

December 23, 2021

VIA ELECTRONIC MAIL

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

**RE: Docket 5073– Retail Energy Supply Association (RESA) Petition for Implementation of Purchase of Receivables (POR) Program
National Grid’s Compliance Filing**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”), enclosed please find redlined and clean versions of the Company’s Terms and Conditions for Municipal Aggregators and Terms and Conditions for Nonregulated Power Producers in compliance with the Public Utilities Commission’s (“PUCs”) Open Meeting on December 21, 2021 in the above-referenced docket.

In addition to the changes ordered by the PUC at its Open Meeting, the Company has included the following additional changes for review and approval by the PUC:

1. Revised the term Customer Class to Customer Group as discussed at the November 17, 2021 technical session in both sets of Terms and Conditions.
2. In the Terms and Conditions for Nonregulated Power Producers, revised the defined term for The Narragansett Electric Company to be limited to the “Company” thereby eliminating the defined term “Narragansett” throughout to be consistent with the Terms and Conditions for Municipal Aggregators.
3. Various minor formatting and referencing revisions throughout both tariff documents for consistency with defined terms.

Please note that the Company will file the proposed Standard Complete Billing Percentage (“SCBP”) and average payment period for each customer group with the PUC at a later date.

Thank you for your attention to this filing. If you have any questions or concerns, please do not hesitate to contact me at 401-784-4263.

[Signature line starts on next page]

Luly E. Massaro, Commission Clerk
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Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew S. Marcaccio". The signature is fluid and cursive, with the first name being the most prominent.

Andrew S. Marcaccio

cc: Docket No. 5073 Service List

**Docket No. 5073 – Retail Energy Supply Association Petition for Implementation of
Purchase of Receivables Program
Service List updated 10/4/2021**

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File an original & 9 copies w/: Luly E. Massaro, Commission Clerk Cynthia Wilson-Frias, Counsel Public Utilities Commission	Luly.massaro@puc.ri.gov;	401-780-2017
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**THE NARRAGANSETT ELECTRIC COMPANY
TERMS AND CONDITIONS FOR MUNICIPAL AGGREGATORS**

1. Applicability

- 1A. The following Terms and Conditions shall apply to every Municipal Aggregator that is conducting business pursuant to a municipal aggregation plan which has been adopted and approved in accordance with R.I. Gen. Laws § 39-3-1.2, and that is authorized to do business within the State of Rhode Island and the Company's service territory, and to every Customer doing business with said Municipal Aggregator.
- 1B. These Terms and Conditions may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in 810-RICR-00-00-1.10(D). In case of conflict between these Terms and Conditions and any orders or regulations of the R.I.P.U.C., said orders or regulations shall govern.
- 1C. No agent or employee of the Company is authorized to modify any provision contained in these Terms and Conditions or to bind the Company to perform in any manner contrary thereto. Any such modification to these Terms and Conditions or any such promise contrary thereto shall be in writing, duly executed by an authorized officer of the Company, and subject in all cases to applicable statutes and to the orders and regulations of the R.I.P.U.C., and available for public inspection during normal business hours at the business offices of the Company and at the offices of the R.I.P.U.C.

2. Definitions

"Aggregator" shall mean an entity which groups together electricity customers for retail sale purposes, except for public entities, quasipublic entities or authorities, or subsidiary organizations thereof, established under the laws of the state.

"Commission" shall mean the Federal Energy Regulatory Commission.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Distribution Company" or "Company" shall mean The Narragansett Electric Company.

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

"Electric Data Interchange" or "EDI" shall mean the exchange of business data in a standardized format between business computer systems.

"Eligible Customer" shall mean: (i) Customers receiving Last Resort Service, (ii) Customers receiving Last Resort Service and also enrolled in a green power product that allows Customers concurrent enrollment in Last Resort Service and competitive supply, including Generation Service through a Municipal Aggregation, and (iii) Customers who have requested that their contact information not be shared with Suppliers; and shall

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exclude: (i) Customers receiving competitive supply, (ii) Customers receiving Last Resort Service and also enrolled in a green power product that does not allow Customers concurrent enrollment in Last Resort Service and competitive supply, including Generation Service through a Municipal Aggregation, and (iii) Customers who have requested from the Distribution Company that they not be enrolled in competitive supply, which encompasses Generation Service through a Supplier or Municipal Aggregator.

“Enrollment Period” shall mean, for a particular Customer, the period of time during which a Municipal Aggregator may submit an enrollment EDI transaction to a Distribution Company for initiation of Generation Service concurrent with the start of the Customer’s next billing cycle.

“Generation Service” shall mean the sale of electricity to a Customer by a Supplier, including capacity and ancillary services such as the provision of reserves and all other services relating to generation required by ISO-NE, and retail offerings that utilize renewable energy certificates or represent alternative compliance payments that are bundled with generation, provided that such products can be billed using the Standard Complete Billing Service platform as described in Section 8B.

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

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

“ISO New England Operating Documents” shall mean the ISO Tariff and the ISO New England Operating Procedures, as amended, modified, superseded and supplemented from time to time.

“ISO-NE PTF” shall mean pool transmission facilities included in the ISO Tariff on file with the Commission.

“Last Resort Service” shall mean the service provided by the Distribution Company to a Customer who is not receiving Generation Service from a Supplier. For purposes of clarity, through December 31, 2020, Last Resort Service refers to standard offer service as provided by the Company in accordance with R.I. Gen. Laws § 39-1-27.3(b). Beginning January 1, 2021, Last Resort Service refers to last resort service as provided by the Company in accordance with R.I. Gen. Laws § 39-1-27.3(c).

“Market Rules and Procedures” shall mean the Market Rules, Manuals and Procedures adopted by the ISO-NE and/or NEPOOL, as may be amended from time to time, and as administered by the ISO to govern the operation of the NEPOOL markets.

“Municipal Aggregation” shall mean a program by which the electrical load of interested electricity consumers who are not otherwise served by an existing nonprofit electric supplier or municipal electric utility is aggregated by a municipality or group of municipalities for the purpose of soliciting bids, brokering, and contracting for electric power and energy services for such customers and approved by the R.I.P.U.C. pursuant to R.I. Gen. Laws § 39-3-1.2.

“Municipal Aggregator” shall mean an Aggregator that is comprised of a municipality or a group of municipalities, or duly authorized board or agency thereof, that is providing retail load aggregation pursuant to

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R.I. Gen. Laws § 39-3-1.2.

“NEPOOL” shall mean the New England Power Pool and its successors.

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

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

“Opt-Out” shall mean, for a particular customer, the ability to remove itself from the retail load aggregation service provided by a Municipal Aggregator prior to or after enrollment and receive Generation Service from the Distribution Company or a Supplier.

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

“Service Agreement” shall mean an agreement as set forth in Section 3C(5) herein.

“Supplier” shall mean any entity registered and in good standing with the Rhode Island Division of Public Utilities and Carriers (“Division”) to sell electricity to retail Customers in Rhode Island, with the following exceptions: (1) a Distribution Company providing Last Resort Service to its distribution Customers; (2) a nonprofit electric supplier; and (3) a municipal electric utility that is acting as a Distribution Company. A Supplier can sell electricity directly to retail Customers or through a Municipal Aggregator.

“Terms and Conditions” shall mean these Terms and Conditions for Municipal Aggregators.

3. Obligations of Parties

3A. Customer

Subject to the Terms and Conditions herein and unless a Customer chooses to Opt-Out, a Customer within the geographic area serviced by a Municipal Aggregator shall be enrolled to receive its Generation Service from that Municipal Aggregator within 30 days of the Municipal Aggregation being fully operational, and will be deemed to be serviced by that Municipal Aggregator for the purposes of the Distribution Company (1) reporting the Customer’s hourly electric consumption to the ISO-NE, and (2) providing billing services, either directly on behalf of the Municipal Aggregator or through arrangements with a third party.

The Customer may choose to Opt-Out of receiving Generation Service from the Municipal Aggregator. A Customer may elect to Opt-Out by notifying:

- (1) a Supplier and requesting Generation Service from that Supplier, in which case the

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Supplier will arrange to switch the Customer from the Municipal Aggregator's Generation Service to the Supplier's Generation Service in accordance with the Company's Terms and Conditions for Nonregulated Power Producers;

- (2) the Municipal Aggregator, in which case, the Municipal Aggregator will submit or direct its designated Supplier to submit a "supplier drops customer" EDI transaction, in accordance with Section 5B below. Upon such transaction, the Customer will be returned to Last Resort Service; or
- (3) the Company, provided such notification shall only be valid after the Municipal Aggregator has enrolled the Customer to its Generation Service. Prior to such enrollment, the Customer shall be referred to the Municipal Aggregator to renew the Opt-Out notification with the Municipal Aggregator. If the Customer provides a valid Opt-Out notification to the Company, the Customer will be returned to Last Resort Service and the Company will notify the Supplier.

3B. Distribution Company

The Company shall:

- (1) Arrange for or provide (i) regional network transmission service over ISO-NE PTF and (ii) local network transmission service from ISO-NE PTF to the Company's Distribution System for each Customer, unless the Customer or its Municipal Aggregator otherwise arranges for such service;
- (2) Deliver power over distribution facilities to each Customer Delivery Point;
- (3) Provide customer service and support for Distribution Service;
- (4) Respond to service interruptions or power quality problems;
- (5) Handle connections and terminations;
- (6) Read meters;
- (7) Submit bills to Customers for Distribution Service;
- (8) Address billing inquiries for Distribution Service;
- (9) Answer general questions about Distribution Service;
- (10) Report Municipal Aggregators' estimated and metered loads, including local network transmission and distribution losses, to the ISO-NE, in accordance with Section 9 below;
- (11) Process the electronic data interchange transactions submitted by Municipal Aggregators/Suppliers and send the necessary electronic interchange data transactions

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to Municipal Aggregators/Suppliers, in accordance with Section 5 below, and the general rules and procedures for EDI;

- (12) Provide information regarding, at a minimum, rate tariffs, billing cycles, and load profiles, on its website or by alternate electronic means;
- (13) Provide Municipal Aggregators with information in accordance with Section 4 of these Terms and Conditions; and
- (14) Provide Last Resort Service to Customers in accordance with the Company's applicable tariffs.

3C. Municipal Aggregator

The Municipal Aggregator shall designate a Supplier and notify the Company of its designation. If at any time the Municipal Aggregator changes Supplier, it shall provide notice of such change to the Company. Notice shall be as provided in writing or by electronic mail, as provided in the Service Agreement. In order to initiate and maintain the Municipal Aggregation, the Municipal Aggregator, either directly or through its relationship with the Supplier servicing the load of the Municipal Aggregation, as applicable, shall:

- (1) Meet the registration and licensing requirements established by law or regulation and either (i) have a fully executed a Market Participant Service Agreement ("MPSA") with ISO-NE that has been approved by the Commission in accordance with Subsection 7.1 of the MPSA and ISO-NE has not filed with the Commission a notice of termination of such MPSA or (ii) have an agreement in place with an ISO-NE member whereby the ISO-NE member agrees to include the load to be served by the Municipal Aggregator in such ISO-NE member's NEPOOL market settlement obligations;
- (2) Provide all-requirements service to meet each of its Customers' needs and to deliver the associated capacity and energy to a point or points on ISO- NE PTF;
- (3) Be responsible for any and all losses incurred on (i) local network transmission systems and distribution systems, as determined by the Company; (ii) ISO-NE PTF, as determined by the ISO-NE; and (iii) facilities linking generation to ISO-NE PTF, and also be responsible for all transmission wheeling charges necessary to reach ISO-NE PTF;
- (4) Direct the Supplier to successfully complete EDI testing of the transactions prior to the initiation of generation service to any Customers in the Company's service territory.
- (5) Direct the Supplier to complete and provide an information sheet/billing application to and/or enter into a Service Agreement with the Distribution Company, prior to the initiation of Generation Service to any Customer in the Company's service territory, that provides information about the specific parameters of the Municipal Aggregation;

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- (6) Provide information and educate the Customer on Municipal Aggregation. The information must include the Customer's right of rescission period, as applicable, and the Opt-Out option. The Opt-Out notice must be sent by the Municipality as a separate mailing in such manner as reasonably presented to draw to the attention of each Customer to the importance of the decision the Customer must make. Such notice shall at a minimum provide:
 - (a) Notification to the Customers that the Municipal Aggregator will automatically enroll them in the Municipal Aggregator's retail load aggregation program by a date certain, which shall be within 30 days of the date the Municipal Aggregator is fully operational;
 - (b) Information about the Customers' rights to Opt-Out; and
- (7) Provide as much notice as possible of an event of default by the Supplier or Municipal Aggregator under the supply contract between the two which would trigger the suspension or early termination of the supply contract, so that the Company can prepare to return the Customers to Last Resort Service. The Municipal Aggregator is responsible for submitting the appropriate EDI transactions to return the customers to Last Resort Service.

4. Customer Data Exchange

- 4A. Prior to the R.I.P.U.C.'s approval of an aggregation plan, upon authorization by a duly designated officer of a municipality, the Company shall provide the following Customer data for all accounts within the municipality to the Municipal Aggregator that is identified in the authorization to facilitate the implementation of a Municipal Aggregation program:
 - (1) Twelve individual month's aggregate consumption usage information;
 - (2) Customer count by service class; and
 - (3) Data in 4A(1) and 4A(2) by status as Eligible Customer to the City's/Town's Aggregation Program.

This initial exchange of data governed by this Section 4A is not subject to the fee described in Appendix A

- 4B. Upon the R.I.P.U.C.'s approval of the Municipal Aggregator's plan pursuant to R.I. Gen. Laws § 39-3-1.2, or thereafter upon the reasonable (not more than monthly) request of the Municipal Aggregator pursuant to Section 5D of these Terms and Conditions, the Company shall provide the following Customer data for all Eligible Customer accounts within the municipality, in an electronic format (to be determined by Company), to conduct a competitive bid and/or enroll customers with the Supplier:
 - (1) Primary customer name;
 - (2) First four characters of last name;

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- (3) Account number;
- (4) Service address;
- (5) Mailing address;
- (6) Service class;
- (7) Tariff service description;
- (8) ICAP;
- (9) Meter read cycle;
- (10) Gross earning tax exemption status;
- (11) Four digit City-County Code; and
- (12) Subject to the fee as described in Appendix A, twelve individual month's usage broken out by month.

4C. Following the launch of a Municipal Aggregation program, and subject to the fee as described in Appendix A of these Terms and Conditions for item 4B(12), a Municipal Aggregator may request data as described in Section 4B of these Terms and Conditions for enrolled Customers. The current supply rate of each enrolled Customer is not included as part of this data exchange.

5. Initiation and Termination of Generation Service

5A. Initiation of Generation Service

Within 30 days that a Municipal Aggregator is fully operational, the Municipal Aggregator shall ensure that all Customers who are within the area the Municipal Aggregator intends to serve and who have not exercised their Opt-Out right, are properly enrolled to receive Generation Service from the Municipal Aggregator. For each such Customer, the Municipal Aggregator shall submit an "enroll customer" EDI transaction to the Company. The Municipal Aggregator and its designated Supplier shall hold the "enroll customer" EDI transaction until any applicable right of rescission has lapsed.

If the information on the enrollment transaction is correct, the Distribution Company shall send the Municipal Aggregator or, if requested, its designated Supplier a "successful enrollment" EDI transaction. Generation Service shall commence on the date of the Customer's next scheduled meter read, provided that the Municipal Aggregator or its designated Supplier has submitted the enrollment EDI transaction to the Distribution Company no fewer than four business days prior to the meter read date. If the Municipal Aggregator or its designated Supplier has not submitted the enrollment EDI transaction at least four days before the meter read date, Generation Service shall commence on the date of the Customer's subsequent scheduled meter read.

If Distribution Company receives multiple enrollment EDI transactions for a given Customer from different Municipal Aggregators and/or Suppliers during the same enrollment period, the first EDI transaction that is received by the Distribution Company shall be accepted. All other EDI transactions shall be rejected. Rejected EDI transactions may be resubmitted during the Customer's next enrollment period.

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5B. Exercise of Opt-Out/Termination of Municipal Aggregator Generation Service

If a Customer seeks to Opt-Out of the Aggregation before being enrolled to receive Generation Service from a Municipal Aggregator, the Customer shall notify the Municipal Aggregator. Efforts by the Customer to notify the Distribution Company of such an Opt-Out prior to the Customer's enrollment shall be invalid. Upon such notification, the Municipal Aggregator and its designated Supplier shall refrain from submitting an "enroll customer" EDI transaction for such Customer pursuant to Section 5A above.

If a Customer Opts-Out of the Municipal Aggregation after being enrolled to receive Generation Service from a Municipal Aggregator, or if the Customer otherwise chooses to terminate its receipt of Generation Service from said Municipal Aggregator, and the Customer notifies the Municipal Aggregator, the Municipal Aggregator or its designated Supplier shall submit a "supplier drops customer" EDI transaction. The Distribution Company shall send a "confirm drop date" EDI transaction to the Municipal Aggregator or its designated Supplier. Generation Service shall be terminated on the date of the Customer's next scheduled meter read, provided that the Municipal Aggregator or its designated Supplier has submitted this EDI transaction to the Distribution Company no fewer than four business days prior to the meter read date. If the Municipal Aggregator or its designated Supplier has not submitted this EDI transaction at least four days before the meter read date, Generation Service shall be terminated on the date of the Customer's subsequent scheduled meter read. Upon such notification, the Municipal Aggregator or its designated Supplier shall refrain from submitting an "enroll customer" EDI transaction for such Customer pursuant to Section 5A above.

If a Customer Opts-Out from the Municipal Aggregation after being enrolled to receive Generation Service from a Municipal Aggregator, or if the Customer otherwise chooses to terminate its receipt of Generation Service from said Municipal Aggregator, and the Customer informs the Distribution Company directly, Generation Service shall be terminated within two business days for residential customers; for other customers, Generation Service shall be terminated on the date of the Customer's next scheduled meter read. The Distribution Company shall notify the Municipal Aggregator or its designated Supplier of the customer drop.

In those instances when a Customer who is receiving Generation Service from a Municipal Aggregator wishes to initiate Generation Service with an unrelated Supplier, the Supplier shall submit an "enroll customer" EDI transaction, and the timing of the termination of Generation Service by the Municipal Aggregator and commencement of Generation service by the Supplier shall be governed by Company's Terms and Conditions for Nonregulated Power Producers.

5C. Customer Moves

A Customer that moves within a Distribution Company's service territory and remains within the same municipality served by the Municipal Aggregator shall have the opportunity to notify the Distribution Company that it seeks to continue Generation Service with its existing Municipal Aggregator. Upon such notification, the Distribution Company shall send a "customer move" EDI transaction to the Municipal Aggregator or its designated Supplier.

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A Customer that moves within a Distribution Company's service territory and does not remain within the municipality served by the Municipal Aggregator shall receive Last Resort Service in accordance with the Company's applicable tariffs. The Distribution Company shall notify the Municipal Aggregator or its designated Supplier via an EDI "final bill indicator".

In those instances when a Customer moves into a Distribution Company's serviceterritory and resides within the Municipal Aggregator's service territory, the Customer will not be assigned to the Municipal Aggregator until the Municipal Aggregator or its designated Supplier submits an "enroll customer" EDI transaction for such Customer in accordance with Section 5D below. Prior to such "enroll customer" EDI transaction, the Customer shall receive Last Resort Service, in accordance with the Company's applicable tariffs.

5D. Request for Service Post-Implementation of a Municipal Aggregation Plan

The Company will inform customers that a complete listing of Suppliers and Municipal Aggregators is available via the Internet or the Company will mail a listing to the customer if desired.

To facilitate enrollment in a Municipal Aggregator's ongoing plan, upon request, the Company will electronically transmit the data described in Section 4B(1) through 4B(12) above of any then Eligible Customer to the Municipal Aggregator to facilitate the notification and Opt-Out requirements of the program. Once the appropriate notification has been provided to the Customer and applicable Opt- Out requirements met, the Municipal Aggregator or its designated Supplier may electronically enroll the Eligible Customers who have not exercised their Opt-Out right by submitting an "enroll customer" EDI transaction to the Company.

5E. Other Provisions

Distribution Companies and Municipal Aggregators or their designated Supplier shall send a "change enrollment detail" EDI transactions to change any information included on the "enroll customer" EDI transactions.

If any of the EDI transactions described above are rejected by the Distribution Company, the Distribution Company shall send an "error" EDI transaction to theMunicipal Aggregator or its designated Supplier identifying the reason for the rejection.

5F. Fees

The Company may charge fees to Municipal Aggregators for processing the transactions described above. These fees are included in Appendix A.

5G. Arrearage Management Program Customers

Customers of the Company who are participating in the Company's Arrearage Management Program ("AMP") at the time an applicable municipal aggregation plan commences shall

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complete their AMP payment plan (while remaining on the Company's Last Resort Service) and, upon completion of their AMP payment plan (including completion of any applicable renewals), the Company shall treat the Customer in the same manner as if the Customer was a new customer who moved into the municipality in accordance with Section 5C above.

6. Distribution Service Interruption

6A. Planned Outages

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 shall be proportionately allocated among all Customers whose load contributes to the need for the reduction, when such proportional curtailments can be accommodated within good utility practice.

6B. Unplanned Outages

In the event of unplanned outages, service will be restored in accordance with good utility practice. When appropriate, service restoration shall be accomplished in accordance with the Company's Emergency Response Plan.

6C. Disconnection of Service

The Distribution Company may discontinue Distribution Service to a Customer in accordance with the provisions set forth in the Terms and Conditions for Distribution Service. The Company shall provide electronic notification, using the "customer usage and billing information" transaction, to the Customer's Municipal Aggregator or its designated Supplier of record upon final billing to the Customer. Once disconnection occurs, the provision of Generation Service to the Customer is no longer the obligation of the Municipal Aggregator. The Company shall not be liable for any revenue losses incurred by Municipal Aggregator or its designated Supplier as a result of any such disconnection.

Any disconnected Customer that returns to eligibility for Distribution Service may have both Distribution Service from the Company and Generation Service from the Municipal Aggregator reinstated, but if the reinstatement takes place more than ten (10) days after the disconnection, such reinstatement shall be treated in the same manner as initiation of new service pursuant to Section 5D above.

7. Metering

7A. Meter Reading

The Company shall meter each Customer in accordance with applicable tariff provisions. Upon successful enrollment of a Customer by a Municipal Aggregator, the Company shall schedule meter reads on a monthly cycle.

Each Customer shall be metered or estimated such that the loads can be reported to the ISO-NE for inclusion in the Municipal Aggregator's NEPOOL market settlement obligations, or the Municipal Aggregator's designated Supplier's NEPOOL market settlement obligations.

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7B. Ownership of Metering Equipment

Should a Customer or a Municipal Aggregator request a new meter or that a communication device be attached to the existing meter, the Company shall provide, install, test, and maintain the requested metering or communication device. The requested meter or communication device must meet the Company's requirements. The Customer or Municipal Aggregator shall bear the cost of providing and installing the meter or communication device. Upon installation, the meter or communication device shall become the property of the Company and will be maintained by the Company. The Company shall complete installation of the meter or communication device, if reasonably possible, within thirty (30) days of receiving a written request from the Customer or Municipal Aggregator. The Company shall bill the Customer or Municipal Aggregator upon installation.

8. Billing

The Company shall provide a single bill, reflecting unbundled charges for electric service, to Customers who receive Last Resort Service.

The Company shall offer two billing service options to Customers receiving Generation Service from Municipal Aggregators: (1) Standard Passthrough Billing Service; and (2) Standard Complete Billing Service. The Municipal Aggregator shall inform the Distribution Company of the selected billing option, in accordance with EDI.

8A. Standard Passthrough Billing Service

The Company shall issue a bill for Distribution Service to each Customer. The Municipal Aggregator shall be responsible for separately billing its Customers for the cost of Generation Service provided by the Municipal Aggregator and for the collection of amounts due to the Municipal Aggregator from the Customer.

The Company shall send a "customer usage information" transaction to the Municipal Aggregator or its designated Supplier, in accordance with EDI.

8B. Standard Complete Billing Service

(1) Eligibility for Purchase of Receivables ("POR") Program

Suppliers that choose the Standard Complete Billing Service, either for all or a portion of their customer accounts in a class ("Participating Suppliers") will be required to sell their accounts receivable to the Company relating to Generation Service for those customers for whom the Company issues a Standard Complete Bill.

For the Residential Customer GroupClasses, as defined below, Suppliers in the POR program are required to use Standard Complete Billing Service, for all Residential accounts and to sell all accounts receivables associated with the Residential Customer GroupClasses to the Company.

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For Commercial and Industrial Customer Groups~~Classes~~, as defined below, Suppliers may elect to participate in the POR program for a portion of those accounts. Suppliers that participate in the POR program for a portion of their commercial and industrial accounts are required to use the Standard Complete Billing Service and to sell the accounts receivables associated with those accounts to the Company. For remaining commercial and industrial accounts, Suppliers must elect to directly bill the remaining accounts instead of participating in the POR program.

(2) Billing Procedure and Payment to Suppliers

The Company shall issue a single bill for electric service to each Customer. The Municipal Aggregator shall provide to the Company its designated Supplier's legal name, the rate, the price structure, and customer service telephone number. The Company shall use the rates supplied by the Municipal Aggregator to calculate the Municipal Aggregator's portion of Customer bills and integrate this billing with its own billing in a single mailing to the Customer. The Company shall send a "customer usage and billing information" transaction to the Municipal Aggregator or its designated Supplier, in accordance with EDI.

The Municipal Aggregator must notify the Company of any changes to the Municipal Aggregator's rates at least five (5) days before such rates are to be effective, and the Municipal Aggregator must notify the Company of any new rates and charges to that the Municipal Aggregator seeks to impose at least ten (10) days before such rates or charges are to be effective.

The Company shall send a "payment/adjustment" transaction to the Municipal Aggregator or its designated Supplier, in accordance with EDI or in accordance with a negotiated, uniform set of rules and procedures that apply to all Suppliers participating in the Company's POR program. Any such negotiated uniform set of rules and procedures must be filed by the Company with the R.I.P.U.C. for approval. Customer revenue due to the Municipal Aggregator or its designated Supplier shall be transferred to the Municipal Aggregator or its designated Supplier in accordance with the Service Agreement entered into by its designated Supplier and the Company.

The Municipal Aggregator shall promptly notify the Distribution Company of any billing errors or miscalculations it believes it has occurred.

Under the Complete Billing Service, Suppliers would provide the Company with rates and pricing structures to be implemented for designated Company customer classes. The Company would use the supplied rates to calculate the Supplier portion of Customer bills, then integrate this billing with the delivery service components of the bill in a single mailing to the Customer.

Suppliers must adhere to Customer classes and rate/pricing structures which follow the Company's format.

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If Suppliers make a written request for different Customer classes or rate structures, the Company will consider accommodating reasonable changes to its billing system. The requesting Supplier will be responsible for any costs incurred to make the designated changes, which will be quoted by the Company to the Supplier in advance of any changes.

Payments to Suppliers will be made in a lump sum for all Customers revenue due to the Supplier in a given day. These lump sum Supplier payments will be transferred via a three-day ACH transaction and credited to a predetermined Supplier bank account. Each Supplier must provide the Company with the name of the receiving bank, routing and transmit number (ABA number) and bank account number to facilitate this transfer. The account detail of the Supplier credited amounts will be provided by a separately transmitted electronic file which includes a detailed payment breakdown of individual Customer payments. The format of the record to be transmitted will be in accordance with EDI.

a. Timing of Payment to Participating Suppliers

The payment to Suppliers of the amounts computed in accordance with the provisions of paragraph 8B(2)b, below, shall be made consistent with the average payment period of the relevant Customer [GroupClass](#).

Unless otherwise ordered by the R.I.P.U.C., the average payment period shall be based on actual historical data for the most recent 12-month period for which data is available in the relevant classification, or other appropriate period, as approved by the R.I.P.U.C. No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. data on the average historical payment period that will be in place for the subsequent year beginning April 1. The Standard Complete Billing Percentage computed in accordance with the provisions of paragraph 8B(2)b, below, will remain in effect for the entire year, unless a change is otherwise approved by the R.I.P.U.C.

b. Amount of Payment to Participating Suppliers

The Company shall pay the Participating Supplier the full amounts due from Customers for Generation Service, less (a) the full amounts due from Customers for Generation Service multiplied by (b) the Standard Complete Billing Percentage as defined below. For any customer that has elected Budget Billing, the full amounts due for Generation Service shall be based on the customer's actual usage, rather than the amount the customer is billed under the Company's Budget Billing Program. In all other instances, the full amounts due for Generation Service shall be based on the amount actually billed to the Customer.

No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. the percentages that will be in place for the subsequent year

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beginning April 1. The percentages will remain in effect for the entire year unless a change is otherwise approved by the R.I.P.U.C. The percentages shall be computed in accordance with the following formula:

$$SCBP_{CGE} = UP_{CGE} + ACP_{CGE} + PPRP_{CGE}$$

Where

CGE = The Customer GroupClass defined as Customers in a rate class or classes as designated by the Company and approved by the R.I.P.U.C.

For purposes of this calculation, Customer GroupsClasses are defined as follows:

“Residential” shall mean those customers receiving retail delivery service on the following tariffs of the Company: Regular Residential Rate A-16 and Low-Income Residential Rate A-60.

“Commercial” shall mean those customers receiving retail delivery service on the following tariffs of the Company: General Service - Small Commercial and Industrial Rate C-06, General Service C&I Rate G-02, and Streetlighting Rates S-05, S-06, S-10, and S-14.

“Industrial” shall mean those customers receiving retail delivery service on the following tariffs of the Company: Large Demand Back-up Service Rate B-32, Large Demand Rate G-32, and Electric Propulsion Rate X-01.

$SCBP_{CGE}$ = Standard Complete Billing Percentage for the Customer GroupClass to be multiplied by the full amounts due from Customers for Generation Service and to be deducted from the full amounts due for Generation Service.

UP_{CGE} = Uncollectible Percentage is the uncollectible expense for the Customer GroupClass, exclusive of uncollectible expenses for existing receivables described in section 8B(3)b., based on actual data for the most recent period for which data is available prior to the annual filing, unless otherwise determined by the R.I.P.U.C, divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense, to that Customer GroupClass for the same period.

During the initial period (the initial period shall run from the effective date of POR through March 31, 2023) of program operation, the Uncollectible Percentage is the uncollectible

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expense for the Customer [GroupClass](#) based on actual data, excluding uncollectible expenses related to amounts billed by the Company for Generation Service purchased from Participating Suppliers, divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense and excluding amounts billed by the Company for Generation Service purchased from Participating Suppliers, to that Customer [GroupClass](#). The period used to calculate the first Uncollectible Percentage will be the most recent 12-month period for which data is available prior to the first filing.

ACP_{CGE} = Administrative Cost Percentage is total forecasted Administrative Costs to be recovered for the subsequent year divided by the total amounts billed for Generation Service by the Company for the most recent 12-month period for which data is available prior to the annual filing.

Administrative Costs shall include [\(1\)](#) the amortization of costs over three years or other term approved by the R.I.P.U.C., including carrying costs calculated at the Bank of America Prime Interest Rate, directly related to the development and implementation of changes to billing, information and accounting systems directly related to the implementation of the billing procedures necessary to incorporate the POR program into Standard Complete Billing Service as instituted in accordance R.I. Gen. Laws § 39-1-27.3 and [\(2\)](#) ongoing administrative costs directly associated with providing such Standard Complete Billing Service, to the extent approved by the R.I.P.U.C. Ongoing administrative costs shall include the cost of working capital associated with the POR program.

$PPRP_{CGE}$ = Past Period Reconciliation Percentage for the Customer [GroupClass](#) is the sum of the following three percentages:

(1) the percentage associated with the difference between estimated uncollectible expense reflected in the $SCBP_{CGE}$ applied to the full amounts due to Participating Suppliers for the applicable 12-month period and the actual uncollectible expense incurred over the same 12-month period, calculated as:

(i) the difference between (a) the uncollectible expenses actually experienced for previous year(s) for Customers in the Customer [GroupClass](#) for which the Company billed under Standard Complete Billing over the applicable 12-month period, calculated by multiplying the total amounts billed to Customers in the Customer

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GroupClass under Standard Complete Billing over the applicable 12-month period by the actual UP_{CGE} for the same twelve month period, and (b) the total amounts billed to Customers in the Customer GroupClass under Standard Complete Billing over the applicable 12-month period multiplied by the applicable UP_{CGE} from the previous year, plus

(ii) the difference between (a) the uncollectible expenses actually experienced associated with the purchase of existing receivables from Participating Suppliers and (b) the total amounts actually deducted from payments to Participating Suppliers for the purchase of their existing receivables.

(iii) divided by the total amounts billed to Customers in the Customer GroupClass under Standard Complete Billing for the same 12-month period.

(2) the difference between (a) the Administrative Costs actually incurred for previous year(s) for Customers in the Customer GroupClass purchasing Generation Service from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer GroupClass for Generation Service purchased from Participating Suppliers for those years times the applicable ACP_{CGE}, divided by the total amounts billed to Customers in the Customer GroupClass purchasing Generation Service from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

3) Interest calculated on the average monthly balance of the Past Period Reconciliation using the customer deposit rate, divided by the total amounts billed to Customers in the Customer GroupClass for Generation Service purchased from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

c. Information Required to be Filed with the R.I.P.U.C.

Information pertaining to the annual filing pursuant to paragraph 8B(2)a, and paragraph 8B(2)b, above, and any other filings to seek changes to the above provisions shall be fully documented and include updated information relating to preliminary reconciliation data for the year in which the filing is made, with actual reconciliation amounts to be submitted the subsequent year.

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(3) Implementation of POR Program

a. Effective Date

The POR program shall take effect no later than January 23, 2022 or as otherwise approved by the R.I.P.U.C.

b. Existing Receivables

Pursuant to a Billing Services Agreement applicable to the POR program, the Company shall pay a Participating Supplier for amounts already existing as outstanding accounts receivables of the Participating Supplier at the commencement of the POR program. The amounts purchased for the Existing Receivables shall be subject to full reconciliation in accordance with the PPRP_{CCE} provision in paragraph 8(B)2b above.

(4) Security Interests

Pursuant to the Billing Services Agreement applicable to the POR program, Participating Suppliers shall grant the Company a first priority perfected security interest in the accounts receivable that the Company will be purchasing through the POR program. A Participating Supplier shall be authorized by the Company to place a security interest on the accounts receivable from the Company to the Participating Supplier associated with the purchase by the Company of the Participating Supplier's accounts receivable.

(5) Summary Billing

The Company may offer a Summary Billing option to Customers who qualify by having multiple electric service accounts. Summary Billing is designed to consolidate multiple individual bills onto a single bill format, this optional service allows Customers to pay multiple bills with one check.

(6) Existing Fees

Existing Company service fees, such as interest charges for unpaid balances and bad check charges, shall remain in effect and shall be assessed, as applicable, according to the Company's Terms and Conditions for Distribution Service, applicable to all Customers.

8C. Definition of Standard Units of Service

(1) Billing Demand

Units of billing demand shall be as defined in the Company's applicable tariffs on file with the R.I.P.U.C.

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(2) On-Peak/Off-Peak Period Definitions

Municipal Aggregators may define on-peak and off-peak periods; however, they will be required to make special metering arrangements with the Company to reflect on-peak and off-peak definitions. Any costs incurred to provide the special metering arrangements shall be assigned to the Municipal Aggregator.

8D. Fees

The Company may charge fees to Municipal Aggregators for providing the services described in this Section 8. These fees are included in Appendix A.

9. Determination of Hourly Loads

- 9A. For each Municipal Aggregator, hourly loads for each day shall be estimated or telemetered and reported daily to the ISO-NE for inclusion in the Municipal Aggregator's NEPOOL market settlement obligations. Hourly load estimates for non-telemetered customers will be based upon load profiles developed for each customer class or Customer of the Company. The total hourly loads will be determined in accordance with the appropriate hourly load for the Company.
- 9B. The Company shall normally report a day's hourly loads to the ISO-NE by the time specified in the NEPOOL Rules. These loads shall be included by ISO-NE in the Municipal Aggregator's NEPOOL market settlement obligations.
- 9C. To refine the estimates of the Municipal Aggregator's loads that result from the estimated hourly loads, a monthly calculation shall be performed to incorporate the most recent customer usage information, which is available after the monthly meter readings are processed.
- 9D. The hourly loads shall be determined consistent with the following steps:
- (1) The Company shall identify or develop a load profile for each customer class or each Customer 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 Municipal Aggregator such that the sum of the Municipal Aggregator's loads equals the hourly metered loads collected each day. Distribution losses, which are included in the hourly metered Company loads, shall be fully allocated into Municipal Aggregator loads.
 - (4) Transmission losses from local network facilities shall be approximated and added to the Municipal Aggregator's hourly loads.

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- 9E. The process of Municipal Aggregator load estimation involves statistical samples and estimating error. The Distribution Company shall not be responsible for any estimating errors and shall not be liable to the Municipal Aggregator or its designated Supplier for any costs that are associated with such estimating errors.

10. Liability

The liability of the Municipal Aggregator to the Customer shall be as set forth in the terms of the Municipal Aggregation.

To the extent allowed under Rhode Island law and except in the case of negligence or bad faith conduct, the Company and the Municipal Aggregator shall waive recourse against the other party and its affiliates for or arising from the performance or non-performance by such other party of its obligations under these Terms and Conditions.

11. Gross Earnings Tax

The Supplier is the taxpayer with respect to the gross earnings tax (“GET”) imposed by Title 44, Chapter 13 of the General Laws of Rhode Island on its sales of electricity delivered to customers. The Supplier reports taxable gross receipts from sales of electricity on its own GET returns and is responsible to remit any related taxes, including any estimated tax payments, to the State. The Supplier is responsible for the GET obligations imposed on it by the State of Rhode Island and for the determination of the correct GET rate applicable to its sales. The Supplier is responsible to maintain any “Manufacturer’s Certificates for the Rate Reduction for Electricity and Gas Used in Manufacturing” necessary to support the GET rates applicable to Supplier sales.

The Company will separately state on the Customer’s bill any GET amounts, computed with respect to the GET rate provided by the Supplier.

In addition, the Company will separately state on the Customer’s bill any GET credit, computed with respect to the GET credit rate provided by the Supplier. If the amounts which the Company billed for electricity, separately stated gross earnings tax and separately stated GET credit are later determined to be incorrect, any corrections will be the responsibility of the Supplier

If the Customer was overcharged, the Supplier must refund the overcharges directly to the Customer. If the Customer was undercharged, the Supplier must seek recourse directly from its Customer. Further, the Supplier is responsible for any amendments to its GET returns made necessary by errors in the amounts it requests be billed to its Customers, as well as any GET assessments Imposed on it by the State, including related Interest and penalties. The Company has no responsibility for the Supplier’s GET liabilities to the State of Rhode Island or for any amounts the Supplier’s Customers claim to have been overcharged.

12. Other Required Costs

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’s Retail Terms and Conditions, applicable to all Customers. The cash posting sequence for customer payments to accounts is detailed in the Company’s

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EDI procedures.

13. Dispute Resolution

The Company will not be responsible for the resolution of disputes between Suppliers and Customers and/or Municipal Aggregators and Customers. Any disputes relating to compliance with these Terms and Conditions or the regulations of the R.I.P.U.C. or Rhode Island Division of Public Utilities and Carriers (“Division”) may be referred by the Company, the Supplier, the Municipal Aggregator, or the Customer to the Division and such disputes shall be subject to the regulatory oversight of the Division or R.I.P.U.C., as applicable.

14. Effective Date for Programming Changes

For Section 4B(10) (Gross Earnings Tax data exchange), the Company shall be provided with reasonable time beyond the effective date of these Terms and Conditions to make programming changes to its systems in order to execute the Gross Earnings Tax data exchange. Accordingly, Municipal Aggregators may not receive this information until such systems are in place.

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APPENDIX A SCHEDULE OF FEES AND CHARGES

The following fees and charges shall be a part of the Terms and Conditions for Municipal Aggregators.

1. ISO Reporting Set-Up and Transaction Fee

The Company may assess an ISO Reporting Set-Up and Transaction Fee for establishing the reporting protocol for an individual customer account that would enable the Company to report the customer's load data to ISO-NE on behalf of a Municipal Aggregator along with the daily reporting to ISO-NE of customer loads from the prior day. The ISO-NE Reporting Set-Up and Transaction Fee of eighty dollars (\$80) per account will be charged to and collected from all Municipal Aggregators who request the Company to report individual customer account load data to the ISO-NE as a result of providing programs and services to their customers beyond the provision of basic Generation Service.

2. Enhanced Metering Fee

The Company may assess an Enhanced Metering Fee, as provided for in the Company's Optional Enhanced Metering Service Tariff, R.I.P.U.C. No. 2203, as may be amended from time to time, for customers of Municipal Aggregators that require such metering in order to provide program and services beyond the provision of basic Generation Service. The Enhanced Metering Fees contained in the Optional Enhanced Metering Service Tariff, Option 1, will be charged to and collected from all Municipal Aggregators who request the Company to install such metering devices in order for their customers to participate in programs and services, including, but not limited to, load response programs which require telemetered installations.

3. Fee For Twelve Individual Month's Usage Broken Out By Month

The Company may assess a fee in accordance with the schedule below, to be paid by the Municipal Aggregator, for providing twelve individual month's usage broken out by month.

<u>Time to Process Request for Data</u>	<u>Fee</u>
Between 0 – 30 minutes	\$50.00
Between 31-60 minutes	\$100.00
Between 61-90 minutes	\$150.00
Between 91-120 minutes	\$200.00
Between 121-150 minutes	\$250.00
Over 150 minutes	\$300.00

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1. Applicability

- 1A. The following Terms and Conditions shall apply to every Municipal Aggregator that is conducting business pursuant to a municipal aggregation plan which has been adopted and approved in accordance with R.I. Gen. Laws § 39-3-1.2, and that is authorized to do business within the State of Rhode Island and the Company's service territory, and to every Customer doing business with said Municipal Aggregator.
- 1B. These Terms and Conditions may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in 810-RICR-00-00-1.10(D). In case of conflict between these Terms and Conditions and any orders or regulations of the R.I.P.U.C., said orders or regulations shall govern.
- 1C. No agent or employee of the Company is authorized to modify any provision contained in these Terms and Conditions or to bind the Company to perform in any manner contrary thereto. Any such modification to these Terms and Conditions or any such promise contrary thereto shall be in writing, duly executed by an authorized officer of the Company, and subject in all cases to applicable statutes and to the orders and regulations of the R.I.P.U.C., and available for public inspection during normal business hours at the business offices of the Company and at the offices of the R.I.P.U.C.

2. Definitions

"Aggregator" shall mean an entity which groups together electricity customers for retail sale purposes, except for public entities, quasipublic entities or authorities, or subsidiary organizations thereof, established under the laws of the state.

"Commission" shall mean the Federal Energy Regulatory Commission.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Distribution Company" or "Company" shall mean The Narragansett Electric Company.

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

"Electric Data Interchange" or "EDI" shall mean the exchange of business data in a standardized format between business computer systems.

"Eligible Customer" shall mean: (i) Customers receiving Last Resort Service, (ii) Customers receiving Last Resort Service and also enrolled in a green power product that allows Customers concurrent enrollment in Last Resort Service and competitive supply, including Generation Service through a Municipal Aggregation, and (iii) Customers who have requested that their contact information not be shared with Suppliers; and shall

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exclude: (i) Customers receiving competitive supply, (ii) Customers receiving Last Resort Service and also enrolled in a green power product that does not allow Customers concurrent enrollment in Last Resort Service and competitive supply, including Generation Service through a Municipal Aggregation, and (iii) Customers who have requested from the Distribution Company that they not be enrolled in competitive supply, which encompasses Generation Service through a Supplier or Municipal Aggregator.

“Enrollment Period” shall mean, for a particular Customer, the period of time during which a Municipal Aggregator may submit an enrollment EDI transaction to a Distribution Company for initiation of Generation Service concurrent with the start of the Customer’s next billing cycle.

“Generation Service” shall mean the sale of electricity to a Customer by a Supplier, including capacity and ancillary services such as the provision of reserves and all other services relating to generation required by ISO-NE, and retail offerings that utilize renewable energy certificates or represent alternative compliance payments that are bundled with generation, provided that such products can be billed using the Standard Complete Billing Service platform as described in Section 8B.

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

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

“ISO New England Operating Documents” shall mean the ISO Tariff and the ISO New England Operating Procedures, as amended, modified, superseded and supplemented from time to time.

“ISO-NE PTF” shall mean pool transmission facilities included in the ISO Tariff on file with the Commission.

“Last Resort Service” shall mean the service provided by the Distribution Company to a Customer who is not receiving Generation Service from a Supplier. For purposes of clarity, through December 31, 2020, Last Resort Service refers to standard offer service as provided by the Company in accordance with R.I. Gen. Laws § 39-1-27.3(b). Beginning January 1, 2021, Last Resort Service refers to last resort service as provided by the Company in accordance with R.I. Gen. Laws § 39-1-27.3(c).

“Market Rules and Procedures” shall mean the Market Rules, Manuals and Procedures adopted by the ISO-NE and/or NEPOOL, as may be amended from time to time, and as administered by the ISO to govern the operation of the NEPOOL markets.

“Municipal Aggregation” shall mean a program by which the electrical load of interested electricity consumers who are not otherwise served by an existing nonprofit electric supplier or municipal electric utility is aggregated by a municipality or group of municipalities for the purpose of soliciting bids, brokering, and contracting for electric power and energy services for such customers and approved by the R.I.P.U.C. pursuant to R.I. Gen. Laws § 39-3-1.2.

“Municipal Aggregator” shall mean an Aggregator that is comprised of a municipality or a group of municipalities, or duly authorized board or agency thereof, that is providing retail load aggregation pursuant to

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R.I. Gen. Laws § 39-3-1.2.

“NEPOOL” shall mean the New England Power Pool and its successors.

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

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

“Opt-Out” shall mean, for a particular customer, the ability to remove itself from the retail load aggregation service provided by a Municipal Aggregator prior to or after enrollment and receive Generation Service from the Distribution Company or a Supplier.

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

“Service Agreement” shall mean an agreement as set forth in Section 3C(5) herein.

“Supplier” shall mean any entity registered and in good standing with the Rhode Island Division of Public Utilities and Carriers (“Division”) to sell electricity to retail Customers in Rhode Island, with the following exceptions: (1) a Distribution Company providing Last Resort Service to its distribution Customers; (2) a nonprofit electric supplier; and (3) a municipal electric utility that is acting as a Distribution Company. A Supplier can sell electricity directly to retail Customers or through a Municipal Aggregator.

“Terms and Conditions” shall mean these Terms and Conditions for Municipal Aggregators.

3. Obligations of Parties

3A. Customer

Subject to the Terms and Conditions herein and unless a Customer chooses to Opt-Out, a Customer within the geographic area serviced by a Municipal Aggregator shall be enrolled to receive its Generation Service from that Municipal Aggregator within 30 days of the Municipal Aggregation being fully operational, and will be deemed to be serviced by that Municipal Aggregator for the purposes of the Distribution Company (1) reporting the Customer’s hourly electric consumption to the ISO-NE, and (2) providing billing services, either directly on behalf of the Municipal Aggregator or through arrangements with a third party.

The Customer may choose to Opt-Out of receiving Generation Service from the Municipal Aggregator. A Customer may elect to Opt-Out by notifying:

- (1) a Supplier and requesting Generation Service from that Supplier, in which case the

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Supplier will arrange to switch the Customer from the Municipal Aggregator's Generation Service to the Supplier's Generation Service in accordance with the Company's Terms and Conditions for Nonregulated Power Producers;

- (2) the Municipal Aggregator, in which case, the Municipal Aggregator will submit or direct its designated Supplier to submit a "supplier drops customer" EDI transaction, in accordance with Section 5B below. Upon such transaction, the Customer will be returned to Last Resort Service; or
- (3) the Company, provided such notification shall only be valid after the Municipal Aggregator has enrolled the Customer to its Generation Service. Prior to such enrollment, the Customer shall be referred to the Municipal Aggregator to renew the Opt-Out notification with the Municipal Aggregator. If the Customer provides a valid Opt-Out notification to the Company, the Customer will be returned to Last Resort Service and the Company will notify the Supplier.

3B. Distribution Company

The Company shall:

- (1) Arrange for or provide (i) regional network transmission service over ISO-NE PTF and (ii) local network transmission service from ISO-NE PTF to the Company's Distribution System for each Customer, unless the Customer or its Municipal Aggregator otherwise arranges for such service;
- (2) Deliver power over distribution facilities to each Customer Delivery Point;
- (3) Provide customer service and support for Distribution Service;
- (4) Respond to service interruptions or power quality problems;
- (5) Handle connections and terminations;
- (6) Read meters;
- (7) Submit bills to Customers for Distribution Service;
- (8) Address billing inquiries for Distribution Service;
- (9) Answer general questions about Distribution Service;
- (10) Report Municipal Aggregators' estimated and metered loads, including local network transmission and distribution losses, to the ISO-NE, in accordance with Section 9 below;
- (11) Process the electronic data interchange transactions submitted by Municipal Aggregators/Suppliers and send the necessary electronic interchange data transactions

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to Municipal Aggregators/Suppliers, in accordance with Section 5 below, and the general rules and procedures for EDI;

- (12) Provide information regarding, at a minimum, rate tariffs, billing cycles, and load profiles, on its website or by alternate electronic means;
- (13) Provide Municipal Aggregators with information in accordance with Section 4 of these Terms and Conditions; and
- (14) Provide Last Resort Service to Customers in accordance with the Company's applicable tariffs.

3C. Municipal Aggregator

The Municipal Aggregator shall designate a Supplier and notify the Company of its designation. If at any time the Municipal Aggregator changes Supplier, it shall provide notice of such change to the Company. Notice shall be as provided in writing or by electronic mail, as provided in the Service Agreement. In order to initiate and maintain the Municipal Aggregation, the Municipal Aggregator, either directly or through its relationship with the Supplier servicing the load of the Municipal Aggregation, as applicable, shall:

- (1) Meet the registration and licensing requirements established by law or regulation and either (i) have a fully executed a Market Participant Service Agreement ("MPSA") with ISO-NE that has been approved by the Commission in accordance with Subsection 7.1 of the MPSA and ISO-NE has not filed with the Commission a notice of termination of such MPSA or (ii) have an agreement in place with an ISO-NE member whereby the ISO-NE member agrees to include the load to be served by the Municipal Aggregator in such ISO-NE member's NEPOOL market settlement obligations;
- (2) Provide all-requirements service to meet each of its Customers' needs and to deliver the associated capacity and energy to a point or points on ISO- NE PTF;
- (3) Be responsible for any and all losses incurred on (i) local network transmission systems and distribution systems, as determined by the Company; (ii) ISO-NE PTF, as determined by the ISO-NE; and (iii) facilities linking generation to ISO-NE PTF, and also be responsible for all transmission wheeling charges necessary to reach ISO-NE PTF;
- (4) Direct the Supplier to successfully complete EDI testing of the transactions prior to the initiation of generation service to any Customers in the Company's service territory.
- (5) Direct the Supplier to complete and provide an information sheet/billing application to and/or enter into a Service Agreement with the Distribution Company, prior to the initiation of Generation Service to any Customer in the Company's service territory, that provides information about the specific parameters of the Municipal Aggregation;

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- (6) Provide information and educate the Customer on Municipal Aggregation. The information must include the Customer's right of rescission period, as applicable, and the Opt-Out option. The Opt-Out notice must be sent by the Municipality as a separate mailing in such manner as reasonably presented to draw to the attention of each Customer to the importance of the decision the Customer must make. Such notice shall at a minimum provide:
 - (a) Notification to the Customers that the Municipal Aggregator will automatically enroll them in the Municipal Aggregator's retail load aggregation program by a date certain, which shall be within 30 days of the date the Municipal Aggregator is fully operational;
 - (b) Information about the Customers' rights to Opt-Out; and
- (7) Provide as much notice as possible of an event of default by the Supplier or Municipal Aggregator under the supply contract between the two which would trigger the suspension or early termination of the supply contract, so that the Company can prepare to return the Customers to Last Resort Service. The Municipal Aggregator is responsible for submitting the appropriate EDI transactions to return the customers to Last Resort Service.

4. Customer Data Exchange

- 4A. Prior to the R.I.P.U.C.'s approval of an aggregation plan, upon authorization by a duly designated officer of a municipality, the Company shall provide the following Customer data for all accounts within the municipality to the Municipal Aggregator that is identified in the authorization to facilitate the implementation of a Municipal Aggregation program:
 - (1) Twelve individual month's aggregate consumption usage information;
 - (2) Customer count by service class; and
 - (3) Data in 4A(1) and 4A(2) by status as Eligible Customer to the City's/Town's Aggregation Program.

This initial exchange of data governed by this Section 4A is not subject to the fee described in Appendix A

- 4B. Upon the R.I.P.U.C.'s approval of the Municipal Aggregator's plan pursuant to R.I. Gen. Laws § 39-3-1.2, or thereafter upon the reasonable (not more than monthly) request of the Municipal Aggregator pursuant to Section 5D of these Terms and Conditions, the Company shall provide the following Customer data for all Eligible Customer accounts within the municipality, in an electronic format (to be determined by Company), to conduct a competitive bid and/or enroll customers with the Supplier:
 - (1) Primary customer name;
 - (2) First four characters of last name;

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- (3) Account number;
- (4) Service address;
- (5) Mailing address;
- (6) Service class;
- (7) Tariff service description;
- (8) ICAP;
- (9) Meter read cycle;
- (10) Gross earning tax exemption status;
- (11) Four digit City-County Code; and
- (12) Subject to the fee as described in Appendix A, twelve individual month's usage broken out by month.

4C. Following the launch of a Municipal Aggregation program, and subject to the fee as described in Appendix A of these Terms and Conditions for item 4B(12), a Municipal Aggregator may request data as described in Section 4B of these Terms and Conditions for enrolled Customers. The current supply rate of each enrolled Customer is not included as part of this data exchange.

5. Initiation and Termination of Generation Service

5A. Initiation of Generation Service

Within 30 days that a Municipal Aggregator is fully operational, the Municipal Aggregator shall ensure that all Customers who are within the area the Municipal Aggregator intends to serve and who have not exercised their Opt-Out right, are properly enrolled to receive Generation Service from the Municipal Aggregator. For each such Customer, the Municipal Aggregator shall submit an "enroll customer" EDI transaction to the Company. The Municipal Aggregator and its designated Supplier shall hold the "enroll customer" EDI transaction until any applicable right of rescission has lapsed.

If the information on the enrollment transaction is correct, the Distribution Company shall send the Municipal Aggregator or, if requested, its designated Supplier a "successful enrollment" EDI transaction. Generation Service shall commence on the date of the Customer's next scheduled meter read, provided that the Municipal Aggregator or its designated Supplier has submitted the enrollment EDI transaction to the Distribution Company no fewer than four business days prior to the meter read date. If the Municipal Aggregator or its designated Supplier has not submitted the enrollment EDI transaction at least four days before the meter read date, Generation Service shall commence on the date of the Customer's subsequent scheduled meter read.

If Distribution Company receives multiple enrollment EDI transactions for a given Customer from different Municipal Aggregators and/or Suppliers during the same enrollment period, the first EDI transaction that is received by the Distribution Company shall be accepted. All other EDI transactions shall be rejected. Rejected EDI transactions may be resubmitted during the Customer's next enrollment period.

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5B. Exercise of Opt-Out/Termination of Municipal Aggregator Generation Service

If a Customer seeks to Opt-Out of the Aggregation before being enrolled to receive Generation Service from a Municipal Aggregator, the Customer shall notify the Municipal Aggregator. Efforts by the Customer to notify the Distribution Company of such an Opt-Out prior to the Customer's enrollment shall be invalid. Upon such notification, the Municipal Aggregator and its designated Supplier shall refrain from submitting an "enroll customer" EDI transaction for such Customer pursuant to Section 5A above.

If a Customer Opts-Out of the Municipal Aggregation after being enrolled to receive Generation Service from a Municipal Aggregator, or if the Customer otherwise chooses to terminate its receipt of Generation Service from said Municipal Aggregator, and the Customer notifies the Municipal Aggregator, the Municipal Aggregator or its designated Supplier shall submit a "supplier drops customer" EDI transaction. The Distribution Company shall send a "confirm drop date" EDI transaction to the Municipal Aggregator or its designated Supplier. Generation Service shall be terminated on the date of the Customer's next scheduled meter read, provided that the Municipal Aggregator or its designated Supplier has submitted this EDI transaction to the Distribution Company no fewer than four business days prior to the meter read date. If the Municipal Aggregator or its designated Supplier has not submitted this EDI transaction at least four days before the meter read date, Generation Service shall be terminated on the date of the Customer's subsequent scheduled meter read. Upon such notification, the Municipal Aggregator or its designated Supplier shall refrain from submitting an "enroll customer" EDI transaction for such Customer pursuant to Section 5A above.

If a Customer Opts-Out from the Municipal Aggregation after being enrolled to receive Generation Service from a Municipal Aggregator, or if the Customer otherwise chooses to terminate its receipt of Generation Service from said Municipal Aggregator, and the Customer informs the Distribution Company directly, Generation Service shall be terminated within two business days for residential customers; for other customers, Generation Service shall be terminated on the date of the Customer's next scheduled meter read. The Distribution Company shall notify the Municipal Aggregator or its designated Supplier of the customer drop.

In those instances when a Customer who is receiving Generation Service from a Municipal Aggregator wishes to initiate Generation Service with an unrelated Supplier, the Supplier shall submit an "enroll customer" EDI transaction, and the timing of the termination of Generation Service by the Municipal Aggregator and commencement of Generation service by the Supplier shall be governed by Company's Terms and Conditions for Nonregulated Power Producers.

5C. Customer Moves

A Customer that moves within a Distribution Company's service territory and remains within the same municipality served by the Municipal Aggregator shall have the opportunity to notify the Distribution Company that it seeks to continue Generation Service with its existing Municipal Aggregator. Upon such notification, the Distribution Company shall send a "customer move" EDI transaction to the Municipal Aggregator or its designated Supplier.

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A Customer that moves within a Distribution Company's service territory and does not remain within the municipality served by the Municipal Aggregator shall receive Last Resort Service in accordance with the Company's applicable tariffs. The Distribution Company shall notify the Municipal Aggregator or its designated Supplier via an EDI "final bill indicator".

In those instances when a Customer moves into a Distribution Company's serviceterritory and resides within the Municipal Aggregator's service territory, the Customer will not be assigned to the Municipal Aggregator until the Municipal Aggregator or its designated Supplier submits an "enroll customer" EDI transaction for such Customer in accordance with Section 5D below. Prior to such "enroll customer" EDI transaction, the Customer shall receive Last Resort Service, in accordance with the Company's applicable tariffs.

5D. Request for Service Post-Implementation of a Municipal Aggregation Plan

The Company will inform customers that a complete listing of Suppliers and Municipal Aggregators is available via the Internet or the Company will mail a listing to the customer if desired.

To facilitate enrollment in a Municipal Aggregator's ongoing plan, upon request, the Company will electronically transmit the data described in Section 4B(1) through 4B(12) above of any then Eligible Customer to the Municipal Aggregator to facilitate the notification and Opt-Out requirements of the program. Once the appropriate notification has been provided to the Customer and applicable Opt- Out requirements met, the Municipal Aggregator or its designated Supplier may electronically enroll the Eligible Customers who have not exercised their Opt-Out right by submitting an "enroll customer" EDI transaction to the Company.

5E. Other Provisions

Distribution Companies and Municipal Aggregators or their designated Supplier shall send a "change enrollment detail" EDI transactions to change any information included on the "enroll customer" EDI transactions.

If any of the EDI transactions described above are rejected by the Distribution Company, the Distribution Company shall send an "error" EDI transaction to theMunicipal Aggregator or its designated Supplier identifying the reason for the rejection.

5F. Fees

The Company may charge fees to Municipal Aggregators for processing the transactions described above. These fees are included in Appendix A.

5G. Arrearage Management Program Customers

Customers of the Company who are participating in the Company's Arrearage Management Program ("AMP") at the time an applicable municipal aggregation plan commences shall

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complete their AMP payment plan (while remaining on the Company's Last Resort Service) and, upon completion of their AMP payment plan (including completion of any applicable renewals), the Company shall treat the Customer in the same manner as if the Customer was a new customer who moved into the municipality in accordance with Section 5C above.

6. Distribution Service Interruption

6A. Planned Outages

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 shall be proportionately allocated among all Customers whose load contributes to the need for the reduction, when such proportional curtailments can be accommodated within good utility practice.

6B. Unplanned Outages

In the event of unplanned outages, service will be restored in accordance with good utility practice. When appropriate, service restoration shall be accomplished in accordance with the Company's Emergency Response Plan.

6C. Disconnection of Service

The Distribution Company may discontinue Distribution Service to a Customer in accordance with the provisions set forth in the Terms and Conditions for Distribution Service. The Company shall provide electronic notification, using the "customer usage and billing information" transaction, to the Customer's Municipal Aggregator or its designated Supplier of record upon final billing to the Customer. Once disconnection occurs, the provision of Generation Service to the Customer is no longer the obligation of the Municipal Aggregator. The Company shall not be liable for any revenue losses incurred by Municipal Aggregator or its designated Supplier as a result of any such disconnection.

Any disconnected Customer that returns to eligibility for Distribution Service may have both Distribution Service from the Company and Generation Service from the Municipal Aggregator reinstated, but if the reinstatement takes place more than ten (10) days after the disconnection, such reinstatement shall be treated in the same manner as initiation of new service pursuant to Section 5D above.

7. Metering

7A. Meter Reading

The Company shall meter each Customer in accordance with applicable tariff provisions. Upon successful enrollment of a Customer by a Municipal Aggregator, the Company shall schedule meter reads on a monthly cycle.

Each Customer shall be metered or estimated such that the loads can be reported to the ISO-NE for inclusion in the Municipal Aggregator's NEPOOL market settlement obligations, or the Municipal Aggregator's designated Supplier's NEPOOL market settlement obligations.

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7B. Ownership of Metering Equipment

Should a Customer or a Municipal Aggregator request a new meter or that a communication device be attached to the existing meter, the Company shall provide, install, test, and maintain the requested metering or communication device. The requested meter or communication device must meet the Company's requirements. The Customer or Municipal Aggregator shall bear the cost of providing and installing the meter or communication device. Upon installation, the meter or communication device shall become the property of the Company and will be maintained by the Company. The Company shall complete installation of the meter or communication device, if reasonably possible, within thirty (30) days of receiving a written request from the Customer or Municipal Aggregator. The Company shall bill the Customer or Municipal Aggregator upon installation.

8. Billing

The Company shall provide a single bill, reflecting unbundled charges for electric service, to Customers who receive Last Resort Service.

The Company shall offer two billing service options to Customers receiving Generation Service from Municipal Aggregators: (1) Standard Passthrough Billing Service; and (2) Standard Complete Billing Service. The Municipal Aggregator shall inform the Distribution Company of the selected billing option, in accordance with EDI.

8A. Standard Passthrough Billing Service

The Company shall issue a bill for Distribution Service to each Customer. The Municipal Aggregator shall be responsible for separately billing its Customers for the cost of Generation Service provided by the Municipal Aggregator and for the collection of amounts due to the Municipal Aggregator from the Customer.

The Company shall send a "customer usage information" transaction to the Municipal Aggregator or its designated Supplier, in accordance with EDI.

8B. Standard Complete Billing Service

(1) Eligibility for Purchase of Receivables ("POR") Program

Suppliers that choose the Standard Complete Billing Service, either for all or a portion of their customer accounts in a class ("Participating Suppliers") will be required to sell their accounts receivable to the Company relating to Generation Service for those customers for whom the Company issues a Standard Complete Bill.

For the Residential Customer Group, as defined below, Suppliers in the POR program are required to use Standard Complete Billing Service, for all Residential accounts and to sell all accounts receivables associated with the Residential Customer Group to the Company.

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For Commercial and Industrial Customer Groups, as defined below, Suppliers may elect to participate in the POR program for a portion of those accounts. Suppliers that participate in the POR program for a portion of their commercial and industrial accounts are required to use the Standard Complete Billing Service and to sell the accounts receivables associated with those accounts to the Company. For remaining commercial and industrial accounts, Suppliers must elect to directly bill the remaining accounts instead of participating in the POR program.

(2) Billing Procedure and Payment to Suppliers

The Company shall issue a single bill for electric service to each Customer. The Municipal Aggregator shall provide to the Company its designated Supplier's legal name, the rate, the price structure, and customer service telephone number. The Company shall use the rates supplied by the Municipal Aggregator to calculate the Municipal Aggregator's portion of Customer bills and integrate this billing with its own billing in a single mailing to the Customer. The Company shall send a "customer usage and billing information" transaction to the Municipal Aggregator or its designated Supplier, in accordance with EDI.

The Municipal Aggregator must notify the Company of any changes to the Municipal Aggregator's rates at least five (5) days before such rates are to be effective, and the Municipal Aggregator must notify the Company of any new rates and charges to that the Municipal Aggregator seeks to impose at least ten (10) days before such rates or charges are to be effective.

The Company shall send a "payment/adjustment" transaction to the Municipal Aggregator or its designated Supplier, in accordance with EDI or in accordance with a negotiated, uniform set of rules and procedures that apply to all Suppliers participating in the Company's POR program. Any such negotiated uniform set of rules and procedures must be filed by the Company with the R.I.P.U.C. for approval. Customer revenue due to the Municipal Aggregator or its designated Supplier shall be transferred to the Municipal Aggregator or its designated Supplier in accordance with the Service Agreement entered into by its designated Supplier and the Company.

The Municipal Aggregator shall promptly notify the Distribution Company of any billing errors or miscalculations it believes it has occurred.

Under the Complete Billing Service, Suppliers would provide the Company with rates and pricing structures to be implemented for designated Company customer classes. The Company would use the supplied rates to calculate the Supplier portion of Customer bills, then integrate this billing with the delivery service components of the bill in a single mailing to the Customer.

Suppliers must adhere to Customer classes and rate/pricing structures which follow the Company's format.

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If Suppliers make a written request for different Customer classes or rate structures, the Company will consider accommodating reasonable changes to its billing system. The requesting Supplier will be responsible for any costs incurred to make the designated changes, which will be quoted by the Company to the Supplier in advance of any changes.

Payments to Suppliers will be made in a lump sum for all Customers revenue due to the Supplier in a given day. These lump sum Supplier payments will be transferred via a three-day ACH transaction and credited to a predetermined Supplier bank account. Each Supplier must provide the Company with the name of the receiving bank, routing and transmit number (ABA number) and bank account number to facilitate this transfer. The account detail of the Supplier credited amounts will be provided by a separately transmitted electronic file which includes a detailed payment breakdown of individual Customer payments. The format of the record to be transmitted will be in accordance with EDI.

a. Timing of Payment to Participating Suppliers

The payment to Suppliers of the amounts computed in accordance with the provisions of paragraph 8B(2)b, below, shall be made consistent with the average payment period of the relevant Customer Group.

Unless otherwise ordered by the R.I.P.U.C., the average payment period shall be based on actual historical data for the most recent 12-month period for which data is available in the relevant classification, or other appropriate period, as approved by the R.I.P.U.C. No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. data on the average historical payment period that will be in place for the subsequent year beginning April 1. The Standard Complete Billing Percentage computed in accordance with the provisions of paragraph 8B(2)b, below, will remain in effect for the entire year, unless a change is otherwise approved by the R.I.P.U.C.

b. Amount of Payment to Participating Suppliers

The Company shall pay the Participating Supplier the full amounts due from Customers for Generation Service, less (a) the full amounts due from Customers for Generation Service multiplied by (b) the Standard Complete Billing Percentage as defined below. For any customer that has elected Budget Billing, the full amounts due for Generation Service shall be based on the customer's actual usage, rather than the amount the customer is billed under the Company's Budget Billing Program. In all other instances, the full amounts due for Generation Service shall be based on the amount actually billed to the Customer.

No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. the percentages that will be in place for the subsequent year

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beginning April 1. The percentages will remain in effect for the entire year unless a change is otherwise approved by the R.I.P.U.C. The percentages shall be computed in accordance with the following formula:

$$SCBP_{CG} = UP_{CG} + ACP_{CG} + PPRP_{CG}$$

Where

CG = The Customer Group defined as Customers in a rate class or classes as designated by the Company and approved by the R.I.P.U.C.

For purposes of this calculation, Customer Groups are defined as follows:

“Residential” shall mean those customers receiving retail delivery service on the following tariffs of the Company: Regular Residential Rate A-16 and Low-Income Residential Rate A-60.

“Commercial” shall mean those customers receiving retail delivery service on the following tariffs of the Company: General Service - Small Commercial and Industrial Rate C-06, General Service C&I Rate G-02, and Streetlighting Rates S-05, S-06, S-10, and S-14.

“Industrial” shall mean those customers receiving retail delivery service on the following tariffs of the Company: Large Demand Back-up Service Rate B-32, Large Demand Rate G-32, and Electric Propulsion Rate X-01.

SCBP_{CG} = Standard Complete Billing Percentage for the Customer Group to be multiplied by the full amounts due from Customers for Generation Service and to be deducted from the full amounts due for Generation Service.

UP_{CG} = Uncollectible Percentage is the uncollectible expense for the Customer Group, exclusive of uncollectible expenses for existing receivables described in section 8B(3)b., based on actual data for the most recent period for which data is available prior to the annual filing, unless otherwise determined by the R.I.P.U.C., divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense, to that Customer Group for the same period.

During the initial period (the initial period shall run from the effective date of POR through March 31, 2023) of program operation, the Uncollectible Percentage is the uncollectible

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expense for the Customer Group based on actual data, excluding uncollectible expenses related to amounts billed by the Company for Generation Service purchased from Participating Suppliers, divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense and excluding amounts billed by the Company for Generation Service purchased from Participating Suppliers, to that Customer Group. The period used to calculate the first Uncollectible Percentage will be the most recent 12-month period for which data is available prior to the first filing.

ACP_{CG} = Administrative Cost Percentage is total forecasted Administrative Costs to be recovered for the subsequent year divided by the total amounts billed for Generation Service by the Company for the most recent 12-month period for which data is available prior to the annual filing.

Administrative Costs shall include (1) the amortization of costs over three years or other term approved by the R.I.P.U.C., including carrying costs calculated at the Bank of America Prime Interest Rate, directly related to the development and implementation of changes to billing, information and accounting systems directly related to the implementation of the billing procedures necessary to incorporate the POR program into Standard Complete Billing Service as instituted in accordance R.I. Gen. Laws § 39-1-27.3 and (2) ongoing administrative costs directly associated with providing such Standard Complete Billing Service, to the extent approved by the R.I.P.U.C. Ongoing administrative costs shall include the cost of working capital associated with the POR program.

$PPRP_{CG}$ = Past Period Reconciliation Percentage for the Customer Group is the sum of the following three percentages:

(1) the percentage associated with the difference between estimated uncollectible expense reflected in the $SCBP_{CG}$ applied to the full amounts due to Participating Suppliers for the applicable 12-month period and the actual uncollectible expense incurred over the same 12-month period, calculated as:

(i) the difference between (a) the uncollectible expenses actually experienced for previous year(s) for Customers in the Customer Group for which the Company billed under Standard Complete Billing over the applicable 12-month period, calculated by multiplying the total amounts billed to Customers in the Customer Group

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under Standard Complete Billing over the applicable 12-month period by the actual UP_{CG} for the same twelve month period, and (b) the total amounts billed to Customers in the Customer Group under Standard Complete Billing over the applicable 12-month period multiplied by the applicable UP_{CG} from the previous year, plus

(ii) the difference between (a) the uncollectible expenses actually experienced associated with the purchase of existing receivables from Participating Suppliers and (b) the total amounts actually deducted from payments to Participating Suppliers for the purchase of their existing receivables.

(iii) divided by the total amounts billed to Customers in the Customer Group under Standard Complete Billing for the same 12-month period.

(2) the difference between (a) the Administrative Costs actually incurred for previous year(s) for Customers in the Customer Group purchasing Generation Service from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer Group for Generation Service purchased from Participating Suppliers for those years times the applicable ACP_{CG} , divided by the total amounts billed to Customers in the Customer Group purchasing Generation Service from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

3) Interest calculated on the average monthly balance of the Past Period Reconciliation using the customer deposit rate, divided by the total amounts billed to Customers in the Customer Group for Generation Service purchased from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

c. Information Required to be Filed with the R.I.P.U.C.

Information pertaining to the annual filing pursuant to paragraph 8B(2)a, and paragraph 8B(2)b, above, and any other filings to seek changes to the above provisions shall be fully documented and include updated information relating to preliminary reconciliation data for the year in which the filing is made, with actual reconciliation amounts to be submitted the subsequent year.

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(3) Implementation of POR Program

a. Effective Date

The POR program shall take effect no later than January 23, 2022 or as otherwise approved by the R.I.P.U.C.

b. Existing Receivables

Pursuant to a Billing Services Agreement applicable to the POR program, the Company shall pay a Participating Supplier for amounts already existing as outstanding accounts receivables of the Participating Supplier at the commencement of the POR program. The amounts purchased for the Existing Receivables shall be subject to full reconciliation in accordance with the PPRP_{CG} provision in paragraph 8(B)2b above.

(4) Security Interests

Pursuant to the Billing Services Agreement applicable to the POR program, Participating Suppliers shall grant the Company a first priority perfected security interest in the accounts receivable that the Company will be purchasing through the POR program. A Participating Supplier shall be authorized by the Company to place a security interest on the accounts receivable from the Company to the Participating Supplier associated with the purchase by the Company of the Participating Supplier's accounts receivable.

(5) Summary Billing

The Company may offer a Summary Billing option to Customers who qualify by having multiple electric service accounts. Summary Billing is designed to consolidate multiple individual bills onto a single bill format, this optional service allows Customers to pay multiple bills with one check.

(6) Existing Fees

Existing Company service fees, such as interest charges for unpaid balances and bad check charges, shall remain in effect and shall be assessed, as applicable, according to the Company's Terms and Conditions for Distribution Service, applicable to all Customers.

8C. Definition of Standard Units of Service

(1) Billing Demand

Units of billing demand shall be as defined in the Company's applicable tariffs on file with the R.I.P.U.C.

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(2) On-Peak/Off-Peak Period Definitions

Municipal Aggregators may define on-peak and off-peak periods; however, they will be required to make special metering arrangements with the Company to reflect on-peak and off-peak definitions. Any costs incurred to provide the special metering arrangements shall be assigned to the Municipal Aggregator.

8D. Fees

The Company may charge fees to Municipal Aggregators for providing the services described in this Section 8. These fees are included in Appendix A.

9. Determination of Hourly Loads

- 9A. For each Municipal Aggregator, hourly loads for each day shall be estimated or telemetered and reported daily to the ISO-NE for inclusion in the Municipal Aggregator's NEPOOL market settlement obligations. Hourly load estimates for non-telemetered customers will be based upon load profiles developed for each customer class or Customer of the Company. The total hourly loads will be determined in accordance with the appropriate hourly load for the Company.
- 9B. The Company shall normally report a day's hourly loads to the ISO-NE by the time specified in the NEPOOL Rules. These loads shall be included by ISO-NE in the Municipal Aggregator's NEPOOL market settlement obligations.
- 9C. To refine the estimates of the Municipal Aggregator's loads that result from the estimated hourly loads, a monthly calculation shall be performed to incorporate the most recent customer usage information, which is available after the monthly meter readings are processed.
- 9D. The hourly loads shall be determined consistent with the following steps:
- (1) The Company shall identify or develop a load profile for each customer class or each Customer 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 Municipal Aggregator such that the sum of the Municipal Aggregator's loads equals the hourly metered loads collected each day. Distribution losses, which are included in the hourly metered Company loads, shall be fully allocated into Municipal Aggregator loads.
 - (4) Transmission losses from local network facilities shall be approximated and added to the Municipal Aggregator's hourly loads.

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- 9E. The process of Municipal Aggregator load estimation involves statistical samples and estimating error. The Distribution Company shall not be responsible for any estimating errors and shall not be liable to the Municipal Aggregator or its designated Supplier for any costs that are associated with such estimating errors.

10. Liability

The liability of the Municipal Aggregator to the Customer shall be as set forth in the terms of the Municipal Aggregation.

To the extent allowed under Rhode Island law and except in the case of negligence or bad faith conduct, the Company and the Municipal Aggregator shall waive recourse against the other party and its affiliates for or arising from the performance or non-performance by such other party of its obligations under these Terms and Conditions.

11. Gross Earnings Tax

The Supplier is the taxpayer with respect to the gross earnings tax (“GET”) imposed by Title 44, Chapter 13 of the General Laws of Rhode Island on its sales of electricity delivered to customers. The Supplier reports taxable gross receipts from sales of electricity on its own GET returns and is responsible to remit any related taxes, including any estimated tax payments, to the State. The Supplier is responsible for the GET obligations imposed on it by the State of Rhode Island and for the determination of the correct GET rate applicable to its sales. The Supplier is responsible to maintain any “Manufacturer’s Certificates for the Rate Reduction for Electricity and Gas Used in Manufacturing” necessary to support the GET rates applicable to Supplier sales.

The Company will separately state on the Customer’s bill any GET amounts, computed with respect to the GET rate provided by the Supplier.

In addition, the Company will separately state on the Customer’s bill any GET credit, computed with respect to the GET credit rate provided by the Supplier. If the amounts which the Company billed for electricity, separately stated gross earnings tax and separately stated GET credit are later determined to be incorrect, any corrections will be the responsibility of the Supplier

If the Customer was overcharged, the Supplier must refund the overcharges directly to the Customer. If the Customer was undercharged, the Supplier must seek recourse directly from its Customer. Further, the Supplier is responsible for any amendments to its GET returns made necessary by errors in the amounts it requests be billed to its Customers, as well as any GET assessments Imposed on it by the State, including related Interest and penalties. The Company has no responsibility for the Supplier’s GET liabilities to the State of Rhode Island or for any amounts the Supplier’s Customers claim to have been overcharged.

12. Other Required Costs

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’s Retail Terms and Conditions, applicable to all Customers. The cash posting sequence for customer payments to accounts is detailed in the Company’s

**THE NARRAGANSETT ELECTRIC COMPANY
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EDI procedures.

13. Dispute Resolution

The Company will not be responsible for the resolution of disputes between Suppliers and Customers and/or Municipal Aggregators and Customers. Any disputes relating to compliance with these Terms and Conditions or the regulations of the R.I.P.U.C. or Rhode Island Division of Public Utilities and Carriers (“Division”) may be referred by the Company, the Supplier, the Municipal Aggregator, or the Customer to the Division and such disputes shall be subject to the regulatory oversight of the Division or R.I.P.U.C., as applicable.

14. Effective Date for Programming Changes

For Section 4B(10) (Gross Earnings Tax data exchange), the Company shall be provided with reasonable time beyond the effective date of these Terms and Conditions to make programming changes to its systems in order to execute the Gross Earnings Tax data exchange. Accordingly, Municipal Aggregators may not receive this information until such systems are in place.

**THE NARRAGANSETT ELECTRIC COMPANY
TERMS AND CONDITIONS FOR MUNICIPAL AGGREGATORS**

APPENDIX A SCHEDULE OF FEES AND CHARGES

The following fees and charges shall be a part of the Terms and Conditions for MunicipalAggregators.

1. ISO Reporting Set-Up and Transaction Fee

The Company may assess an ISO Reporting Set-Up and Transaction Fee for establishing the reporting protocol for an individual customer account that would enable the Company to report the customer’s load data to ISO-NE on behalf of a Municipal Aggregator along with the daily reporting to ISO-NE of customer loads from the prior day. The ISO-NE Reporting Set-Up and Transaction Fee of eighty dollars (\$80) per account will be charged to and collected from all Municipal Aggregators who request the Company to report individual customer account load data to the ISO-NE as a result of providing programs and services to their customers beyond the provision of basic Generation Service.

2. Enhanced Metering Fee

The Company may assess an Enhanced Metering Fee, as provided for in the Company’s Optional Enhanced Metering Service Tariff, R.I.P.U.C. No. 2203, as may be amended from time to time, for customers of Municipal Aggregators that require such metering in order to provide program and services beyond the provision of basic Generation Service. The Enhanced Metering Fees contained in the Optional Enhanced Metering Service Tariff, Option 1, will be charged to and collected from all Municipal Aggregators who request the Company to install such metering devices in order for their customers to participate in programs and services, including, but not limited to, load response programs which require telemetered installations.

3. Fee For Twelve Individual Month’s Usage Broken Out By Month

The Company may assess a fee in accordance with the schedule below, to be paid by the Municipal Aggregator, for providing twelve individual month’s usage broken out by month.

<u>Time to Process Request for Data</u>	<u>Fee</u>
Between 0 – 30 minutes	\$50.00
Between 31-60 minutes	\$100.00
Between 61-90 minutes	\$150.00
Between 91-120 minutes	\$200.00
Between 121-150 minutes	\$250.00
Over 150 minutes	\$300.00

THE NARRAGANSETT ELECTRIC COMPANY

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 The Narragansett Electric Company (hereinafter, ~~“Narragansett”~~ or the “Company”). Each Customer is identified by a number assigned by the Company ~~Narragansett~~. This location identification number, which is unique to a Customer’s home, facility or portion thereof is also referred to as the Customer Delivery Point.

A Customer will select one registered Nonregulated Power Producer (hereinafter “Supplier”) from which to purchase electrical power at any given point in time. For purposes of billing and financial responsibility, each Customer Delivery Point will also be identified as an Account by the Company ~~Narragansett~~ and assigned an Account number.

1.2 Distribution Company

Narragansett ~~The Company~~ is responsible for providing local distribution services from the Transmission Delivery Point(s), as defined within these Terms and Conditions, to the Customer Delivery Point(s) which shall be the meter point for each Account.

Narragansett will:

- arrange for (i) regional network transmission service over NEPOOL PTF and (ii) Local network transmission service from NEPOOL PTF to the Company’s Distribution System for each Customer,
- deliver power over distribution facilities to each Customer Delivery Point,
- provide customer service and support for delivery service, and if contracted by the Supplier, for generation 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,

- address billing inquiries for the local distribution services bill portion and, if contracted by the Customer's Supplier, the generation services portion,
- answer general questions about local distribution service,
- process the electronic business transactions submitted by Suppliers, and send the necessary electronic business transactions to Suppliers,
- report Suppliers' estimated and metered loads, including local network transmission and distribution losses, to ISO-NE,
- report aggregate loads to Suppliers electronically, upon request, and
- for Customers taking Last Resort Service, release Customer information (name, account number, service address, billing address, rate class, and cycle number) to a Municipal Aggregator operating a Municipal Aggregation Program serving the municipality or group of municipalities in which the Customer takes Last Resort Service.

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 ("[R.I.P.U.C.](#)") 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 CompanyNarragansett](#) 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 Narragansett 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 CompanyNarragansett](#) 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 electronic data interchange ("EDI") 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 Narragansett with certain information electronically in accordance with EDI. All electronic information interchange will occur via a Company approved electronic transmission vehicle, which may change from time to time. Presently, the Company is using an Inside Agent application for transfer of data. The Supplier transaction information, which includes specifics regarding customer identification and billing selection for generation service, must be received at least four (4) business days prior to the commencement of service.

If the enrollment data are correct, ~~Narragansett~~[the Company](#) will electronically 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 electronically 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 four (4) 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 ~~Narragansett~~[the Company](#)'s service territory, the Customer will have the option to keep their existing Supplier at their new location or receive Last Resort Service.

Whenever an Account becomes inactive, as a result of a Customer moving outside ~~Narragansett~~[the Company](#)'s territory, the Supplier assignment for that Account is discontinued.

Customers will begin service from their chosen Supplier on the Customer's normal cycle meter read date following notification, except when notification occurs four (4) 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. A request by the Supplier, to the Company, that contains both the Customer's account number and first four characters of the account name will be deemed as confirmation that the Customer has consented to the enrollment or switch.

1.4 Dispute Resolution

~~Narragansett~~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 R.I.P.U.C. 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 R.I.P.U.C. Commission, as applicable.

2.0 Billing and Customer Service

2.1 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. ~~Narragansett~~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, an electronic 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 R.I.P.U.C. The record format for the file transfer will be in accordance with EDI. All electronic files, with the exception of payments, are presently transmitted using the Inside Agent application. Payment of funds collected on behalf of the Supplier are transferred electronically via an Automated Clearing House ("ACH") bank funds transfer.

The billing of other costs will vary depending on the billing option utilized as discussed in the following sections. ~~Narragansett~~The Company offers the following standard and optional billing services:

2.1.1 *Standard Complete Billing Service*

(1) Eligibility for Purchase of Receivables ("POR") Program

Suppliers that choose the Standard Complete Billing Service, either for all or a portion of their customer accounts in a class ("Participating Suppliers") will be required to sell their accounts receivable to the Company relating to Generation Service for those customers for whom the Company issues a Standard Complete Bill.

For the Residential Customer GroupClasses, as defined below, Suppliers in the POR program are required to use Standard Complete Billing Service, for all Residential accounts and to sell all accounts receivables associated with the Residential Customer GroupClasses to the Company.

For Commercial and Industrial Customer GroupsClasses, as defined below, Suppliers may elect to participate in the POR program for a portion of those accounts. Suppliers that participate in the POR program for a portion of their commercial and industrial accounts are required to use the Standard Complete Billing Service and to sell the accounts receivables associated with those accounts to the Company. For remaining commercial and industrial accounts, Suppliers must elect to directly bill the remaining accounts instead of participating in the POR program.

(2) Billing Procedure and Payment to Suppliers

Under the Standard Complete Billing Service, Suppliers would provide the CompanyNarragansett with rates and pricing structures to be implemented for designated Narragansett customerCompany rate classes. Narragansett would use the supplied rates to calculate the Supplier portion of Customer bills, then integrate this billing with the delivery service components of the bill in a single mailing to the Customer.

Suppliers must adhere to Customerrate classes and rate/pricing structures which follow the Company's format and meet the availability clauses of the CompanyNarragansett's retail delivery tariffs on file with the PUC.

If Suppliers make a written request for different Customerrate classes or rate structures, Narragansettthe Company will consider accommodating reasonable changes to its billing system. The requesting Supplier will be responsible for any costs incurred to make the designated changes, which will be quoted by the CompanyNarragansett to the Supplier in advance of any changes.

Payments to Suppliers will be made in a lump sum for all Customers revenue due to the Supplier in a given day. These lump sum Supplier payments will be transferred via a three-day ACH transaction and credited to a predetermined Supplier bank account. Each Supplier must provide the CompanyNarragansett with the name of the receiving bank, routing and transmit number (ABA number) and bank account number to facilitate this transfer. The account detail of the Supplier credited amounts will be provided by a separately transmitted electronic file which includes a detailed payment breakdown of individual Customer payments. The format of the record to be transmitted will be in accordance with EDI.

a. Timing of Payment to Participating Suppliers

The payment to Suppliers of the amounts computed in accordance with the provisions of paragraph 2.1.1(2)b, below, shall be made consistent with the average payment period of the relevant Customer GroupClass.

Unless otherwise ordered by the R.I.P.U.C., the average payment period shall be based on actual historical data for the most recent 12-month period for which data is available in the relevant classification, or other appropriate period, as approved by the R.I.P.U.C. No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. data on the average historical payment period that will be in place for the subsequent year beginning April 1. The Standard Complete Billing Percentage computed in accordance with the provisions of paragraph 8B(2)b, below, will remain in effect for the entire year, unless a change is otherwise approved by the R.I.P.U.C.

b. Amount of Payment to Participating Suppliers

The Company shall pay the Participating Supplier the full amounts due from Customers for Generation Service, less (a) the full amounts due from Customers for Generation Service multiplied by (b) the Standard Complete Billing Percentage as defined below. For any customer that has elected Budget Billing, the full amounts due for Generation Service shall be based on the customer's actual usage, rather than the amount the customer is billed under the Company's Budget Billing Program. In all other instances, the full amounts due for Generation Service shall be based on the amount actually billed to the Customer.

No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. the percentages that will be in place for the subsequent year beginning April 1. The percentages will remain in effect for the entire year unless a change is otherwise approved by the R.I.P.U.C. The percentages shall be computed in accordance with the following formula:

$$SCBP_{CGE} = UP_{CGC} + ACP_{CGE} + PPRP_{CGE}$$

Where

CGE = The Customer GroupClass defined as Customers in a rate class or classes as designated by the Company and approved by the R.I.P.U.C.

For purposes of this calculation, Customer GroupsClasses are defined as follows:

“Residential” shall mean those customers receiving retail delivery service on the following tariffs of the Company: Regular Residential Rate A-16 and Low-Income Residential Rate A-60.

“Commercial” shall mean those customers receiving retail delivery service on the following tariffs of the Company: General Service - Small Commercial and

Industrial Rate C-06, General Service C&I Rate G-02,
and Streetlighting Rates S-05, S-06, S-10, and S-14.

“Industrial” shall mean those customers receiving retail
delivery service on the following tariffs of the Company:
Large Demand Back-up Service Rate B-32, Large
Demand Rate G-32, and Electric Propulsion Rate X-01.

$SCBP_{CGE}$ = Standard Complete Billing Percentage for the Customer
[GroupClass](#) to be multiplied by the full amounts due
from Customers for Generation Service and to be
deducted from the full amounts due for Generation
Service.

UP_{CGE} = Uncollectible Percentage is the uncollectible expense for
the Customer [GroupClass](#), exclusive of uncollectible
expenses for existing receivables described in section
2.1.1(3)b., based on actual data for the most recent
period for which data is available prior to the annual
filing, unless otherwise determined by the R.I.P.U.C.,
divided by the total amounts billed by the Company,
including late payment fees if included in uncollectible
expense, to that Customer [GroupClass](#) for the same
period.

During the initial period (the initial period shall run from
the effective date of POR through March 31, 2023) of
program operation, the Uncollectible Percentage is the
uncollectible expense for the Customer [GroupClass](#)
based on actual data, excluding uncollectible expenses
related to amounts billed by the Company for Generation
Service purchased from Participating Suppliers, divided
by the total amounts billed by the Company, including
late payment fees if included in uncollectible expense
and excluding amounts billed by the Company for
Generation Service purchased from Participating
Suppliers, to that Customer [GroupClass](#). The period
used to calculate the first Uncollectible Percentage will
be the most recent 12-month period for which data is
available prior to the first filing.

ACP_{CGE} = Administrative Cost Percentage is total forecasted
Administrative Costs to be recovered for the subsequent
year divided by the total amounts billed for Generation
Service by the Company for the most recent 12-month
period for which data is available prior to the annual
filing.

Administrative Costs shall include [\(1\)](#) the amortization
of costs over three years or other term approved by the
R.I.P.U.C., including carrying costs calculated at the

Bank of America Prime Interest Rate, directly related to the development and implementation of changes to billing, information and accounting systems directly related to the implementation of the billing procedures necessary to incorporate the POR program into Standard Complete Billing Service as instituted in accordance R.I. Gen. Laws § 39-1-27.3 and (2) ongoing administrative costs directly associated with providing such Standard Complete Billing Service, to the extent approved by the R.I.P.U.C. Ongoing administrative costs shall include the cost of working capital associated with the POR program.

$PPRP_{CGE}$ = Past Period Reconciliation Percentage for the Customer GroupClass is the sum of the following three percentages:

(1) the percentage associated with the difference between estimated uncollectible expense reflected in the $SCBP_{CGE}$ applied to the full amounts due to Participating Suppliers for the applicable 12-month period and the actual uncollectible expense incurred over the same 12-month period, calculated as:

(i) the difference between (a) the uncollectible expenses actually experienced for previous year(s) for Customers in the Customer GroupClass for which the Company billed under Standard Complete Billing over the applicable 12-month period, calculated by multiplying the total amounts billed to Customers in the Customer GroupClass under Standard Complete Billing over the applicable 12-month period by the actual UP_{CGE} for the same twelve month period, and (b) the total amounts billed to Customers in the Customer GroupClass under Standard Complete Billing over the applicable 12-month period multiplied by the applicable UP_{CGE} from the previous year, plus

(ii) the difference between (a) the uncollectible expenses actually experienced associated with the purchase of existing receivables from Participating Suppliers and (b) the total amounts actually deducted from payments to Participating Suppliers for the purchase of their existing receivables.

(iii) divided by the total amounts billed to Customers in the Customer GroupClass under Standard Complete Billing for the same 12-

month period.

(2) the difference between (a) the Administrative Costs actually incurred for previous year(s) for Customers in the Customer GroupClass purchasing Generation Service from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer GroupClass for Generation Service purchased from Participating Suppliers for those years times the applicable ACP_{CGE} , divided by the total amounts billed to Customers in the Customer GroupClass purchasing Generation Service from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

(3) Interest calculated on the average monthly balance of the Past Period Reconciliation using the customer deposit rate, divided by the total amounts billed to Customers in the Customer GroupClass for Generation Service purchased from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

c. Information Required to be Filed with the R.I.P.U.C.

Information pertaining to the annual filing pursuant to paragraph 2.1.1(2)a, and paragraph 2.1.1(2)b, above, and any other filings to seek changes to the above provisions shall be fully documented and include updated information relating to preliminary reconciliation data for the year in which the filing is made, with actual reconciliation amounts to be submitted the subsequent year.

(3) Implementation of POR Program

a. Effective Date

The POR program shall take effect no later than January 23, 2022 or as otherwise approved by the R.I.P.U.C.

b. Existing Receivables

Pursuant to a Billing Services Agreement applicable to the POR program, the Company shall pay a Participating Supplier for amounts already existing as outstanding accounts receivables of the Participating Supplier at the commencement of the POR program. The amounts purchased for the Existing Receivables shall be subject to full reconciliation in accordance with the $PPRP_{CGE}$ provision in paragraph 2.31.1(2)b above.

(4) Security Interests

Pursuant to the Billing Services Agreement applicable to the POR program,

Participating Suppliers shall grant the Company a first priority perfected security interest in the accounts receivable that the Company will be purchasing through the POR program. A Participating Supplier shall be authorized by the Company to place a security interest on the accounts receivable from the Company to the Participating Supplier associated with the purchase by the Company of the Participating Supplier's accounts receivable.

GROSS EARNINGS TAX

The Supplier is the taxpayer with respect to the gross earnings tax ("GET") imposed by Title 44, Chapter 13 of the General Laws of Rhode Island on its sales of electricity delivered to customers. The Supplier reports taxable gross receipts from sales of electricity on its own GET returns and is responsible to remit any related taxes, including any estimated tax payments, to the State. The Supplier is responsible for the GET obligations imposed on it by the State of Rhode Island and for the determination of the correct GET rate applicable to its sales. The Supplier is responsible to maintain any "Manufacturer's Certificates for the Rate Reduction for Electricity and Gas Used in Manufacturing" necessary to support the GET rates applicable to Supplier sales.

The Company will separately state on the Customer's bill any GET amounts, computed with respect to the GET rate provided by the Supplier. In addition, the Company will separately state on the Customer's bill any GET credit, computed with respect to the GET credit rate provided by the Supplier. If the amounts which the Company billed for electricity, separately stated gross earnings tax and separately stated GET credit are later determined to be incorrect, any corrections will be the responsibility of the Supplier.

If the Customer was overcharged, the Supplier must refund the overcharges directly to the Customer. If the Customer was undercharged, the Supplier must seek recourse directly from its Customer. Further, the Supplier is responsible for any amendments to its GET returns made necessary by errors in the amounts it requests be billed to its Customers, as well as any GET assessments imposed on it by the State, including related interest and penalties. The Company has no responsibility for the Supplier's GET liabilities to the State of Rhode Island or for any amounts the Supplier's Customers claim to have been overcharged.

OTHER REQUIRED COSTS

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](#)~~Narragansett~~.

Existing [Company](#)~~Narragansett~~ 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's](#)~~Narragansett Retail~~ Terms and Conditions [for Distribution Service](#), applicable to all Customers. The cash posting sequence for customer payments to Accounts will be in accordance with EDI.

2.1.2 Standard Passthrough Billing Service

~~Narragansett~~The Company may offer Standard Passthrough Billing Service to Suppliers for those Customers that have elected such service. If ~~Narragansett~~the Company elects to offer Standard Passthrough Billing Service, ~~Narragansett~~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, ~~Narragansett~~the Company will electronically transmit Customers' usage/demand information obtained via meter reads to the Supplier. The record format is in accordance with EDI. With this billing option, 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 Passback Billing Service

~~Narragansett~~The Company may provide Passback Billing Service to Suppliers for those Customers that have elected such service. This optional service anticipates that some Suppliers will elect to maintain the confidentiality of their pricing structures. Under this option, ~~Narragansett~~the Company will pass Customers' usage and demand information obtained via meter reads to the Supplier and the Supplier will pass back to ~~Narragansett~~the Company a bill amount for inclusion in each Customer's bill. In addition, the Supplier will separately pass back to ~~Narragansett~~the Company any applicable 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 R.I.P.U.C. Commission at the time of implementation.

2.1.4 Summary Billing

~~Narragansett~~The Company may offer a summary billing option to qualified Customers with multiple electric service Accounts. Designed to consolidate multiple individual account billings on a single bill format, this optional service allows Customers to pay numerous accounts with one check. Under this option, monthly billing for a Customer with multiple Accounts will occur at the time of a mutually agreed upon billing cycle extraction. The application of Gross Earnings Tax and any other costs to be billed will be in accordance with the Complete Billing Service or Passback Billing Service options described above.

2.2 Customer Service Options

~~Narragansett~~The Company will consider offering optional customer service support to any Supplier who elects the Complete Billing Service.

If optional customer service is offered to Suppliers, ~~Narragansett~~the Company will provide any Supplier with a unique toll-free phone number which will be printed on the Supplier portion of a Customer's bill. Telephone calls will be answered using the appropriate Supplier's name and operators will be able to respond to a wide variety of call types.

If optional customer service support is provided to Suppliers, ~~Narragansett~~the Company will customize the pricing for services to meet the individual needs of Suppliers, based on factors such

as the volume of calls, requested hours of coverage and/or the specific number of customer service representatives requested.

2.3 Service Disconnection Procedures

Should the Customer fail to pay the full amount billed by Narragansett, for delivery services, ~~Narragansett~~the Company may disconnect the Customer pursuant to the current R.I.P.U.C. procedures for disconnection which apply to Customers of the applicable rate class. ~~Narragansett~~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. ~~Narragansett~~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~~Narragansett with electronic notice of intent to discontinue supply four (4) 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 Last Resort Service Customers of ~~the Company~~Narragansett, unless or until they enroll with a new Supplier.

2.4 Distribution Service Interruptions

~~Narragansett~~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, ~~Narragansett~~the Company shall restore electrical service to Customers in accordance with the Company's service restoration procedures, as filed with the R.I.P.U.C. 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.

2.5 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~~Narragansett will disclose any such information, consistent with the procedures set forth below. Upon a Supplier obtaining written consent, ~~Narragansett~~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 months' of historical usage data from Narragansett Electric.”

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 Supplier will submit to ~~the Company~~Narragansett, using the EDI transactions, an Historical Usage Transaction containing the customer account number and first four characters of the Customer's name. Once ~~the Company~~Narragansett receives this transaction, ~~Narragansett~~the Company presumes that the Supplier has obtained appropriate authorization and will send the usage information to the supplier via EDI.

~~Narragansett~~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, ~~Narragansett~~the Company will inform the Supplier that the data has been delivered to the Customer and may be obtained directly from the Customer.

2.6 Providing Non-Residential Customer Lists

~~Narragansett~~The Company understands that in order to assist in the advancement of the retail market in Rhode Island, ~~Narragansett~~the Company may provide non-residential customer lists to licensed Suppliers that have signed a confidentiality agreement with ~~the Company~~Narragansett indicating that they would only use the information provided to market energy-related products and services. The list provided by ~~the Company~~Narragansett shall include the Customer's name, service address, mailing address, and energy information including rate class, 12 months historical usage information (kWh, kW and kVa if applicable), meter read cycle, and voltage indicator.

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. ~~Narragansett~~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.

The Supplier is responsible for arranging the installation and maintenance of the remote access pulse recorder ("RAPR") and telephone line, subject to standards set forth by the distribution company and subject to the provision contained within the Company's Optional Enhanced Metering Service Tariff, R.I.P.U.C. No. 2203, as may be amended or superseded from time to time.

Once all the necessary equipment is installed and the Company is notified, the Company will initialize the recorder (upon Supplier request). Upon completed commissioning of the device, the

Company will begin collecting load data. Until telemetering requirements are fulfilled, the Customer will be enrolled with an estimated load designation until the installation is complete and tested.

3.2 Product Options

All telemetering installations will use external RAPR's unless and until other acceptable technologies become available. The RAPR is connected to the meter and is programmed with the correct energy values associated with each pulse output and quantity measured by the meter. There are a number of RAPR products on the market. ~~Narragansett~~The Company's requirement is that the RAPR data format be supported by the MV-90¹ data collection system.

3.3 Installation and Maintenance of Telephone Line

In all cases, the Supplier must provide the Company telephone access to the RAPR. The Supplier must notify the Company of the telephone number once it becomes available in order for the Company to access the RAPR 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.

3.4 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' RAPRs. Tests of meter accuracy may be requested by either the Customer or the Supplier, under the terms approved by the R.I.P.U.C.

The Supplier owns any RAPRs and telephone lines that it installs (or pays to have installed), and is responsible for their maintenance. Should the telephone line or RAPR 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 class average load shape will be used, in accordance with the load estimation process described in Section 4.0. Once the phone line and/or RAPR 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 to the ISO-NE for inclusion in the Supplier's designated Settlement Account. Hourly load estimates for non-telemetered Customers will be based upon load profiles developed for each customer class or Customer of the Company. The total hourly loads will be determined in accordance with the appropriate hourly load for the Company.

¹ MV-90 is the product name of the data collection system built and maintained by Utility Translation Services, Inc.

The Company shall normally report previous day's hourly loads to the ISO-NE in accordance with the time specified by ISO-NE which is then in effect. These loads shall be included in the Supplier's designated Settlement Account.

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

- (1) The Company shall identify or develop a load profile for each customer class or each Customer 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 [R.I.P.U.C.](#) 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**

~~Narragansett~~[The Company](#) 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 load zones or nodes, as applicable, at which the real-time load obligations are established in the ISO-NE Settlement Power System Model for the physical loads of Customers (“Supplier Delivery 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).

NEP will transmit the power received to ~~the Company~~[Narragansett](#) and deliver it to the interconnection(s) between NEP’s transmission system and ~~Narragansett~~[the Company](#)’s local distribution system (Transmission Delivery Points). This service will be provided to ~~Narragansett~~[the Company](#) by NEP under a transmission tariff on file at the Federal Energy Regulatory Commission.

~~Narragansett~~[The Company](#) will provide local distribution service to deliver the power from the Transmission Delivery Points 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, ~~Narragansett~~[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’s~~[Narragansett](#) 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 Limitations of Liability

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.

7.0 Transaction-Related Formats, Processes, and Field Definitions

The Company will provide to Suppliers copies of its technical transaction-related requirements (such as formats, technical processes, and field definitions) that will be used to process Supplier transactions and which are subject to change from time to time. To the extent that any Supplier has a dispute with the Company regarding the application or modification of these technical transaction-related requirements, any Supplier may file a Complaint with the Rhode Island Public Utilities Commission, provided that the Supplier notifies the Company in writing and makes a good faith effort to resolve the dispute with the Company at least three business days in advance of such filing.

THE NARRAGANSETT ELECTRIC COMPANY
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 The Narragansett Electric Company (hereinafter, the “Company”). Each Customer is identified by a number assigned by the Company. This location identification number, which is unique to a Customer’s home, facility or portion thereof is also referred to as the Customer Delivery Point.

A Customer will select one registered Nonregulated Power Producer (hereinafter “Supplier”) from which to purchase electrical power at any given point in time. For purposes of billing and financial responsibility, each Customer Delivery Point will also be identified as an Account by the Company and assigned an Account number.

1.2 Distribution Company

The Company is responsible for providing local distribution services from the Transmission Delivery Point(s), as defined within these Terms and Conditions, to the Customer Delivery Point(s) which shall be the meter point for each Account.

Narragansett will:

- arrange for (i) regional network transmission service over NEPOOL PTF and (ii) Local network transmission service from NEPOOL PTF to the Company’s Distribution System for each Customer,
- deliver power over distribution facilities to each Customer Delivery Point,
- provide customer service and support for delivery service, and if contracted by the Supplier, for generation 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,

- address billing inquiries for the local distribution services bill portion and, if contracted by the Customer's Supplier, the generation services portion,
- answer general questions about local distribution service,
- process the electronic business transactions submitted by Suppliers, and send the necessary electronic business transactions to Suppliers,
- report Suppliers' estimated and metered loads, including local network transmission and distribution losses, to ISO-NE,
- report aggregate loads to Suppliers electronically, upon request, and
- for Customers taking Last Resort Service, release Customer information (name, account number, service address, billing address, rate class, and cycle number) to a Municipal Aggregator operating a Municipal Aggregation Program serving the municipality or group of municipalities in which the Customer takes Last Resort Service.

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 ("R.I.P.U.C.") 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 Narragansett 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 electronic data interchange ("EDI") 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 Narragansett with certain information electronically in accordance with EDI. All electronic information interchange will occur via a Company approved electronic transmission vehicle, which may change from time to time. Presently, the Company is using an Inside Agent application for transfer of data. The Supplier transaction information, which includes specifics regarding customer identification and billing selection for generation service, must be received at least four (4) business days prior to the commencement of service.

If the enrollment data are correct, the Company will electronically 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 electronically 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 four (4) 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 Last Resort 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.

Customers will begin service from their chosen Supplier on the Customer's normal cycle meter read date following notification, except when notification occurs four (4) 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. A request by the Supplier, to the Company, that contains both the Customer's account number and first four characters of the account name will be deemed as confirmation that the Customer has consented to the enrollment or switch.

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 R.I.P.U.C. 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 R.I.P.U.C., as applicable.

2.0 Billing and Customer Service

2.1 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, an electronic 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 R.I.P.U.C. The record format for the file transfer will be in accordance with EDI. All electronic files, with the exception of payments, are presently transmitted using the Inside Agent application. Payment of funds collected on behalf of the Supplier are transferred electronically via an Automated Clearing House ("ACH") bank funds transfer.

The billing of other costs will vary depending on the billing option utilized as discussed in the following sections. The Company offers the following standard and optional billing services:

2.1.1 Standard Complete Billing Service

(1) Eligibility for Purchase of Receivables ("POR") Program

Suppliers that choose the Standard Complete Billing Service, either for all or a portion of their customer accounts in a class ("Participating Suppliers") will be required to sell their accounts receivable to the Company relating to Generation Service for those customers for whom the Company issues a Standard Complete Bill.

For the Residential Customer Group, as defined below, Suppliers in the POR program are required to use Standard Complete Billing Service, for all Residential accounts and to sell all accounts receivables associated with the Residential Customer Group to the Company.

For Commercial and Industrial Customer Groups, as defined below, Suppliers may elect to participate in the POR program for a portion of those accounts. Suppliers that participate in the POR program for a portion of their commercial and industrial accounts are required to use the Standard Complete Billing Service and to sell the accounts receivables associated with those accounts to the Company. For remaining commercial and industrial accounts, Suppliers must elect to directly bill the remaining accounts instead of participating in the POR program.

(2) Billing Procedure and Payment to Suppliers

Under the Standard Complete Billing Service, Suppliers would provide the Company with rates and pricing structures to be implemented for designated Company rate classes. Narragansett would use the supplied rates to calculate the Supplier portion of Customer bills, then integrate this billing with the delivery service components of the bill in a single mailing to the Customer.

Suppliers must adhere to rate classes and rate/pricing structures which follow the Company's format and meet the availability clauses of the Company's retail delivery tariffs on file with the PUC.

If Suppliers make a written request for different rate classes or rate structures, the Company will consider accommodating reasonable changes to its billing system. The requesting Supplier will be responsible for any costs incurred to make the designated changes, which will be quoted by the Company to the Supplier in advance of any changes.

Payments to Suppliers will be made in a lump sum for all Customers revenue due to the Supplier in a given day. These lump sum Supplier payments will be transferred via a three-day ACH transaction and credited to a predetermined Supplier bank account. Each Supplier must provide the Company with the name of the receiving bank, routing and transmit number (ABA number) and bank account number to facilitate this transfer. The account detail of the Supplier credited amounts will be provided by a separately transmitted electronic file which includes a detailed payment breakdown of individual Customer payments. The format of the record to be transmitted will be in accordance with EDI.

a. Timing of Payment to Participating Suppliers

The payment to Suppliers of the amounts computed in accordance with the provisions of paragraph 2.1.1(2)b, below, shall be made consistent with the average payment period of the relevant Customer Group.

Unless otherwise ordered by the R.I.P.U.C., the average payment period shall be based on actual historical data for the most recent 12-month

period for which data is available in the relevant classification, or other appropriate period, as approved by the R.I.P.U.C. No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. data on the average historical payment period that will be in place for the subsequent year beginning April 1. The Standard Complete Billing Percentage computed in accordance with the provisions of paragraph 8B(2)b, below, will remain in effect for the entire year, unless a change is otherwise approved by the R.I.P.U.C.

b. Amount of Payment to Participating Suppliers

The Company shall pay the Participating Supplier the full amounts due from Customers for Generation Service, less (a) the full amounts due from Customers for Generation Service multiplied by (b) the Standard Complete Billing Percentage as defined below. For any customer that has elected Budget Billing, the full amounts due for Generation Service shall be based on the customer's actual usage, rather than the amount the customer is billed under the Company's Budget Billing Program. In all other instances, the full amounts due for Generation Service shall be based on the amount actually billed to the Customer.

No later than February 15 of each year beginning in 2023 (or next business day thereafter if the 15th falls on a weekend or holiday), the Company shall file with the R.I.P.U.C. the percentages that will be in place for the subsequent year beginning April 1. The percentages will remain in effect for the entire year unless a change is otherwise approved by the R.I.P.U.C. The percentages shall be computed in accordance with the following formula:

$$SCBP_{CG} = UP_{CG} + ACP_{CG} + PPRP_{CG}$$

Where

CG = The Customer Group defined as Customers in a rate class or classes as designated by the Company and approved by the R.I.P.U.C.

For purposes of this calculation, Customer Groups are defined as follows:

“Residential” shall mean those customers receiving retail delivery service on the following tariffs of the Company: Regular Residential Rate A-16 and Low-Income Residential Rate A-60.

“Commercial” shall mean those customers receiving retail delivery service on the following tariffs of the Company: General Service - Small Commercial and Industrial Rate C-06, General Service C&I Rate G-02, and Streetlighting Rates S-05, S-06, S-10, and S-14.

“Industrial” shall mean those customers receiving retail delivery service on the following tariffs of the Company: Large Demand Back-up Service Rate B-32, Large Demand Rate G-32, and Electric Propulsion Rate X-01.

$SCBP_{CG}$ = Standard Complete Billing Percentage for the Customer Group to be multiplied by the full amounts due from Customers for Generation Service and to be deducted from the full amounts due for Generation Service.

UP_{CG} = Uncollectible Percentage is the uncollectible expense for the Customer Group, exclusive of uncollectible expenses for existing receivables described in section 2.1.1(3)b., based on actual data for the most recent period for which data is available prior to the annual filing, unless otherwise determined by the R.I.P.U.C, divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense, to that Customer Group for the same period.

During the initial period (the initial period shall run from the effective date of POR through March 31, 2023) of program operation, the Uncollectible Percentage is the uncollectible expense for the Customer Group based on actual data, excluding uncollectible expenses related to amounts billed by the Company for Generation Service purchased from Participating Suppliers, divided by the total amounts billed by the Company, including late payment fees if included in uncollectible expense and excluding amounts billed by the Company for Generation Service purchased from Participating Suppliers, to that Customer Group. The period used to calculate the first Uncollectible Percentage will be the most recent 12-month period for which data is available prior to the first filing.

ACP_{CG} = Administrative Cost Percentage is total forecasted Administrative Costs to be recovered for the subsequent year divided by the total amounts billed for Generation Service by the Company for the most recent 12-month period for which data is available prior to the annual filing.

Administrative Costs shall include (1) the amortization of costs over three years or other term approved by the R.I.P.U.C., including carrying costs calculated at the Bank of America Prime Interest Rate, directly related to the development and implementation of changes to billing, information and accounting systems directly related to the implementation of the billing procedures

necessary to incorporate the POR program into Standard Complete Billing Service as instituted in accordance R.I. Gen. Laws § 39-1-27.3 and (2) ongoing administrative costs directly associated with providing such Standard Complete Billing Service, to the extent approved by the R.I.P.U.C. Ongoing administrative costs shall include the cost of working capital associated with the POR program.

$PPRP_{CG}$ = Past Period Reconciliation Percentage for the Customer Group is the sum of the following three percentages:

(1) the percentage associated with the difference between estimated uncollectible expense reflected in the SCBPcG applied to the full amounts due to Participating Suppliers for the applicable 12-month period and the actual uncollectible expense incurred over the same 12-month period, calculated as:

(i) the difference between (a) the uncollectible expenses actually experienced for previous year(s) for Customers in the Customer Group for which the Company billed under Standard Complete Billing over the applicable 12-month period, calculated by multiplying the total amounts billed to Customers in the Customer Group under Standard Complete Billing over the applicable 12-month period by the actual UP_{CG} for the same twelve month period, and (b) the total amounts billed to Customers in the Customer Group under Standard Complete Billing over the applicable 12-month period multiplied by the applicable UP_{CG} from the previous year, plus

(ii) the difference between (a) the uncollectible expenses actually experienced associated with the purchase of existing receivables from Participating Suppliers and (b) the total amounts actually deducted from payments to Participating Suppliers for the purchase of their existing receivables.

(iii) divided by the total amounts billed to Customers in the Customer Group under Standard Complete Billing for the same 12-month period.

(2) the difference between (a) the Administrative Costs actually incurred for previous year(s) for Customers in the Customer Group purchasing Generation Service

from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer Group for Generation Service purchased from Participating Suppliers for those years times the applicable ACP_{CG} , divided by the total amounts billed to Customers in the Customer Group purchasing Generation Service from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

(3) Interest calculated on the average monthly balance of the Past Period Reconciliation using the customer deposit rate, divided by the total amounts billed to Customers in the Customer Group for Generation Service purchased from Participating Suppliers by the Company for the most recent 12-month period for which data is available prior to the annual filing.

c. Information Required to be Filed with the R.I.P.U.C.

Information pertaining to the annual filing pursuant to paragraph 2.1.1(2)a, and paragraph 2.1.1(2)b, above, and any other filings to seek changes to the above provisions shall be fully documented and include updated information relating to preliminary reconciliation data for the year in which the filing is made, with actual reconciliation amounts to be submitted the subsequent year.

(3) Implementation of POR Program

a. Effective Date

The POR program shall take effect no later than January 23, 2022 or as otherwise approved by the R.I.P.U.C.

b. Existing Receivables

Pursuant to a Billing Services Agreement applicable to the POR program, the Company shall pay a Participating Supplier for amounts already existing as outstanding accounts receivables of the Participating Supplier at the commencement of the POR program. The amounts purchased for the Existing Receivables shall be subject to full reconciliation in accordance with the $PPRP_{CG}$ provision in paragraph 2.31.1(2)b above.

(4) Security Interests

Pursuant to the Billing Services Agreement applicable to the POR program, Participating Suppliers shall grant the Company a first priority perfected security interest in the accounts receivable that the Company will be purchasing through the POR program. A Participating Supplier shall be authorized by the Company to place a security interest on the accounts receivable from the Company to the Participating Supplier associated with

the purchase by the Company of the Participating Supplier's accounts receivable.

GROSS EARNINGS TAX

The Supplier is the taxpayer with respect to the gross earnings tax ("GET") imposed by Title 44, Chapter 13 of the General Laws of Rhode Island on its sales of electricity delivered to customers. The Supplier reports taxable gross receipts from sales of electricity on its own GET returns and is responsible to remit any related taxes, including any estimated tax payments, to the State. The Supplier is responsible for the GET obligations imposed on it by the State of Rhode Island and for the determination of the correct GET rate applicable to its sales. The Supplier is responsible to maintain any "Manufacturer's Certificates for the Rate Reduction for Electricity and Gas Used in Manufacturing" necessary to support the GET rates applicable to Supplier sales.

The Company will separately state on the Customer's bill any GET amounts, computed with respect to the GET rate provided by the Supplier. In addition, the Company will separately state on the Customer's bill any GET credit, computed with respect to the GET credit rate provided by the Supplier. If the amounts which the Company billed for electricity, separately stated gross earnings tax and separately stated GET credit are later determined to be incorrect, any corrections will be the responsibility of the Supplier.

If the Customer was overcharged, the Supplier must refund the overcharges directly to the Customer. If the Customer was undercharged, the Supplier must seek recourse directly from its Customer. Further, the Supplier is responsible for any amendments to its GET returns made necessary by errors in the amounts it requests be billed to its Customers, as well as any GET assessments imposed on it by the State, including related interest and penalties. The Company has no responsibility for the Supplier's GET liabilities to the State of Rhode Island or for any amounts the Supplier's Customers claim to have been overcharged.

OTHER REQUIRED COSTS

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's Terms and Conditions for Distribution Service, applicable to all Customers. The cash posting sequence for customer payments to Accounts will be in accordance with EDI.

2.1.2 Standard Passthrough Billing Service

The Company may offer Standard Passthrough Billing Service to Suppliers for those Customers that have elected such service. If the Company elects to offer Standard Passthrough Billing Service, 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 electronically transmit Customers' usage/demand information obtained via meter reads to the Supplier. The record format is in accordance with EDI.

With this billing option, 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 Passback Billing Service

The Company may provide Passback Billing Service to Suppliers for those Customers that have elected such service. This optional 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 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 R.I.P.U.C. at the time of implementation.

2.1.4 Summary Billing

The Company may offer a summary billing option to qualified Customers with multiple electric service Accounts. Designed to consolidate multiple individual account billings on a single bill format, this optional service allows Customers to pay numerous accounts with one check. Under this option, monthly billing for a Customer with multiple Accounts will occur at the time of a mutually agreed upon billing cycle extraction. The application of Gross Earnings Tax and any other costs to be billed will be in accordance with the Complete Billing Service or Passback Billing Service options described above.

2.2 Customer Service Options

The Company will consider offering optional customer service support to any Supplier who elects the Complete Billing Service.

If optional customer service is offered to Suppliers, the Company will provide any Supplier with a unique toll-free phone number which will be printed on the Supplier portion of a Customer's bill. Telephone calls will be answered using the appropriate Supplier's name and operators will be able to respond to a wide variety of call types.

If optional customer service support is provided to Suppliers, the Company will customize the pricing for services to meet the individual needs of Suppliers, based on factors such as the volume of calls, requested hours of coverage and/or the specific number of customer service representatives requested.

2.3 Service Disconnection Procedures

Should the Customer fail to pay the full amount billed by Narragansett, for delivery services, the Company may disconnect the Customer pursuant to the current R.I.P.U.C. 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 four (4) 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 Last Resort Service Customers of the Company, unless or until they enroll with a new Supplier.

2.4 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 R.I.P.U.C. 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.

2.5 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 months' of historical usage data from Narragansett Electric.”

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 Supplier will submit to the Company, using the EDI transactions, an Historical Usage Transaction containing the customer account number and first four characters of the Customer's name. Once the Company receives this transaction, the Company presumes that the Supplier has obtained appropriate authorization and will send the usage information to the supplier via EDI.

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.

2.6 Providing Non-Residential Customer Lists

The Company understands that in order to assist in the advancement of the retail market in Rhode Island, the Company may provide non-residential customer lists to licensed Suppliers that have signed a confidentiality agreement with the Company indicating that they would only use the information provided to market energy-related products and services. The list provided by the Company shall include the Customer's name, service address, mailing address, and energy information including rate class, 12 months historical usage information (kWh, kW and kVa if applicable), meter read cycle, and voltage indicator.

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.

The Supplier is responsible for arranging the installation and maintenance of the remote access pulse recorder ("RAPR") and telephone line, subject to standards set forth by the distribution company and subject to the provision contained within the Company's Optional Enhanced Metering Service Tariff, R.I.P.U.C. No. 2203, as may be amended or superseded from time to time.

Once all the necessary equipment is installed and the Company is notified, the Company will initialize the recorder (upon Supplier request). Upon completed commissioning of the device, the Company will begin collecting load data. Until telemetering requirements are fulfilled, the Customer will be enrolled with an estimated load designation until the installation is complete and tested.

3.2 Product Options

All telemetering installations will use external RAPR's unless and until other acceptable technologies become available. The RAPR is connected to the meter and is programmed with the correct energy values associated with each pulse output and quantity measured by the meter. There are a number of RAPR products on the market. The Company's requirement is that the RAPR data format be supported by the MV-90¹ data collection system.

¹ MV-90 is the product name of the data collection system built and maintained by Utility Translation

3.3 Installation and Maintenance of Telephone Line

In all cases, the Supplier must provide the Company telephone access to the RAPR. The Supplier must notify the Company of the telephone number once it becomes available in order for the Company to access the RAPR 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.

3.4 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' RAPRs. Tests of meter accuracy may be requested by either the Customer or the Supplier, under the terms approved by the R.I.P.U.C.

The Supplier owns any RAPRs and telephone lines that it installs (or pays to have installed) and is responsible for their maintenance. Should the telephone line or RAPR 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 class average load shape will be used, in accordance with the load estimation process described in Section 4.0. Once the phone line and/or RAPR 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 to the ISO-NE for inclusion in the Supplier's designated Settlement Account. Hourly load estimates for non-telemetered Customers will be based upon load profiles developed for each customer class or Customer of the Company. The total hourly loads will be determined in accordance with the appropriate hourly load for the Company.

The Company shall normally report previous day's hourly loads to the ISO-NE in accordance with the time specified by ISO-NE which is then in effect. These loads shall be included in the Supplier's designated Settlement Account.

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

- (1) The Company shall identify or develop a load profile for each customer class or each Customer 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 R.I.P.U.C. 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 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 load zones or nodes, as applicable, at which the real-time load obligations are established in the ISO-NE Settlement Power System Model for the physical loads of Customers ("Supplier Delivery 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).

NEP will transmit the power received to the Company and deliver it to the interconnection(s) between NEP's transmission system and the Company's local distribution system (Transmission Delivery Points). This service will be provided to the Company by NEP under a transmission tariff on file at the Federal Energy Regulatory Commission.

The Company will provide local distribution service to deliver the power from the Transmission Delivery Points 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's 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 Limitations of Liability

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.

7.0 Transaction-Related Formats, Processes, and Field Definitions

The Company will provide to Suppliers copies of its technical transaction-related requirements (such as formats, technical processes, and field definitions) that will be used to process Supplier transactions and which are subject to change from time to time. To the extent that any Supplier has a dispute with the Company regarding the application or modification of these technical transaction-related requirements, any Supplier may file a Complaint with the Rhode Island Public Utilities Commission, provided that the Supplier notifies the Company in writing and makes a good faith effort to resolve the dispute with the Company at least three business days in advance of such filing.