.75)	($49,368.75)	0.0%	-19.5%	-0.8%	-20.3%
5,000	3,000,000	$152,140.11	$224,970.00	$15,712.92	$392,823.03	$152,140.11	$145,980.00	$12,421.67	$310,541.78	$0.00	($78,990.00)	($3,291.25)	($82,281.25)	0.0%	-20.1%	-0.8%	-20.9%
7,500	4,500,000	$219,440.11	$337,455.00	$23,203.96	$580,099.07	$219,440.11	$218,970.00	$18,267.09	$456,677.20	$0.00	($118,485.00)	($4,936.87)	($123,421.87)	0.0%	-20.4%	-0.9%	-21.3%
10,000	6,000,000	$286,740.11	$449,940.00	$30,695.00	$767,375.11	$286,740.11	$291,960.00	$24,112.50	$602,812.61	$0.00	($157,980.00)	($6,582.50)	($164,562.50)	0.0%	-20.6%	-0.9%	-21.4%
20,000	12,000,000	$555,940.11	$899,880.00	$60,659.17	$1,516,479.28	$555,940.11	$583,920.00	$47,494.17	$1,187,354.28	$0.00	($315,960.00)	($13,165.00)	($329,125.00)	0.0%	-20.8%	-0.9%	-21.7%

		Present Rates		Proposed Rates	
Customer Charge		$17,000.00		$17,000.00	
RE Growth Factor		$539.30		$539.30	
LIHEAP Charge		$0.81		$0.81	
Transmission Demand Charge	kW x	$3.22		$3.22	
Transmission Energy Charge	kWh x	$0.01378		$0.01378	
Distribution Demand Charge-xcs 10 kW	kW x	$3.81		$3.81	
Distribution Energy Charge	kWh x	$0.00167		$0.00167	
Transition Energy Charge	kWh x	($0.00058)		($0.00058)	
Energy Efficiency Program Charge	kWh x	$0.01154		$0.01154	
Renewable Energy Distribution Charge	kWh x	$0.00674		$0.00674	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	$0.07499	(1)	$0.04866	(2)

Note (1): includes the base average January-March 2017 Standard Offer Service Charge of 7.866¢/kWh, the Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Note (2): includes the proposed average April-June 2017 base Standard Offer Service Charge of 5.233¢/kWh, the proposed Standard Offer Service Adjustment Charge of (1.014¢)/kWh, the proposed Standard Offer Service Administrative Cost Factor of 0.359¢/kWh and the Renewable Energy Standard Charge of 0.288¢/kWh

Attachment 3

nationalgrid

Request for Power Supply Proposals to Provide the Following Services:

Standard Offer Service
for the Industrial Group
in Rhode Island for the Period:

April 1, 2017 – June 30, 2017

Standard Offer Service
for the Commercial Group
in Rhode Island for the Period:

April 1, 2017 – March 31, 2019

Standard Offer Service
for the Residential Group
in Rhode Island for the Period:

April 1, 2017 – March 31, 2019

DECEMBER 9, 2016

REQUEST FOR
POWER SUPPLY PROPOSALS

1. Overview

1.1 Background

Legislation in Rhode Island[1] provides for competition in the electric utility industry by extending competition in the wholesale power supply markets to retail customers through the provision of retail access to all customers.

The URA provides access to the competitive retail electricity market for all retail customers of National Grid's distribution company in Rhode Island (The Narragansett Electric Company or "NECO") as of January 1, 1998. In 2006 the Rhode Island legislature extended Standard Offer Service ("SOS") from the original termination date of December 31, 2009 until December 31, 2020. The Act requires National Grid to provide Standard Offer Service to those customers who are not receiving generation service from a non-regulated power producer.

1.2 Standard Offer Service

Beginning on the retail access date, National Grid's retail customers in Rhode Island had received generation service from either their choice of competitive suppliers or from National Grid through Standard Offer Service or Last Resort Service. Beginning on January 1, 2010, all National Grid customers not taking service from a competitive supplier began taking Standard Offer Service[2]. Standard Offer Service also included any Last Resort Service customers beginning on January 1, 2010. Thus, in a change from the former Standard Offer Service, customers who chose to take service from a competitive supplier after January 1, 2010 would be permitted to return to Standard Offer Service if they were no longer receiving service from a competitive supplier.

Customers taking Standard Offer Service will be in one of three separate groups: Residential, Commercial, and Industrial. This RFP is to procure service for the following groups:

- Residential Group (as defined below) for 15% of the load for the period April 1, 2017 through March 31, 2019;

[1] The Rhode Island Utility Restructuring Act of 1996 ("URA" and Rhode Island General Law 39-1-27.3, as amended in June 2002 and The Comprehensive Energy Conservation, Efficiency and Affordability Act of 2006 ("The Act") and Rhode Island General Law 39-1-27.3, as amended in 2006.

[2] On September 30, 2009, the Rhode Island Public Utility Commission ("PUC") approved National Grid's filing of April 29, 2009 (and revised July 10, 2009) to replace the previous Standard Offer Service with a new Standard Offer Service.

- Commercial Group (as defined below) for 15% of the load for the period April 1, 2017 through March 31, 2019;
- Industrial Group (as defined below) for 100% of the load for the period April 1, 2017 through June 30, 2017.

National Grid is hereby seeking proposals from qualified power suppliers to supply firm, load-following power to meet these Standard Offer Service requirements. It is the intent of National Grid and supplier(s) that the resulting transactions shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the parties intend to physically settle the transactions, and are therefore not subject to swap regulation.

National Grid, in consultation with or at the request of the PUC or Division of Public Utilities and Carriers, reserves the right to issue additional instructions or requests for additional information, to extend the due date, to modify any provision in this RFP or any appendix thereto and to withdraw this RFP.

1.3 Rhode Island Customer Groups

For the purposes of this solicitation, the Rhode Island Residential, Commercial, and Industrial Groups are defined as:

Customer Group	Rate Class
Residential	A-16 and A-60
Commercial	G-02, C-06, S-06, S-10, S-14
Industrial	G-32, B-32, G-62, B-62, X-01

2. Description of Services

2.1 Description

Appendix A contains an overview of the services covered by this Request for Proposal ("RFP"). The Appendix provides:

- A brief description of Standard Offer Service;
- The eligibility requirements for a customer to obtain or leave Standard Offer Service.

2.2 Expected Loads

National Grid is unable to predict the amount of load that will be required to meet the needs of any customer group. National Grid's customers are free to leave Standard Offer Service at any time to take service from competitive suppliers. The ability of customers to enroll or return to Standard Offer Service is described in Appendix A.

To assist Respondents in determining the potential load requirements, National Grid is able to provide the following information on its Power Procurement Website:

- Aggregate reconciled historical wholesale hourly loads for the Standard Offer Service customer groups (since January 1, 2007).
- Aggregate historical wholesale hourly load data for previous Last Resort Service.
- Aggregate historical wholesale hourly load data for previous Standard Offer Service.
- Class average load shapes at the retail meter point.
- Historical customer counts, as of the last billing day in each month, by each National Grid company, SMD Load Zone (since March 1, 2003) and rate class. These counts represent the number of active accounts in each rate class as of the last billing day in each month.
- Historical customer counts for customers taking service from a competitive supplier, as of the last billing day in each month, by rate class.
- ICAP tags as of the last day of the month for each load asset.
- Average winning load block prices from previous RFPs.

Please use the following link to access the site:

http://www.nationalgridus.com/energysupply/

Click on "Data" at the upper right of the screen to access Load data, Customer Count data, Class Average Load Shapes and ICAP Tags. This site is open to anyone with the above link. No user id or password is required to access the data on the site.

2.3 Load Blocks

National Grid's total Standard Offer Service requirements covered by this RFP are broken down into the following ten load blocks:

Load Block	Customer Group	SMD Load Zone	Load Share	Type of Service	Period
A1	Industrial	RI	50%	Standard Offer Service	04/01/2017 – 06/30/2017
A2	Industrial	RI	50%	Standard Offer Service	04/01/2017 – 06/30/2017
B	Residential	RI	15%	Standard Offer Service	04/01/2017 – 09/30/2017
C	Residential	RI	15%	Standard Offer Service	10/01/2017 – 03/31/2018
D	Residential	RI	15%	Standard Offer Service	04/01/2018 – 09/30/2018
E	Residential	RI	15%	Standard Offer Service	10/01/2018 – 03/31/2019
F	Commercial	RI	15%	Standard Offer Service	04/01/2017 – 09/30/2017
G	Commercial	RI	15%	Standard Offer Service	10/01/2017 – 03/31/2018
H	Commercial	RI	15%	Standard Offer Service	04/01/2018 – 09/30/2018
I	Commercial	RI	15%	Standard Offer Service	10/01/2018 – 03/31/2019

A Respondent may bid on any number of load blocks that it wishes to serve. A Respondent wishing to serve the entire load for a particular customer group should

submit a bid for each load block of that customer group. Respondents may not limit the amount of service that may be purchased for a given load block. Proposals that contain limits on the amount of service provided will be rejected[3].

The amount of load for each load block to be supplied by the winning Supplier(s) will be determined in accordance with the procedure contained in Article 6 of the Master Power Agreement, a copy of which is provided in Appendix B.

2.4 Rhode Island Retail Customer Rates

During the term of service covered by this RFP, National Grid intends to establish retail rates for generation service for Standard Offer Service customers in Rhode Island. The Standard Offer Service rates will reflect National Grid's purchase costs for such service due to commitments made as a result of this and previous RFPs.

3. General Provisions

3.1 Terms and Conditions

The winning Supplier(s) will be selected to provide Standard Offer Service to the applicable customer groups/load blocks during the term covered by this RFP. Standard Offer Service will be provided by such Supplier(s) to National Grid in accordance with the terms and conditions of the Master Power Agreement. A copy of the Master Power Agreement for Rhode Island is provided in Appendix B. All Respondents must have an updated executed Master Power Agreement(s) prior to the indicative bid date.

The winning Supplier(s) will be required to execute the applicable confirmation(s) within two (2) business days of being notified that it has been selected as the winning Supplier.

Under Article 7 of the Master Power Agreement, failure of the winning supplier to deliver Requirements would constitute an event of default under the agreement, allowing National Grid to terminate and recover liquidated damages from the supplier.

3.2 Proposal Process and Submission Dates

The following table outlines the key dates associated with this procurement process.

Process Step	**Date**
Company Issues Request for Proposal	December 9, 2016
Submit Respondent Proposal Information	December 23, 2016 – 5pm EPT

[3] For example, a Respondent offering to supply Block A load must agree to supply 100% of the needs of that load block during every month of the Period. The Respondent may not offer to serve Block A provided that the amount of service purchased does not exceed [specified value] MW in any hour.

Submit Indicative Pricing	January 4, 2017 – 10am EPT
Company files Indicative Pricing Summary with the PUC	January 5, 2017
Submit Final Pricing	January 11, 2017 – 10am EPT
Company Notifies Winning Bidders	January 11, 2017 – 1pm
Company files Final Pricing Summary with the PUC	January 12, 2017
Winning Bidders and Company execute Confirmations	No later than two business days after Final Pricing
Service Begins	April 1, 2017

One (1) copy of a Respondent's Proposal Information and proposed agreement modifications must be submitted by e-mail or facsimile or mailed to the following address:

Jorge Ayala
Wholesale Electric Supply
National Grid
100 East Old Country Road
Hicksville, NY 11801
(516) 545-3228
(516) 545-2464 (fax)
e-mail: ElectricSupply@nationalgrid.com

National Grid is conducting the procurement process in three steps. The first step is for Respondents to provide National Grid with their background and financial information by 5:00 p.m. EPT on December 23, 2016. Upon receipt, National Grid will evaluate each Respondent's qualifications and will notify any Respondent that does not qualify by at least one business day before Indicative Pricing is due.

National Grid will not evaluate any indicative or final pricing if the Respondent does not have an executed Master Power Agreement. The Master Power Agreement must be executed prior to submitting indicative pricing.

The second step in this process is for Respondents to provide indicative pricing information by 10:00 a.m. EPT on January 4, 2017 at the above address. National Grid will evaluate the indicative pricing as described above, and if required, National Grid may seek clarifications from Respondents. National Grid will file an indicative pricing summary with the PUC.

The third step is as follows: Respondents to provide final pricing information by 10:00 a.m. EPT on January 11, 2017 at the above address. National Grid requests final pricing be valid until 1:00 p.m. National Grid intends to evaluate the final pricing and select a Supplier(s) that day by that time. Final pricing shall be binding until execution of a confirmation. Respondents should specify the manner in which they will accept a binding acceptance of their offer by National Grid prior to receipt of an executed agreement (letter of intent or e-mail) or they will be deemed to be bound by National

Grid's acceptance communicated in any of the preceding manners. National Grid will file a final pricing summary with the PUC.

At any time, National Grid, at its sole discretion, reserves the right to issue additional instructions or requests for additional information, to extend the due date, to modify any provision in this RFP or any appendix thereto and to withdraw this RFP.

3.3 Contact Person/Questions

All questions regarding this Request for Proposal should be directed to Jorge Ayala at the address provided above.

4. Service Features

4.1 Commencement Date of Supply

Service from the winning Supplier(s) to National Grid shall begin as of HE 0100 EPT on the date specified in the table found in Section 2.3 – Load Blocks.

Service from National Grid to individual customers who are currently taking Standard Offer Service in each customer group as of the Commencement Date, if any, will continue with the winning Supplier(s) providing such service to National Grid as of the Commencement Date.

Service from National Grid to individual customers taking Standard Offer Service as of the Commencement Date shall begin on the customer's meter reading date following notification/determination that a customer will be commencing Standard Offer Service or such other date designated by National Grid consistent with National Grid's Tariff for Off Cycle Meter Read for Switch of Supplier R.I.P.U.C. No. 2019-A in Rhode Island.

National Grid's procedures provide for customers to be switched from one service option to another (e.g., from Standard Offer Service to a competitive supplier, from one competitive supplier to another competitive supplier, from a competitive supplier to Standard Offer Service) on their normal cycle meter reading dates. However, there may be circumstances (e.g., default of a competitive supplier) that might require a customer to be switched to Standard Offer Service "off-cycle". In such case, the customer will be switched to Standard Offer Service on a date designated by National Grid consistent with National Grid's Tariff for Off Cycle Meter Read for Switch of Supplier R.I.P.U.C. No. 2019-A in Rhode Island.

4.2 Termination Date of Supply

Service from the winning Supplier(s) to National Grid shall terminate at HE 2400 EPT on the dates specified in the table found in Section 2.3 – Load Blocks.

Individual customers taking Standard Offer Service from National Grid may terminate the service at any time. Terminations may include, but not be limited to, (i) a customer's taking competitive service from a competitive supplier, (ii) disconnection of service by National Grid in accordance with regulations and procedures approved by the PUC, or (iii) closing of a customer's account. National Grid's procedures provide for customers electing to terminate such service to be switched to their successor service on their normal cycle meter reading date following the date that National Grid receives notification of such switch. However, there may be circumstances which might require a customer to be terminated "off-cycle". In such a case, the customer will be terminated from Standard Offer Service on a date to be determined by National Grid.

4.3 Delivery Points

The Supplier(s) of Standard Offer Service will be responsible for delivering power to the nodes/zones representing the actual locations of the Standard Offer Service loads. The Supplier(s) of each of the services will be responsible for any PTF losses allocated by the ISO related to the services. The locations of the applicable Standard Offer Service load assets are as follows:

Company	SMD Load Zone	Load Asset	Load Asset Name	Load Block
NECo	RI	37765	NECO INDUSTRIAL SO LOAD_4005	A1 & A2
NECo	RI	37763	NECO RESIDENTIAL SO LOAD_4005	B, C, D, E
NECo	RI	37764	NECO COMMERCIAL SO LOAD_4005	F, G, H, I

4.4 Form of Service

The Supplier(s) of each load block shall be responsible for meeting the specified service requirements for all of National Grid's customers in a specific load block. These service requirements include the generation and/or market procurement and delivery to the delivery point(s) of the portion of the electric capacity, energy and ancillary services required to meet the needs of National Grid's ultimate customers taking such service. National Grid will implement the transfer of these responsibilities to the Supplier(s) by updating the asset registration for each of the above Load Assets. National Grid will assign to the Supplier(s) the applicable Ownership Share for each Load Asset. Once a Supplier's obligation terminates, National Grid will terminate the Supplier's Ownership Share of a Load Asset.

The Supplier(s) shall be responsible for all obligations, requirements, and costs associated with the Supplier(s) having the Load Asset Ownership Share which shall include but not be limited to the day-ahead load obligations and real-time load obligations at the nodes/zones of each Load Asset. A more complete description of a Supplier(s)'s responsibilities can be found in the Master Power Agreement in Appendix B of this RFP.

The Supplier(s) shall be responsible for all decisions and data submissions associated with any bids into the market system to manage these obligations. The Supplier(s) shall be responsible for all components of any Locational Marginal Prices the Supplier must pay in delivery of the services. These components include, but are not limited to, the day-ahead and real-time energy, marginal losses, and congestion charges. As the supplier of such services, the Supplier(s) will be responsible for all present or future requirements and associated costs (to the extent such charges are not imposed on National Grid as a transmission charge by NEPOOL or the ISO) associated with the services and any other requirements, market products, expenses or charges imposed by NEPOOL or the ISO, as they may be in effect from time to time.

The Supplier(s) will also be responsible for all transmission and distribution losses associated with delivery of the electricity from the delivery point to the Standard Offer Service customer's meter. A description of the estimation process for determining supplier hourly load can be found in Appendix A of the Master Power Agreement, found in Appendix B of this RFP.

National Grid will make arrangements with the ISO for transmission service over the PTF and non-PTF, from and after the Delivery Point to the Customers' meters. National Grid will be billed by the ISO and the applicable Participating Transmission Owner(s) for these services. National Grid will pay these bills and collect the costs, along with National Grid's distribution costs, from its retail customers through its retail delivery service tariffs. Any other transmission or distribution costs will be the Supplier(s)' responsibility.

5. Proposal Requirements

5.1 Format of Proposal

The information required by National Grid to evaluate each proposal is identified in Appendix C. Respondents may simply complete the forms provided in Appendix C in any legible fashion and return them to Jorge Ayala as provided in Section 3.2. In addition, proposals should contain explanatory, descriptive and/or supporting materials as necessary.

5.2 Proposed Pricing

Respondents must specify the price at which they will provide Standard Offer Service for each load block on which they are bidding to serve. Purchases will be made on an "as-delivered" energy basis with prices stated on a fixed $/MWh basis. Such prices may vary by calendar month and by load block, but must be uniform for the entire calendar month or period, as specified, and cover the entire term of this Request for Proposals.

Prices which contain demand components, minimum purchase requirements or which vary by time-of-use within a calendar month will be rejected. Prices which exclude one or more market costs (e.g. Capacity, uplift costs, etc.) will be rejected.

National Grid intends to pay a Supplier(s) based on the billing determinants as defined in the Master Power Agreement. These billing determinants are the loads as reported to and settled by the ISO, which include transmission and distribution losses, and exclude any PTF losses allocated to the Supplier by the ISO during the settlement.

National Grid is seeking the following pricing:

- **All-Inclusive Bids:** For each load block (A1 through I), a price which includes all costs. Should National Grid select this option, (1) suppliers would be responsible for all costs including capacity market charges and (2) Suppliers would not be responsible for supplying the RES component.

5.3 Terms and Conditions

Service will be provided pursuant to the terms of the Master Power Agreement.

5.4 New England Market Participation

Each Respondent must indicate whether it has an executed and accepted Market Participant Service Agreement with ISO New England or if it plans to execute an agreement and, if so, at what point it is in the application process and the time frame for completing the process. Respondents must also provide evidence of agreements with a Market Participant if Respondent will have another Market Participant be responsible for its market settlement obligations.

5.5 Competitive Supplier Registration

The service provided by the Supplier(s) of Standard Offer Service to National Grid is a wholesale transaction between the Supplier(s) and National Grid; therefore, the Supplier(s) do not have to be licensed or registered suppliers with any state regulatory commission.

5.6 Regulatory Approvals

The Supplier(s) of the services covered by this Request for Proposal must obtain and maintain all necessary regulatory approvals required to enable it to provide the applicable service. Such approvals must be obtained prior to April 1, 2017, as applicable.

6. Retail Customer Relationships

6.1 Customer Billing

All customers taking Standard Offer Service covered by this RFP will be retail customers of National Grid. As the retail provider of such service, National Grid will bill customers for the Standard Offer Service provided.

6.2 Notification of Enrollments and Terminations

National Grid will provide electronic notification to the Supplier(s) of Standard Offer Service customer enrollments and terminations within a customer group. Enrollment information will include account number, rate class and commencement date of service. Termination information will include account number, rate class and termination date of service. Such notifications shall only be provided when a Supplier establishes a Windows or Unix file server with capability of sending and receiving File Transfer Protocol ("FTP"), files with Pretty Good Privacy ("PGP"), Encryption/Decryption, and (ii) verifies its ability to transfer files to and receive files from National Grid at least fourteen (14) days prior to the day on which a Supplier desires to commence electronic receipt.

6.3 Customer Service

National Grid, as the retail provider of Standard Offer Service, will provide customer service to all customers receiving Standard Offer Service.

7. Selection Process

The criteria to be used in evaluating proposals will be the lowest evaluated bid price by load block. If there are identical lowest final bid prices, the winning bidder will be determined by selecting the bidder with the lowest final bid price for the estimated highest volume month.

8. Credit Requirements

In order to protect National Grid's Standard Offer Service customers from the risk of Supplier(s) default, a winning Supplier(s) must be able to demonstrate it has the financial resources to perform during the term of the agreement. As reflected in the attached Master Power Agreement (Appendix B to this RFP), National Grid will require Supplier(s) to provide some form of security when entering into a Confirmation. The security arrangement will be based on the expected volume of load for the load block and a mark-to-market margining clause. As forward market prices change, the Supplier(s) will be required to post security for those incremental changes. Additionally, Suppliers that are rated at or below BBB-/Baa3 will be required to post an Independent Amount equal to 10% of the notional value of each load block awarded. The Supplier(s) shall provide security in one of the following forms:

- Unsecured line of credit for a rated counterparty
- Parental Guaranty
- Letter of Credit
- Cash deposit with National Grid

Respondents that are rated by a major credit rating agency must provide the ratings assigned by such agencies. Respondents that are not rated by a major credit rating

agency must provide the following information to enable National Grid to evaluate a Respondent's financial strength:

- Respondent's organizational history
- Date of establishment
- Initial (if founded within the last ten years) and current capitalization
- Certified financial statements, including balance sheets and statements of income and cash flow with respect to the two previous fiscal years and the most recent interim period
- Forms 10-K and 10-Q, submitted to the United States Securities and Exchange Commission for the two previous fiscal years, if applicable;
- Short-term and long-term debt ratings from Moody's Investor Service or Standard & Poor's Corporation
- Corporate affiliates or joint venture partners including any details regarding financial limitations between partners or affiliates.

If a Respondent has provided this information to National Grid or an affiliate in a response to a previous RFP, then the Respondent needs only to identify the date and to whom the information was submitted and update the previously provided information.

National Grid agrees that it will treat the information it receives from Respondents in a confidential manner and will not, except as required by law or regulatory authority, disclose such information to any third party or use such information for any purpose other than in connection with this RFP.

9. General Requirements

National Grid may withdraw and terminate this RFP at any time without any liability. National Grid reserves the right to accept or reject, in whole or in part, any and all proposals. National Grid will not be responsible to any Respondent or any other party for failure to execute a Master Power Agreement or Confirmation.

National Grid shall reject proposals submitted in response to this RFP that are incomplete, or do not conform to the requirements of the RFP, or are submitted beyond the deadline for submission. All proposals submitted by Respondents in response to the RFP will become the exclusive property of National Grid.

National Grid will post the average winning bid price of each load block on its website within 90 days of final pricing.

Each Respondent certifies, by is submission of a bid, that it is bidding independently and that it has no knowledge of any proposal being submitted by another Respondent in response to this RFP. Each Respondent further certifies that, by its submission of a bid, it has not disclosed and will not disclose prior to any award hereunder any information relating to its proposal which could have an effect on whether another party submits a proposal to this RFP or on the contents of such proposal that another bidder would be willing to submit in response to this RFP. Such

information includes, but is not limited to: the fact that the bidder is submitting a proposal in response to this RFP, the bidder's bids, the bidder's quantities of each product bid, the bidder's estimation of the value of a product, the bidder's estimation of the risks associated with supplying a product, and the bidder's preference for bidding on one or several products.

If any information provided by the Respondent changes or fails to remain valid, it is the sole responsibility of the Respondent to notify National Grid of such change. Failing to do so may result in disqualification of the Respondent and its proposal for the solicitation.

Respondents shall, at their own cost and expense, defend, indemnify and hold harmless National Grid, its parent, subsidiaries and affiliates and their officers, directors, trustees, employees, shareholders, executors, administrators, successors and assigns against any and all manner of past, present, or future claims, demands, disputes, controversies, complaints, suits , actions proceeding or allegations of any kind which in any manner relate to arise out of, or result from any false statements or misrepresentations, intentional or unintentional, in its proposal, or breach of any covenant by the Respondent set forth herein.

APPENDIX A

DESCRIPTION OF SERVICES

The Narragansett Electric Company Standard Offer Service	
Description	Electric Service provided to retail customers who are not taking service from a competitive supplier.
Eligibility Requirements	Service to customers can be initiated by: a) A customer notifying National Grid that it wishes to terminate service from its competitive supplier and commence Standard Offer Service. b) A competitive supplier notifying National Grid that it is terminating service to a customer. c) A competitive supplier ceasing to provide service to a customer without notifying National Grid. d) A customer moves into National Grid's service territory and does not affirmatively choose a competitive supplier.
Aggregate Number of Customers Taking Service and Historical Load Profiles	Note: Historic customer count data and historical hourly load profiles are available at National Grid's procurement web site: http://www.nationalgridus.com/energysupply/

APPENDIX B

MASTER POWER AGREEMENT

APPENDIX C

REQUIRED PROPOSAL INFORMATION

RESPONDENT:_____

1. General Information

Name of Respondent	
Principal contact person < Name < Title < Company < Mailing address < Telephone number (office) < Telephone number (cell) < Fax number < E-mail address	
Secondary contact person (if any) < Name < Title < Company < Mailing address < Telephone number (office) < Telephone number (cell) < Fax number < E-mail address	
Legal form of business organization of Respondent (e.g., sole proprietorship, partnership, limited partnership, joint venture, or corporation)	
State(s) of incorporation, residency and organization Indicate whether Respondent is in good standing in all states in which Respondent is authorized to do business and, if not, which states and the reason it is not.	
If Respondent is a partnership, the names of all general and limited partners. If Respondent is a limited liability company, the names of all direct owners.	
Description of Respondent and all affiliated entities and joint ventures transacting business in the energy sector	

RESPONDENT:_____

2. Financial Information

Current debt rating for Respondent (include ratings and names of rating agencies).	
Date Respondent's last fiscal year ended.	
Total revenue for Respondent for the most recent fiscal year.	
Total net income for Respondent for the most recent fiscal year.	
Total assets for Respondent as of the close of the previous fiscal year.	
Copy of the Respondent's most recent balance sheet, income statement and cash flow statement.	
Copy of the Respondent's most recent audited balance sheet, income statement and cash flow statement.	

3. Defaults and Adverse Situations

Describe, in detail, any situation in which Respondent (either individually or as part of a consortium, joint venture or other group), or an affiliate of Respondent, defaulted or was deemed to be in noncompliance of its contractual obligations to transact business in the energy sector within the past five years including, without limitation, to purchase or deliver energy, capacity or other market products at retail or wholesale, or for the purchase or sale of electricity or natural gas, and including any financing agreements or financing provisions of any agreement. Explain the situation, its outcome and all other relevant facts associated with the event. If there was litigation, provide the case caption, index number and court. Identify the name, title and telephone number of the principal manager of the customer/client who asserted the event of default or noncompliance.	

RESPONDENT:_____

Has Respondent, or any affiliate of Respondent, in the last five years, (a) consented to the appointment of, or was taken in possession by, a receiver, trustee, custodian or liquidator of a substantial part of its assets, (b) filed a bankruptcy petition in any bankruptcy court proceeding, (c) answered, consented or sought relief under any bankruptcy or similar law or failed to obtain a dismissal of an involuntary petition, (d) admitted in writing of its inability to pay its debts when due, (e) made a general assignment for the benefit of creditors, (f) was the subject of an involuntary proceeding seeking to adjudicate that Party bankrupt or insolvent, (g) sought reorganization, arrangement, adjustment, or composition of it or its debt under any law relating to bankruptcy, insolvency or reorganization or relief of debtors.	
Describe any facts presently known to Respondent that might adversely affect its ability to provide the service(s) bid herein as provided for in the RFP	

4. NEPOOL AND POWER SUPPLY EXPERIENCE

Is Respondent a member of NEPOOL?	
Does Respondent have an executed and accepted Market Participant Service Agreement with ISO New England?	
Name of Market Participant if Respondent will have another Market Participant be responsible for its market settlement obligations .	
Describe Respondent's experience and record of performance in the areas of power marketing, brokering, sales, and/or contracting, for the last five years within NEPOOL and/or the New England region.	
Provide three references (name, title and contact information) who have contracted with the Respondent for similar load following services within the last 2 years.	

RESPONDENT:_____

5. CONFLICTS OF INTEREST

Briefly describe any known conflicts of interest between bidder or an affiliate of bidder and Buyer, National Grid USA or any affiliates of the foregoing.	
Enumerate any litigation, claims or complaints asserted by bidder or an affiliate of bidder, against Buyer, National Grid or an affiliate of any of the foregoing.	
Enumerate any litigation, claims or complaints asserted against bidder or an affiliate of bidder by Buyer, National Grid or an affiliate of any of the foregoing.	

6. SCOPE OF BID AND TERMS OF SALE

Will Respondent execute a contract substantially similar to the Master Power Agreement contained in Appendix B? Explain any proposed modifications.	
List all regulatory approvals required before service can commence.	

RESPONDENT:_____

7. Proposed Pricing

(Respondent required to submit bidding spreadsheet included on procurement website)

Standard Offer Service

RESPONDENT: **Date:**

7. Proposed Pricing Rhode Island Standard Offer Service

Rhode Island Standard Offer Service

Bid Block	SMD ZONE	Customer Group	Percent	Period From	Period To	Monthly Pricing - $/MWh (all inclusive w/o RES Compliance)					
A1	RI	Industrial	50%	1-Apr-17	30-Jun-17	Apr-17	May-17	Jun-17			
						Apr-17	May-17	Jun-17			
A2	RI	Industrial	50%	1-Apr-17	30-Jun-17						
						Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
B	RI	Residential	15%	1-Apr-17	30-Sep-17						
						Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
C	RI	Residential	15%	1-Oct-17	31-Mar-18						
						Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
D	RI	Residential	15%	1-Apr-18	30-Sep-18						
						Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
E	RI	Residential	15%	1-Oct-18	31-Mar-19						
						Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
F	RI	Commercial	15%	1-Apr-17	30-Sep-17						
						Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
G	RI	Commercial	15%	1-Oct-17	31-Mar-18						
						Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
H	RI	Commercial	15%	1-Apr-18	30-Sep-18						
						Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
I	RI	Commercial	15%	1-Oct-18	31-Mar-19						

Note: All bids rounded to 2 decimal places.
If not bidding in a block, enter zero or leave blank.
Please specify any bid limitations in the following section:

REDACTED DOCUMENT

NATIONAL GRID

STANDARD OFFER SERVICE PROCUREMENT SUMMARY

FOR THE NARRAGANSETT ELECTRIC COMPANY

FOR THE PERIOD
APRIL 2017 – MARCH 2019

1. RFP Issued

National Grid issued its Request for Power Supply Proposals ("RFP") on December 9, 2016 directly to approximately 25 suppliers for the service period April 2017 through March 2019.

The RFP was also distributed to all members of the NEPOOL Markets Committee and posted on National Grid's energy supply website. As a result, the RFP had wide distribution throughout the New England energy supply marketplace.

This procurement was conducted in accordance with the Standard Offer Procurement Plan approved by the Rhode Island Public Utilities Commission in Docket 4605 (approved June 27, 2016) and is consistent with prior procurements conducted by National Grid.

National Grid's RFP requested all-inclusive pricing for the following:

- 100% of the Rhode Island Industrial Group Standard Offer Service requirements for the period April 2017 through June 2017;
- 15% of the Rhode Island Commercial Group Standard Offer Service requirements for the period April 2017 through March 2019;
- 15% of the Rhode Island Residential Group Standard Offer Service requirements for the period April 2017 through March 2019.

These requirements were divided into ten distinct load blocks. A description of each load block is provided in Exhibit 1.

2. Key RFP Dates

- The RFP was issued on December 9, 2016.
- Supplier information was received on December 23, 2016.
- Indicative bids were received on January 4, 2017.
- Final bids were received on January 11, 2017.

3. Contract Submissions

All bidders had executed Master Power Agreements with National Grid before final bids and no contract revisions were necessary with the winning bidders. National Grid was able to resolve all outstanding issues with the bidders prior to receipt of bids and executed agreements that did not shift risks or obligations to its customers from those contained in its proposed agreements.

REDACTED DOCUMENT

4. Indicative Bids

Indicative bids were received on January 4, 2017 from [redacted] bidders.

The indicative bids were evaluated and ranked (see Exhibits 2 and 3). Indicative pricing was used only to determine current market prices, to prepare an initial ranking of bids and to identify any bidding anomalies. The Rhode Island retail prices in Exhibit 3 were calculated by adjusting the wholesale contract prices in Exhibit 2 by the ratio of wholesale purchases to retail deliveries as calculated in Exhibit 3.

The lowest indicative bids for each load block were compared to National Grid's estimate of expected indicative bids. Our methodology calculates the expected bid prices from the historical relationship of the bid prices to all market components that comprise the bid price (see Exhibit 4). This method utilizes a detailed on-peak & off-peak calculation and incorporates all bid components: energy, capacity, and ancillary services.

The results of the Rhode Island indicative bids were filed with the Rhode Island Public Utilities Commission on January 5, 2017.

5. Award of Final Bids

Final bids were received on January 11, 2017 from [redacted] bidders.

The final bids were evaluated and ranked (see Exhibits 5 and 6). The retail prices for Rhode Island in Exhibit 6 were calculated by adjusting the wholesale prices in Exhibit 5 by the ratio of wholesale purchases to retail deliveries as calculated in Exhibit 6.

A summary of the number of conforming bids per block is provided in the following table:

Block	# of Bids
A1	[redacted]
A2	
B	
C	
D	
E	
F	
G	
H	
I	

The lowest final bids for each load block were compared to National Grid's estimate of expected bids based on the methodology described above (see Indicative Bids). The calculations of these expected prices can been found in Exhibit 7.

The RFP's competitive bidding process identified the winning bids for the ten blocks as shown in Exhibit 8. Exhibit 8 also provides the basis for the award. Exhibit 9 provides a bidder key to help identify bidders.

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Exhibit 10 provides a bid premium estimate for all winning bids. The bid premium estimate is the difference between the Winning Bid Costs and the Market Component Costs. This difference includes:

- basis differential (the difference between the RI zonal price and hub price)
- volume risk premium - a premium associated with Est. MWh, On Peak % (loadshape), Customer Capacity Load Obligation
- migration risk premium
- price risk premium - premium associated with Capacity Net Clearing Price, Ancillary Costs, unexpected uplift costs, & electricity costs
- load shaping premium
- credit costs
- supplier margin

The results of the final bids were filed with the Rhode Island Public Utilities Commission on January 12, 2017.

6. Description of Wholesale Markets Conditions

NYMEX electric futures provide an estimate of the energy component of the Standard Offer Service winning bid prices. NYMEX electric futures are provided daily as monthly on-peak and off-peak prices. The expected retail rates for the Industrial Group are based on the wholesale bids that were awarded supply in this RFP for April to June 2017. The NYMEX electric futures prices have decreased for this rate period from the January to March 2017 period that was procured in the last RFP on October 5, 2016. On that day, the average NYMEX electric futures on peak price for the January to March 2017 term was $66.35 and it decreased to $35.13 for this new rate period of April to June 2017. Also, the average NYMEX electric futures off peak price for the January to March 2017 term was $51.45 and it decreased to $25.30 for this new rate period of April to June 2017.

Below is a comparison of the “round the clock” (“RTC”) NYMEX electric futures prices for the Residential and Commercial Groups for the October 2016 to March 2017 rate period and the April 2017 to September 2017 rate period.

	Residential RTC $ / MWH	Commercial RTC $ / MWH
Oct-16	31.22	30.92
Nov-16	39.76	38.36
Dec-16	56.69	51.25
Jan-17	68.53	73.12
Feb-17	65.88	70.25
Mar-17	46.77	48.99
Average	51.47	52.15

	Residential RTC $ / MWH	Commercial RTC $ / MWH
Apr-17	32.26	32.92
May-17	27.39	28.10
Jun-17	29.88	30.57
Jul-17	35.37	36.25
Aug-17	32.68	33.64
Sep-17	26.72	27.46
Average	30.72	31.49

The RTC prices above are calculated for each month and group by utilizing the published on-peak and off-peak futures prices as of each RFP date, the estimated load procured in each RFP, and an estimate of the on-peak and off-peak usage for each group. The Residential and Commercial RTC prices consist of NYMEX electric futures prices for multiple RFPs and an estimate for the 10% spot market purchases for both rate periods.

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The table above demonstrates that futures prices decreased for the Residential and the Commercial Group for the April 2017 to September 2017 rate period compared to the previous period. A straight average of the Residential RTC prices shows a decrease from $51.47 to $30.72, a 40.3% decrease. A straight average of the Commercial RTC prices shows a decrease from $52.15 to $31.49, a 39.6% decrease.

Additionally, the NYMEX electric futures prices increased from the indicative price date of January 4, 2017 to the final price date of January 11, 2017 for the April 2017 to September 2017 period. The average on peak price increased from $36.55 to $37.48, a 2.6% increase, and the average off peak price increased from $24.27 to $24.85, a 2.4% increase.

The Standard Offer Service winning bid prices also include a component for estimated capacity prices. The final capacity price is the Net Regional Clearing Price which is calculated after a month has occurred. Among other factors, the Net Regional Clearing Price includes the clearing prices determined in the Forward Capacity Auction for new and existing resources. These clearing prices are higher for the future periods compared to the current periods, thus resulting in higher Standard Offer Service winning bid prices.

	Payment Rates ($/kW-month)	
Capacity Commitment Period	**New Resource**	**Existing Resource**
June 1, 2016 to May 31, 2017 (FCA 7)	3.150	2.744
June 1, 2017 to May 31, 2018 (FCA 8)	15.000	7.025
June 1, 2018 to May 31, 2019 (FCA 9)	17.728	11.080

7. Retail Rate

A summary of the final and estimated retail rates (excluding retail adders[1] and an estimate for the 10% spot market purchases) for blocks A1 through I is provided in Exhibit 11. The expected retail rates for the Industrial Group were based on the wholesale bids that were awarded supply.

The expected retail rates for the Residential and the Commercial Groups will be blended with an estimate for the 10% spot market purchases to determine the final retail rates for the April 2017 to September 2017 period. The estimated retail rates for the October 2017 to March 2019 period will be blended with future RFPs and an estimate for the 10% spot market purchases to determine the final retail rates for those periods.

For the Residential and Commercial Groups, this is:

- the fifth (final) transaction to provide power to serve SOS customers for the April 2017 to September 2017 period, and
- the third transaction for the October 2017 to March 2018 period, and
- the first transaction for the April 2018 to September 2018 period, and
- the first transaction for the October 2018 to March 2019 period.

The Rhode Island retail rates were calculated by adjusting the wholesale contract prices by the ratio of wholesale kWh purchases to retail kWh deliveries as calculated in Exhibit 6.

[1] Adjustment Factor, the Administrative Cost Factor, and the RES charge.

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EXHIBIT 1
LOAD BLOCK DESCRIPTIONS

Load Block	Group	SMD Load Zone	Load Share	Type of Service	Period
A1	Industrial	RI	50%	Standard Offer Service	04/01/2017 – 06/30/2017
A2	Industrial	RI	50%	Standard Offer Service	04/01/2017 – 06/30/2017
B	Residential	RI	15%	Standard Offer Service	04/01/2017 – 09/30/2017
C	Residential	RI	15%	Standard Offer Service	10/01/2017 – 03/31/2018
D	Residential	RI	15%	Standard Offer Service	04/01/2018 – 09/30/2018
E	Residential	RI	15%	Standard Offer Service	10/01/2018 – 03/31/2019
F	Commercial	RI	15%	Standard Offer Service	04/01/2017 – 09/30/2017
G	Commercial	RI	15%	Standard Offer Service	10/01/2017 – 03/31/2018
H	Commercial	RI	15%	Standard Offer Service	04/01/2018 – 09/30/2018
I	Commercial	RI	15%	Standard Offer Service	10/01/2018 – 03/31/2019

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MASTER POWER AGREEMENT
FORM OF CONFIRMATION

This Confirmation shall confirm the Transaction agreed to on, and effective as of January 11, 2017 between **THE NARRAGANSETT ELECTRIC COMPANY**, a Rhode Island corporation ("Buyer") and [redacted] ("Seller") regarding the sale/purchase of Standard Offer Service specified herein under the terms and conditions under the Master Power Agreement, dated April 1, 2016 (the "Master Power Agreement") between Buyer and Seller, as specified and modified herein. It is the intent of Buyer and Seller that the Transaction shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the Parties intend to physically settle the Transaction, and is therefore not subject to swap regulation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Power Agreement.

1. Standard Offer Service Requirements Matrix

Award Block	Customer Group	Load Zone	Load Responsibility	Commencement Date	Conclusion Date
E	Residential	RI	15%	10/01/18	03/31/19

[redacted]

3. Load Asset Designation within the ISO Settlement Market System

Award Block	Customer Group	Load Zone	Load Asset Number	Load Asset Name
E	Residential	RI	37763	NECO RESIDENTIAL SO LOAD_4005

4. RES Requirement

RES Requirement shall mean, for each calendar month during the term of this Transaction, zero.

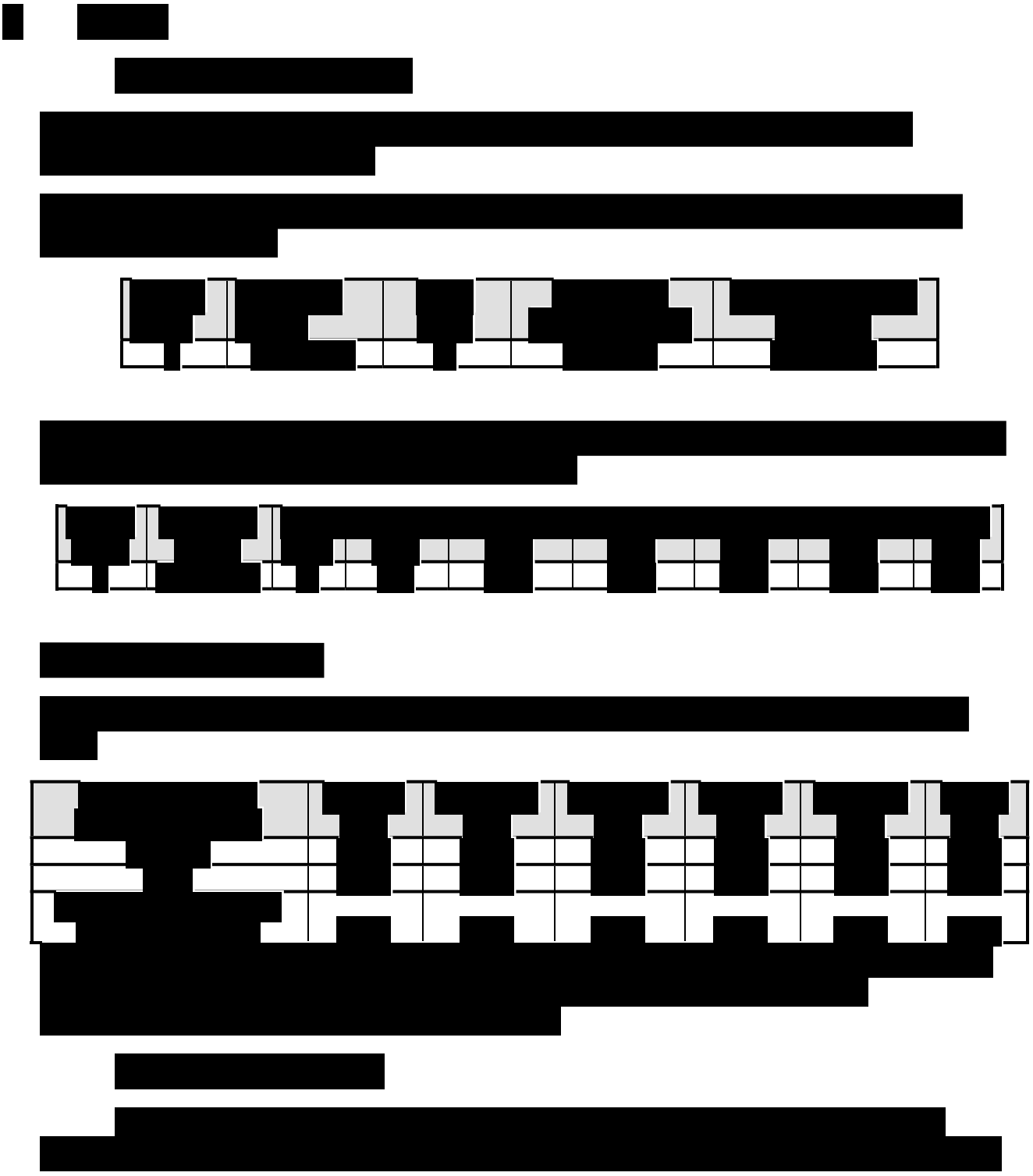
5. Amount Payable

The amount payable by the Buyer to Seller in a month shall be the product of (a) the Delivered Energy for Standard Offer Service to the Residential Customer Group in a month and (b) the Residential Contract Rate in the month.

REDACTED DOCUMENT

6. Modifications to the Master Power Agreement

None.



REDACTED DOCUMENT

[redacted]

8. Confidentiality

Articles 2 and 7 of this Confirmation are Confidential Terms within the meaning of Article 23 of the Master Power Agreement.

9. Ratification of the Terms and Conditions of the Agreement

(a) Except as expressly amended or waived by this Confirmation, the terms, conditions, covenants, agreements, warranties and representations contained in the Master Power Agreement are in all respects ratified, confirmed and remade as of the date hereof and, except as amended or waived hereby, shall continue in full force and effect.

(b) Nothing in this Confirmation shall, or shall be construed to, alter or amend any other Confirmation.

10. Counterparts

This Confirmation may be executed in counterparts, all of which together shall constitute one and the same instrument.

This Confirmation constitutes part of and is subject to the terms and provisions of such Master Power Agreement.

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REDACTED DOCUMENT

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Confirmation on their behalf as of the date first above written

THE NARRAGANSETT ELECTRIC COMPANY

_____

Name: Margaret M. Janzen
Title: Authorized Signatory

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FORM OF CONFIRMATION

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1. Standard Offer Service Requirements Matrix

Award Block	Customer Group	Load Zone	Load Responsibility	Commencement Date	Conclusion Date
A1	Industrial	RI	50%	04/01/17	06/30/17
C	Residential	RI	15%	10/01/17	03/31/18
G	Commercial	RI	15%	10/01/17	03/31/18

[redacted]

3. Load Asset Designation within the ISO Settlement Market System

Award Block	Customer Group	Load Zone	Load Asset Number	Load Asset Name
A1	Industrial	RI	37765	NECO INDUSTRIAL SO LOAD_4005
C	Residential	RI	37763	NECO RESIDENTIAL SO LOAD_4005
G	Commercial	RI	37764	NECO COMMERCIAL SO LOAD 4005

4. RES Requirement

RES Requirement shall mean, for each calendar month during the term of this

REDACTED DOCUMENT

Transaction, zero.

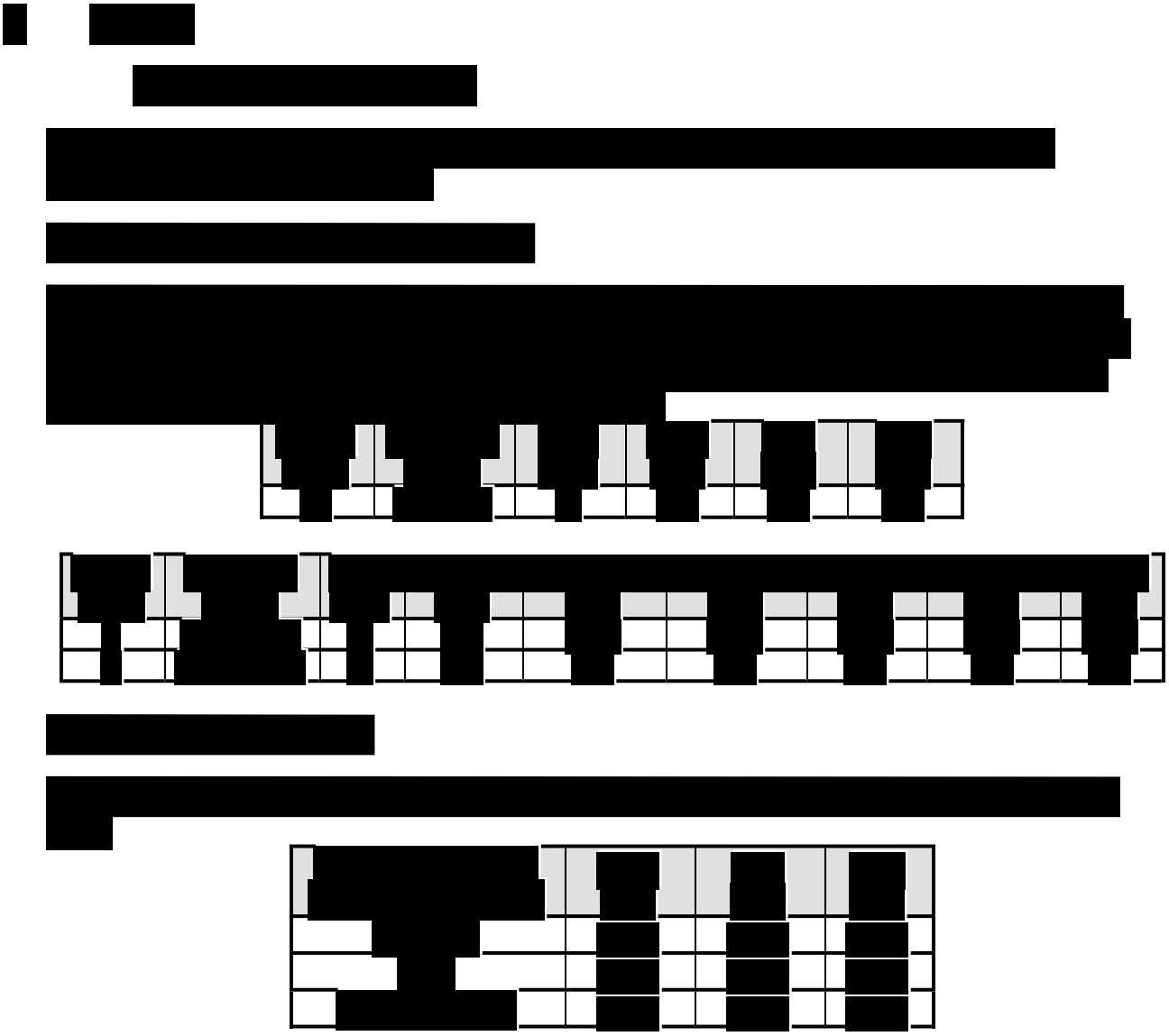
5. Amount Payable

The amount payable by the Buyer to Seller in a month shall be:

(i) The product of (a) the Delivered Energy for Standard Offer Service to the Residential Customer Group in a month and (b) the Residential Contract Rate in the month plus,
(ii) The product of (a) the Delivered Energy for Standard Offer Service to the Commercial Customer Group in a month and (b) the Commercial Contract Rate in the month plus,
(iii) The product of (c) the Delivered Energy for Standard Offer Service to the Industrial Customer Group in a month and (d) Industrial Contract Rate in the month.

6. Modifications to the Master Power Agreement

None.



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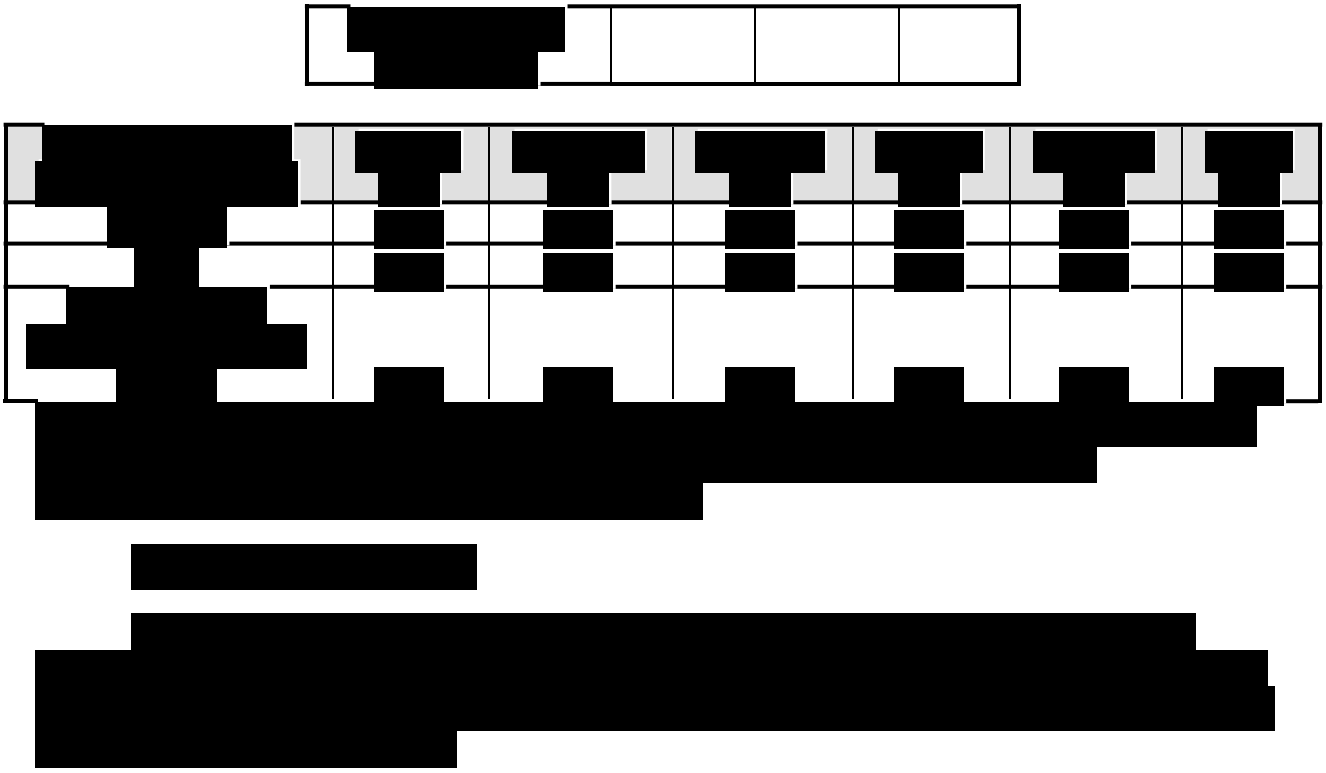

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Name: Margaret M. Janzen
Title: Authorized Signatory

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FORM OF CONFIRMATION

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1. Standard Offer Service Requirements Matrix

Award Block	Customer Group	Load Zone	Load Responsibility	Commencement Date	Conclusion Date
B	Residential	RI	15%	04/01/17	09/30/17
F	Commercial	RI	15%	04/01/17	09/30/17

[redacted]

3. Load Asset Designation within the ISO Settlement Market System

Award Block	Customer Group	Load Zone	Load Asset Number	Load Asset Name
B	Residential	RI	37763	NECO RESIDENTIAL SO LOAD_4005
F	Commercial	RI	37764	NECO COMMERCIAL SO LOAD_4005

4. RES Requirement

RES Requirement shall mean, for each calendar month during the term of this Transaction, zero.

5. Amount Payable

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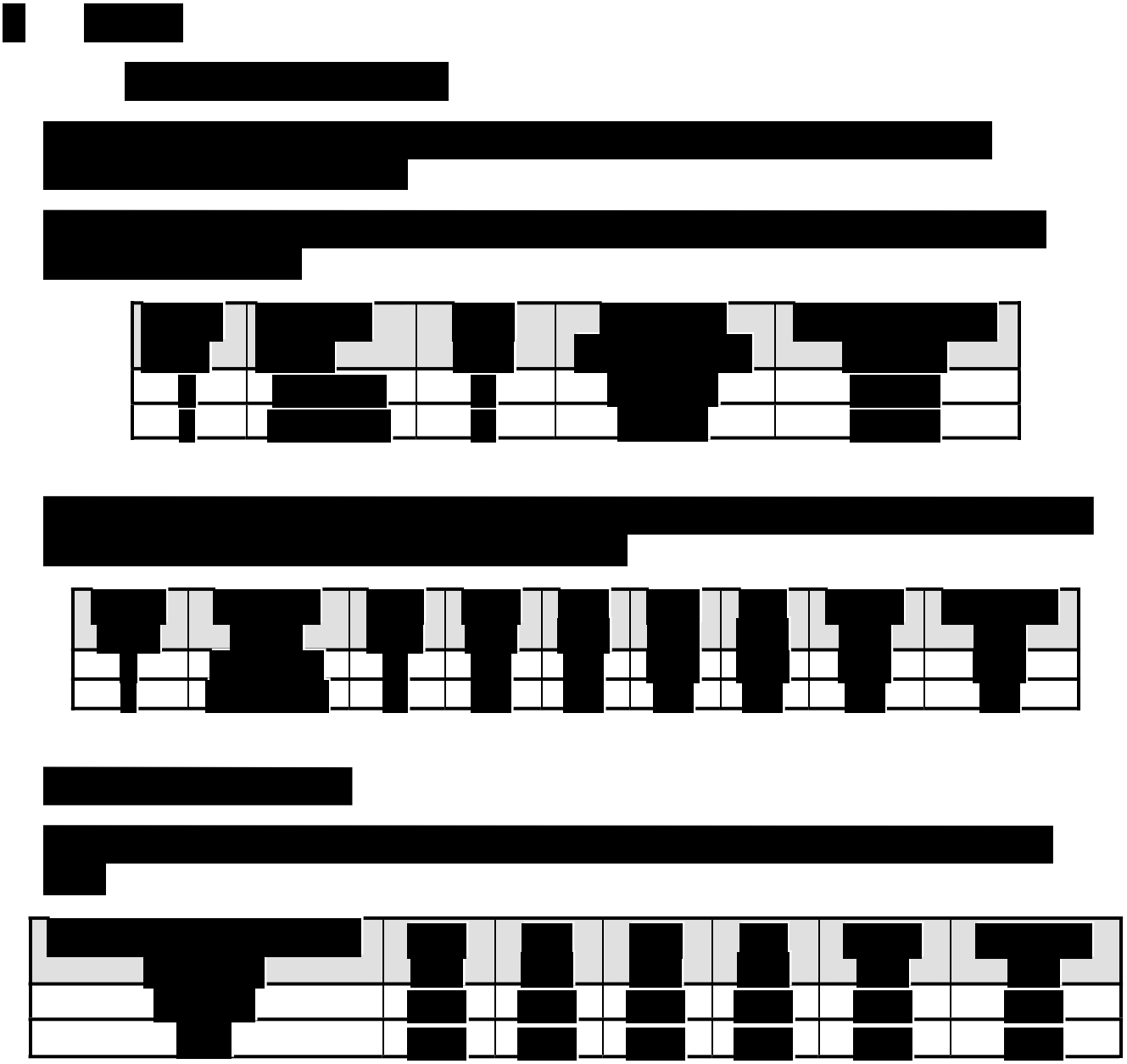
The amount payable by the Buyer to Seller in a month shall be:

(i) The product of (a) the Delivered Energy for Standard Offer Service to the Residential Customer Group in a month and (b) the Residential Contract Rate in the month plus,
(ii) The product of (a) the Delivered Energy for Standard Offer Service to the Commercial Customer Group in a month and (b) the Commercial Contract Rate in the month.

6. Modifications to the Master Power Agreement

None.



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9. Ratification of the Terms and Conditions of the Agreement

(a) Except as expressly amended or waived by this Confirmation, the terms, conditions, covenants, agreements, warranties and representations contained in the Master Power Agreement are in all respects ratified, confirmed and remade as of the date hereof and, except as amended or waived hereby, shall continue in full force and effect.

(b) Nothing in this Confirmation shall, or shall be construed to, alter or amend any other Confirmation.

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IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Confirmation on their behalf as of the date first above written

THE NARRAGANSETT ELECTRIC COMPANY

_____

Name: Margaret M. Janzen
Title: Authorized Signatory

REDACTED DOCUMENT

EXECUTION COPY

RHODE ISLAND MASTER POWER AGREEMENT

This **MASTER POWER AGREEMENT** ("Master Power Agreement") is dated as of **August 20, 2015** and is by and between **THE NARRAGANSETT ELECTRIC COMPANY**, a Rhode Island corporation ("Buyer") and [redacted] ("Seller"). This Master Power Agreement provides for the sale by Seller of Standard Offer Service, as defined herein, to the Buyer. Buyer and Seller are referred to herein individually as a "Party" and collectively as the "Parties".

ARTICLE 1. BASIC UNDERSTANDINGS

Seller and Buyer have agreed to execute this Master Power Agreement in order to establish the basic terms of Seller's provision and sale of, and Buyer's acceptance and purchase of, Standard Offer Service. This Master Power Agreement, together with the Appendices and written supplements (including any Confirmations) hereto, and any designated collateral, credit support or margin agreement or similar arrangement between the Parties regarding the Transactions (as defined in Article 2), shall be referred to as the "Agreement" and shall constitute the entire agreement between the Parties relating to the subject matter hereof and supersedes any other agreements, written or oral, between the Parties concerning such subject matter but specifically excluding written agreements executed by the Parties prior to the Effective Date.

ARTICLE 2. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified in this Article. In addition, except as otherwise expressly provided, terms with initial capitalization used in this Agreement and not defined herein shall have the meaning as defined in the NEPOOL Rules.

Affiliate means, with respect to any Party, any entity (other than a person) that, directly or indirectly, controls, or is controlled by, or is under common control with, such Party. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

Aggregate RES Requirement means the total of the RES Requirement for each calendar month during a Delivery Term in which there is an RES Requirement in a Transaction.

Alternative Compliance Payment Rate means the value as published by the Rhode Island Public Utilities Commission in accordance with Section 3.2 of the RES Regulations.

Award Block means the numerical designation, for administrative purposes only, as may be set forth on a Confirmation to identify Customer Groups to be served from and including the Commencement Date through the Conclusion Date and the associated Load Asset Number and Load Asset Name, or other information as may be associated therewith in a Confirmation.

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Bid Proxy Price means, the product of (a) the Reference New England Internal Hub Price as set forth in the Confirmation for the applicable Transaction, (b) the Resulting Bid Factor for a calendar month, and (c) the Adjustment Factor.

Business Day means a 24-hour period ending at 5:00 p.m. EPT, other than Saturday, Sunday and any day which is a legal holiday or a day on which banking institutions in Providence, Rhode Island are authorized by law or other governmental action to close.

Buyer has the meaning set forth in the preamble of this Master Power Agreement, along with any successors, assigns, employees, agents and authorized representatives thereof.

Buyer's Service Territory means the geographic area served by The Narragansett Electric Company including the service territory formerly served by Blackstone Valley Electric Company and Newport Electric Corporation which has been merged with and into The Narragansett Electric Company.

Buyer's System means the electrical transmission and distribution system of the Buyer and the electrical transmission and distribution system of any Affiliate of the Buyer.

Commencement Date means the period at HE 0100 EPT on the date set forth for each Customer Group in the Confirmation for the applicable Transaction.

Commercial Contract Rate means the value as set forth in the Confirmation for the applicable Transaction as applicable to a month or period in the Delivery Term.

Commercial Customer Group means Narragansett's customers in the General C&I Rate G-02, Small C&I Rate C-06, Decorative Street and Area Lighting Rate S-06, Limited Private Lighting Rate S-10, and General Streetlighting Rate S-14 retail rate classes, or such other rate classes as may be added from time to time.

Commission means the Federal Energy Regulatory Commission, or its successor.

Commodity Business Day means Monday through Friday, excluding NERC Holidays.

Competitive Supplier Terms means Narragansett's Terms and Conditions for Nonregulated Power Producers, R.I.P.U.C. No. 1191, as may be amended from time to time and approved by the RIPUC.

Conclusion Date means the period at HE 2400 EPT on the date set forth for each Customer Group in the Confirmation for the applicable Transaction.

Confirmation means a confirmation that is mutually agreed to and executed by the Parties, which may be in the form set forth in Appendix B or in a form otherwise agreed to by the Parties, such document to serve as a supplement or modification of this Master Power Agreement with respect to a specific Transaction.

Confirmation Term means, for the applicable Transaction, the period beginning as of the effective date set forth in a Confirmation and continuing through to the date both Parties have fulfilled all of their obligations with respect to such Transaction.

Contract Rate has the meaning set forth in the Confirmation for the applicable Transaction.

Credit Rating means, with respect to a Party (or its Credit Support Provider, as the case may be) or entity, on any date of determination, (1) the ratings assigned by Moody's, S&P and/or the other specified rating agency or agencies to such Party's (or its Credit Support Provider's, as the case may be) or entity's unsecured, senior, long-term debt not supported by third party credit enhancement, or (2) if the applicable entity does not have such a rating, then the rating assigned to such entity by Moody's and/or S&P as its corporate credit rating or issuer rating, or (3) if the applicable entity is a financial institution, its unsecured, unsubordinated, long-term deposits by Moody's, S&P and/or the other specified rating agency or agencies. In the event of an inconsistency in ratings by the rating agencies (a "split rating"), the lowest rating assigned shall control.

Credit Support Annex or CSA means the credit support annex mutually agreed to and executed by the Parties, in the form set forth as Appendix D hereto and incorporated by reference herein.

Credit Support Provider means the entity providing a guaranty substantially in the form set forth in Appendix C of this Master Power Agreement guaranteeing the financial obligations of a Party for the benefit of the other Party.

Customer Disconnection Date means the date when a Standard Offer Service Customer is disconnected from service, as determined by the Buyer in accordance with the Distribution Service Terms.

Customer Group means Buyer's customers who receive Standard Offer Service in the Industrial Customer Group, the Commercial Customer Group, and/or the Residential Customer Group corresponding to each of the foregoing customer groups as specified on the Confirmation for the applicable Transaction.

Customer Termination Date means the date when a Standard Offer Service Customer ceases to take service under the Standard Offer Service Tariff, each date as determined by the Buyer in accordance with the Distribution Service Terms.

Daily Proxy Settlement Amount means, for a given day, the product of (a) the Expected Daily Load and (b) the Proxy Price for such day minus the Bid Proxy Price.

Delivered Energy means the quantity of energy, expressed in megawatt-hours, provided by Seller with respect to a specific Transaction. This quantity shall be the sum of the quantity of energy reported to the ISO by the Buyer for each of the Load Assets identified in a specific Transaction, with such quantity determined by the Buyer in accordance with Section 6.3 of this Master Power Agreement. Such quantity shall not include any allocation of PTF losses (which the ISO may assess to Seller in relation to such energy), but shall include transmission and distribution losses on the Buyer's System from the Delivery Point to the meters of Standard Offer Service Customers.

Delivery Point means, for each Load Asset (x) identified in or in accordance with a specific Transaction and (y) as set forth in the Confirmation related to a specific Transaction (i) the Nodes at which the Real-Time Load Obligations are established in the ISO Settlement Power System Model for the registered Load Assets representing the physical loads of Standard Offer Service Customers for the Delivery Term for such customers, identified by the Load Asset ("Loads With Nodes"), for any period and in any location in which there are Loads With Nodes and the ISO requires use of Nodes for Real-Time Load Obligations, or (ii) the Load Zones at which the Real-Time Load Obligations are established in the ISO Settlement Power System Model for the Load Assets representing the physical loads of Standard Offer Service Customers for the Delivery Term for such customers, identified by the Load Asset ("Loads with Zones") if (a) the ISO does not require use of Nodes for Real-Time Load Obligations and (b) the use of Loads with Zones in a calculation of ISO settlement charges and costs yields the same mathematical result as a calculation thereof using Loads with Nodes; or (iii) in the event of neither (i) nor (ii), Loads with Nodes and, in any location in which there are no Loads with Nodes, Loads with Zones.

Delivery Term(s) means the period(s) set forth in the Confirmation for a particular Transaction for the respective Standard Offer Service designations, beginning on at the top of the HE 01:00 EPT on the Commencement Date (set forth in the applicable Confirmation) and continuing through and including the end of HE 24:00 EPT on the Conclusion Date.

Distribution Service Terms means Narragansett's Terms and Conditions, R.I.P.U.C. No. 1197, as may be amended from time to time and approved by the RIPUC.

Effective Date means the date that this Master Power Agreement is executed by all Parties.

EPT means Eastern Prevailing Time.

Existing Renewable Energy Resource means as defined in Section 3.10 of the RES Regulations.

Governing Documents means, with respect to any particular entity, (a) if a corporation, the (i) articles of organization, articles of incorporation or certificate of incorporation and (ii) the bylaws; (b) if a general partnership, the partnership agreement and any statement of partnership; (c) if a limited partnership, the limited partnership agreement and the certificate of limited partnership; (d) if a limited liability company, the articles or certificate of organization or formation and operating agreement; (e) if another type of entity, any other charter or similar document adopted or filed in connection with the creation, formation or organization of such entity; (f) all equity holders' agreements, voting agreements, voting trust agreements, joint venture agreements, registration rights agreements or other agreements or documents relating to the organization, management or operation of any entity or relating to the rights, duties and obligations of the equity holders of any entity; and (g) any amendment or supplement to any of the foregoing.

Industrial Contract Rate means the value as set forth in the Confirmation for the applicable Transaction as applicable to a month in the Delivery Term.

Industrial Customer Group means Narragansett's customers in the 200 kW Demand Rate G-32, 3,000 kW Demand Rate G-62, Backup Service Rates B-32 and B62, and Electric Propulsion Rate X-01 retail rate classes, or such other rate classes as may be added from time to time.

Initiation Date means the date a retail customer of the Buyer begins taking service pursuant to the Standard Offer Service Tariff as determined by the Buyer in accordance with the Distribution Service Terms.

Interest Rate means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in *The Wall Street Journal* under "Money Rates" on such day (or if not published on such day, on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

Investment Grade means (i) if any entity has a Credit Rating from both S&P and Moody's then, a Credit Rating from S&P equal to "BBB-" and a Credit Rating from Moody's equal to "Baa3"; or (ii) if an entity has a Credit Rating from only one of S&P and Moody's, then a Credit Rating from S&P equal to "BBB-" or a Credit Rating from Moody's equal to "Baa3 or (iii) if the Parties have mutually agreed in writing on an additional or alternative rating agency, then a credit rating equal to that mutually agreed to in writing by the Parties in each Party's sole and exclusive judgment.

ISO means ISO New England Inc., authorized by the Commission to exercise for New England the functions required pursuant to the Commission's Order No. 2000 (and its progeny) and the Commission's regulations, and any successor organization (including but not limited to a Regional Transmission Organization.).

ISO Tariff means the ISO New England Inc. Transmission, Markets and Services Tariff, FERC Electric Tariff No. 3, as amended, modified, superseded and supplemented from time to time, and including the Market Rules and Procedures.

ISO New England Operating Documents means the ISO Tariff and the ISO New England Operating Procedures, as amended, modified, superseded and supplemented from time to time.

Locational Marginal Pricing means as set forth in the Market Rules and Procedures.

Market Rules and Procedures means the Market Rules, Manuals and Procedures adopted by the ISO and/or NEPOOL, as may be amended from time to time, and as administered by the ISO to govern the operation of the NEPOOL markets.

Material Adverse Effect means, with respect to a Party, any change in or effect on such Party after the date of this Agreement that is materially adverse to the transactions contemplated hereby, excluding any change or effect resulting from (a) changes in the international, national, regional or local wholesale or retail markets for electric power; (b) changes in the international, national, regional or local markets for any fuel; (c) changes in the North American, national, regional or local electric transmission or distribution systems; and (d) any action or inaction by a governmental authority, but in any such case not affecting the Parties or the transactions contemplated hereby in any manner or degree significantly different from others in the industry

as a whole.

Moody's means Moody's Investors Service, its successors and assigns.

MWh means Megawatt-hour.

NEPOOL-GIS means the NEPOOL Generation Information System, which includes a generation information database and certificate system, operated by NEPOOL, its designee or successor entity, that accounts for generation attributes of electricity consumed within New England.

NEPOOL-GIS Certificates means a document produced by the NEPOOL-GIS that identifies the relevant generation attributes of each MWh accounted for in the NEPOOL-GIS from a generation unit.

NEPOOL means the New England Power Pool, or its successor.

NEPOOL Agreement means the Second Restated New England Power Pool Agreement dated as of February 1, 2005, as amended or accepted by the Commission and as may be amended, modified, superseded, supplemented and/or restated from time to time.

NEPOOL Rules means all rules adopted by NEPOOL or the ISO, as such rules may be amended, modified, supplemented or superseded and restated from time to time, including but not limited to, the NEPOOL Agreement, the ISO Tariff, the ISO New England Operating Documents, the Transmission Operating Agreement, the Participants Agreement, the NEPOOL Manuals, and the NEPOOL Operating Procedures, as amended, superseded or restated from time to time.

NERC means the North American Electric Reliability Corporation.

Net Worth means total assets, exclusive of intangible assets, less total liabilities, as reflected on the most recent balance sheet prepared by a certified public accountant as part of a certified financial statement in accordance with generally accepted accounting principles consistently applied in the business sector of the Seller.

New England Internal Hub Price means for each day remaining in the current calendar month and each day in all future calendar months during the term of this Transaction : (A) the sum of (x) the product of the applicable On-Peak ISO New England Internal Hub Price times the number of On-Peak Hours in such day and (y) the product of the applicable Off-Peak New England Internal Hub Price times the number of Off-Peak hours in such day and (B) then divided by twenty four (24).

New Renewable Energy Resource means as defined in Section 3.23 of the RES Regulations.

NYMEX means the New York Mercantile Exchange, Inc., its successors and assigns,

Off-Peak Hour means any hour that is not an On-Peak Hour.

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Off-Peak ISO New England Internal Hub Price means, in a given month, the ISO New England Off-Peak LMP Swap price as published by NYMEX on a Valuation Date and represented by the NYMEX trading symbol KI.

On-Peak Hour means Hour Ending ("HE") 08:00 EPT through HE 23:00 EPT on any Commodity Business Day.

On-Peak ISO New England Internal Hub Price means, in a given month, the ISO New England Internal Hub Peak LMP Swap price as published by NYMEX on a Valuation Date and represented by the NYMEX trading symbol NI.

Proxy Price means, for a given day, the product of (a) the New England Internal Hub Price for such day, (b) the Resulting Bid Factor for a calendar month, and (c) the Adjustment Factor.

PTF means facilities categorized as Pool Transmission Facilities under the ISO Tariff.

RES means Renewable Energy Standard.

RES Regulations means the Rules and Regulations Governing The Implementation Of A Renewable Energy Standard promulgated pursuant to the Renewable Energy Standard Law Section 39-26-1 et seq. of the General Laws of Rhode Island that implement a Renewable Energy Standard to facilitate the development of renewable energy resources for the benefit of customers in Rhode Island.

RES Requirement means the quantity of New Renewable Energy Resource NEPOOL-GIS Certificates and Existing Renewable Energy Resource NEPOOL-GIS Certificates to be provided by Seller as set forth in the Confirmation for a specific Transaction, if any.

Residential Contract Rate means the value as set forth in the Confirmation for the applicable Transaction as applicable to a month or period in the Delivery Term.

Residential Customer Group means Narragansett's customers in the Basic Residential Rate A-16 and Low Income Discount Rate A-60 retail rate classes, or such other rate classes as may be added from time to time.

Resulting Bid Factor means (A) the Contract Rate in a calendar month divided by (B) the Reference New England Internal Hub Price for the same calendar month.

Requirements means all electric generation and/or market purchases and delivery, to the Delivery Point, of the electric capacity, energy, ancillary services, operating reserves (including forward reserves) and all other market products required by the Buyer to provide kilowatt-hours to meet the needs of Standard Offer Service Customers during the Delivery Term.

RIPUC means the Rhode Island Public Utilities Commission, or its successor.

RI Load Zone means the Rhode Island Reliability Region as defined in the NEPOOL Rules.

S&P means Standard & Poor's Rating Group, its successors and assigns.

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Standard Offer Service means the provision of Requirements by Seller at the Delivery Point to Narragansett to meet all needs of Standard Offer Service Customers.

Standard Offer Service Customer(s) means, for a specific Transaction, the customers in each Customer Group set forth in the applicable Confirmation taking service pursuant to the Standard Offer Service Tariff.

Standard Offer Service Tariff means Narragansett's Tariff for Standard Offer Service, R.I.P.U.C. No. 2011, as may be amended from time to time and approved by the RIPUC.

Term means as defined in Section 3.1.

Transaction means a particular transaction agreed to by Buyer and Seller relating to the purchase and sale of Standard Offer Service pursuant to this Agreement, as evidenced by the execution of a written Confirmation by Buyer and Seller setting forth the specific terms and conditions thereof.

ARTICLE 3. TERM, SERVICE PROVISIONS AND REGISTRATION REQUIREMENTS

Section 3.1 Term

The term of this Master Power Agreement (the "Term") shall commence on the Effective Date and shall continue in effect until the earlier of (i) its termination by any Party upon thirty (30) days' prior written notice and (ii) its termination in accordance with Subsection 7.2(a); provided, however, that such termination shall not affect or excuse the performance of any Party under any provision of this Master Power Agreement that by its terms or operation survives any such termination and, provided further, that this Master Power Agreement and any other documents executed and delivered hereunder shall remain in effect with respect to the Transaction(s) entered into prior to the effective date of such termination until both Parties have fulfilled all of their obligations with respect to such Transaction(s). As of the termination of this Master Power Agreement, subject to the immediately foregoing sentence, and subject to any time limits specifically set forth in this Master Power Agreement or in a Confirmation, the Parties shall no longer be bound by the terms and provisions hereof, except (a) to the extent necessary to enforce the rights and obligations of the Parties arising under this Master Power Agreement before such expiration or termination or (b) that such terms and provisions expressly or by their operation survive the termination or expiration of this Master Power Agreement.

Section 3.2 Commencement of Supply

(a) Beginning as of the Commencement Date for each specific Customer Group in a specific Transaction, Seller shall provide Requirements to the Buyer. For purposes of certainty: Seller's obligations on the Commencement Date shall be to provide Requirements for all Standard Offer Service Customers identified in the related Confirmation taking service as of and including the Commencement Date.

(b) With respect to each person or entity that becomes a Standard Offer Service Customer subsequent to the applicable Commencement Date, Seller shall provide Requirements to the Buyer to meet the needs of the Standard Offer Service Customer(s) as of and including the Initiation Date for such customer initiating such service during the applicable Delivery Term.

(c) If Seller elects to receive electronic notification as provided in Section 3.7, the Buyer shall provide to Seller a notice of Initiation Date via electronic file transfer and in a format specified by the Buyer. Each notice of Initiation Date shall include the account number, the date Seller's service to the Buyer is to begin for a Standard Offer Service Customer and the customer's rate class.

Section 3.3 Termination and Conclusion of Supply

(a) With respect to each Standard Offer Service Customer that terminates Standard Offer Service during the applicable Delivery Term, Seller shall provide Requirements to the Buyer for such customer on the Customer Termination Date but shall not provide Requirements for such customer after the Customer Termination Date.

(b) If Seller elects to receive electronic notification as provided in Section 3.7, the Buyer shall provide to Seller a notice of Customer Termination Date via electronic file transfer and in a format specified by the Buyer. Each notice of Customer Termination Date shall include the account number, the Customer Termination Date and the customer's rate class.

(c) Seller's obligation to provide Requirements with respect to each specific Customer Group in a specific Transaction shall cease at the applicable Conclusion Date.

Section 3.4 Customer Disconnection Date

(a) With respect to each Standard Offer Service Customer whose Standard Offer Service is disconnected during the applicable Delivery Term, Seller shall provide Requirements to the Buyer for such customer on the Customer Disconnection Date but shall not provide Requirements for such customer after the Customer Disconnection Date.

(b) If Seller elects to receive electronic notification as provided in Section 3.7, The Buyer shall provide to Seller a notice of Customer Disconnection Date via electronic file transfer and in a format specified by the Buyer. Each notice of Customer Disconnection Date shall include the account number, the Customer Disconnection Date and the customer's rate class.

Section 3.5 Distribution Service Interruptions

Seller acknowledges that interruptions in distribution service occur and may reduce the load served hereunder. Seller further acknowledges and agrees that the Buyer may interrupt distribution service to customers consistent with the Distribution Service Terms and the Competitive Supplier Terms. In no event shall a Party have any liability or obligation to the other Party in respect of any such interruptions in distribution service.

Section 3.6 Release of Customer Information

The Buyer will not issue any customer information to Seller unless Seller has first obtained the necessary authorization in accordance with the provisions of the Competitive Supplier Terms.

Section 3.7 Electronic Notification

At Seller's election, the Buyer shall provide notices contemplated by Sections 3.2, 3.3 and 3.4 via electronic file transfer. Such election shall only be effective when Seller (i) establishes a Windows or Unix file server with capability of sending and receiving File Transfer Protocol ("FTP"), files with Pretty Good Privacy ("PGP"), Encryption/Decryption, and (ii) verifies its ability to transfer files to and receive files from the Buyer at least fourteen (14) days prior to the day on which Seller desires to commence electronic receipt.

Section 3.8 Change in Supply; No Prohibition on Programs

(a) Seller acknowledges and agrees that the number of customers and the Requirements to meet the needs of such customers will fluctuate throughout the Delivery Term and may equal zero. The Buyer shall not be liable to Seller for any losses Seller may incur, including but not limited to lost revenues, and losses that may result from any change in Requirements, number or location of customers taking service, the location of the Delivery Point(s), the composition or components of market products or Requirements, or the market for electricity, or change in the Distribution Service Terms or the Standard Offer Service Tariff. Seller further acknowledges and agrees that there is no limit on the number of Customer Initiation Dates, Customer Termination Dates and Customer Disconnection Dates.

(b) Seller acknowledges and agrees that the Buyer has the right but not the obligation to continue, initiate, support or participate in any programs, promotions, or initiatives designed to or with the effect of encouraging customers to leave Standard Offer Service for any reason ("Programs"). Nothing in this Agreement shall be construed to require notice to or approval of Seller in order for the Buyer to take any action in relation to Programs.

(c) Seller acknowledges and agrees that the Buyer and Affiliates of the Buyer will not provide Seller preferential access to or use of the Buyer's System and that Seller's sole and exclusive rights and remedies with regard to access to, use or availability of the Buyer's System, and the Buyer's or Affiliates of the Buyer's obligation to transmit electricity are those rights, remedies and obligations provided under the Distribution Service Terms or the NEPOOL Rules.

Section 3.9 Uniform Disclosure Requirements

Seller shall provide the Buyer information pertaining to power plant emissions, fuel types, labor information and any other information required by the Buyer to comply with the uniform disclosure requirements contained in R.I.G.L. Section 39-26-9 and any other disclosure regulations which may be imposed upon the Buyer during the term of this Agreement, as such disclosure requirements apply to Standard Offer Service provided by Seller pursuant to this Agreement.

Seller shall utilize the NEPOOL-GIS to transfer Load Obligations or NEPOOL-GIS Certificates, as applicable, to the Buyer's certificate account in the number equal to the Delivered

Energy for Standard Offer Service in a month during the term of a Transaction. Such Load Obligations or NEPOOL-GIS Certificates, as applicable, shall be delivered by Seller at least five (5) Business Days prior to the close of the applicable Trading Period. The Load Obligations or NEPOOL-GIS Certificates, as applicable, shall be delivered by Seller to an account within the NEPOOL-GIS designated by the Buyer.

ARTICLE 4. SALE AND PURCHASE

Section 4.1 Provision Delivery and Receipt

With respect to each Transaction, Seller shall provide and deliver to the Delivery Point and the Buyer shall receive at the Delivery Point the percent of the Requirements applicable to each Customer Group during the Delivery Term, all as set forth in the Confirmation related to such Transaction.

Section 4.2 Responsibilities

(a) The Buyer shall arrange with the ISO for transmission service over the PTF and non-PTF from and after the Delivery Point to the customers' meters. The Buyer shall be responsible for all transmission costs over the PTF and non-PTF from the Delivery Point to the meters of the Buyer's customers. Seller shall be responsible for all transmission and distribution costs associated with the delivery of Requirements to and including the Delivery Point except the transmission costs otherwise provided for in this paragraph.

(b) Seller shall be responsible for all decisions and data submissions associated with the Ownership Share of the Load Assets in ARTICLE 6, Section 6.4 including any bids into the market system to manage these obligations.

(c) Seller shall be responsible for all present and future obligations, requirements, and costs associated with the Requirements and/or Seller's provision thereof, whether system wide or locational based including, but not limited to, the real-time load obligations, capacity obligations and/or charges(including but not limited to installed capacity, unforced capacity, locational installed capacity, locational unforced capacity, forward capacity market obligations, forward capacity market transition payment obligations), regulation obligations and/or charges (including any regulation opportunity costs), operating reserve obligations and/or charges (including, but not limited to, (w) any real-time reserve charges, (x) any forward reserve charges, (y) any charges associated with reserve constraint penalty factors, and (z) net commitment period compensation ("NCPC") charges (other than monthly fixed-cost charges paid to resources pursuant to reliability agreements negotiated under Market Rule 1 Appendix A, Section III.A.6 and Exhibit 2),), emergency energy charges, inadvertent energy revenue charges, ISO Schedule 1 charges (other than ISO Schedule 1 charges that are both (i) associated with the Buyer's Regional Network Service and (ii) allocated on the basis of Regional Network Load), ISO Schedule 2 charges, ISO Schedule 3 charges, day-ahead energy market charges, and real-time energy market charges at the nodes, if any, and if none, the zones representing the actual locations of the meters of the Standard Offer Service Customers, and any other requirements, market products, expenses and charges imposed by NEPOOL or the ISO, as they may be in effect from time to time related to the provision and/or delivery of Requirements to and

including the Delivery Point. Except as otherwise specifically excluded in this paragraph, Seller's responsibility for costs and charges shall be without regard to the manner in which they are allocated by NEPOOL or the ISO.

(d) Seller shall be responsible for all costs and components thereof of any Locational Marginal Prices to provide Standard Offer Service (during the applicable Delivery Term), including its delivery to the Delivery Point. These components include the energy component, loss component, and congestion component.

(e) Seller shall be responsible for all congestion charges for delivery to the actual meters of Standard Offer Service Customers (during the applicable Delivery Term).

(f) Seller shall utilize the NEPOOL-GIS to transfer the quantity of NEPOOL-GIS Certificates from New or Existing Renewable Energy Resources equal to the RES Requirement to the account within the NEPOOL-GIS designated by the Buyer. Seller may satisfy the Aggregate RES Requirement at any time during the Delivery Term for a Confirmation provided such delivery occurs at least five (5) Business Days prior to the close of the applicable Trading Period associated with the Delivery Term; provided further, however, that the total number of NEPOOL-GIS Certificates from New or Existing Renewable Energy Resources shall not exceed the Aggregate RES Requirement for a Transaction.

(g) Seller shall notify Buyer within one Business Day of receipt of notice of termination from the ISO or event of default or similar occurrence under the Market Participant Service Agreement.

ARTICLE 5. AMOUNT, BILLING and PAYMENT

Section 5.1 Amount

The amount payable by the Buyer to Seller shall be the sum of the amounts due under all applicable Transactions.

Section 5.2 Billing and Payment

(a) On or before the tenth (10th) day of each month during the Term, Seller shall calculate the amount due and payable to Seller pursuant to Section 5.1 with respect to the preceding month (the "Calculation"). Seller shall provide the Calculation to the Buyer and such Calculation shall include sufficient detail for the Buyer to verify its formulation and computation. Calculations under this paragraph shall be subject to recalculation in accordance with Article 6 and shall be subject to adjustment (positive or negative) based upon such recalculation (a "Reconciliation Adjustment"). Seller shall promptly calculate the Reconciliation Adjustment upon receiving data described in Section 6.3 and shall include the adjustment, if any, in the next month's Invoice. A Reconciliation Adjustment based upon a change in the quantity for an earlier month shall be calculated using the applicable Contract Rate for the month in which the Delivered Energy was received.

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(c) Each Party shall notify the other Party upon becoming aware of an error in an Invoice, Calculation or Reconciliation Adjustment (whether the amount is paid or not) and Seller shall promptly issue a corrected Invoice. Overpayments shall be returned by the receiving Party upon request or deducted by the receiving Party from subsequent invoices, with interest accrued at the Interest Rate from the date of the receipt of the overpayment until the date paid or deducted.

Section 5.3 Challenge to Invoices

Unless otherwise agreed: (i) either Party may challenge, in writing, the accuracy of Calculations, Invoices or Reconciliation Adjustments (or the data utilized in the forgoing) no later than twenty-four (24) months after the Due Date of the Invoice in which the disputed information is contained; (ii) if a Party does not challenge the accuracy within such twenty-four (24) month period, such Invoice shall be binding upon that Party and shall not be subject to challenge. If an Invoice is paid and thereafter the payment or the Invoice on which the payment was based is disputed, upon notice of dispute, the Party receiving payment shall hold the amount in dispute in escrow for the benefit of the prevailing Party until the resolution of such dispute. If any amount in dispute is ultimately determined (under the terms herein) to be due to the other Party, it shall be paid or returned (as the case may be) to the other Party within three (3) Business Days of such determination along with interest accrued at the Interest Rate from the (i) date due and owing in accordance with the Invoice until the date paid or (ii) if the amount was paid and is to be returned, from the date paid, until the date returned.

Section 5.4 Taxes, Fees and Levies

Seller shall be obligated to pay all present and future taxes, fees and levies ("Taxes") which may be assessed by any entity upon the Seller's performance under this Agreement including but not limited to the purchase and sale of Requirements and both Existing and New Renewable Energy Resource NEPOOL-GIS Certificates to the Buyer, if any. Seller shall pay all Taxes with respect to the Requirements up to and at the Delivery Point, and the Buyer will pay all Taxes with respect to the Requirements after the Delivery Point. All Requirements, including electricity and other related market products delivered hereunder by Seller to the Buyer shall be sales for resale with the Buyer reselling such electricity and products.

Section 5.5 Netting and Setoff

Except for security provided pursuant to this Agreement (which shall not be considered for purposes of this Section 5.5) and unless otherwise specified in another agreement between the Parties, if the Parties are required to pay an amount on the same date each to the other under this Agreement or any other agreement between the Parties, or if any costs that are a Party's responsibility under this Agreement are incorrectly or inappropriately charged to the Party by the ISO, such amounts shall be netted, and the Party owing the greater aggregate amount shall pay to the other Party any difference between the amounts owed. Each Party reserves all rights, setoffs, counterclaims and other remedies and defenses (to the extent not expressly herein or therein waived or denied) that such Party has or to which such Party may be entitled arising from or out of this Agreement or the other agreement. Further, if the Buyer incurs any costs or charges that are the responsibility of Seller under this Agreement, such costs or charges may, at the Buyer's election, be netted against any amount due to Seller under this Agreement. All outstanding obligations to make payment under this Agreement or any other agreement between the Parties may be netted against each other, set off or recouped therefrom, or otherwise adjusted.

ARTICLE 6. QUALITY; LOSSES and QUANTITIES REQUIRED; DETERMINATION AND REPORTING OF HOURLY LOADS

Section 6.1 Quality

All electricity shall be delivered to the Buyer in the form of three-phase sixty-hertz alternating current at the Delivery Point.

Section 6.2 Losses

Seller shall be responsible for all transmission and distribution losses and the costs related to such losses and associated with the Requirements, namely, losses from the Delivery Point to the meters of the Standard Offer Service Customers. Seller shall provide to the Buyer at the Delivery Point quantities of electricity and ancillary services, capacity and all other market products related thereto to cover such losses from the Delivery Point to the meters of Standard Offer Service Customers. The quantities required for this purpose in each hour of a billing period shall be determined in accordance with ISO's and the Buyer's procedures for loss determination.

Section 6.3 Determination and Reporting of Hourly Loads

(a) The Buyer will estimate the Delivered Energy for Standard Offer Service provided by Seller pursuant to each Transaction based upon average load profiles developed for each of the Buyer's customer classes and the Buyer's actual total hourly load. The Buyer shall report to the ISO and Seller, the estimated Delivered Energy for each Transaction. The Buyer will normally report to the ISO and to Seller Seller's estimated Delivered Energy by 1:00 P.M EPT of the second following Business Day. Appendix A provides a general description of the estimation process that the Buyer will initially employ (the "Estimation Process"). The Buyer shall have the right but not the obligation, in its sole and exclusive judgment, to modify the Estimation Process from time to time, provided that any such modification is designed with the objective of improving the accuracy of the Estimation Process.

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Each month, the Buyer shall reconcile the Buyer's estimate of the Delivered Energy for each Transaction based upon the Buyer's meter reads (such meter reads as provided for in the Distribution Service Terms). The reconciliation, including all losses, shall be the adjusted Delivered Energy. The Buyer will normally notify the ISO of any resulting adjustment (debit or credit) to Seller's account for the Load Assets (set forth in a specific Confirmation) no later than the last day of the third month following the billing month. Appendix A provides a general description of this reconciliation process, which process may be changed by the Buyer from time to time in its sole and exclusive discretion.

Section 6.4 ISO Settlement Market System Implementation

As soon as possible after the execution of a Confirmation related to a specific Transaction and before the applicable Commencement Date, the Buyer shall assign to Seller, and Seller shall accept assignment of an Ownership Share for each Load Asset in such Confirmation. Such assignment shall be effective beginning on the applicable Commencement Date. Seller shall maintain such ownership until the Conclusion Date (or, if earlier, the termination date established in accordance with 7.2(a)). Seller shall take any and all actions necessary to effectuate such assignment and, if applicable in accordance with the foregoing, transfer, including executing documents required by the ISO. Once Seller's provision of Standard Offer Service terminates (effective as of the minute after the Conclusion Date or, if earlier, the termination date established in accordance with 7.2(a)), the Buyer will terminate Seller's Ownership Shares of the aforementioned Load Assets

The Buyer shall have the right to change the Load Asset designations from time to time, consistent with the definition and provision of Standard Offer Service. If and to the extent such designations change, the Buyer and Seller shall cooperate to timely put into effect the necessary ISO Settlement Market System contracts that may be necessary to implement the new designations and terminate the prior designations.

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ARTICLE 8. NOTICES, REPRESENTATIVES OF THE PARTIES

Section 8.1 Notices

Any notice, demand, or request required or authorized by this Agreement to be given by one Party to another Party shall be in writing. It shall either be sent by facsimile (with receipt confirmed by telephone and electronic transmittal receipt), courier, personally delivered (including overnight delivery service) or mailed, postage prepaid, to the representative of the other Party designated in accordance with this Article. Any such notice, demand, or request shall be deemed to be given (i) when sent by facsimile confirmed by telephone and electronic transmittal receipt, (ii) when actually received if delivered by courier or personal delivery (including overnight delivery service) or (iii) seven (7) days after deposit in the United States mail, if sent by first class mail return receipt requested.

Notices and other communications by Seller to the Buyer shall be addressed to:

Director, Wholesale Electric Supply
National Grid
100 East Old Country Road
Hicksville, NY 11801
(516) 545-3282 (phone)
(516) 545-3130 (fax)

and

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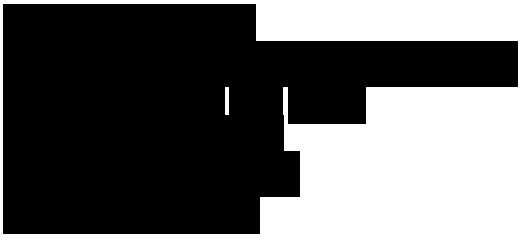
Notices concerning Article 7 shall also be sent to:

General Counsel
National Grid
201 Jones Road
Waltham, MA 02451
(781) 907-1600 (phone)
(781) 907-1647 (fax)

Notices and other communications by the Buyer to Seller shall be addressed to:



Any Party may change its representative or address for notices by written notice to the other Party; however such notice shall not be effective until it is received by the other Party.

Section 8.2 Authority of Representative

The Parties' representatives shall have full authority to act for their respective Party in all matters relating to the performance of this Agreement. Notwithstanding the foregoing, a Party's representative shall not have the authority to amend, modify, or waive any provision of this Agreement unless they are duly authorized officers of their respective entities and such amendment, modification or waiver is made in accordance with Article 17.

ARTICLE 9. LIABILITY; INDEMNIFICATION; RELATIONSHIP OF PARTIES

Section 9.1 Limitation on Consequential, Incidental and Indirect Damages

EXCEPT AS EXPRESSLY PROVIDED IN SECTION 9.2, TO THE FULLEST EXTENT PERMISSIBLE BY LAW, NEITHER THE BUYER NOR SELLER, NOR THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, PARENT OR AFFILIATES, SUCCESSOR OR ASSIGNS, OR THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, OR EMPLOYEES, SUCCESSORS, OR ASSIGNS, SHALL BE LIABLE TO THE OTHER PARTY OR ITS PARENT, SUBSIDIARIES, AFFILIATES, OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, SUCCESSORS OR ASSIGNS, FOR CLAIMS, SUITS, ACTIONS OR CAUSES OF ACTION FOR INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE, MULTIPLE OR CONSEQUENTIAL DAMAGES (INCLUDING ATTORNEY'S FEES OR LITIGATION COSTS EXCEPT AS EXPRESSLY PROVIDED IN SECTION 15.2 AND IN ACCORDANCE WITH THE LIMITATION THEREUNDER) CONNECTED WITH OR RESULTING FROM PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, OR ANY ACTIONS UNDERTAKEN IN CONNECTION WITH OR RELATED TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY SUCH

DAMAGES WHICH ARE BASED UPON CAUSES OF ACTION FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND MISREPRESENTATION), BREACH OF WARRANTY, STRICT LIABILITY, STATUTE, OPERATION OF LAW, OR ANY OTHER THEORY OF RECOVERY. THE PROVISIONS OF THIS SECTION SHALL APPLY REGARDLESS OF FAULT AND SHALL SURVIVE TERMINATION, CANCELLATION, SUSPENSION, COMPLETION OR EXPIRATION OF THIS AGREEMENT.

Section 9.2 Indemnification

(a) Seller agrees to defend, indemnify and save the Buyer, its officers, directors, employees, agents, successors assigns, and Affiliates and their officers, directors, employees and agents harmless from and against any and all third-party claims, suits, actions or causes of action and any resulting losses, damages, charges, costs or expenses, (including reasonable attorneys' fees and court costs), arising from or in connection with any (a) breach of a representation or warranty or failure to perform any covenant or agreement in this Agreement by Seller, (b) any violation of applicable law, regulation or order by Seller, (c) any act or omission by Seller with respect to this Agreement, first arising, occurring or existing during the term of this Agreement, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement, except to the extent caused by an act of gross negligence or willful misconduct by an officer, director, agent, employee, or Affiliate of the Buyer or its respective successors or assigns.

(b) The Buyer agrees to defend, indemnify and save Seller, its officers, directors, employees, agents, successor, assigns, and Affiliates and their officers, directors, employees and agents harmless from and against any and all third-party claims, suits, actions or causes of action and any resulting losses, damages, charges, costs or expenses, (including reasonable attorneys' fees and court costs), arising from or in connection with any (a) breach of representation or warranty or failure to perform any covenant or agreement in this Agreement by said Buyer, (b) any violation of applicable law, regulation or order by Buyer, (c) any act or omission by the Buyer, with respect to this Agreement first arising, occurring or existing during the term of this Agreement, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement, except to the extent caused by an act of gross negligence or willful misconduct by an officer, director, agent, employee or Affiliate of Seller or its respective successors or assigns.

(c) If any Party intends to seek indemnification under this Section from the other Party with respect to any action or claim, the Party seeking indemnification shall give the other Party notice of such claim or action within thirty (30) days of the later of the commencement of, or actual knowledge of, such claim or action; provided, however, that in the event such notice is delivered more than thirty (30) days after the Party seeking indemnification knows of such claim or action, the indemnifying Party shall be relieved of its indemnity hereunder only if and to the extent such indemnifying Party was actually prejudiced by such delay. The Party seeking indemnification shall have the right, at its sole cost and expense, to participate in the defense of any such claim or action. The Party seeking indemnification shall not compromise or settle any such claim or action without the prior consent of the other Party, which consent shall not be unreasonably withheld.

Section 9.3 Independent Contractor Status

Nothing in this Agreement shall be construed as creating any relationship between the Buyer and Seller other than that of independent contractors for the sale and delivery of Requirements for Standard Offer Service.

ARTICLE 10. ASSIGNMENT

Section 10.1 General Prohibition Against Assignments

Except as provided in Section 10.2, neither Party shall assign, pledge or otherwise transfer this Agreement or any right or obligation under this Agreement without first obtaining the other Party's written consent, which consent shall not be unreasonably withheld.

Section 10.2 Exceptions to Prohibition Against Assignments

(a) Seller may, without the Buyer's prior written consent, collaterally assign this Agreement in connection with financing arrangements provided that any such collateral assignment that provides for the Buyer to direct payments to the collateral agent (i) shall be in writing, (ii) shall not be altered or amended without prior written notice to the Buyer from both Seller and the collateral agent, and (iii) provided that any payment made by the Buyer to the collateral agent shall discharge the Buyer's obligation as fully and to the same extent as if it had been made to the Seller. Seller must provide the Buyer at least ten (10) days advance written notice of collateral assignment and provide copies of any such assignment and relevant agreements or writings.

(b) The Buyer may assign all or a portion of its rights and obligations under this Agreement to any Affiliate of the Buyer without consent of Seller. Either Party may, upon written notice, assign its rights and obligations hereunder, or transfer such rights and obligations by operation of law, to any entity with which or into which such Party shall merge or consolidate or to which such Party shall transfer all or substantially all of its assets, provided that such other entity agrees to be bound by the terms hereof and provided further, that such other entity's creditworthiness is comparable to or higher than that of such Party at the time this Agreement was executed and such Party is not relieved of any obligation or liability hereunder as a result of such assignment

ARTICLE 11. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and shall be binding upon the Parties hereto and their respective successors and permitted assigns.

ARTICLE 12. FORCE MAJEURE

(a) Force Majeure shall include but not be limited to acts of God, earthquakes, fires, floods, storms, strikes, labor disputes, riots, insurrections, acts of war (whether declared or otherwise), terrorism, acts of terrorism, acts of governmental, regulatory or judicial bodies, but if and only to the extent that such event or circumstance (i) directly affects the availability of the transmission or distribution facilities of the New England Transmission System, the Buyer or an Affiliate of the Buyer necessary to provide service to the Buyer's customers which are taking service pursuant to the Standard Offer Service Tariff and (ii) it is not within the reasonable control of, or the result of the negligence of, the claiming Party, and which, by the exercise of due diligence, the claiming Party is unable to overcome or avoid or cause to be avoided. Force Majeure shall not be based on (A) fluctuations in Standard Offer Service, (B) the cost to a Party to overcome or avoid, or cause to be avoided, the event or circumstance affecting such Party's performance or (C) events affecting the availability or cost of operating any generating facility.

(b) To the extent that either Party is prevented by Force Majeure from carrying out, in whole or in part, its obligations hereunder and (i) such Party gives notice and detail of the Force Majeure to the other Party as soon as practicable after the onset of the Force Majeure, including an estimate of its expected duration and the probable impact on the performance of its obligations hereunder; (ii) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure, and (iii) the Party claiming Force Majeure uses commercially reasonable efforts to remedy or remove the inability to perform caused by Force Majeure, then the affected Party shall be excused from the performance of its obligations prevented by Force Majeure. However, neither Party shall be required to pay for any obligation the performance of which is excused by Force Majeure. This paragraph shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the Party involved in the dispute.

(c) No obligations of either Party which arose before the Force Majeure occurrence causing the suspension of performance shall be excused as a result of the event of Force Majeure.

(d) Prior to the resumption of performance suspended as a result of a Force Majeure occurrence, the Party claiming the Force Majeure shall give the other Party written notice of such resumption.

ARTICLE 13. WAIVERS

No delay or omission in the exercise of any right under this Agreement shall impair any such right or shall be taken, construed or considered as a waiver or relinquishment thereof, but any such right may be exercised from time to time and as often as may be deemed expedient. The waiver of any single breach or default of any term or condition of this Agreement shall not be deemed to constitute the waiver of any other prior or subsequent breach or default of the Agreement or any other term or condition.

ARTICLE 14. LAWS AND REGULATIONS

(a) This Agreement and all rights, obligations, and performances of the Parties hereunder, are subject to all applicable federal and state laws, and to all duly promulgated orders and other duly authorized action of governmental authorities having jurisdiction hereof.

(b) The rates, terms and conditions contained in this Agreement are not subject to change under Section 205 of the Federal Power Act as that section may be amended or superseded, absent the mutual written agreement of the Parties. Each Party irrevocably waives its rights, including its rights under §§ 205-206 of the Federal Power Act, unilaterally to seek or support a change in the rate(s), charges, classifications, terms or conditions of this Agreement or any other agreements entered into in connection with this Agreement. By this provision, each Party expressly waives its right to seek or support: (i) an order from the Commission finding that the market-based rate(s), charges, classifications, terms or conditions agreed to by the Parties in the Agreement are unjust and unreasonable; or (ii) any refund with respect thereto. Each Party agrees not to make or support such a filing or request, and that these covenants and waivers shall be binding notwithstanding any regulatory or market changes that may occur hereafter and (z) that it shall not challenge or support a challenge to the enforceability of the waiver in this Section (b).

(c) Absent the agreement of all Parties to a proposed change, the standard of review for changes to this Agreement proposed by a non-party or the Commission acting sua sponte shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956) (the "Mobile-Sierra" doctrine).

(d) The Parties agree that, if and to the extent that the Commission adopts a final rule or order which requires that, in order to exclude application of the just and reasonable standard of review and to mandate application of the public interest standard of review under the Mobile-Sierra doctrine for a proposed change to this Agreement which is not agreed to by all Parties, the Parties must agree to language which varies from that set forth in Article 14(c) then, without further action of either Party, Article 14(c) will be deemed amended to incorporate the specific language required by such final rule or order as is necessary to have the public interest standard of review under the Mobile-Sierra doctrine apply to any proposed change to this Agreement to which all Parties do not agree.

(e) Nothing in this Article 14 is intended to modify any Party's right to enforce the terms of this Agreement as written.

ARTICLE 15. INTERPRETATION, DISPUTE RESOLUTION

Section 15.1 Governing Law

The Agreement shall be governed by and construed and performed in accordance with and the laws of the State of Rhode Island, without giving effect to its conflict of laws principles.

Section 15.2 Dispute Resolution

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All disputes between the Buyer and Seller under this Agreement shall be referred, upon notice by one Party to the other Party, to a senior manager of Seller designated by Seller, and a senior manager of the Buyer designated by the Buyer, for resolution on an informal basis as promptly as practicable. In the event the designated senior managers are unable to resolve the dispute within ten (10) days of receipt of the notice, or such other period to which the Parties may jointly agree, such dispute shall be submitted to arbitration and resolved in accordance with the arbitration procedure set forth in this Section. The arbitration shall be conducted in Boston, Massachusetts before a single neutral arbitrator mutually agreed to and appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) days of the referral of the dispute to arbitration, Seller and the Buyer shall each choose one arbitrator, who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within ten (10) days select a third arbitrator to act as chairman of the arbitration panel. In either case, the arbitrator(s) shall be knowledgeable and have at least two (2) years experience in electric utility matters, including wholesale power transactions and power market issues, and shall not have any current or past material business or financial relationships with either Party or a witness for either Party and shall not have a direct or indirect interest in any Party or the subject matter of the arbitration. If a panel of arbitrators, all of their decisions shall be by majority vote. The arbitrator(s) shall afford each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the then-current arbitration rules of the CPR Institute for Dispute Resolution (formerly known as the Center for Public Resources), unless otherwise mutually agreed by the Parties. There shall be no formal discovery conducted in connection with the arbitration unless otherwise mutually agreed by the Parties; provided, however, that the Parties shall exchange witness lists and copies of any exhibits that they intend to utilize in their direct presentations at any hearing before the arbitrator(s) at least ten (10) days prior to such hearing, along with any other information or documents specifically requested by the arbitrator(s) prior to the hearing. Any offer made and the details of any negotiations to resolve the dispute shall not be admissible in the arbitration or otherwise. Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90) days of his, her or their appointment and shall notify the Parties in writing of such decision and the reasons therefore, and shall make an award apportioning the payment of the costs and expenses of arbitration among the Parties; provided, however, that each Party shall bear the costs and expenses of its own attorneys, expert witnesses and consultants unless the arbitrator(s), based upon a determination of good cause, awards attorneys fees and legal and other costs to the prevailing Party. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change the Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction, subject expressly to Section 15.3. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act and/or the Administrative Dispute Resolution Act. Nothing in this paragraph shall impair the ability of a Party to exercise any right or remedy it has under this Agreement, including those in Article 7. To the fullest extent permitted by law, any arbitration proceeding and the arbitrator's award shall be maintained in confidence by the Parties; provided, however, that either Party, or any of its Affiliates, may provide information regarding the arbitration without limitation to any regulatory agency requesting or requiring such information or to a court in a proceeding to confirm, appeal (as such appeal is limited hereby) or enforce the award; provided, further, that any such provision of information must include a request for confidential treatment.

Section 15.3 Venue; Waiver of Jury Trial

Each Party hereto irrevocably (i) submits to the exclusive jurisdiction of the federal and state courts located in the State of Rhode Island, County of Providence (ii) waives any objection which it may have to the laying of venue of any proceedings brought in any such court; and (iii) waives any claim that such proceedings have been brought in an inconvenient forum. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS AGREEMENT.

ARTICLE 16. SEVERABILITY

Any provision declared or rendered unlawful by any applicable court of law or regulatory agency or deemed unlawful because of a statutory change will not otherwise affect the remaining provisions and lawful obligations that arise under this Agreement. If any provision of this Agreement, or the application thereof to any Party or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, and (b) the remainder of this Agreement and the application of such provision or circumstances shall not be affected by such invalidity or unenforceability.

ARTICLE 17. MODIFICATIONS

No modification or amendment of this Agreement will be binding on any Party unless it is in writing and signed by both Parties.

ARTICLE 18. ENTIRE AGREEMENT

This Master Power Agreement, including the Appendices, any Confirmations relating to specific Transactions, the tariffs and agreements referred to herein or therein, embody the entire agreement and understanding of the Parties in respect of the transactions contemplated by this Agreement. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein or therein. It is expressly acknowledged and agreed that there are no restrictions, promises, representations, warranties, covenants or undertakings contained in any material provided or otherwise made available by the Seller or the Buyer to each other. This Agreement supersedes all prior agreements and understandings between the Parties with respect to the transactions contemplated hereby and specifically excludes written agreements executed by the Parties prior to the Effective Date.

ARTICLE 19. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument.

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ARTICLE 20. INTERPRETATION; CONSTRUCTION

The article and section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the Parties and shall not in any way affect the meaning or interpretation of this Agreement. For purposes of this Agreement, the term "including" shall mean "including, without limitation". The Parties acknowledge that, each Party and its counsel have reviewed and or revised this Agreement and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement, and it is the result of joint discussion and negotiation.

ARTICLE 21. REPRESENTATIONS; WARRANTIES AND COVENANTS

Each Party represents to the other Parties, upon execution and continuing throughout the term of this Agreement, as follows:

(a) It is duly organized in the form of business entity set forth in the first paragraph of this Agreement, validly existing and in good standing under the laws of its state of its organization and has all requisite power and authority to carry on its business as is now being conducted, including all regulatory authorizations as necessary for it to legally perform its obligations hereunder.

(b) It has full power and authority to execute and deliver this Master Power Agreement and any and all Confirmations related to Transactions and to consummate and perform the transactions contemplated hereby. This Master Power Agreement has been, and any Confirmation will be, duly and validly executed and delivered by it, and, assuming that this Master Power Agreement, together with any and all Confirmations, constitutes a valid and binding agreement of the other Parties, constitute together its valid and binding agreement, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, or the terms of any note, bond, mortgage, indenture, deed of trust, license, franchise, permit, concession, contract, lease or other instrument to which it is bound, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets.

(d) No declaration, filing with, notice to, or authorization, permit, consent or approval of any governmental authority is required for the execution and delivery of this Master Power Agreement or any and all Confirmations related to a Transaction by it or the performance by it of its obligations hereunder and thereunder, other than such declarations, filings, registrations, notices, authorizations, permits, consents or approvals which, if not obtained or made, will not, in the aggregate, have a Material Adverse Effect.

(e) Neither the execution and delivery of this Master Power Agreement or any and all Confirmations by it, nor the performance by it of its obligations under this Master Power Agreement and any and all Confirmations related to Transactions, will or does (i) conflict with or result in any breach of any provision of its Governing Documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement or other instrument or obligation to which it or any of its subsidiaries is a party or by which it or any of its subsidiaries is bound, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained or which, in the aggregate, would not have a Material Adverse Effect; or (iii) violate any order, writ, injunction, decree, statute, rule or regulation applicable to it, which violation would have a Material Adverse Effect.

(f) There are no claims, actions, proceedings or investigations pending or, to its knowledge, threatened against or relating to it before any governmental authority acting in an adjudicative capacity relating to the transactions contemplated hereby that could have a Material Adverse Effect. It is not subject to any outstanding judgment, rule, order, writ, injunction or decree of any court or governmental authority which, individually or in the aggregate, would create a Material Adverse Effect.

(g) There are no bankruptcy, insolvency, reorganization, receivership or other similar proceedings pending or being contemplated by it, or of its knowledge threatened against it.

(h) With respect to Seller, (i) it and the ISO have fully executed a Market Participant Service Agreement ("Seller's MPSA"), and it has been approved by the Commission in accordance with Subsection 7.1 of the MPSA with the ISO and (ii) the ISO has not filed with the Commission a notice of termination of Seller's MPSA.

(i) It is acting for its own account, has made its own independent decision to enter into this Master Power Agreement and any and all Confirmations related to a Transaction and as to whether this Master Power Agreement and any such Confirmation is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party hereto, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this Master Power Agreement and any such Confirmation or Transaction.

ARTICLE 22. CONSENTS AND APPROVALS

The Parties shall cooperate so that each Party may take such actions as necessary and required for the other Party to effectuate and comply with this Agreement including to (i)

promptly prepare and file all necessary documentation, (ii) effect all necessary applications, notices, petitions and filings and execute all agreements and documents, and (iii) use all commercially reasonable efforts to obtain all necessary consents, approvals and authorizations of all other entities, in the case of each of the foregoing clauses (i), (ii) and (iii), necessary or advisable to consummate the transactions contemplated by this Agreement. The Buyer shall have the right to review and approve in advance all characterizations of the information relating to the transactions contemplated by this Agreement which appear in any filing, press release or public announcement made in connection with the transactions contemplated hereby.

ARTICLE 23. CONFIDENTIALITY

Neither Seller nor the Buyer shall provide copies of or disclose the contents or terms of Section 5.2(b), Article 7 and Appendix C [BIDDERS: Insert additional sections] of the Master Power Agreement, (the "Confidential Terms") to any third party without the prior written consent of the other Party; provided, however, that either Party may provide a copy of the Confidential Terms, in whole or in part to (1) any regulatory agency, or governmental authority with jurisdictional interest, requesting and/or requiring such Confidential Terms, or in order to comply with any applicable law, regulation, or any exchange, control area or independent system operator rule or in connection with any court or regulatory proceeding, provided that in the case of a disclosure pursuant to the foregoing, such disclosure must include a request for confidential treatment of the Confidential Terms, and (2) an Affiliate if related to the Party's performance of its obligations hereunder, provided that such Affiliate agrees to treat the Confidential Terms as confidential in accordance with this clause.

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IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Master Power Agreement on their behalf as of the date first above written.

THE NARRAGANSETT ELECTRIC COMPANY

_____

Name (print):_____
Title: _____

[redacted]

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APPENDIX A
ESTIMATION OF SELLER HOURLY LOADS

Overview

Generating units operated by suppliers are dispatched by the power pool to meet the region's electrical requirements reliably, and at the lowest possible cost. As a result, a supplier's electricity production may not match the demand of its customers. In each hour some suppliers with low cost production units or that contract for the output of such units are net sellers of electricity to the pool, while other suppliers are purchasing power from the pool to meet the demand of their customers. To determine the extent to which suppliers are net buyers or sellers on an hourly basis, it is necessary to estimate the hourly aggregate demand for all of the customers served by each supplier. The Buyer will estimate Seller's Standard Offer Service load obligations within the Buyer's service territory and report the hourly results to the ISO on a daily basis.

The estimation process is a cost-effective approach to producing results that are reliable, unbiased and reasonably accurate. The hourly load estimates will be based on rate class load profiles, which will be developed from statistically designed samples. Each day, the class load shapes will be scaled to the population of customers served by each supplier. In cases where telemetered data on individual customers is available, it will be used in place of the estimated shapes. On a monthly basis, the estimates will be refined by incorporating actual usage data obtained from meter readings. In both processes, the sum of all suppliers' estimated loads will match the total load delivered into the distribution system. A description of the estimation process follows.

Daily Estimation of Suppliers' Own Load

The daily process estimates the hourly load for each supplier for the previous day. The following is an outline of this process:

- Select a proxy date from the previous year with characteristics which best match the day for which the hourly demand estimates are being produced. Extract class load shapes for the selected proxy date from the load research database.

- Scale the class load shapes appropriately for each individual customer based on the usage level of the customer relative to the class average usage level.

- Calculate a factor for each customer which reflects their relative usage level and includes an adjustment for losses ("load adjustment factor"). Aggregate the load adjustment factors across the customers served by each supplier in each class.

- Produce a preliminary estimate of each supplier's hourly loads by combining the proxy day class load shapes with the supplier's total load adjustment factors. Aggregate the loads across the classes for each supplier.

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- Adjust the preliminary hourly supplier estimates so that their sum is equal to the Buyer's actual hourly metered loads (as metered at the point of delivery to the distribution system) by allocating any differences to suppliers in proportion to their estimated load.

- Adjust the hourly supplier estimates to include transmission losses within the Buyer's transmission system.

- Submit the hourly loads to the ISO.

After the Buyer has submitted the supplier hourly loads, the ISO will allocate PTF losses to the supplier's account during the settlement process.

Monthly Reconciliation Process

The monthly process will improve the estimates of supplier loads by incorporating the most recent customer usage information, which will be available after the monthly meter readings are processed. The actual customer meter readings, as well as actual interval data for the largest customers, are used to re-estimate all of the days in the calendar month being reconciled. Updates to customers' account status and supplier assignments that may have been missed during the daily processing (due to timing) are included. The resulting hourly supplier load estimates for all the days in the month are reported and used by the ISO as the basis for the monthly resettlement.

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APPENDIX B
MASTER POWER AGREEMENT
FORM OF CONFIRMATION

This Confirmation shall confirm the Transaction agreed to on, and effective as of _____ between **THE NARRAGANSETT ELECTRIC COMPANY**, a Rhode Island corporation ("Buyer") and **[Company], a [what]** ("Seller") regarding the sale/purchase of Standard Offer Service specified herein under the terms and conditions under the Master Power Agreement, dated August 20, 2015 (the "Master Power Agreement") between Buyer and Seller, as specified and modified herein. It is the intent of Buyer and Seller that the Transaction shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the Parties intend to physically settle the Transaction, and is therefore not subject to swap regulation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Power Agreement.

1. Standard Offer Service Requirements Matrix

Award Block	Customer Group	Load Zone	Load Responsibility	Commencement Date	Conclusion Date
TBD	TBD	TBD	TBD	TBD	TBD

2. Contract Rate - $/MWh

Award Block	Customer Group	Load Zone	Month1	Month2	Month3	Month4	Month5	Month6
TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

3. Load Asset Designation within the ISO Settlement Market System

Award Block	Customer Group	Load Zone	Load Asset Number	Load Asset Name
TBD	TBD	TBD	TBD	TBD

4. RES Requirement

RES Requirement shall mean, for each calendar month during the term of this Transaction, zero.

Or

RES Requirement shall mean, for each calendar month during the term of this

Transaction the product of (i) Delivered Energy in a calendar month for Standard Offer Service in calendar year 200X and (ii) 0.XX, rounded up to the whole MWh of which up to two percent (2.0%) may come from Existing Renewable Energy Resources.

5. Amount Payable

The amount payable by the Buyer to Seller in a month shall be:

(i) The product of (a) the Delivered Energy for Standard Offer Service to the Residential Customer Group in a month and (b) the Residential Contract Rate in the month plus,

(ii) The product of (a) the Delivered Energy for Standard Offer Service to the Commercial Customer Group in a month and (b) the Commercial Contract Rate in the month plus,

(iii) The product of (c) the Delivered Energy for Standard Offer Service to the Industrial Customer Group in a month and (d) Industrial Contract Rate in the month plus,

(iv) The product of (a) the number of New Renewable Energy Resource NEPOOL-GIS Certificates and Existing Renewable Energy Resource NEPOOL-GIS Certificates delivered in the month, not to exceed the Aggregate RES Requirement and (b) the applicable Alternative Compliance Payment Rate less,

(v) The product of (a) the RES Requirement and (b) the applicable Alternative Compliance Payment Rate.

6. Modifications to the Master Power Agreement

[To be determined for each Transaction]

7. Security

A. Calculation of Exposure

Exposure shall be calculated in accordance with Paragraph 3 of the CSA, subject to the conditions and definitions below.

Seller Independent Amount means the amount set forth below, and is required through the dates listed in the table:

Award Block	Customer Group	Load Zone	Amount of Security (USD)	Posting Required Through
TBD	TBD	TBD	TBD	TBD

Expected Daily Load means the average daily load based upon 2 years of available actual loads for a given month, as specified in the following table:

Award Block	Customer Group	Load Zone	Month1	Month2	Month3	Month4	Month5	Month6
TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Adjustment Factor is X.XX.

Reference New England Internal Hub Price means the prices as specified in the following table:

ISO New England Internal Hub Price	Month1	Month2	Month3	Month4	Month5	Month6
Off-Peak	TBD	TBD	TBD	TBD	TBD	TBD
Peak	TBD	TBD	TBD	TBD	TBD	TBD
Reference New England Internal Hub Price**	TBD	TBD	TBD	TBD	TBD	TBD

**The Reference New England Internal Hub price shall be calculated as ((Peak Price x number of Peak Hours in the Month) + (Off-Peak Price x number of Off-Peak Hours in the Month))/(Total Hours in the Month)), as applicable.

B. Delivery of Collateral

Within five (5) Business Days after the execution of this Confirmation, Seller shall provide Collateral in accordance with Paragraph 3(a) of the Credit Support Annex of the Master Power Agreement, and in any of the forms specified in Paragraph 6 of the Credit Support Annex of the Master Power Agreement.

8. Confidentiality

Articles 1, 2, 3, 4, 5, and 7 [additional articles to be determined for each Transaction] of this Confirmation are Confidential Terms within the meaning of Article 23 of the Master Power Agreement.

9. Ratification of the Terms and Conditions of the Agreement

(a) Except as expressly amended or waived by this Confirmation, the terms, conditions, covenants, agreements, warranties and representations contained in the Master Power Agreement are in all respects ratified, confirmed and remade as of the date hereof and, except as amended or waived hereby, shall continue in full force and effect.

(b) Nothing in this Confirmation shall, or shall be construed to, alter or amend any other Confirmation.

10. Counterparts

This Confirmation may be executed in counterparts, all of which together shall constitute one and the same instrument.

This Confirmation constitutes part of and is subject to the terms and provisions of such Master Power Agreement.

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IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Confirmation on their behalf as of the date first above written

THE NARRAGANSETT ELECTRIC COMPANY

_____

Name (print):_____
Title: _____

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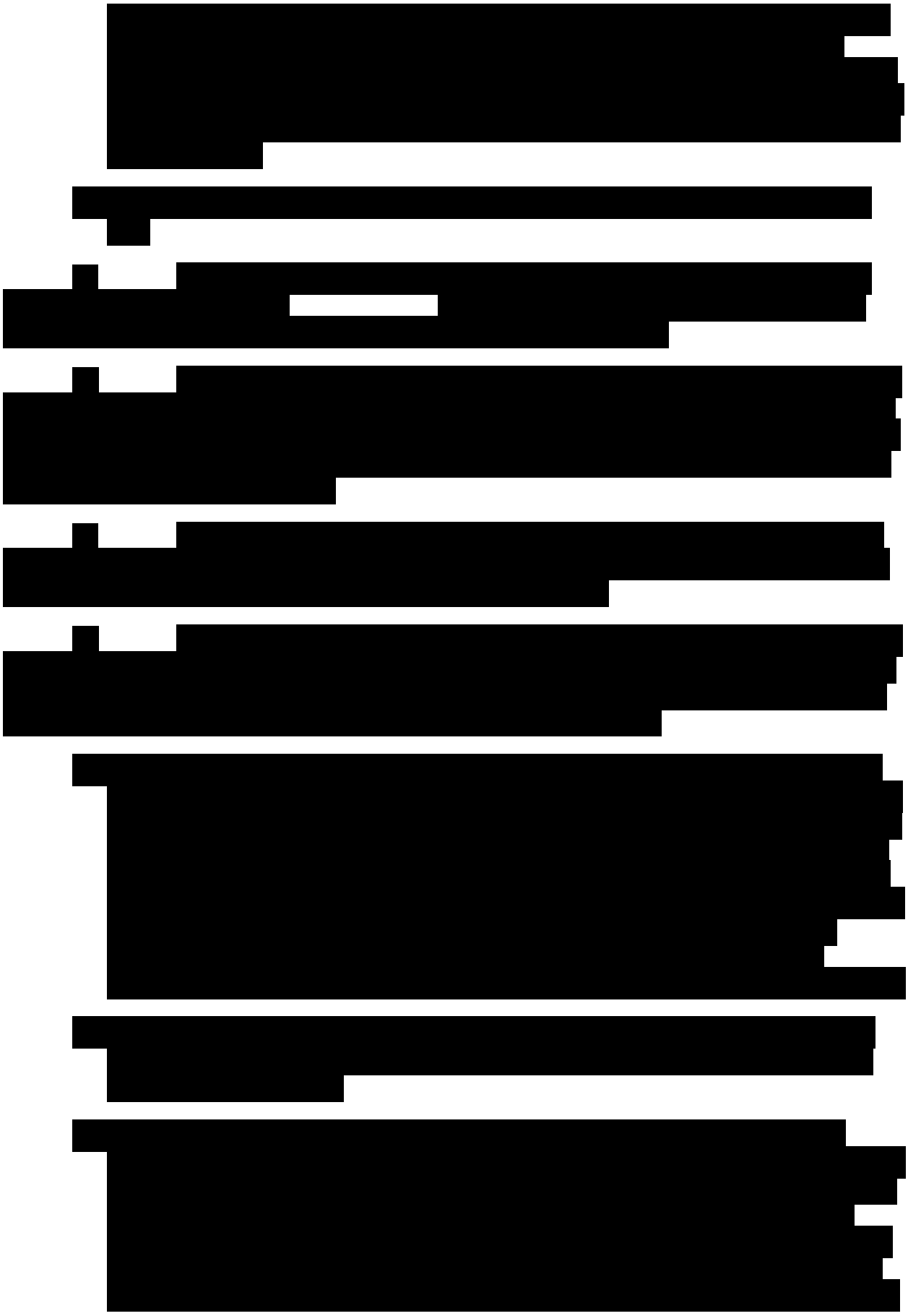

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APPENDIX D

CREDIT SUPPORT ANNEX (RI SOS)

This Credit Support Annex to the Master Power Agreement (the "CSA") is made and entered into by and between Buyer and Seller, as those are defined in the Master Power Agreement.

All provisions contained or incorporated by reference in the Master Power Agreement will govern this CSA except as expressly modified herein. Any terms capitalized, but not defined herein shall have the meaning given to them in the Master Power Agreement.

Paragraph 1. Definitions.

As Used in this CSA, the following terms have the meanings specified below:

"Calculation Period" shall mean the period between the commencement date of the transaction, and the conclusion date of the transaction, as defined in the confirmation.

"Cash" means U.S. dollars held by or on behalf of a Party as Posted Collateral hereunder.

"Collateral Account" shall have the meaning specified in Paragraph 6(a)(iii)(B).

"***Collateral Interest Rate"*** means the daily effective federal funds rate as published in the applicable statistical release designated as H.12(510), or any successor publication by the Board of Governors of the Federal Reserve System. If such rate is expressed as a range, the Collateral Interest Rate shall equal the arithmetic average of such range.

"Collateral Threshold" shall have the meaning specified in Paragraph 3(c)(i).

"Custodian" shall have the meaning specified in Paragraph 6(a)(i).

"Delivery Amount" shall have the meaning specified in Paragraph 4.

"Disputing Party" shall have the meaning specified in Paragraph 7.

"Eligible Collateral" shall have the meaning specified in Paragraph 3(c)(iii).

"Exposure" shall have the meaning specified in Paragraph 3(b).

"Interest Amount" means with respect to a Party and an Interest Period, the sum of the daily interest amounts for all days in such Interest Period; each daily interest amount to be determined by such Party as follows: (a) the amount of Cash held by such Party on that day (but excluding any interest previously earned on such Cash); *multiplied by* (b) the Collateral Interest Rate for that day; *divided by* (c) 360

"Interest Period" means the period from (and including) the last Business Day on which an Interest Amount was Transferred by a Party (or if no Interest Amount has yet been Transferred by such Party, the Business Day on which Cash was Transferred to such Party) to (but excluding) the Business Day on which the current Interest Amount is to be Transferred.

"Invoiced Amounts" shall have the meaning specified in Paragraph 3(b)(i)

"Letter of Credit" shall mean an irrevocable, non-transferable, standby letter of credit, issued by a Qualified Institution utilizing a form acceptable to the party in whose favor the letter of credit is issued. All costs relating to any Letter of Credit shall be for the account of the Pledgor.

"Letter of Credit Default" shall mean with respect to an outstanding Letter of Credit, the occurrence of any of the following events (a) the issuer of such Letter of Credit shall fail to be a Qualified Institution (as defined below); (b) the issuer of the Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit if such failure shall be continuing after the lapse of any applicable grace period; (c) the issuer of the Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit; or (d) the Letter of Credit shall expire or terminate or have a Value of zero at any time the Pledgor is required to Transfer Eligible Credit Support pursuant to Paragraph 4 below and the Pledgor has not Transferred replacement Eligible Credit Support; provided, however, that no Letter of Credit Default shall occur in any event with respect to a Letter of Credit after the time such Letter of Credit is required to be cancelled or returned to the Pledgor in accordance with the terms of this CSA.

"Notification Time" shall mean 1:00 p.m. EPT on a Business Day.

"Obligations" shall have the meaning specified Paragraph 2.

"Pledgor" means either party, when that party (i) receives a demand for or is required to Transfer Eligible Collateral or (ii) has Transferred Eligible Collateral under this CSA.

"Posted Collateral" means all Eligible Collateral and all proceeds thereof that have been Transferred to or received by the Secured Party under this CSA and not Transferred to the Pledgor or released by the Secured Party. Any interest amount or portion thereof not Transferred will constitute Posted Collateral in the form of Cash.

"Potential Event of Default" means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"Qualified Institution" means a major U.S. commercial bank or trust company, a foreign bank with a U.S. branch office or financial institution, in any case, organized under the laws of the United States or a political subdivision thereof having assets of at least $10 billion and Credit Ratings of at least "A3" from Moody's and "A-" from S&P.

"Return Amount" shall have the meaning specified in Paragraph 5.

"Reference Market-Maker" means a leading dealer in the relevant market that is selected in a commercially reasonable manner and is not an affiliate of either party.

"Request Date" shall have the meaning specified in Paragraph 7.

"Requesting Party" shall have the meaning specified in Paragraph 7.

"Rounding Amount" shall have the meaning specified Paragraph 3(c)(ii).

"Secured Party" means either party, when that party (i) makes a demand for or is entitled to receive Eligible Collateral or (ii) holds or is deemed to hold Posted Collateral under this CSA.

"Seller's Credit Support Provider" means, N/A

"Seller's Independent Amount" means none, unless otherwise specified in the applicable Confirmation.

"Substitute Eligible Collateral" shall have the meaning specified in Paragraph 6(f).

"Transfer" means, with respect to any Posted Collateral or Interest Amount, and in accordance with the instructions of the Party entitled thereto:

(a) in the case of Cash, payment or transfer by wire transfer into one or more bank accounts specified by Buyer; and

(b) in the case of Letters of Credit, delivery of the Letter of Credit or an amendment thereto to Buyer.

"Valuation Agent" means the Requesting Party; provided, however, that that in all cases, if an Event of Default or Potential Event of Default has occurred and is continuing with respect to the party designated as the Valuation Agent, then in such case, and for so long as the Event of Default or Potential Event of Default continues, the other party shall be the Valuation Agent.

"Valuation Date" means each Business Day.

"Valuation Percentage" shall have the meaning specified in Paragraph 3(c)(iii).

"Valuation Time" means the close of business on the Business Day before the Valuation Date or date of calculation, as applicable.

"Value" means, with respect to Posted Collateral or Eligible Collateral, means the Valuation Percentage multiplied by the amount then available under the Letter of Credit to be unconditionally drawn by the Secured Party.

Paragraph 2. Encumbrance: Grant of Security Interest. Each party hereby pledges to the other Party as security for all outstanding Transactions and any other documents, instruments or agreements executed in connection therewith (collectively, the ***"Obligations"***), and grants to the other Party a first priority continuing security interest, lien on, and right of set-off against all Collateral delivered to or received by such Party (the "***Secured Party***") hereunder. Upon the return by the Secured Party to the other Party (such Party, the "***Pledgor***") of posted Collateral, the security interest and lien granted hereunder on that posted Collateral will be released immediately and, to the extent possible, without further action by either Party.

Paragraph 3. Calculations of Collateral Requirement.

(a) **Collateral Requirement.** The "Collateral Requirement" for Seller means the Exposure, *minus the sum of*:

(i) Seller's Collateral Threshold;

(ii) Seller's Independent Amount, if any, as defined in the Confirmation;

(iii) the amount of Cash previously Transferred to Buyer, and the amount of Cash held by Buyer as Posted Collateral as the result of drawing under any Letter of Credit; and

(iv) the Value of each Letter of Credit maintained by Seller for the benefit of Buyer;

provided, however, that the Collateral Requirement of Seller will be deemed to be zero (0) whenever the calculation of Exposure yields a number less than zero (0).

(b) **Calculation of Exposure.** On any Valuation Date, the ***"Exposure"*** shall be calculated as *the sum of*:

(i) all amounts that have been invoiced, but not yet paid for the Transaction under each Confirmation (***"Invoiced Amounts"***). Such amount shall be a positive number if owed by Seller to Buyer and a negative amount if owed from Buyer to Seller;

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(ii) all amounts that have been accrued, but not yet invoiced for the Transaction under each confirmation (***"Accrued Amounts"***). Such amount shall be a positive number if owed by Seller to Buyer and a negative amount if owed from Buyer to Seller; and

(iii) the Daily Proxy Settlement Amounts for each day remaining in the current Calculation Period and all future Calculation Periods for Each Transaction (***"Proxy Settlement Amount"***);

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Paragraph 4. **Delivery of Collateral.** On any Business Day during the remaining term hereof on which (a) no Event of Default has occurred and is continuing with respect to Buyer, (b) no Termination date has occurred or has been designated as a result of an Event of Default with respect to Buyer for which there exist any unsatisfied payment Obligations, and (c) Seller's Collateral Requirement exceeds $0.00, then Buyer may request, by written notice, that Seller Transfer to Buyer, or cause to be Transferred to Buyer, Eligible Collateral for the benefit of Buyer, having a Value of at least the Collateral Requirement (***"Delivery Amount"***). Such Eligible Collateral shall be delivered to Buyer on the next Business Day if the request is received by the Notification Time; otherwise Eligible Collateral is due by the close of business on the second Business Day.

Paragraph 5. **Reduction and Substitution of Posted Collateral.** On any Business Day during the term hereof on which (a) no Event of Default has occurred and is continuing with respect to Seller, (b) no Termination date has occurred or has been designated as a result of an Event of Default with respect to Seller for which there exist any unsatisfied payment Obligations, and (c) the Eligible Collateral posted by Seller exceeds the Exposure (rounding downwards for any fractional amount to the next interval of the Rounding Amount), then Seller may, at its sole cost, request that Buyer return Eligible Collateral in the amount of such difference (***"Return Amount"***)and Buyer shall be obligated to do so. Such Eligible Collateral shall be returned to Seller on the next Business Day if the request is received by the Notification Time; otherwise Eligible Collateral is due by the close of business on the second Business Day. The Parties agree that if Seller has posted more than one type of Eligible Collateral to Buyer, Seller can, in its sole discretion, select the type of Eligible Collateral for Buyer to return; provided, however, that Buyer shall not be required to return the specified Eligible Collateral if immediately after such return, Seller would be required to post additional Eligible Collateral pursuant to the calculation of Exposure.

Paragraph 6. **Administration of Posted Collateral.**

(a) Cash. Posted Collateral provided in the form of Cash to Buyer hereunder shall be subject to the following provisions.

(i) So long as no Event of Default has occurred and is continuing with respect to Buyer , Buyer will be entitled to either hold Cash or to appoint an agent which is a Qualified Institution (a ***"Custodian"***) to hold Cash for Buyer. In the event that an Event of Default has occurred and is continuing with respect to Buyer, then the provisions of Paragraph 6(a)(ii) shall not apply with respect to Buyer and Cash shall be held in a Qualified Institution in accordance with the provisions of Paragraph 6(a)(iii)(B). Upon notice by Buyer to Seller of the appointment of a Custodian, Seller's obligations to make

any Transfer will be discharged by making the Transfer to that Custodian. The holding of Cash by a Custodian will be deemed to be the holding of Cash by Buyer for which the Custodian is acting. If Buyer or its Custodian fails to satisfy any conditions for holding Cash as set forth above, or if Buyer is not entitled to hold Cash at any time, then Buyer will Transfer, or cause its Custodian to Transfer, the Cash to a Qualified Institution and the Cash shall be maintained in accordance with Paragraph 6(a)(iii)(B). Except as set forth in Paragraph 6(c), Buyer will be liable for the acts or omissions of the Custodian to the same extent that Buyer would be held liable for its own acts or omissions.

(ii) **Use of Cash.** Notwithstanding the provisions of applicable law, if no Event of Default has occurred and is continuing with respect to Buyer and no Termination date has occurred or been designated as a result of an Event of Default with respect to Buyer for which there exists any unsatisfied payment Obligations, then Buyer shall have the right to sell, pledge, rehypothecate, assign, invest, use, comingle or otherwise use in its business any Cash that it holds as Posted Collateral hereunder, free from any claim or right of any nature whatsoever of Seller, including any equity or right of redemption by Seller.

(iii) Notwithstanding Paragraph 6(a)(ii), if neither Buyer nor the Custodian is eligible to hold Cash pursuant to Paragraph 6(a)(i) then:

(A) the provisions of Paragraph 6(a)(ii) will not apply with respect to the Buyer; and

(B) the Buyer shall be required to Transfer (or cause to be Transferred) not later than the close of business within five (5) Business Days following such ineligibility all Cash in its possession or held on its behalf to a Qualified Institution to be held in a segregated, safekeeping or custody account (the ***"Collateral Account"***) within such Qualified Institution with the title of the account indicating that the property contained therein is being held as Cash for Buyer. The Qualified Institution shall serve as Custodian with respect to the Cash in the Collateral Account, and shall hold such Cash in accordance with the terms of this CSA and for the security interest of Buyer and execute such account control agreements as are necessary or applicable to perfect the security interest of Seller therein pursuant to Section 9-314 of the Uniform Commercial Code or otherwise, and subject to such security interest, for the ownership and benefit of Seller. The Qualified Institution holding the Cash will invest and reinvest or procure the investment and reinvestment of the Cash in accordance with the written instructions of Buyer, subject to the approval of such instructions by the Seller (which approval shall not be unreasonably withheld). Buyer shall have no responsibility for any losses resulting from any investment or reinvestment effected in accordance with Seller's approval.

(iv) **Interest.** So long as no Event of Default with respect to the Seller has occurred and is continuing, and no termination date for which any unsatisfied payment Obligations of Seller exist has occurred or been designated as the result of an Event of Default with respect to Seller, in the event that Buyer or its Custodian is holding Cash, Buyer will Transfer (or cause to be Transferred) to Seller, in lieu of any interest or other amounts paid or deemed to have been paid with respect to such Cash (all of which shall be retained by Buyer), the Interest Amount. Interest on Cash shall accrue at the Collateral Interest Rate. Interest accrued during the previous month shall be paid by the Buyer to the Seller on the 3rd Business Day of each calendar month and on any Business

Day that posted Eligible Collateral in the form of Cash is returned to Seller. On or after the occurrence of an Event of Default with respect to Seller or a termination date as a result of an Event of Default with respect to Seller, Buyer or its Custodian shall retain any such Interest Amount as additional Posted Collateral hereunder until the obligations of Seller under the Agreement have been satisfied in the case of a termination date or for so long as such Event of Default is continuing in the case of an Event of Default.

(b) **Buyer's Rights and Remedies.** If at any time an Event of Default with respect to Seller has occurred and is continuing, then, unless the Seller has paid in full all of its obligations that are then due, including those under Section 7.2(c) of this Agreement ("Obligations"), the Buyer may exercise one or more of the following rights and remedies: (i) all rights and remedies available to a Secured Party under applicable law with respect to posted Eligible Collateral held by the Buyer, (ii) the right to set-off any amounts payable by the Seller with respect to any Obligations against any posted Eligible Collateral or the Cash equivalent of any posted Eligible Collateral held by the Buyer, or (iii) the right to liquidate any posted Eligible Collateral held by the Buyer and to apply the proceeds of such liquidation of the posted Eligible Collateral to any amounts payable to the Buyer with respect to the Obligations in such order as the Buyer may elect. For purposes of this Paragraph 6, the Buyer may draw on the entire undrawn portion of any Letter of Credit. Cash proceeds that are not applied to the Obligations shall be maintained in accordance with the terms of this CSA. The Seller shall remain liable for amounts due and owing to the Secured Party that remain unpaid after the application, pursuant to this Paragraph 6, of Eligible Collateral to the Obligations.

(c) **Seller's Rights and Remedies.** If at any time a termination date has occurred or been designated as the result of an Event of Default with respect to Buyer, then unless the Buyer has paid in full all of its obligations that are then due, including those under Section 7.2(c) of this Agreement: (i) the Seller may exercise all rights and remedies available to a Seller under applicable law with respect to the posted Eligible Collateral, (ii) the Buyer will be obligated immediately to return all posted Eligible Collateral and accrued Interest to the Seller, or (iii) to the extent that posted Eligible Collateral or accrued Interest are not returned pursuant to (ii) above, the Seller may set-off any amounts payable by the Seller with respect to any Obligations against any posted Eligible Collateral or the cash equivalent thereof or to the extent that Seller does not set off such amounts, withhold payment of any remaining amounts payable by the Seller with respect to any Obligations, up to the value of the remain posted Eligible Collateral held by the Buyer, until that posted Eligible Collateral is Transferred to the Seller. For avoidance of doubt, (i) the Buyer will be obligated immediately to Transfer any Letter of Credit to the Seller and (ii) the Seller may do any one or more of the following: (x) to the extent that the Letter of Credit is not Transferred to the Seller as required pursuant to (i) above, set-off any amounts payable by the Seller with respect to any Obligations against any such Letter of Credit held by the Buyer and, to the extent its rights to set-off are not exercised, withhold payment of any remaining amounts payable by the Seller with respect to any Obligations, up to the value of any remaining posted Eligible Collateral and the value of any Letter of Credit held by the Buyer, until any such Posted Eligible Collateral and such Letter of Credit is Transferred to the Seller; and (y) exercise rights and remedies available to the Seller under the terms of the Letter of Credit.

(d) **Letters of Credit.** Eligible Collateral provided in the form of a Letter of Credit shall be subject to the following provisions.

(i) As one method of providing Eligible Collateral, the Pledgor may increase the amount of an outstanding Letter of Credit or establish one or more additional Letters of Credit.

(ii) Upon the occurrence of a Letter of Credit Default, Seller agrees to Transfer to Buyer either a substitute Letter of Credit or Cash, in each case on or before the first Business Day after the occurrence thereof (or the third (3rd) Business Day after the occurrence thereof if only clause (a) under the definition of Letter of Credit Default applies).

(iii) Notwithstanding Paragraphs 4 and 5, (1) the Buyer need not return a Letter of Credit unless the entire principal amount is required to be returned, (2) the Buyer shall consent to a reduction of the principal amount of a Letter of Credit to the extent that a Delivery Amount would not be created thereby (as of the time of the request or as of the last time the Delivery Amount was determined), and (3) if there is more than one form of Posted Collateral when a Return Amount is to be Transferred, the Secured Party may elect which to Transfer.

(e) **Care of Posted Eligible Collateral.** Buyer shall exercise reasonable care to assure the safe custody of all posted Eligible Collateral to the extent required by applicable law, and in any event the Buyer will be deemed to have exercised reasonable care if it exercises at least the same degree of care as it would exercise with respect to its own property. Except as specified in the preceding sentence, the Buyer will have no duty with respect to the posted Eligible Collateral, including without limitation, any duty to enforce or preserve any rights thereto.

(f) **Substitutions.** Unless otherwise prohibited herein, upon notice to the Buyer specifying the items of posted Eligible Collateral to be exchanged, the Seller may, on any Business Day, deliver to the Buyer other Eligible Collateral (***"Substitute Eligible Collateral"***). On the Business Day following the day on which the Substitute Eligible Collateral is delivered to the Buyer, the Buyer shall return to the Seller the items of Eligible Collateral specified in the Seller's notice; provided, however, that the Buyer shall not be required to return the specified Eligible Collateral if immediately after such return, Seller would be required to post additional Eligible Collateral pursuant to the calculation of Exposure set forth in Paragraph 3(b) and the Confirmation.

Paragraph 7. Exercise of Rights Against Posted Collateral.

(a) **Disputes regarding amount of Eligible Collateral.** If either Party disputes the amount of Eligible Collateral to be provided or returned (such Party the ***"Disputing Party"***), then the Disputing Party shall (a) deliver the undisputed amount of Eligible Collateral to the other Party (such Party, the ***"Requesting Party"***) and (b) notify the Requesting Party of the existence and nature of the dispute no later than 5:00 p.m. EPT on the Business Day that the request for Eligible Collateral was made (the ***"Request Date"***). On the Business Day following the Request Date, the Parties shall consult with each other in order to reconcile the two conflicting amounts. If the Parties are not able to resolve their dispute, the Eligible Collateral shall be recalculated, on the Business Day following the Request Date, by each Party requesting quotations from two (2) Reference Market-Makers for a total of four (4) quotations. The highest and lowest of the four (4) quotations shall be discarded and the arithmetic average shall be taken of the remaining two (2), which shall be used in order to determine the amount of Eligible Collateral required. On the same day the Eligible Collateral amount is recalculated, the Disputing Party shall deliver any additional Eligible Collateral required pursuant to the recalculation or the Requesting Party shall return any excess Eligible Collateral that is no longer required pursuant to the recalculation.

(b) **Further Assurances.** Promptly following a request by a Party, the other Party shall execute, deliver, file, and/or record any financing statement, specific assignment, or other document and take any other action that may be necessary or desirable to create, perfect, or validate any security interest or lien, to enable the requesting party to exercise or enforce its rights or remedies under this CSA, or to effect or document a release of a security interest on posted Eligible Collateral or accrued Interest.

(c) **Further Protection.** The Pledgor will promptly give notice to the Secured Party of, and defend against, any suit, action, proceeding, or lien that involves the posted Eligible Collateral delivered to Secured Party by Pledgor or that could adversely affect any security interest or lien granted pursuant to this CSA.

Paragraph 8. Miscellaneous.

(a) **Demands and Notices.** All demands, specifications, and notices to Buyer with respect to Credit Support shall be made pursuant to the Notices Section of the Agreement with a copy to:

National Grid
Attn: Director, Wholesale Electric Supply
100 East Old Country Road
Hicksville, NY 11801
Phone - (516) 545-3282
Fax: (516) 545-3130

National Grid
Attn: Credit Operations
100 East Old Country Road
Hicksville, New York 11801
Phone - (516) 545-3122
Fax - (516) 545-5466
Email – keyspan-margin@keyspanenergy.com

All demands, specifications, and notices to Seller with respect to Credit Support shall be made pursuant to the Notices Section of the Agreement with a copy to:

[redacted]

(b) The provisions of this CSA shall apply to any and all Transactions entered into under the Master Power Agreement subsequent to the effective date of this CSA.

(c) The information contained in Paragraph 3(c)(i) of this CSA constitutes "Confidential Terms" within the meaning of Article 23 of the Master Power Agreement.

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MASTER POWER AGREEMENT
FORM OF CONFIRMATION

This Confirmation shall confirm the Transaction agreed to on, and effective as of January 1, 2017 between **THE NARRAGANSETT ELECTRIC COMPANY**, a Rhode Island corporation ("Buyer"), and [redacted] ("Seller"), regarding the sale/purchase of Standard Offer Service specified herein under the terms and conditions under the Master Power Agreement, dated September 9, 2009 (the "Master Power Agreement") between Buyer and Seller, as specified and modified herein. It is the intent of Buyer and Seller that the Transaction shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the Parties intend to physically settle the Transaction, and is therefore not subject to swap regulation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Power Agreement.

1. Standard Offer Service Requirements Matrix

Award Block	Customer Group	Load Zone	Load Responsibility	Commencement Date	Conclusion Date
A1	Industrial	RI	50%	04/01/17	06/30/17
H	Commercial	RI	15%	04/01/18	09/30/18
I	Commercial	RI	15%	10/01/18	03/31/19

[redacted]

3. Load Asset Designation within the ISO Settlement Market System

Award Block	Customer Group	Load Zone	Load Asset Number	Load Asset Name
A1	Industrial	RI	37765	NECO INDUSTRIAL SO LOAD_4005
H & I	Commercial	RI	37764	NECO COMMERCIAL SO LOAD_4005

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4. RES Requirement

RES Requirement shall mean, for each calendar month during the term of this Transaction, zero.

5. Amount Payable

The amount payable by the Buyer to Seller in a month shall be:

(i) The product of (a) the Delivered Energy for Standard Offer Service to the Commercial Customer Group in a month and (b) the Commercial Contract Rate in the month plus,

(ii) The product of (c) the Delivered Energy for Standard Offer Service to the Industrial Customer Group in a month and (d) Industrial Contract Rate in the month.

6. Modifications to the Master Power Agreement

The following definitions are added:

Commercial Contract Rate means the value as set forth in the Confirmation for the applicable Transaction as applicable to a month or period in the Delivery Term.

Commercial Customer Group means Narragansett's customers in the General C&I Rate G-02, Small C&I Rate C-06, Decorative Street and Area Lighting Rate S-06, Limited Private Lighting Rate S-10, and General Streetlighting Rate S-14 retail rate classes, or such other rate classes as may be added from time to time.

Industrial Contract Rate means the value as set forth in the Confirmation for the applicable Transaction as applicable to a month in the Delivery Term.

Industrial Customer Group means Narragansett's customers in the 200 kW Demand Rate G-32, 3,000 kW Demand Rate G-62, Backup Service Rates B-32 and B62, and Electric Propulsion Rate X-01 retail rate classes, or such other rate classes as may be added from time to time.

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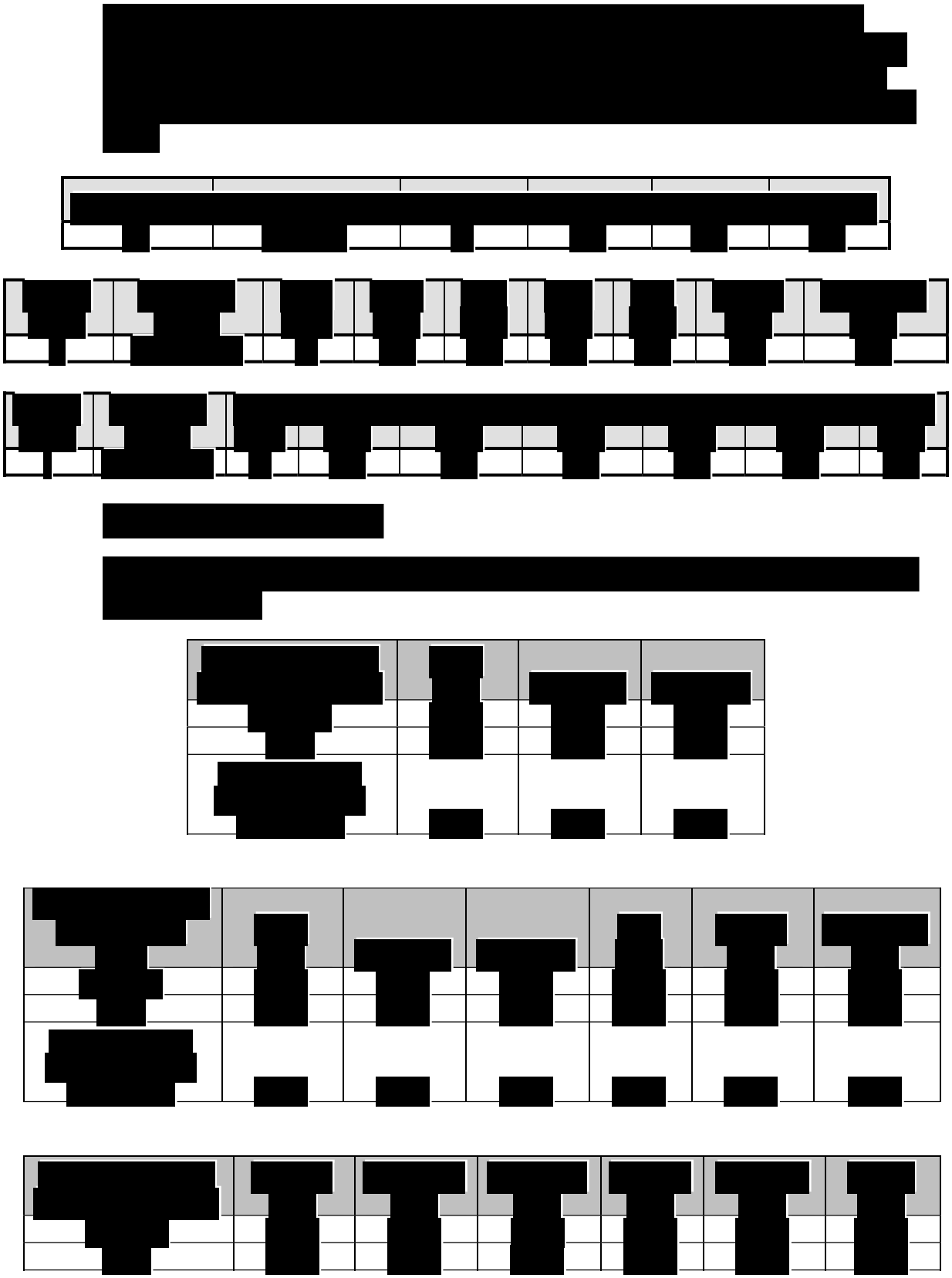

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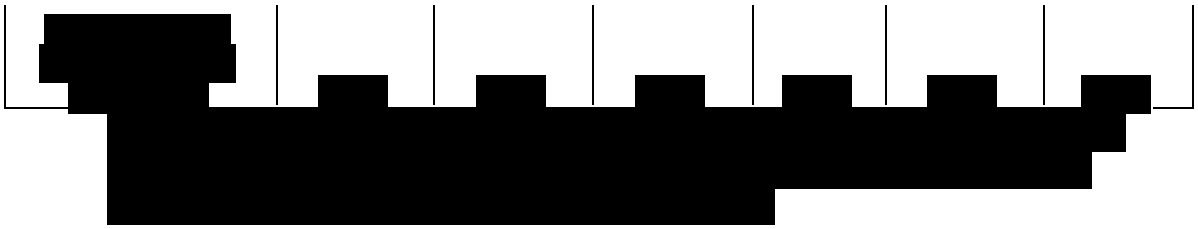

8. Delivery of Collateral

Within five (5) Business Days after the execution of this Confirmation, the Parties shall provide any additional Eligible Collateral required as a result of entering into this Transaction in accordance with Paragraphs 3(a) and 3(b) of the Credit Support Annex of the Master Power Agreement.

9. Confidentiality

Articles 2 and 7 of this Confirmation are Confidential Terms within the meaning of Article 23 of the Master Power Agreement.

10. Ratification of the Terms and Conditions of the Agreement

(a) Except as expressly amended or waived by this Confirmation, the terms, conditions, covenants, agreements, warranties and representations contained in the Master Power Agreement are in all respects ratified, confirmed and remade as of the date hereof and, except as amended or waived hereby, shall continue in full force and effect.

(b) Nothing in this Confirmation shall, or shall be construed to, alter or amend any other Confirmation.

11. Counterparts

This Confirmation may be executed in counterparts, all of which together shall constitute one and the same instrument.

This Confirmation constitutes part of and is subject to the terms and provisions of such Master Power Agreement.

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REDACTED DOCUMENT

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Confirmation on their behalf as of the date first above written

THE NARRAGANSETT ELECTRIC COMPANY

_____

Name: Margaret M. Janzen
Title: Authorized Signatory

REDACTED DOCUMENT

EXECUTION COPY

MASTER POWER AGREEMENT
FORM OF CONFIRMATION

This Confirmation shall confirm the Transaction agreed to on, and effective as of January 11, 2017 between **THE NARRAGANSETT ELECTRIC COMPANY**, a Rhode Island corporation ("Buyer") and [redacted] ("Seller") regarding the sale/purchase of Standard Offer Service specified herein under the terms and conditions under the Master Power Agreement, dated June 17, 2009, as amended by that certain First Amendment to Rhode Island Master Power Agreement, by and between Buyer and Seller, executed as of the 5th day of November, 2009 (the "Master Power Agreement") between Buyer and Seller, as specified and modified herein. It is the intent of Buyer and Seller that the Transaction shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the Parties intend to physically settle the Transaction, and is therefore not subject to swap regulation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Power Agreement.

1. Standard Offer Service Requirements Matrix

Award Block	Customer Group	Load Zone	Load Responsibility	Commencement Date	Conclusion Date
D	Residential	RI	15%	04/01/18	09/30/18

[redacted]

3. Load Asset Designation within the ISO Settlement Market System

Award Block	Customer Group	Load Zone	Load Asset Number	Load Asset Name
D	Residential	RI	37763	NECO RESIDENTIAL SO LOAD_4005

4. RES Requirement

RES Requirement shall mean, for each calendar month during the term of this Transaction, zero.

5. Amount Payable

REDACTED DOCUMENT

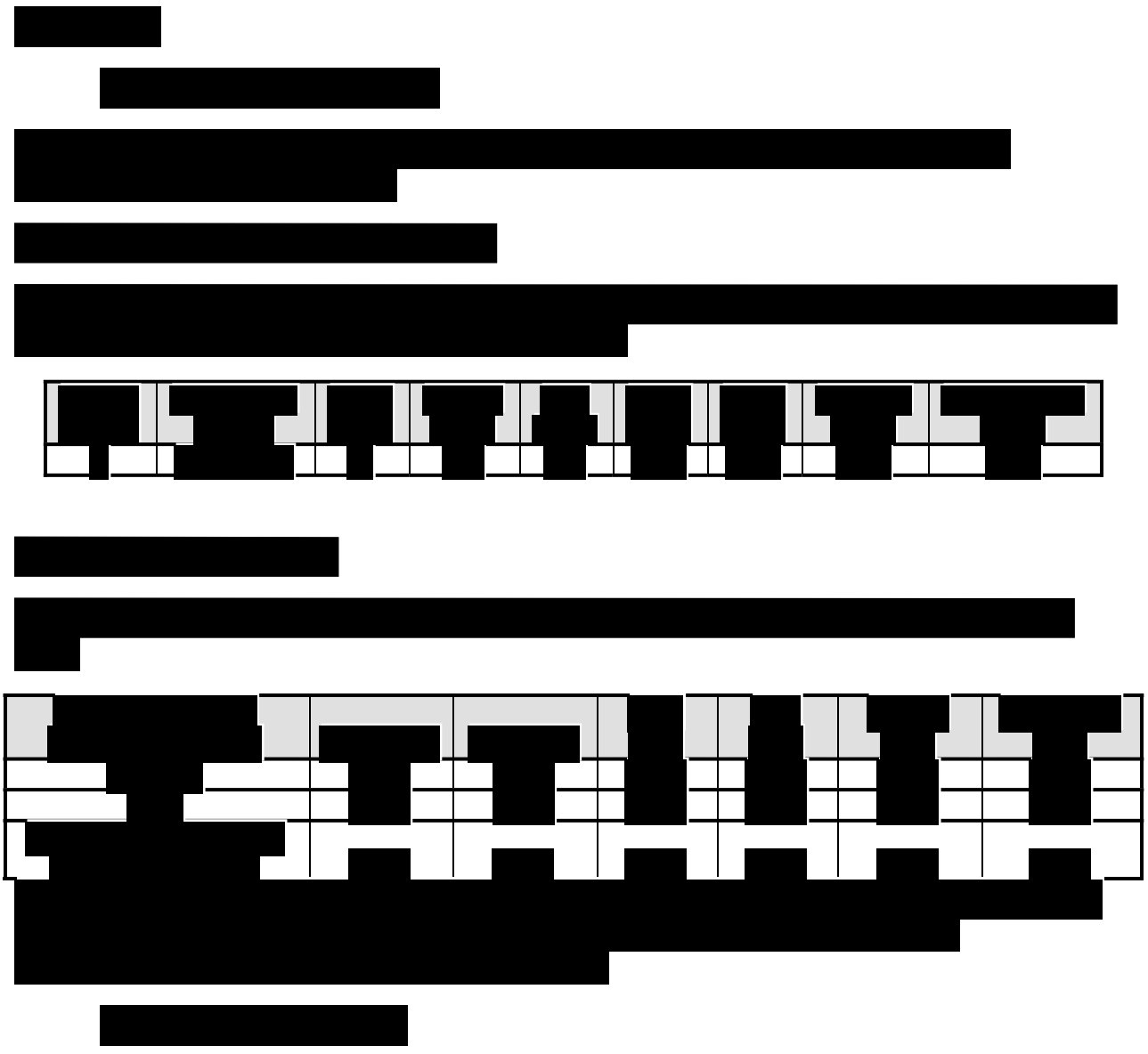
The amount payable by the Buyer to Seller in a month shall be the product of (a) the Delivered Energy for Standard Offer Service to the Residential Customer Group in a month and (b) Residential Contract Rate in the month.

6. Modifications to the Master Power Agreement

The following definitions are added:

Residential Contract Rate means the value as set forth in the Confirmation for the applicable Transaction as applicable to a month or period in the Delivery Term.

Residential Customer Group means Narragansett's customers in the Basic Residential Rate A-16 and Low Income Discount Rate A-60 retail rate classes, or such other rate classes as may be added from time to time.



REDACTED DOCUMENT

[redacted]

8. Confidentiality

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9. Ratification of the Terms and Conditions of the Agreement

(a) Except as expressly amended or waived by this Confirmation, the terms, conditions, covenants, agreements, warranties and representations contained in the Master Power Agreement are in all respects ratified, confirmed and remade as of the date hereof and, except as amended or waived hereby, shall continue in full force and effect.

(b) Nothing in this Confirmation shall, or shall be construed to, alter or amend any other Confirmation.

10. Counterparts; PDF Signatures

This Confirmation may be executed in counterparts, all of which together shall constitute one and the same instrument.

This Confirmation constitutes part of and is subject to the terms and provisions of such Master Power Agreement.

Signatures to this Confirmation transmitted by fax, by electronic mail in "portable document format" (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of the document, shall have the same effect as physical delivery of the paper document bearing the original signature. The parties agree that any such reproduction shall, to the extent permitted by law, be as admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not the reproduction was made in the regular course of business) and that any enlargement, facsimile or further reproduction shall likewise be admissible in evidence.

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REDACTED DOCUMENT

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Confirmation on their behalf as of the date first above written

THE NARRAGANSETT ELECTRIC COMPANY

_____

Name: Margaret M. Janzen
Title: Authorized Signatory