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Pascoag Electric • Pascoag Water

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Pascoag Utility District Tariff Advice

May 2015



Pascoag Electric • Pascoag Water

253 Pascoag Main Street P.O. Box 107 Pascoag, RI 02859 Phone: 401-568-6222 Fax: 401-568-0066

www.pud-ri.org

May 19, 2016

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

Re: Tariff Advice

To remove language pertaining to nonregulated power producers to all the Rate Classes, Standard Offer, Terms and Conditions, and to cancel the Terms and Conditions for Nonregulated Power Producers.

On Behalf of the Pascoag Utility District (Pascoag or District), I herewith file and original and nines copies of Pascoag's request to the Commission for the proposed tariff advice to remove language pertaining to nonregulated power producers.

Under RI Statutes Title 45 Towns and Cities, Chapter 45-58 Pascoag Utility District, Section 45-58-3, the Governor signed into law on June 17, 2015, the exemption of Pascoag Utility District from providing retail access for nonregulated power producers.

The proposed changes to comply with this new law will affect the following RIPCUC Dockets:

- RIPUC Docket 106 Residential Service Rate, Page 2, section 7, Standard Offer Rate;
- RIPUC Docket 305 Small Commercial and Industrial Rates, Page 2, section 7, Standard Offer Rate;
- RIPUC Docket 407 Large Commercial and Industrial Rate, Page 2, section 8, Standard Offer Rate;
- RIPUC Docket 502 Large Commercial and Industrial Rate Seasonal, Page 2, section 8, Standard Offer Rate;
- RIPUC Docket 703 Pascoag Utility District Terms and Conditions for Electric Service, Page 1, the first paragraph; page 4, Section 13 Payment Due Date – Interest Charge; Page 6, section 23, Temporary Services; Page 7, section 31, Customer/Supplier Relationship;
- RIPUC Docket 801 Terms and Conditions for Nonregulated Power Producers, the District is proposing to cancel the entire document;
- RIPUC Docket 965 Pascoag Utility District Electric Department Standard Offer, the second paragraph of page 1.

The District has attached two copies of each docket mentioned above, one with the changes and one showing the pages after the changes as they will appear in the new tariffs. I have also attached Title 45 section 45-48-3 and 2015—S893 and 2015—H5923, which were the bills signed by the Governor putting this amendment into law.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

Harle J. Round

Manager of Finance and Customer Service

Cc: Ms Karen Lyons, Esquire Cc: Mr. William Bernstein, Esquire

Canceling RIPUC No. 105106

RESIDENTIAL SERVICE RATE

1. DESIGNATION: A

2. APPLICABLE TO:

This rate is available for domestic uses in an individual residence or an individual apartment.

3. CHARACTER OF SERVICE:

120-240 volts, 3 wire, single phase

4. RATE SCHEDULE:

Customer Charge per month:

\$6.00

Distribution Access Charge per kWh - all kWh:

\$0.03922

5. TRANSITION COST:

There shall be included a surcharge representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition tariff and apply to all kilowatt-hours consumed on this rate.

6. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in the transmission tariff and shall apply to all kilowatt-hours consumed on this rate.

7. STANDARD OFFER RATE:

For customers that elect to have the Department provide their retail service,

₹There shall be included a surcharge representative of the Standard Offer Rate to

this Department. The terms of this surcharge are provided in the Standard Offer

tariff and shall apply to all kilowatt-hours consumed on this rate.

8. PAYMENT OF BILL:

All bills are net and payable within 15 days from date of billing. After 30 days,

a 1 ½% monthly interest charge will be applied against all outstanding past due

balances.

9. TERMS AND CONDITIONS:

The District's Terms and Conditions, where not inconsistent with any specific

provision hereto, are a part of this rate.

Filing Date:

July 6, 2012 May 19, 2016

Effective Date:

February 1, 2013

RESIDENTIAL SERVICE RATE

1. DESIGNATION: A

2. APPLICABLE TO:

This rate is available for domestic uses in an individual residence or an individual apartment.

3. CHARACTER OF SERVICE:

120-240 volts, 3 wire, single phase

4. RATE SCHEDULE:

Customer Charge per month:

\$6.00

Distribution Access Charge per kWh - all kWh:

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5. TRANSITION COST:

There shall be included a surcharge representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition tariff and apply to all kilowatt-hours consumed on this rate.

6. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in the transmission tariff and shall apply to all kilowatt-hours consumed on this rate.

7. STANDARD OFFER RATE:

There shall be included a surcharge representative of the Standard Offer Rate to this Department. The terms of this surcharge are provided in the Standard Offer

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8. PAYMENT OF BILL:

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a 1 ½% monthly interest charge will be applied against all outstanding past due

balances.

9. TERMS AND CONDITIONS:

The District's Terms and Conditions, where not inconsistent with any specific

provision hereto, are a part of this rate.

Filing Date:

May 19, 2016

Effective Date:

SMALL COMMERCIAL AND INDUSTRIAL RATE

1. DESIGNATION: B

2. APPLICABLE TO:

This rate is available to all commercial and industrial customers whose monthly metered demand does not exceed 15 KW.

3. CHARACTER OF SERVICE:

120-240 volts, 3 wire, single phase, 60 cps.

120-208 volts, 4 wire, three phase, 60 cps.

120-240 volts, 4 wire, three phase, 60 cps.

4. RATE SCHEDULE:

Customer Charge, per month:

\$15.00

Distribution Access Charge per kWh - all kWh:

\$0.04196

5. TRANSITION COST:

There shall be included a surcharge representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition tariff and apply to all kilowatt-hours consumed on this rate.

6. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in the transmission tariff and shall apply to all kilowatt-hours consumed on this rate.

7. STANDARD OFFER RATE:

> For customers that elect to have the Department provide their retail service, EThere shall be included a surcharge representative of the Standard Offer Rate to this Department. The terms of this surcharge are provided in the Standard Offer

tariff and shall apply to all kilowatt-hours consumed on this rate.

8. PAYMENT OF BILL:

> All bills are net and payable within 15 days from date of billing. After 30 days, a 1 1/2% monthly interest charge will be applied against all outstanding past due

balances.

9. TERMS AND CONDITIONS:

> The District's Terms and Conditions, where not inconsistent with any specific provisions hereof, are a part of this rate.

Filing Date:

July 6, 2012 May 19, 2016

Effective Date:

February 1, 2013

SMALL COMMERCIAL AND INDUSTRIAL RATE

1. DESIGNATION: B

2. APPLICABLE TO:

This rate is available to all commercial and industrial customers whose monthly metered demand does not exceed 15 KW.

3. CHARACTER OF SERVICE:

120-240 volts, 3 wire, single phase, 60 cps.

120-208 volts, 4 wire, three phase, 60 cps.

120-240 volts, 4 wire, three phase, 60 cps.

4. RATE SCHEDULE:

Customer Charge, per month:

\$15.00

Distribution Access Charge per kWh - all kWh:

\$0.04196

5. TRANSITION COST:

There shall be included a surcharge representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition tariff and apply to all kilowatt-hours consumed on this rate.

6. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in the transmission tariff and shall apply to all kilowatt-hours consumed on this rate.

7. STANDARD OFFER RATE:

There shall be included a surcharge representative of the Standard Offer Rate to this Department. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

8. PAYMENT OF BILL:

All bills are net and payable within 15 days from date of billing. After 30 days, a $1\frac{1}{2}\%$ monthly interest charge will be applied against all outstanding past due balances.

9. TERMS AND CONDITIONS:

The District's Terms and Conditions, where not inconsistent with any specific provisions hereof, are a part of this rate.

Filing Date:

May 19, 2016

Effective Date:

LARGE COMMERCIAL AND INDUSTRIAL RATE

1. DESIGNATION: C

2. APPLICABLE TO:

This rate is available to all commercial and industrial customers whose monthly metered demand exceeds 15 KW.

3. CHARACTER FO SERVICE:

120-208 volts, 4 wire, three phase, 60 cps.

277-480 volts, 4 wire, three phase, 60 cps.

120-240 volts, 3 wire, single phase, 60 cps.

120-240 volts, 4 wire, three phase, 60 cps.

4. RATE SCHEDULE:

MONTHLY ENERGY CHARGE

Customer Charge per month:

\$112.75

Distribution Access Charge per kWh - All kWh:

\$ 0.00

MONTHLY DEMAND CHARGE, per KW

All KW

\$10.25

5. POWER FACTOR ADJUSTMENT:

The customer shall maintain a power factor of 90 percent, determined by permanently installed meters or periodic tests. A customer shall install corrective equipment, at customer's expense, to maintain a 90 percent power factor. If a customer's power factor shall fall below 90 percent during any billing period, the customer shall be charged a surcharge as determined by the Department.

6. TRANSITION COST:

There shall be included a surcharge representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition tariff and apply to all kilowatthours consumed on this rate.

7. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in the transmission tariff and shall apply to all kilowatt-hours consumed on this rate.

8. STANDARD OFFER RATE:

For customers that elect to have the Department provide their retail service, tThere shall be included a surcharge representative of the Standard Offer Rate. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

9. PAYMENT OF BILL:

All bills are due and payable within 15 days from date of billing. After 30

days, a 11/2% monthly interest charge will be applied against all

outstanding past due balances.

10. TERMS AND CONDITIONS:

The Department's terms and conditions in effect from time to time, where

not inconsistent with any specific provisions hereof, are a part of this rate.

11. DEMAND CHARGE:

As previously stated, this rate shall apply to all customers achieving a

demand of 15 kw or higher, in any 15 minute period. The customer's

highest demand recorded will serve as the minimum billing basis for their

demand charge for the ensuing eleven (11) month period, unless and until

a higher kw of demand is recorded. That new demand or any ensuing

higher demands will be the basis for billing during the eleven (11) months

following said reading, notwithstanding the fact that the customer's use

may be seasonal or intermittent. Additionally, any such seasonal or

intermittent customer is obligated to pay any and all accrued demand

charges prior to the customer-requested resumption of service with twelve

(12) months of the date of termination of the service.

Filing Date:

July 6, 2012 May 19, 2016

Effective Date:

LARGE COMMERCIAL AND INDUSTRIAL RATE

1. DESIGNATION: C

2. APPLICABLE TO:

This rate is available to all commercial and industrial customers whose monthly metered demand exceeds 15 KW.

3. CHARACTER FO SERVICE:

120-208 volts, 4 wire, three phase, 60 cps.

277-480 volts, 4 wire, three phase, 60 cps.

120-240 volts, 3 wire, single phase, 60 cps.

120-240 volts, 4 wire, three phase, 60 cps.

4. RATE SCHEDULE:

MONTHLY ENERGY CHARGE

Customer Charge per month:

\$112.75

Distribution Access Charge per kWh - All kWh:

\$ 0.00

MONTHLY DEMAND CHARGE, per KW

All KW

\$10.25

5. POWER FACTOR ADJUSTMENT:

The customer shall maintain a power factor of 90 percent, determined by permanently installed meters or periodic tests. A customer shall install corrective equipment, at customer's expense, to maintain a 90 percent power factor. If a customer's power factor shall fall below 90 percent during any billing period, the customer shall be charged a surcharge as determined by the Department.

6. TRANSITION COST:

There shall be included a surcharge representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition tariff and apply to all kilowatthours consumed on this rate.

7. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in the transmission tariff and shall apply to all kilowatt-hours consumed on this rate.

8. STANDARD OFFER RATE:

There shall be included a surcharge representative of the Standard Offer Rate. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

9. PAYMENT OF BILL:

All bills are due and payable within 15 days from date of billing. After 30

days, a 11/2% monthly interest charge will be applied against all

outstanding past due balances.

10. TERMS AND CONDITIONS:

The Department's terms and conditions in effect from time to time, where

not inconsistent with any specific provisions hereof, are a part of this rate.

11. DEMAND CHARGE:

As previously stated, this rate shall apply to all customers achieving a

demand of 15 kw or higher, in any 15 minute period. The customer's

highest demand recorded will serve as the minimum billing basis for their

demand charge for the ensuing eleven (11) month period, unless and until

a higher kw of demand is recorded. That new demand or any ensuing

higher demands will be the basis for billing during the eleven (11) months

following said reading, notwithstanding the fact that the customer's use

may be seasonal or intermittent. Additionally, any such seasonal or

intermittent customer is obligated to pay any and all accrued demand

charges prior to the customer-requested resumption of service with twelve

(12) months of the date of termination of the service.

Filing Date:

May 19, 2016

Effective Date:

LARGE COMMERCIAL AND INDUSTRIAL RATE - SEASONAL

1. DESIGNATION:

C-S

2. APPLICABLE TO:

This rate is available to all seasonal commercial and industrial customers whose monthly metered demand exceeds 15 kilowatts when full operationally. A seasonal customer is defined as a customer whose facility is fully operational for six months or less during a calendar year, and whose monthly meter demand, when fully operational, exceeds 15 kilowatts.

3. CHARACTER OF SERVICE:

120-208 volts, 4 wire, three phase, 60 cps 277-480 volts, 4 wire, three phase, 60 cps 120-240 volts, 3 wire, single phase, 60 cps 120-240 volts, 4 wire, three phase, 60 cps

4. RATE SCHEDULE:

MONTHLY ENERGY CHARGE:

Customer Charge per month	\$112.75	
Distribution Access Charge per kWh (all kwh's)	\$	0.00

MONTHLY DEMAND CHARGE:

All Kilowatts – Peak Demand	\$10.25
All Kilowatts – 75% (ensuing eleven month period)	\$ 7.69

5. POWER FACTOR ADJUSTMENT:

The customer shall maintain a power factor of ninety percent, determined by permenently installed meters or periodic tests. A customer shall install corrective equipment, at the customer's expense, to maintain a ninety percent power factor. If a customer's power factor shall fall below ninety percent during any billing period, the customer shall be charged a surcharge as determined by the Department.

6. TRANSITION COST:

There shall be included a surcharge representative of a Transition Cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the Transition Tariff and apply to all kilowatt-hours consumed on this rate.

7. TRANSMISSION COST:

There shall be included a surcharge representative of the Transmission Cost to this Department. The terms of this surcharge are provided in the Transmission Tariff and shall apply to all kilowatt-hours consumed on this rate.

8. STANDARD OFFER RATE:

For customers that elect to have the Department provide their retail service, tThere shall be included a surcharge representative of the Standard Offer Rate. The terms of this surcharge are provided in the Standard Offer Tariff and shall apply to all kilowatthours consumed on this rate.

9. PAYMENT OF BILLS:

All bills are due and payable within fifteen days from date of billing. After thirty days, a one percent monthly interest charge will be applied against all outstanding past due balances.

10. TERMS AND CONDITIONS:

The Department's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

11. DEMAND CHARGE:

This rate shall apply to all seasonal customers achieving a demand of fifteen kilowatts or higher, in any fifteen minute period. The customer's highest demand recorded will serve as the minimum billing basis for their demand charge for that month, and for the ensuing eleven month period, or until a new demand is reached. The demand for the ensuing eleven month period, provided no new demand is reached, will be determined to be seventy-five percent of the customer's peak demand.

All seasonal customers are obligated to pay any and all accrued demand charges prior to the customer requested resumption of service within twelve months of the date of termination of service.

Filing Date:

July 6, 2012 May 19, 2016

Effective Date:

February 1, 2013

LARGE COMMERCIAL AND INDUSTRIAL RATE - SEASONAL

1. DESIGNATION: C-S

2. APPLICABLE TO:

This rate is available to all seasonal commercial and industrial customers whose monthly metered demand exceeds 15 kilowatts when full operationally. A seasonal customer is defined as a customer whose facility is fully operational for six months or less during a calendar year, and whose monthly meter demand, when fully operational, exceeds 15 kilowatts.

3. CHARACTER OF SERVICE:

120-208 volts, 4 wire, three phase, 60 cps 277-480 volts, 4 wire, three phase, 60 cps 120-240 volts, 3 wire, single phase, 60 cps 120-240 volts, 4 wire, three phase, 60 cps

4. RATE SCHEDULE:

MONTHLY ENERGY CHARGE:

Customer Charge per month	\$112.75	
Distribution Access Charge per kWh (all kwh's)	\$	0.00

MONTHLY DEMAND CHARGE:

All Kilowatts – Peak Demand	\$10.25
All Kilowatts – 75% (ensuing eleven month period)	\$ 7.69

5. POWER FACTOR ADJUSTMENT:

The customer shall maintain a power factor of ninety percent, determined by permenently installed meters or periodic tests. A customer shall install corrective equipment, at the customer's expense, to maintain a ninety percent power factor. If a customer's power factor shall fall below ninety percent during any billing period, the customer shall be charged a surcharge as determined by the Department.

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All bills are due and payable within fifteen days from date of billing. After thirty days, a one percent monthly interest charge will be applied against all outstanding past due balances.

10. TERMS AND CONDITIONS:

The Department's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

11. DEMAND CHARGE:

This rate shall apply to all seasonal customers achieving a demand of fifteen kilowatts or higher, in any fifteen minute period. The customer's highest demand recorded will serve as the minimum billing basis for their demand charge for that month, and for the ensuing eleven month period, or until a new demand is reached. The demand for the ensuing eleven month period, provided no new demand is reached, will be determined to be seventy-five percent of the customer's peak demand.

All seasonal customers are obligated to pay any and all accrued demand charges prior to the customer requested resumption of service within twelve months of the date of termination of service.

Filing Date:

May 19, 2016

Effective Date:

PASCOAG UTILITY DISTRICT TERMS AND CONDITIONS FOR ELECTRIC SERVICE

The following Terms and Conditions, where not inconsistent with the rates are a part of all rates. The provisions of these Terms and Conditions apply to all persons, partnerships, corporations or others (the Customer) who obtain local distribution service from The Pascoag Utility District (the Company). and to companies that are nonregulated power producers, as defined in Rhode Island General Laws. All policies, standards, specifications, and documents referred to herein have been filed with the Rhode Island Public Utilities Commission (Commission) and Division, and such documents and any revisions have been filed at least 30 days before becoming effective. Compliance by the Customer and nonregulated power producer—is a condition precedent to the initial and continuing delivery of electricity by the Company.

Service Connection

1. The Customer shall wire up to the point designated by the Company, at which point the Company will connect its facilities. The Customer's facilities shall comply with any reasonable construction and equipment standards required by the Company for safe, reliable, and cost efficient service as such is specified in the Company document "Electric Service Handbook" and as required by all federal state and local codes. For a service connection meeting Company requirements, the Company may also permit this connection to be made by a licensed electrician in good standing with the authority having jurisdiction, as required by applicable law, provided, however, that the Company gives no warranty to the Customer, express or implied, as to the knowledge, training, reliability, honesty, fitness, or performance of any electrician and the Company shall not be liable for any damages or injuries caused by any electrician who may be used for such purpose.

Application for Service

2. Application for new service or alteration to an existing service should be made as far in advance as possible to assure time for engineering, ordering of material, and construction. Upon the Company's reasonable request, the Customer shall provide to the Company all data and plans reasonably needed to process this application.

Line Extensions [Overhead (OH) & Underground (UG)]

3. The Company shall construct or install overhead or underground distribution facilities or other equipment determined by the Company to be appropriate as specified in the Electric Service Handbook. Whenever it is necessary to provide service and a Customer requests the Company to extend or install poles, distribution lines or other service equipment to the Customer's home, premises or facility in order to supply service, the Company will furnish the necessary poles, wires, or equipment in accordance with the Company's Electric Service Handbook. Except as provided in the Electric Service Handbook, all such equipment, poles, and wires shall remain the property of the Company and be maintained by it in accordance with

the Electric Service Handbook. To the extent that any Company property needs to be located on private property, the Company will require the Customer to provide a permanent easement.

Attachments

4. Any individual or organization who requests an attachment to distribution facilities, utility poles, or span between such poles, shall comply with the Company's specifications and policies governing the type of construction, metering, attachment fees, easements, permissions and electrical inspections required.

Outside Basic Local Distribution Services

5. Customers requesting the Company to arrange for Customer facility outages or additional maintenance or construction not normally part of basic local distribution service will be notified in a reasonable timely manner by the Company as to when and if such work is able to be performed and also that the Customer shall be required to pay the Company's costs of reasonably meeting the request.

Acquisition of Necessary Permits

6. The Company shall make, or cause to be made, application for any necessary street permits, and shall not be required to supply service until a reasonable time after such permits are granted. The Customer shall obtain or cause to be obtained all permits or certificates, except street permits, necessary to give the Company or its agents' access to the Customer's equipment and to enable its conductors to be connected with the Customer's equipment.

Service to "Out-Building"

7. The Company shall not be required to install service or meter for a garage, barn or other out-building, so located that it may be supplied with electricity through a service and meter in the main building.

Customer Furnished Equipment

8. The Customer shall furnish and install upon its premises such service conductors, service equipment, including circuit breaker if used, and meter mounting device as shall conform with specifications issued from time to time by the Company, and the Company will seal such service equipment and meter mounting device, and adjust, set and seal such circuit breaker, and such seals shall not be broken and such adjustments or settings shall not be changed or in any way interfered with by the Customer.

The Customer shall furnish and maintain, at no cost to the Company, the necessary space, housing, fencing, and foundations for all equipment that is installed on its premises in order to supply the Customer with local distribution service, whether such equipment is furnished by the Customer or the Company. Such space, housing, fencing, and foundations shall be in conformity with the Company's specifications and subject to its approval.

Up-Keep of Customer Equipment

9. The Customer's wiring, piping, apparatus and equipment shall, at all times, conform to the requirements of any legally constituted authorities and to those of the Company, and the Customer shall keep such wiring, piping, apparatus and equipment in proper repair.

Installation of Meters

10. Meters of either the indoor or outdoor type shall be installed by the Company at locations to be designated by the Company. The Company may at any time change any meter installed by it. The Company may also change the location of any meter or change from an indoor type to an outdoor type, provided that the cost of the change shall be borne by the Company except when such change is pursuant to the provisions of Paragraph 11. Upon the reading of the Company's meter all bills shall be computed. If more than one meter is installed, unless it is installed at the Company's option, the monthly charge for local distribution service delivered through each meter shall be computed separately under the applicable rates. If a meter fails to register properly, electricity used during the period of such failure will be determined from any pertinent information known by the Company, such as by estimation determined on the basis of previous or subsequent use, at the option of the Company.

Unauthorized and Unmetered Use

11. Whenever the Company determines that, unauthorized, unmetered use or service tampering is being made on the premises of a Customer and is causing a loss of revenue to the Company, the Company may, at the Customer's expense, make such changes in the location of its meters, appliance and equipment on said premises as will, in the opinion of the Company, prevent such unauthorized and unmetered use from being made.

Definition of Month

12. Whenever reference is made to "month" in connection with electricity delivered or payments to be made, it shall mean the period between two successive regular monthly meter readings or estimated meter readings, the second of which occurs in the month to which reference is made.

If the Company is unable to read the meter when scheduled, the necessary billing determinants may be estimated. Bills may be rendered on such estimated basis and will be payable as so rendered.

Payment Due Date -- Interest Charge

13. All bills shall be due and payable upon receipt. Bills rendered to Customers, other than individually metered residential Customers, on which payment has not been received by the required date as shown on the bill, shall bear interest, at the rate of 1.5% per month on any

unpaid balance, including any outstanding interest charges, from the date of receipt until the date of payment. Bills disputed in good faith by a Customer will not be subject to the late payment charge until after the dispute is resolved.

Customer payment responsibilities with their nonregulated power producer will be governed by the particular Customer/nonregulated power producer contract. Payments made through the Company for electricity purchased from a nonregulated power supplier will be applied first to any Company charges or arrearages.

Returned Check Fee

14. A twenty dollar (\$20.00) Fee shall be charged to the Customer for each check presented to the Company that is not honored by the financial institution. This fee shall be applicable only where the check has been dishonored after being deposited.

Seasonal Customers

15. Seasonal Customers are defined as those Commercial or Industrial Customers whose monthly metered demand exceeds 15 kilowatts when full operationally. A seasonal Customer is defined as a Customer whose facility is fully operational for six months or less during a calendar year, and whose monthly meter demand, when fully operational, exceeds 15 kilowatts.

Deposit and Security

16. The Company may require a cash deposit or other collateral satisfactory to it as security for prompt payment of the Customer's indebtedness to the Company, as in accordance with RIPUC rules and regulations. Interest at the rate as in effect from time to time shall be applied to the Customer's account annually by the Company on all deposits held six months or more until refunded or applied. The interest rate in effect in any year shall be the average rate over the prior calendar year for 10-year constant maturity treasury bonds, as reported by the Federal Reserve Bank. The rate shall be adjusted annually on March 1st.

Payments for Line Extensions

17. The Company may require a Customer to pay for all or a portion of the cost of extending or installing poles, distribution lines, or equipment to the Customer's home, premises or facility, consistent with the terms of the Company's Electric Service Handbook.

Determining Customer's Demand

18. A Customer Demand component shall apply to all Customers achieving a demand of 15 kW or higher, in any 15 minute period. The Customer's highest demand recorded will serve as the minimum billing basis for their demand charge for the ensuing eleven (11) month period, unless and until a higher kW of demand is recorded. That new demand or any ensuing higher demands will be the basis for billing during the eleven (11) months following said reading, notwithstanding the fact that the Customer's use may be seasonal or intermittent. Additionally,

Terms and Conditions Page 4 2012 COS

any such seasonal or intermittent Customer is obligated to pay any and all accrued demand charges prior to the Customer-requested resumption of service within twelve (12) months of the date of termination of service.

Customer Changing Rates

19. The Customer may change from the rate under which he is purchasing electricity to any other rate applicable to a class of service which he is receiving. Any change, however, shall not be retroactive, nor reduce, eliminate or modify any contract period, provision or guarantee made in respect to any line extension or other special condition. Nor shall such change cause such service to be billed at any rate for a period less than that specified in such rate except during the first year of electric service to any Customer. A Customer having changed from one rate to another may not again change within twelve months or within any longer contract period specified in the rate under which he is receiving electric service.

Discontinuance of Service

20. Subject to the Rules and Regulations of the Commission, the Company shall have the right to discontinue its service upon due notice and to remove its property from the premises in case the Customer fails to pay any bill due the Company for such service, or fails to perform any of its obligations to the Company. For restoration of service after such discontinuance, a reconnection charge shall be billed to the Customer as follows: A reconnection during normal office hours is \$30. A reconnection made after normal office hours is \$60. Should the reconnection need to be done at the pole, during normal office hours the fee is \$60 and after normal office hours it is \$150.

Right of Access

21. The Company shall have the right of access to the Customer's premises at all reasonable times for the purpose of examining, reading or removing the Company's meters, and other appliances and equipment. During emergency conditions, the Company shall have the right of access to the Customer's premises at all hours of the day to make conditions safe and/or to restore service.

Safeguarding Company Equipment

22. The Customer shall not permit access for any purpose whatsoever, except by authorized employees of the Company, to the meter or other appliances and equipment of the Company, or interfere with the same, and shall provide for their safe keeping. In case of loss or damage of the Company's property, the Customer shall pay to the Company the value of such property or the cost of making good the same.

Temporary Service

23. A temporary connection is local distribution service which does not continue for a sufficient period to yield the Company adequate revenue at its regular local distribution service

rates to justify the expenditures necessary to provide such a connection. The Company may require a Customer requesting a temporary connection to pay the full amount of the estimated cost of installing and removing the requested connection, less estimated salvage value, in advance of the installation of the connection by the Company. In addition, the Customer shall pay the applicable regular local distribution service and, if applicable, standard offer service rates. The Customer shall build or cause to be built the temporary service in accordance with the standards set forth in the Pascoag Utility District Information and Requirements Electric Service Handbook.

Limitation of Liability for Service Problems

24. The Company shall not be liable for any damage to equipment or facilities using electricity which damage is a result of Service Problems, or any economic losses which are a consequence of Service Problems. For purposes of this paragraph, the term "Service Problems" means any service interruption, power outage, voltage or amperage, fluctuations, discontinuance of service, reversal of its service, or irregular service caused by accident, labor difficulties, condition of fuel supply or equipment, federal or state agency order, failure to receive any electricity for which the Company has contracted, or any other causes beyond the Company's immediate control.

The Company shall not be liable for damage to the person or property of the Customer or any other persons resulting from the use of electricity or the presence of the Company's appliances and equipment on the Customer's premises.

Limitation on Use of Electricity - Auxiliary & Temporary Local Distribution Service

25. Local distribution service supplied by the Company shall not be used to supplement or relay, or as standby or back up to any other electrical source or service unless the Customer shall make such guarantees with respect to the payment for such local distribution service as shall be just and reasonable in each case. Where such local distribution service is supplied, the Customer shall not operate its generation in parallel with the Company's system without the consent of the Company, and then only under such conditions as the Company may specify from time to time.

Company Right to Place Facilities on Customer Property

26. The Company has the right to place on a Customer's property facilities to provide and meter electric service to the Customer.

Company Right to Request a Guarantee

27. Whenever the estimated expenditures for the services or equipment necessary to deliver electricity to a Customer's premises shall be of such an amount that the income to be derived from the applicable rates will, in the opinion of the Company, be insufficient to warrant such expenditures, the Company may require a Customer to guarantee a minimum annual payment or commitment for a term of years, or to pay the whole or a part of the cost of such equipment

prior to the Company ordering and installing such equipment.

Fluctuating Load & Harmonic Distortion

28. In certain instances, extreme fluctuating loads or harmonic distortions which are created by a Customer's machinery or equipment may impair service to other Customers. If the fluctuating load or harmonic distortion causes a deterioration of the Company's service to other customers, the Company shall specify a service arrangement that avoids the deterioration and the Customer owning or operating the equipment that causes the fluctuation or distortion shall pay the cost to implement the new service arrangement.

Apparatus and Equipment Requirements

29. The Customer shall not connect to the Company's distribution system any apparatus or equipment that may adversely affect the characteristics of the system. An example of this would be that for small commercial installations, the Company should be consulted before installing motors with ratings over two horsepower or 70 amperes locked-rotor current.

Customer Tax Liability

30. The Company shall collect taxes imposed by governmental authorities on services provided or products sold by the Company. It shall be the Customer's responsibility to identify and request any exemption from the collection of the tax by filing appropriate documentation with the Company.

Customer/Supplier Relationship

31. For electricity supplied by nonregulated power producers, the Company is a local distribution service provider of electricity supplied by others. When such electricity is supplied and delivered to the Company's local distribution supply point, the Company then performs a delivery service for the electricity. Ownership of such electricity lies with either the nonregulated power producer or Customer, as per the specific agreement between the Customer and the nonregulated power producer. In no case shall the Company be liable for loss of electricity.

Customer Notice and Right to Appeal

32. Where practicable, the Company will give the Customer reasonable notice of actions taken pursuant to these Terms & Conditions. The Customer shall have the right to appeal, pursuant to the Division's Rules of Practice and Procedure, all action taken by the Company hereunder.

Filing Date: Effective Date:

June 15, 2012 May 19, 2016

PASCOAG UTILITY DISTRICT TERMS AND CONDITIONS FOR ELECTRIC SERVICE

The following Terms and Conditions, where not inconsistent with the rates are a part of all rates. The provisions of these Terms and Conditions apply to all persons, partnerships, corporations or others (the Customer) who obtain local distribution service from The Pascoag Utility District (the Company). All policies, standards, specifications, and documents referred to herein have been filed with the Rhode Island Public Utilities Commission (Commission) and Division, and such documents and any revisions have been filed at least 30 days before becoming effective. Compliance by the Customer is a condition precedent to the initial and continuing delivery of electricity by the Company.

Service Connection

1. The Customer shall wire up to the point designated by the Company, at which point the Company will connect its facilities. The Customer's facilities shall comply with any reasonable construction and equipment standards required by the Company for safe, reliable, and cost efficient service as such is specified in the Company document "Electric Service Handbook" and as required by all federal state and local codes. For a service connection meeting Company requirements, the Company may also permit this connection to be made by a licensed electrician in good standing with the authority having jurisdiction, as required by applicable law, provided, however, that the Company gives no warranty to the Customer, express or implied, as to the knowledge, training, reliability, honesty, fitness, or performance of any electrician and the Company shall not be liable for any damages or injuries caused by any electrician who may be used for such purpose.

Application for Service

2. Application for new service or alteration to an existing service should be made as far in advance as possible to assure time for engineering, ordering of material, and construction. Upon the Company's reasonable request, the Customer shall provide to the Company all data and plans reasonably needed to process this application.

Line Extensions [Overhead (OH) & Underground (UG)]

3. The Company shall construct or install overhead or underground distribution facilities or other equipment determined by the Company to be appropriate as specified in the Electric Service Handbook. Whenever it is necessary to provide service and a Customer requests the Company to extend or install poles, distribution lines or other service equipment to the Customer's home, premises or facility in order to supply service, the Company will furnish the necessary poles, wires, or equipment in accordance with the Company's Electric Service Handbook. Except as provided in the Electric Service Handbook, all such equipment, poles, and wires shall remain the property of the Company and be maintained by it in accordance with the Electric Service Handbook. To the extent that any Company property needs to be located on private property, the Company will require the Customer to provide a permanent easement.

Attachments

4. Any individual or organization who requests an attachment to distribution facilities, utility poles, or span between such poles, shall comply with the Company's specifications and policies governing the type of construction, metering, attachment fees, easements, permissions and electrical inspections required.

Outside Basic Local Distribution Services

5. Customers requesting the Company to arrange for Customer facility outages or additional maintenance or construction not normally part of basic local distribution service will be notified in a reasonable timely manner by the Company as to when and if such work is able to be performed and also that the Customer shall be required to pay the Company's costs of reasonably meeting the request.

Acquisition of Necessary Permits

6. The Company shall make, or cause to be made, application for any necessary street permits, and shall not be required to supply service until a reasonable time after such permits are granted. The Customer shall obtain or cause to be obtained all permits or certificates, except street permits, necessary to give the Company or its agents' access to the Customer's equipment and to enable its conductors to be connected with the Customer's equipment.

Service to "Out-Building"

7. The Company shall not be required to install service or meter for a garage, barn or other out-building, so located that it may be supplied with electricity through a service and meter in the main building.

Customer Furnished Equipment

8. The Customer shall furnish and install upon its premises such service conductors, service equipment, including circuit breaker if used, and meter mounting device as shall conform with specifications issued from time to time by the Company, and the Company will seal such service equipment and meter mounting device, and adjust, set and seal such circuit breaker, and such seals shall not be broken and such adjustments or settings shall not be changed or in any way interfered with by the Customer.

The Customer shall furnish and maintain, at no cost to the Company, the necessary space, housing, fencing, and foundations for all equipment that is installed on its premises in order to supply the Customer with local distribution service, whether such equipment is furnished by the Customer or the Company. Such space, housing, fencing, and foundations shall be in conformity with the Company's specifications and subject to its approval.

Up-Keep of Customer Equipment

9. The Customer's wiring, piping, apparatus and equipment shall, at all times, conform to the requirements of any legally constituted authorities and to those of the Company, and the Customer shall keep such wiring, piping, apparatus and equipment in proper repair.

Installation of Meters

10. Meters of either the indoor or outdoor type shall be installed by the Company at locations to be designated by the Company. The Company may at any time change any meter installed by it. The Company may also change the location of any meter or change from an indoor type to an outdoor type, provided that the cost of the change shall be borne by the Company except when such change is pursuant to the provisions of Paragraph 11. Upon the reading of the Company's meter all bills shall be computed. If more than one meter is installed, unless it is installed at the Company's option, the monthly charge for local distribution service delivered through each meter shall be computed separately under the applicable rates. If a meter fails to register properly, electricity used during the period of such failure will be determined from any pertinent information known by the Company, such as by estimation determined on the basis of previous or subsequent use, at the option of the Company.

Unauthorized and Unmetered Use

11. Whenever the Company determines that, unauthorized, unmetered use or service tampering is being made on the premises of a Customer and is causing a loss of revenue to the Company, the Company may, at the Customer's expense, make such changes in the location of its meters, appliance and equipment on said premises as will, in the opinion of the Company, prevent such unauthorized and unmetered use from being made.

Definition of Month

12. Whenever reference is made to "month" in connection with electricity delivered or payments to be made, it shall mean the period between two successive regular monthly meter readings or estimated meter readings, the second of which occurs in the month to which reference is made.

If the Company is unable to read the meter when scheduled, the necessary billing determinants may be estimated. Bills may be rendered on such estimated basis and will be payable as so rendered.

Payment Due Date -- Interest Charge

13. All bills shall be due and payable upon receipt. Bills rendered to Customers, other than individually metered residential Customers, on which payment has not been received by the required date as shown on the bill, shall bear interest, at the rate of 1.5% per month on any unpaid balance, including any outstanding interest charges, from the date of receipt until the date of payment. Bills disputed in good faith by a Customer will not be subject to the late

payment charge until after the dispute is resolved.

Returned Check Fee

14. A twenty dollar (\$20.00) Fee shall be charged to the Customer for each check presented to the Company that is not honored by the financial institution. This fee shall be applicable only where the check has been dishonored after being deposited.

Seasonal Customers

15. Seasonal Customers are defined as those Commercial or Industrial Customers whose monthly metered demand exceeds 15 kilowatts when full operationally. A seasonal Customer is defined as a Customer whose facility is fully operational for six months or less during a calendar year, and whose monthly meter demand, when fully operational, exceeds 15 kilowatts.

Deposit and Security

16. The Company may require a cash deposit or other collateral satisfactory to it as security for prompt payment of the Customer's indebtedness to the Company, as in accordance with RIPUC rules and regulations. Interest at the rate as in effect from time to time shall be applied to the Customer's account annually by the Company on all deposits held six months or more until refunded or applied. The interest rate in effect in any year shall be the average rate over the prior calendar year for 10-year constant maturity treasury bonds, as reported by the Federal Reserve Bank. The rate shall be adjusted annually on March 1st.

Payments for Line Extensions

17. The Company may require a Customer to pay for all or a portion of the cost of extending or installing poles, distribution lines, or equipment to the Customer's home, premises or facility, consistent with the terms of the Company's Electric Service Handbook.

Determining Customer's Demand

18. A Customer Demand component shall apply to all Customers achieving a demand of 15 kW or higher, in any 15 minute period. The Customer's highest demand recorded will serve as the minimum billing basis for their demand charge for the ensuing eleven (11) month period, unless and until a higher kW of demand is recorded. That new demand or any ensuing higher demands will be the basis for billing during the eleven (11) months following said reading, notwithstanding the fact that the Customer's use may be seasonal or intermittent. Additionally, any such seasonal or intermittent Customer is obligated to pay any and all accrued demand charges prior to the Customer-requested resumption of service within twelve (12) months of the date of termination of service.

Customer Changing Rates

19. The Customer may change from the rate under which he is purchasing electricity to any other rate applicable to a class of service which he is receiving. Any change, however, shall not be retroactive, nor reduce, eliminate or modify any contract period, provision or guarantee made in respect to any line extension or other special condition. Nor shall such change cause such service to be billed at any rate for a period less than that specified in such rate except during the first year of electric service to any Customer. A Customer having changed from one rate to another may not again change within twelve months or within any longer contract period specified in the rate under which he is receiving electric service.

Discontinuance of Service

20. Subject to the Rules and Regulations of the Commission, the Company shall have the right to discontinue its service upon due notice and to remove its property from the premises in case the Customer fails to pay any bill due the Company for such service, or fails to perform any of its obligations to the Company. For restoration of service after such discontinuance, a reconnection charge shall be billed to the Customer as follows: A reconnection during normal office hours is \$30. A reconnection made after normal office hours is \$60. Should the reconnection need to be done at the pole, during normal office hours the fee is \$60 and after normal office hours it is \$150.

Right of Access

21. The Company shall have the right of access to the Customer's premises at all reasonable times for the purpose of examining, reading or removing the Company's meters, and other appliances and equipment. During emergency conditions, the Company shall have the right of access to the Customer's premises at all hours of the day to make conditions safe and/or to restore service.

Safeguarding Company Equipment

22. The Customer shall not permit access for any purpose whatsoever, except by authorized employees of the Company, to the meter or other appliances and equipment of the Company, or interfere with the same, and shall provide for their safe keeping. In case of loss or damage of the Company's property, the Customer shall pay to the Company the value of such property or the cost of making good the same.

Temporary Service

23. A temporary connection is local distribution service which does not continue for a sufficient period to yield the Company adequate revenue at its regular local distribution service rates to justify the expenditures necessary to provide such a connection. The Company may require a Customer requesting a temporary connection to pay the full amount of the estimated cost of installing and removing the requested connection, less estimated salvage value, in advance of the installation of the connection by the Company. In addition, the Customer shall pay the applicable regular local distribution service and standard offer service rates. The Customer shall build or cause to be built the temporary service in accordance with the

standards set forth in the Pascoag Utility District Information and Requirements Electric Service Handbook.

<u>Limitation of Liability for Service Problems</u>

24. The Company shall not be liable for any damage to equipment or facilities using electricity which damage is a result of Service Problems, or any economic losses which are a consequence of Service Problems. For purposes of this paragraph, the term "Service Problems" means any service interruption, power outage, voltage or amperage, fluctuations, discontinuance of service, reversal of its service, or irregular service caused by accident, labor difficulties, condition of fuel supply or equipment, federal or state agency order, failure to receive any electricity for which the Company has contracted, or any other causes beyond the Company's immediate control.

The Company shall not be liable for damage to the person or property of the Customer or any other persons resulting from the use of electricity or the presence of the Company's appliances and equipment on the Customer's premises.

Limitation on Use of Electricity - Auxiliary & Temporary Local Distribution Service

25. Local distribution service supplied by the Company shall not be used to supplement or relay, or as standby or back up to any other electrical source or service unless the Customer shall make such guarantees with respect to the payment for such local distribution service as shall be just and reasonable in each case. Where such local distribution service is supplied, the Customer shall not operate its generation in parallel with the Company's system without the consent of the Company, and then only under such conditions as the Company may specify from time to time.

Company Right to Place Facilities on Customer Property

26. The Company has the right to place on a Customer's property facilities to provide and meter electric service to the Customer.

Company Right to Request a Guarantee

27. Whenever the estimated expenditures for the services or equipment necessary to deliver electricity to a Customer's premises shall be of such an amount that the income to be derived from the applicable rates will, in the opinion of the Company, be insufficient to warrant such expenditures, the Company may require a Customer to guarantee a minimum annual payment or commitment for a term of years, or to pay the whole or a part of the cost of such equipment prior to the Company ordering and installing such equipment.

Fluctuating Load & Harmonic Distortion

28. In certain instances, extreme fluctuating loads or harmonic distortions which are created by a Customer's machinery or equipment may impair service to other Customers. If the

RIPUC 704 Replacing RIPUC 703

fluctuating load or harmonic distortion causes a deterioration of the Company's service to other customers, the Company shall specify a service arrangement that avoids the deterioration and the Customer owning or operating the equipment that causes the fluctuation or distortion shall pay the cost to implement the new service arrangement.

Apparatus and Equipment Requirements

29. The Customer shall not connect to the Company's distribution system any apparatus or equipment that may adversely affect the characteristics of the system. An example of this would be that for small commercial installations, the Company should be consulted before installing motors with ratings over two horsepower or 70 amperes locked-rotor current.

Customer Tax Liability

30. The Company shall collect taxes imposed by governmental authorities on services provided or products sold by the Company. It shall be the Customer's responsibility to identify and request any exemption from the collection of the tax by filing appropriate documentation with the Company.

Customer Notice and Right to Appeal

32. Where practicable, the Company will give the Customer reasonable notice of actions taken pursuant to these Terms & Conditions. The Customer shall have the right to appeal, pursuant to the Division's Rules of Practice and Procedure, all action taken by the Company hereunder.

Filing Date: Effective Date:

May 19, 2016

TERMS AND CONDITIONS FOR NONREGULATED POWER PRODUCERS

The delivery of electricity shall be in accordance with the provisions of law, regulation and these Terms and Conditions. Customers may purchase power only from Nonregulated Power Producers who meet the terms described below and are registered in good standing with the Rhode Island Division of Public Utilities and Carriers (Division), and (i) have a fully executed Market Participant Service Agreement with ISO-NE and a settlement account with ISO-NE, or (ii) have an agreement in place with an entity that has a fully executed Market Participant Service Agreement with ISO-NE whereby such entity agrees to include the load to be served by the Nonregulated Power Producer in such entity's settlement account with ISO-NE.

1.0 Obligations of Parties

1.1 Customer

The Customer is the end user taking electric service and utilizing it at his or her home or facility. The Customer must be a Customer of record of Pascoag Utility District (hereinafter, "PUD" or "the Company").

A Customer will select one registered Nonregulated Power Producer (hereinafter "Supplier") from which to purchase electrical power at any given point in time.

1.2 Distribution Company

The Company is responsible for providing local distribution services to the Customer Delivery Point(s) which shall be the meter point for each Account.

The Company will:

deliver power over distribution facilities to each Customer
Delivery Point,
provide customer service and support for delivery service,
respond to service interruptions or power quality problems,
handle connections and terminations,
read meters,
submit bills for local distribution services and generation
services of the Customer's Supplier, unless the Customer
requests separate billing of generation service from the
Supplier,
for Customers who receive one bill for both distribution and
generation service, collect and forward payments for
generation service to Suppliers, according to established cash

	posting practices,
1.2.8	address billing inquiries for the local distribution services
	-bill portion,
1.2.9	answer general questions about local distribution service, and
1.2.10	report aggregate loads to Suppliers, upon request.

1.3 Supplier

A Supplier is a non-regulated power producer who has registered with the Division as a provider of electric generation service to Customers in Rhode Island. Suppliers shall comply with the Rhode Island Public Utilities Commission's (PUC) Reliability and Responsibility Regulations for Nonregulated Power Producers. The Supplier is solely responsible for paying all costs incurred or to be incurred to provide its all-requirements service obligation in the same manner as if the Company were to provide such all-requirements service, including, without limitation, all costs or other requirements to furnish capacity, energy, operating reserves, automatic generation control, uplift costs, congestion charges, and any other ancillary services, expenses or charges incurred to provide all-requirements service; or costs imposed by NEPOOL, ISO-NE or any similar or successor entity in connection with such service. The Supplier is solely responsible for meeting any other requirements and paying any other costs now or hereafter imposed by the ISO-NE which are attributable to the provision of such service.

All-Suppliers shall meet the requirements of these Terms and Conditions.

1.3.1 NEPOOL Registration

Each Supplier must meet all registration and licensing requirements established by law and regulation, and (i) have a fully executed Market Participant Service Agreement with the ISO-NE and a settlement account with ISO-NE, or (ii) have an agreement in place with an entity that has a fully executed Market Participant Service Agreement with ISO-NE whereby such entity agrees to include the load to be served by the Nonregulated Power Producer in such entity's settlement account with ISO-NE.

Suppliers must provide to the Company written notification of the name of the NEPOOL Participant that owns the Settlement Account for the Suppliers' loads. This information needs to be provided to the Company one time, and must be received at least 2 days prior to the Supplier's enrollment of its first Customer. Suppliers may change to another NEPOOL Participant by providing the Company with reasonable advance written notice and a letter from the new NEPOOL Participant.

1.3.2 Testing

A Supplier shall be required to complete testing of the transactions included in the Company's procedures prior to the initiation of generation service to any Customers in the Company's service territory. Such testing shall be in accordance with the rules and procedures set forth by the Company.

1.3.3 Customer Participation

Once a Customer has indicated their choice of Supplier to the chosen Supplier, that Supplier must provide the Company with certain information needed to process Supplier's transactions properly. The Supplier transaction information, which includes specifics regarding customer identification and billing selection for generation service, must be received at least two (2) business days prior to the commencement of service.

If the enrollment data are correct, the Company will inform the new Supplier of the commencement date for service (coincident with the Customer's next scheduled meter read date) and will inform the outgoing Supplier, as applicable, of the termination date of their obligation to provide generation service. If the data are incomplete or incorrect, the Company will not be able to enroll the Customer with the new Supplier and the Supplier will be notified of the error, so that the data may be corrected and resubmitted for processing. If the outgoing Supplier indicates an intention to challenge the legitimacy of the change, the Customer will still be enrolled with the new Supplier unless and until the Company receives a written confirmation from the Customer or representative of the Customer, stating unambiguously that the Customer should be returned to the outgoing Supplier. The Company will then enroll the Customer with the former Supplier prospectively, subject to any timing restrictions that could delay such enrollment to the next scheduled meter read date. The Company shall have no liability or responsibility for the consequences to Suppliers or the Customer for complying in such case with the instructions of a Customer regarding enrollment with a Supplier. All other enrollments must follow the procedures set forth in these terms and conditions.

In the event that a Customer selects more than one Supplier, and those Suppliers attempt to enroll that Customer for the same cycle meter-read period, the Company shall respond as follows:

The Company shall process the first valid enrollment transaction received during the enrollment period. Once received, any other enrollment transaction submitted for the same Customer during the enrollment period will be rejected. The enrollment period commences one (1) business day prior to the Customer's scheduled cycle meter-read date and ends two (2)

business days prior to the Customer's next scheduled cycle meter-read date.

Whenever an Account becomes inactive as a result of a Customer moving within the Company's service territory, the Customer will have the option to keep their existing Supplier at their new location or receive Standard Offer Service.

Whenever an Account becomes inactive, as a result of a Customer moving outside the Company's territory, the Supplier assignment for that Account is discontinued.

Customer's normal cycle meter read date following notification, except when notification occurs two (2) or fewer business days prior to the cycle meter read date. In that case, the assignment will be made on the cycle meter read date in the following month.

Suppliers requesting the enrollment of a new Customer, or a Customer that is switching to them, will be presumed to have obtained the authorization of the customer by an approved method.

1.4 Dispute Resolution

The Company will not be responsible for the resolution of disputes between Suppliers and Customers. Any disputes relating to compliance with these terms and conditions or the regulations of the Commission or Division may be referred by the Company, the Supplier or the Customer to the Division and such disputes shall be subject to the regulatory oversight of the Division or Commission, as applicable.

2.1 Billing and Customer Service

2.1.1 Supplier Billing

The Company shall issue a single bill for electric service to all Customers in its service territory; provided, however, that Customers of Suppliers may request the Supplier to provide a separate bill for generation service provided by the Supplier. Should a Customer opt for a separate generation bill, each Supplier will be responsible for billing their Customers for the cost of generation service provided by the Supplier and collection of amounts due to the Supplier from their Customers. The Company will read meters on a monthly cycle and will use reasonable efforts to provide to the Supplier(s) on the next business day following the meter read, a file containing the applicable billing determinants and records of billing data for each Account. The Company will make diligent efforts to read all Customer meters in accordance with its terms and conditions as approved by the RIPUC.

Payment of funds collected on behalf of the Supplier will be transferred electronically via an Automated Clearing House (ACH) bank funds transfer. The cost of the transfer to the Company, if any, shall be charged to the Supplier.

Sales Tax

In accordance with Rhode Island law, the Company will compute and separately display sales tax on the Customers' bills. Since the Supplier is the taxpayer with respect to the sales tax collected on its sales of electricity, the Company will remit the Supplier's portion of sales tax collected from the Customers to the Supplier who will be solely responsible for remitting the sales tax due on its account to the State of Rhode Island. The Supplier will be solely responsible for reporting its sales tax liability on its own sales tax returns. The Supplier is responsible for notifying the Company of the exempt status of any of its Customers and for maintaining exemption certificates from its Customers in support of the exemption in the event of an audit by the Rhode Island Division of Taxation.

The Company may provide the Supplier, for informational purposes only, with information from its own records regarding the Company's taxable or exempt classification of the Customers for sales tax purposes. However, correct sales tax exemption classification of the Supplier's Customers is the sole responsibility of the Supplier. If information provided to the Supplier by the Customer relative to its exempt sales tax status does not agree with the information used by the Company for billing purposes, the Supplier should contact the Company so that the discrepancy may be resolved with the Customer. There should be no eases in which the Customer is exempt from Rhode Island sales tax on purchases of electricity from the Supplier but is not exempt on purchases of delivery services from the Company.

Any other costs to be billed to the Customers, which are required to be separately displayed on the bill in accordance with Rhode Island law, must be provided by the Supplier to the Company.

Existing Company service fees, such as interest charges for unpaid balances, bad check charges, etc., shall remain in effect and be assessed, as applicable, to each Account according to the Company Retail Terms and Conditions, applicable to all Customers.

2.1.2 Pass-through Billing Service

The Company will provide Pass-through Billing Service only. The Company

reserves the right to obtain confirmation from a Customer being served by a Supplier that such election has been made. Under this option, the Company will transmit Customers' usage/demand information obtained via meter reads to the Supplier. Suppliers will use this data to calculate the generation services of the Customer bills, including any applicable taxes or other costs required by law to be separately stated, and mail a separate Supplier bill to the Customer.

2.1.3 Pass-back Billing Service

The Company is willing to provide Pass back Billing Service to Suppliers for those Customers that have elected such service. This service anticipates that some Suppliers will elect to maintain the confidentiality of their pricing structures. Under this option, the Company will pass Customers' usage and demand information obtained via meter reads to the Supplier and the Supplier will pass back to the Company a bill amount for inclusion in each Customer's bill. In addition, the Supplier will separately pass back to the Company any applicable sales tax amount, gross earnings tax amount and any other costs required by law to be separately displayed on the bill. To offer this service, the Company needs to establish the specific procedures, requirements and data formats to be followed. If any Suppliers express an interest in this option, the Company will develop such procedures, requirements and formats and file them with the Commission at the time of implementation.

2.2 Service Disconnection Procedures

Should the Customer fail to pay the full amount billed by the Company, for transmission and distribution services, the Company may disconnect the Customer pursuant to the current PUC procedures for disconnection which apply to Customers of the applicable rate class. The Company will provide notification electronically to the Supplier of any Customer receiving a final bill as a result of a disconnection. Once a final bill is issued to the Customer, supply to the Customer is no longer the obligation of the Supplier. The Company shall not be liable for any and all revenue losses to the Supplier for participants lost due to any disconnection.

The Supplier may discontinue supply to a Customer in conformance with the specific Customer/ Supplier contract. Suppliers will provide the Company with electronic notice of intent to discontinue supply two (2) or more business days prior to the Customer's scheduled meter read. Service by the Supplier will terminate upon the next scheduled meter read from the time of this electronic notice. Customers whose service from a Supplier is discontinued will become a Standard Offer Service Customer of the Company, unless or until they enroll with a new Supplier.

2.3 Distribution Service Interruptions

The Company shall provide firm local distribution service to each Customer. In the event that the loading of the distribution system, or a portion thereof, must be reduced for safe and reliable operation, such reduction in loading will be proportionately allocated among all Customers whose load contributes to the need for the reduction when such proportional curtailments can be accommodated within acceptable operating practices.

In the event of power outages, the Company shall restore electrical service to Customers in accordance with the Company's service restoration procedures, as filed with the PUC from time to time.

Any other service interruptions which the Company is required to make for planned maintenance of the distribution and transmission system will be made according to normal operational procedures.

2.4 Release of Customer Information

It is recognized that from time to time Suppliers may request information about customers. Suppliers seeking information about Customers will be instructed to obtain a written consent from a Customer before the Company will disclose any such information, consistent with the procedures set forth below. Upon a Supplier obtaining written consent, the Company shall be required to provide twelve months' of a Customer's historic usage data to the Supplier.

The written consent should include a statement substantially the same as the following: "[CUSTOMER] authorizes [NAME OF SUPPLIER] to obtain twelve (12) months of historical usage data from the Company."

The written consent must be signed by the Customer and include the account number(s) that are authorized for release. If the Customer is a company, it must be signed by an officer on behalf of the company. The Supplier shall be required to keep the consent form on file and produce it upon request.

The Company reserves the right to provide standard billing information directly to the Customer, who in such case will have the discretion to provide it to the Supplier. In such case, the Company will inform the Supplier that the data has been delivered to the Customer and may be obtained directly from the Customer.

3.0 Metering

The meter that is currently installed at a Customer site will be used to meet the basic distribution company and Supplier billing requirements as well as any load estimation process requirements. The Company will own all billing meters, and have sole responsibility for meter reading, lock-outs, and programming changes.

3.1 Telemetering Installation Requests

If a Supplier requests additional metering and/or telecommunication capabilities for rate calculations, or in lieu of estimation in the daily load reporting process, the Supplier is responsible for all installation, operating and maintenance costs, and must arrange for the installation and commissioning of all the necessary equipment (using a licensed electrician) in accordance with the conditions listed herein.

3.2 Installation and Maintenance of Telephone Line

In all cases, the Supplier must provide the Company telephone access to the additional metering/telecommunications equipment if installed. The Supplier must notify the Company of the telephone number once it becomes available in order for the Company to access the equipment electronically. The installation and ongoing operating and maintenance costs of the telephone line will be borne by the Supplier. It is the obligation of the Supplier to notify the Company of any change affecting the availability of the phone line for the duration of the prevailing Customer contract.

3.3 Ownership and Maintenance Responsibilities

The Company owns all billing meters and is responsible for their installation, maintenance, and testing for accuracy. The Company's meter reading, meter testing, meter maintenance, meter security and data collection practices will continue and be unaffected by the presence of the Suppliers' additional metering and/or telecommunications equipment. Tests of meter accuracy may be requested by either the Customer or the Supplier, under the terms approved by the RIPUC.

The Supplier owns any additional metering, telecommunications equipment and telephone lines that it installs (or pays to have installed), and is responsible for their maintenance. Should the telephone line or equipment become unavailable and the Company is unable to collect the load profile data, the Customer's historic load profile data will be used in the estimation process. If the Customer's historic load data are unavailable, the average load shape will be used, in accordance with the load estimation process described in Section 4.0. Once the phone line and/or telecommunication access are restored and the Company is notified, use of actual Customer load data will resume.

4.0 Determination of Hourly Supplier Loads

For each Supplier, hourly loads for each day shall be estimated or telemetered and reported daily by the Company or its Agent for inclusion in the Supplier's designated Settlement Account. Hourly load estimates for non-telemetered Customers will be based upon load profiles developed by the Company.

The hourly loads shall be determined consistent with the following steps:

- (1) The Company shall identify or develop a load profile based on historical hourly loads for use in each day's daily determination of hourly load.
- (2) The Company shall calculate a usage factor for each Customer that reflects the Customer's relative usage level.
- (3) The Company shall develop estimates of hourly load profiles for the previous day for each Supplier such that the sum of the Supplier's loads equals the hourly metered loads of the Company collected each day. Distribution losses, which are included in the hourly metered Company loads, shall be fully allocated into Supplier loads.
- (4) Transmission losses from local network and non-PTF facilities shall be approximated and added to the Supplier's hourly loads. The Supplier's loads shall also include losses associated with the NEPOOL PTF, as determined by the ISO-NE.

4.1 Monthly Reconciliation Process

To refine the estimates of Supplier loads, a monthly reconciliation is performed to incorporate the most recent customer usage information, which is available after the monthly meter readings are processed. The Company will make diligent efforts to read all Customer's meters in accordance with its terms and conditions as approved by the RIPUC. A comparison is made between Customer's estimated and actual usage, by billing cycle, then summed across billing cycles for each Supplier. The ratio between the actual kWh and the estimated kWh reflects the kWh amount for which the Supplier may have been overcharged or undercharged by ISO-NE during the month. This ratio is used to develop a kWh adjustment amount for each Supplier for the calendar month. The sum of the adjustments for all suppliers is zero because the total kWh is still constrained to equal the Company's actual hourly metered loads during the month.

4.2 Error Handling

The process of supplier load estimation involves statistical samples and estimating. It is not perfectly accurate and cannot be made perfectly accurate without large scale investment in special metering to record the hourly usage of all customers, as well as hourly line losses. Accordingly, some level of error will typically be reflected in the estimates. The Company shall not be responsible for any estimating errors and shall not be liable to the Supplier for any costs that are associated with such estimating errors.

To the extent that errors are identified by the Company through the monthly reconciliation process, discovery of metering errors, or through any other means, the

Company will quantify and communicate these errors to ISO-NE for adjustment of supplier settlement results in accordance with NEPOOL rules.

5.0 Generation Requirements

5.1 Reporting to ISO New England

The Company or its Agent is responsible for reporting a set of hourly loads (including associated distribution and transmission losses) for each designated Supplier and their aggregate Customers to ISO-NE. The daily reporting of the hourly loads, and later reconciliation adjustments will be provided to ISO-NE in accordance with their scheduling requirements.

5.2 Definition of Supplier Delivery Point

Suppliers shall be obligated to deliver the capacity and energy actually used by each Account to the Company's interconnection with National Grid at the Pascoag substation ("Supplier Delivery Point"), and they will be responsible for all PTF and Non-PTF costs to do so, as well as an allocated share of the Company's Direct Assignment Facilities charge as billed to the Company by National Grid to deliver to such interconnection point. Suppliers shall be obligated to arrange for and pay all costs associated with delivery of its capacity and energy to the Supplier Delivery Point(s).

The Company will provide local distribution service to deliver the power from the Supplier Delivery Point to the applicable Accounts (Customer Delivery Points).

5.3 Back up Supply Obligations

Each Supplier will be responsible for obtaining any back up supply that it may need to service its load. The Supplier is solely responsible for paying all costs incurred or to be incurred to provide all generation-related services associated with its all-requirements service obligation, including, without limitation, all costs or other requirements to furnish installed capability, operable capability, energy, operating reserves, automatic generation control, uplift costs, congestion charges, and any other generation related ancillary services, expenses or charges incurred to provide all-requirements service; or costs imposed by NEPOOL, ISO-NE or any similar or successor entity in connection with such service. The Supplier is also solely responsible for meeting any other requirements and paying any other costs now or hereafter imposed by ISO-NE which are attributable to the provision of such service.

5.4 Losses

To compensate for transmission and distribution system losses, the Company requires Suppliers to provide an additional quantity of electricity and associated ancillary services. The quantities actually delivered to each Supplier's retail

Customers, in aggregate, in each hour of the billing period, as estimated by the Company, shall be scaled to include appropriate distribution and transmission loss factors.

Suppliers providing generation service to the Company local distribution service Customers from outside of NEPOOL will be responsible for any and all losses incurred on other transmission systems, which may also include losses on facilities linking generation to NEPOOL facilities.

6.0 <u>Limitations of Liability</u>

The Company shall not be liable to a Supplier under any theory of recovery for any and all economic losses incurred by the Supplier (including without limitation lost profits and purchased power costs) caused by the failure of the Company to deliver electricity because of Service Problems. For purposes of this paragraph, the term "Service Problems" means any service interruption, power outage, fluctuation in voltage, amperage, or harmonics, discontinuance of service, reversal of service, or irregular service caused by accident, labor difficulties, condition of fuel supply or equipment, actions of transmission services provider(s) and suppliers, federal or state agency order, failure to receive any electricity for which the Company or Supplier has contracted, or any causes beyond the Company's immediate control.

Filing Date:	June 15 2012
Timing Date.	June 15, 2012
Effective Date:	
Birective Date.	=-

Pascoag Utility District - Electric Department Standard Offer

Standard Offer

The Standard Offer is defined as the total costs of purchased power less Transition and Transmission Costs. The demand and energy cost of the New York Power Authority hydroelectric power is to be recovered in the Standard Offer.

The Standard Offer shall be made available to any customer in the District not otherwise served by a non-regulated power producer. This also applies to customers who have left the system and wish to return to having the District supply their energy needs.

Calculation of Per Unit Rate Charges

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The rate approved by the Commission shall remain in effect until the Commission approves a new rate. The calculation of the per-unit rate is as follows:

- Estimate the total costs of each component of purchased power expense for the upcoming twelve-month period;
- 2. Allocate the estimated costs to either the Transition Costs, the Transmission Cost, or Standard Offer in accordance with the definitions of those elements of purchased power;
- 3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
- 4. Divide the allocated costs by the sum of the estimated District's sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the District will service at the Standard Offer during the upcoming six-month period.

In the event that conditions affecting the cost of Standard Offer service which are actually experienced or are reasonably anticipated during the period when the approved per-unit charges defined herein are in effect, indicate that the recovery of Standard Offer costs to be incurred by the District during said period will vary by 10 percent or more above or below the revenues collected and to be collected, the District may apply to the Commission for approval and authorization of an appropriate interim increase or decrease in the approved per unit charges to be applicable during the remainder of said period.

Filing Date:

June 30, 2012 May 19, 2016

Effective Date:

January 1, 2013

Pascoag Utility District - Electric Department Standard Offer

Standard Offer

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- 2. Allocate the estimated costs to either the Transition Costs, the Transmission Cost, or Standard Offer in accordance with the definitions of those elements of purchased power;
- 3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
- 4. Divide the allocated costs by the sum of the estimated District's sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the District will service at the Standard Offer during the upcoming six-month period.

In the event that conditions affecting the cost of Standard Offer service which are actually experienced or are reasonably anticipated during the period when the approved per-unit charges defined herein are in effect, indicate that the recovery of Standard Offer costs to be incurred by the District during said period will vary by 10 percent or more above or below the revenues collected and to be collected, the District may apply to the Commission for approval and authorization of an appropriate interim increase or decrease in the approved per unit charges to be applicable during the remainder of said period.

Filing Date:	June May 19, 2016
Timig Dute.	June 171ay 17, 2010

Effective Date:

TITLE 45 Towns and cities

CHAPTER 45-58 Pascoag Utility District

SECTION 45-58-3

§ 45-58-3 Statement of purpose. – This chapter is intended to: (1) Establish the Pascoag utility district as the successor to the utility functions fulfilled prior to April 4, 2001, by the Pascoag fire district; (2) Provide for the orderly separation and transfer of those utility functions and related utility assets and utility bond obligations (without impairment thereof) from the Pascoag fire district to the utility district; (3) Provide for the retention and fulfillment of the fire protection functions and fire protection assets of the Pascoag fire district by the fire district; and (4) Authorize and enable the utility district to provide such other utility products and services as may be authorized, from time to time, by the utility district's board of utility commissioners.

History of Section.

(P.L. 2001, ch. 12, § 1; P.L. 2001, ch. 47, § 1; P.L. 2015, ch. 77, § 2; P.L. 2015, ch. 90, § 2.)

LC002592

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY JANUARY SESSION, A.D. 2015

AN ACT

RELATING TO PUBLIC UTILITIES AND CARRIERS

Introduced By: Senators P Fogarty, and Nesselbush

Date Introduced: May 07, 2015

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-1-27.3 of the General Laws in Chapter 39-1 entitled "Public 2 Utilities Commission" is hereby amended to read as follows: 3 39-1-27.3. Electric distribution companies required to provide retail access, 4 standard offer and last resort service. Electric Distribution Companies required to 5 provide retail access, standard offer and last resort service. -- (a) To promote economic 6 development and the creation and preservation of employment opportunities within the state, each electric distribution company Electric Distribution Company, except Pascoag utility district, a 8 quasi-municipal corporation, district and subdivision of the state ("Electric Distribution 9 Company"), shall offer retail access from nonregulated power producers to all customers. (b) Through year 2009, and effective July 1, 2007, through year 2020, each electric 10 11 distribution company Electric Distribution Company shall arrange for a standard power supply offer ("standard offer") to customers that have not elected to enter into power supply

offer ("standard offer") to customers that have not elected to enter into power supply arrangements with other nonregulated power suppliers. The rates that are charged by the electric distribution company Electric Distribution Company to customers for standard offer service shall be approved by the commission and shall be designed to recover the electric distribution company's Electric Distribution Company's costs and no more than the electric distribution company's Electric Distribution Company's costs; provided, that the commission may establish and/or implement a rate that averages the costs over periods of time. The electric distribution company Electric Distribution Company shall not be entitled to recover any profit margin on the

sale of standard offer power, except with approval of the commission as may be necessary to implement fairly and effectively, system reliability and least-cost procurement. The electric distribution company Electric Distribution Company will be entitled to recover its costs incurred from providing the standard offer arising out of: (1) wholesale standard offer supply agreements with power suppliers in effect prior to January 1, 2002; (2) power supply arrangements that are approved by the commission after January 1, 2002; (3) power supply arrangements made pursuant to §§ 39-1-27.3.1 and 39-1-27.8; and (4) any other power supply related arrangements prudently made after January 1, 2002 to provide standard offer supply or to mitigate standard offer supply costs, including costs for system reliability, procurement and least-cost procurement, as provided for in § 39-1-27.7. Subject to commission approval, the electric distribution company Electric Distribution Company may enter into financial contracts designed to hedge fuel-related or other variable costs associated with power supply arrangements and the costs of any such financial contracts shall be recoverable in standard offer rates. The electric distribution company's Electric Distribution Company's standard offer revenues and its standard offer costs shall be accounted for and reconciled with interest at least annually. Except as otherwise may be directed by the commission in order to accomplish purposes established by law, any over recoveries shall be refunded to customers in a manner directed by the commission, and any under recoveries shall be recovered by the electric distribution company Electric Distribution Company through a uniform adjustment factor approved by the commission. The commission shall have the discretion to apply such adjustment factor in any given instance to all customers or to such specific class of customers that the commission deems equitable under the circumstances provided that the distribution company recovers any under recovery in its entirety. Once a customer has elected to enter into a power supply arrangement with a nonregulated power producer, the electric distribution company Electric Distribution Company shall not be required to arrange for the standard offer to such customer except as provided in § 39-1-27.3.1. No customer who initially elects the standard offer and then chooses an alternative supplier shall be required to pay any withdrawal fee or penalty to the provider of the standard offer unless such a penalty or withdrawal fee was agreed to as part of a contract; however, no residential customer shall be required to pay a penalty or withdrawal fee for choosing an alternative supplier. Nothing in this subsection shall be construed to restrict the right of any nonregulated power producer to offer to sell power to customers at a price comparable to that of the standard offer specified pursuant to this subsection. The electric distribution company Electric Distribution Company may not terminate an existing standard offer wholesale supply agreement without the written consent of the division.

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(c) In recognition that electricity is an essential service, each electric distribution company Electric Distribution Company shall arrange for a last resort power supply for customers who have left the standard offer for any reason and are not otherwise receiving electric service from nonregulated power producers. The electric distribution company Electric Distribution Company shall procure last resort service supply from wholesale power suppliers. Prior to acquiring last resort supply, the electric distribution company Electric Distribution Company will file with the commission a supply acquisition plan or plans that include the acquisition procedure, the pricing options being sought, and a proposed term of service for which last resort service will be acquired. The term of service may be short or long term and acquisitions may occur from time to time and for more than one supplier for segments of last resort service load over different terms, if appropriate. All the components of the acquisition plans, however, shall be subject to commission review and approval. Once an acquisition plan is approved by the commission, the electric distribution company Electric Distribution Company shall be authorized to acquire last resort service supply consistent with the approved acquisition plan and recover its costs incurred from providing last resort service pursuant to the approved acquisition plan. The commission may periodically review the acquisition plan to determine whether it should be prospectively modified due to changed market conditions. The commission shall have the authority and discretion to approve special tariff conditions and rates proposed by the electric distribution company Electric Distribution Company that the commission finds are in the public interest, including without limitation: (1) short and long term optional service at different rates; (2) term commitments or notice provisions before individual customers leave last resort service; (3) last resort service rates for residential or any other special class of customers that are different than the rates for other last resort customers; and/or (4) last resort service rates that are designed to encourage any class of customers to return to the market. The electric distribution company's Electric Distribution Company's last resort service revenues and its last resort service costs shall be accounted for and reconciled with interest at least annually. Any over recoveries shall be refunded and any under recoveries shall be recovered by the electric distribution company Electric Distribution Company through a uniform adjustment factor approved by the commission. The commission shall have the discretion to apply such adjustment factor in any given instance to all customers or to such specific class of customers that the commission deems equitable under the circumstances provided that the distribution company recovers any under recovery in its entirety. Nothing in this section shall be construed to prohibit an electric distribution company Electric Distribution Company from terminating service provided hereunder in accordance with commission rules and regulations in the event of

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nonpayment of this service. The commission may promulgate regulations to implement this section including the terms and conditions upon which last resort service is offered and provided to customers

(d) If a customer being served by a nonregulated power producer pays any taxes assessed for electric service to the electric distribution company Electric Distribution Company and the electric distribution company Electric Distribution Company forwards such tax payment for the power portion of the bill to a nonregulated power producer for payment by the nonregulated power producer to the state, neither the customer nor the electric distribution company Electric Distribution Company shall be liable for such taxes forwarded if the nonregulated power producer fails to remit such taxes to the state for any reason.

SECTION 2. Sections 45-58-3 and 45-58-8 of the General Laws in Chapter 45-58 entitled "Pascoag Utility District" are hereby amended to read as follows:

45-58-3. Statement of purpose. — This chapter is intended to: (1) establish the Pascoag utility district as the successor to the utility functions fulfilled prior to April 4, 2001 by the Pascoag fire district; (2) provide for the orderly separation and transfer of those utility functions and related utility assets and utility bond obligations (without impairment thereof) from the Pascoag fire district to the utility district; (3) provide for the retention and fulfillment of the fire protection functions and fire protection assets of the Pascoag fire district by the fire district; and (4) authorize and enable the utility district to provide additional utility services, function as a nonregulated power producer and otherwise to contribute to the development of effective competition in the state's electricity and communications industries, in accordance with the legislature's findings as to the efficacy of competition in the Utility Restructuring Act of 1996, as amended, and to provide such other utility products and services as may be authorized from time to time by the utility district's board of utility commissioners.

45-58-8. Powers of the Utility District. -- The utility district shall have the power:

- (1) To acquire real or personal property and tangible or intangible personal property by voluntary purchase from the owner or owners of the property, and to the extent that the board of utility commissioners deems it advisable, to acquire property held by a corporation through acquisition of the stock of the corporation and dissolution of the corporation;
- (2) To acquire real property, fixtures and rights and interests in real property within its utility service area by eminent domain, subject to the supervision of the public utilities commission in the manner prescribed in § 39-1-31:
- (3) To own, operate, maintain, repair, improve, enlarge and extend, in accordance with the provisions of this chapter, any property acquired under this section all of which, together with

1 the acquisition of the property, are hereby declared to be public purposes;

- (4) To produce, purchase, acquire, distribute and sell water and electricity at wholesale or retail within or without its utility service area subject to franchise rights of other utilities; to lay down, construct, own, operate, maintain, repair and improve mains, pipes, wells, towers and other equipment and facilities necessary, appropriate or useful for those purposes; and to contract with others for any or all of the foregoing purposes;
 - (5) To produce, buy, sell and trade electric capability, power or energy products or services at wholesale or retail; to purchase for its own use or for resale electric transmission service and ancillary services; and to engage in any other transaction with respect to electricity or electricity products that was heretofore authorized for the Pascoag fire district or investor-owned electric companies operating as domestic electric utilities with within the state (including participation in generating facilities as authorized by chapter 20 of title 39); provided, that the utility district shall operate and be subject to regulation of its retail rates for electricity under title 39 of the general laws when operating within its utility service area;
 - (6) To operate as a nonregulated power producer within the meaning and contemplation of § 39-1-2(19) when engaging in the sale of electricity at retail outside of its utility service area;
 - (7)(6) To acquire, own, lease, operate, maintain, repair and expand facilities and equipment necessary, appropriate or useful to the operation of other utilities, including, but not limited to, communications services such as internet service, high speed data transfer, local and long distance telephone service, community antenna television service, and to engage in the operation of such utilities;
- (8)(7) To sue and be sued;
- 23 (9)(8) To adopt and alter a corporate seal;
 - (10)(9) To acquire, hold, use, lease, sell, transfer, assign or otherwise dispose of any property, real, personal or mixed, or any interest therein for its corporate purposes, and to mortgage, pledge or lease any such property;
- 27 (11)(10) To make and adopt bylaws for the management and regulation of its affairs;
 - (12)(11) To borrow money for any of the purposes or powers granted to it under or by operation of this chapter, including the creation and maintenance of working capital, and to issue negotiable bonds, notes or other obligations, to fund or refund the same, and to secure the obligation of such bond, notes or other obligations in any case by pledge of or security interest in the revenues and property of the utility district.
 - (13)(12) To fix rates (subject to the requirements of title 39 of the general laws in the case of retail electric rates within its utility service area) and collect charges for the use of the

facilities or services rendered by or any commodities furnished by the utility district;

(14)(13) To contract in its own name for any lawful purpose which would effectuate the purposes and provisions of this chapter; to execute all instruments necessary to carry out the purposes of this chapter; and to do all things necessary or convenient to carry into effect and operation the powers granted by this chapter; and

(15)(14) Until and only until such time as those utility bond obligations to which the Pascoag utility district succeeds under or by operation of this chapter shall have been retired, defeased or otherwise satisfied in their entirety, to levy property tax assessments upon property owners within its utility service area for the purpose of supporting utility bond obligations of the Pascoag fire district outstanding as of April 4, 2001 in the same manner and to the same extent as the Pascoag fire district was authorized to do so under the act passed at the May session 1887, entitled "An Act to Incorporate the Pascoag Fire District" as thereafter amended and supplemented from time to time.

SECTION 3. This act shall take effect upon passage.

LC002592

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO PUBLIC UTILITIES AND CARRIERS

This act would provide that the Pascoag utility district not be required to provide retail

access from nonregulated power producers, and not operate as a nonregulated power producer

when selling electricity at retail outside of its service area.

This act would take effect upon passage.

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY JANUARY SESSION, A.D. 2015

AN ACT

RELATING TO PUBLIC UTILITIES AND CARRIERS

Introduced By: Representative Cale P. Keable

Date Introduced: March 18, 2015

Referred To: House Corporations

It is enacted by the General Assembly as follows:

SECTION 1. Section 39-1-27.3 of the General Laws in Chapter 39-1 entitled "Public Utilities Commission" is hereby amended to read as follows:

3 39-1-27.3. Electric distribution companies required to provide retail access,
4 standard offer and last resort service. Electric Distribution Companies required to
5 provide retail access, standard offer and last resort service. -- (a) To promote economic
6 development and the creation and preservation of employment opportunities within the state, each
7 electric distribution company Electric Distribution Company, except Pascoag utility district, a
8 quasi-municipal corporation, district and subdivision of the state ("Electric Distribution")
9 Company"), shall offer retail access from nonregulated power producers to all customers.

(b) Through year 2009, and effective July 1, 2007, through year 2020, each electric distribution company Electric Distribution Company shall arrange for a standard power supply offer ("standard offer") to customers that have not elected to enter into power supply arrangements with other nonregulated power suppliers. The rates that are charged by the electric distribution company Electric Distribution Company to customers for standard offer service shall be approved by the commission and shall be designed to recover the electric distribution company's Electric Distribution Company's costs and no more than the electric distribution empany's Electric Distribution Company's costs; provided, that the commission may establish and/or implement a rate that averages the costs over periods of time. The electric distribution company Electric Distribution Company shall not be entitled to recover any profit margin on the

sale of standard offer power, except with approval of the commission as may be necessary to implement fairly and effectively, system reliability and least-cost procurement. The electric distribution company Electric Distribution Company will be entitled to recover its costs incurred from providing the standard offer arising out of: (1) wholesale standard offer supply agreements with power suppliers in effect prior to January 1, 2002; (2) power supply arrangements that are approved by the commission after January 1, 2002; (3) power supply arrangements made pursuant to §§ 39-1-27.3.1 and 39-1-27.8; and (4) any other power supply related arrangements prudently made after January 1, 2002 to provide standard offer supply or to mitigate standard offer supply costs, including costs for system reliability, procurement and least-cost procurement, as provided for in § 39-1-27.7. Subject to commission approval, the electric distribution company Electric Distribution Company may enter into financial contracts designed to hedge fuel-related or other variable costs associated with power supply arrangements and the costs of any such financial contracts shall be recoverable in standard offer rates. The electric distribution company's Electric Distribution Company's standard offer revenues and its standard offer costs shall be accounted for and reconciled with interest at least annually. Except as otherwise may be directed by the commission in order to accomplish purposes established by law, any over recoveries shall be refunded to customers in a manner directed by the commission, and any under recoveries shall be recovered by the electric distribution company Electric Distribution Company through a uniform adjustment factor approved by the commission. The commission shall have the discretion to apply such adjustment factor in any given instance to all customers or to such specific class of customers that the commission deems equitable under the circumstances provided that the distribution company recovers any under recovery in its entirety. Once a customer has elected to enter into a power supply arrangement with a nonregulated power producer, the electric distribution company Electric Distribution Company shall not be required to arrange for the standard offer to such customer except as provided in § 39-1-27.3.1. No customer who initially elects the standard offer and then chooses an alternative supplier shall be required to pay any withdrawal fee or penalty to the provider of the standard offer unless such a penalty or withdrawal fee was agreed to as part of a contract; however, no residential customer shall be required to pay a penalty or withdrawal fee for choosing an alternative supplier. Nothing in this subsection shall be construed to restrict the right of any nonregulated power producer to offer to sell power to customers at a price comparable to that of the standard offer specified pursuant to this subsection. The electric distribution company Electric Distribution Company may not terminate an existing standard offer wholesale supply agreement without the written consent of the division.

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(c) In recognition that electricity is an essential service, each electric distribution company Electric Distribution Company shall arrange for a last resort power supply for customers who have left the standard offer for any reason and are not otherwise receiving electric service from nonregulated power producers. The electric distribution company Electric <u>Distribution Company</u> shall procure last resort service supply from wholesale power suppliers. Prior to acquiring last resort supply, the electric distribution company Electric Distribution Company will file with the commission a supply acquisition plan or plans that include the acquisition procedure, the pricing options being sought, and a proposed term of service for which last resort service will be acquired. The term of service may be short or long term and acquisitions may occur from time to time and for more than one supplier for segments of last resort service load over different terms, if appropriate. All the components of the acquisition plans, however, shall be subject to commission review and approval. Once an acquisition plan is approved by the commission, the electric distribution company Electric Distribution Company shall be authorized to acquire last resort service supply consistent with the approved acquisition plan and recover its costs incurred from providing last resort service pursuant to the approved acquisition plan. The commission may periodically review the acquisition plan to determine whether it should be prospectively modified due to changed market conditions. The commission shall have the authority and discretion to approve special tariff conditions and rates proposed by the electric distribution company Electric Distribution Company that the commission finds are in the public interest, including without limitation: (1) short and long term optional service at different rates; (2) term commitments or notice provisions before individual customers leave last resort service; (3) last resort service rates for residential or any other special class of customers that are different than the rates for other last resort customers; and/or (4) last resort service rates that are designed to encourage any class of customers to return to the market. The electric distribution company's Electric Distribution Company's last resort service revenues and its last resort service costs shall be accounted for and reconciled with interest at least annually. Any over recoveries shall be refunded and any under recoveries shall be recovered by the electric distribution company Electric Distribution Company through a uniform adjustment factor approved by the commission. The commission shall have the discretion to apply such adjustment factor in any given instance to all customers or to such specific class of customers that the commission deems equitable under the circumstances provided that the distribution company recovers any under recovery in its entirety. Nothing in this section shall be construed to prohibit an electric distribution company Electric Distribution Company from terminating service provided hereunder in accordance with commission rules and regulations in the event of

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nonpayment of this service. The commission may promulgate regulations to implement this section including the terms and conditions upon which last resort service is offered and provided to customers.

(d) If a customer being served by a nonregulated power producer pays any taxes assessed for electric service to the electric distribution company Electric Distribution Company and the electric distribution company Electric Distribution Company forwards such tax payment for the power portion of the bill to a nonregulated power producer for payment by the nonregulated power producer to the state, neither the customer nor the electric distribution company Electric Distribution Company shall be liable for such taxes forwarded if the nonregulated power producer fails to remit such taxes to the state for any reason.

SECTION 2. Sections 45-58-3 and 45-58-8 of the General Laws in Chapter 45-58 entitled "Pascoag Utility District" are hereby amended to read as follows:

45-58-3. Statement of purpose. — This chapter is intended to: (1) establish the Pascoag utility district as the successor to the utility functions fulfilled prior to April 4, 2001 by the Pascoag fire district; (2) provide for the orderly separation and transfer of those utility functions and related utility assets and utility bond obligations (without impairment thereof) from the Pascoag fire district to the utility district; (3) provide for the retention and fulfillment of the fire protection functions and fire protection assets of the Pascoag fire district by the fire district; and (4) authorize and enable the utility district to provide additional utility services, function as a nonregulated power producer and otherwise to contribute to the development of effective competition in the state's electricity and communications industries, in accordance with the legislature's findings as to the efficacy of competition in the Utility Restructuring Act of 1996, as amended, and to provide such other utility products and services as may be authorized from time to time by the utility district's board of utility commissioners.

<u>45-58-8. Powers of the Utility District. --</u> The utility district shall have the power:

- (1) To acquire real or personal property and tangible or intangible personal property by voluntary purchase from the owner or owners of the property, and to the extent that the board of utility commissioners deems it advisable, to acquire property held by a corporation through acquisition of the stock of the corporation and dissolution of the corporation;
- (2) To acquire real property, fixtures and rights and interests in real property within its utility service area by eminent domain, subject to the supervision of the public utilities commission in the manner prescribed in § 39-1-31;
- (3) To own, operate, maintain, repair, improve, enlarge and extend, in accordance with
 the provisions of this chapter, any property acquired under this section all of which, together with

- 1 the acquisition of the property, are hereby declared to be public purposes; 2 (4) To produce, purchase, acquire, distribute and sell water and electricity at wholesale 3 or retail within or without its utility service area subject to franchise rights of other utilities; to lay 4 down, construct, own, operate, maintain, repair and improve mains, pipes, wells, towers and other 5 equipment and facilities necessary, appropriate or useful for those purposes; and to contract with 6 others for any or all of the foregoing purposes; 7 (5) To produce, buy, sell and trade electric capability, power or energy products or 8 services at wholesale or retail; to purchase for its own use or for resale electric transmission 9 service and ancillary services; and to engage in any other transaction with respect to electricity or 10 electricity products that was heretofore authorized for the Pascoag fire district or investor-owned 11 electric companies operating as domestic electric utilities with within the state (including 12 participation in generating facilities as authorized by chapter 20 of title 39); provided, that the 13 utility district shall operate and be subject to regulation of its retail rates for electricity under title 14 39 of the general laws when operating within its utility service area; 15 (6) To operate as a nonregulated power producer within the meaning and contemplation of § 39.1-2(19) when engaging in the sale of electricity at retail outside of its utility service area; 16 17 (7)(6) To acquire, own, lease, operate, maintain, repair and expand facilities and 18 equipment necessary, appropriate or useful to the operation of other utilities, including, but not 19 limited to, communications services such as internet service, high speed data transfer, local and 20 long distance telephone service, community antenna television service, and to engage in the 21 operation of such utilities; 22 (8)(7) To sue and be sued; 23 (9)(8) To adopt and alter a corporate seal; 24 (10)(9) To acquire, hold, use, lease, sell, transfer, assign or otherwise dispose of any 25 property, real, personal or mixed, or any interest therein for its corporate purposes, and to 26 mortgage, pledge or lease any such property; 27 (11) To make and adopt bylaws for the management and regulation of its affairs; 28 (12)(11) To borrow money for any of the purposes or powers granted to it under or by 29 operation of this chapter, including the creation and maintenance of working capital, and to issue 30 negotiable bonds, notes or other obligations, to fund or refund the same, and to secure the obligation of such bond, notes or other obligations in any case by pledge of or security interest in 32 the revenues and property of the utility district.
 - (13)(12) To fix rates (subject to the requirements of title 39 of the general laws in the case of retail electric rates within its utility service area) and collect charges for the use of the

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facilities or services rendered by or any commodities furnished by the utility district;

(14)(13) To contract in its own name for any lawful purpose which would effectuate the purposes and provisions of this chapter; to execute all instruments necessary to carry out the purposes of this chapter; and to do all things necessary or convenient to carry into effect and operation the powers granted by this chapter; and

(15)(14) Until and only until such time as those utility bond obligations to which the Pascoag utility district succeeds under or by operation of this chapter shall have been retired, defeased or otherwise satisfied in their entirety, to levy property tax assessments upon property owners within its utility service area for the purpose of supporting utility bond obligations of the Pascoag fire district outstanding as of April 4, 2001 in the same manner and to the same extent as the Pascoag fire district was authorized to do so under the act passed at the May session 1887, entitled "An Act to Incorporate the Pascoag Fire District" as thereafter amended and supplemented from time to time.

SECTION 3. This act shall take effect upon passage.

LC001960

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO PUBLIC UTILITIES AND CARRIERS

- This act would provide that the Pascoag utility district not be required to provide retail

 access from nonregulated power producers, and not operate as a nonregulated power producer

 when selling electricity at retail outside of its service area.
- 4 This act would take effect upon passage.

LC001960