

August 26, 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 Filing of Updated Terms and Conditions for Municipal Aggregators and Nonregulated Power Producers to Incorporate POR**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”), enclosed, please find the following documents for filing in the above-referenced docket.

- **Exhibit 1A** – Redlined Version of the Terms and Conditions for Municipal Aggregators including attached Billing Services Agreement and Data Security Agreement.
- **Exhibit 1B** – Redlined Version of the Terms and Conditions for Nonregulated Power Producers including attached Billing Services Agreement and Data Security Agreement.
- **Exhibit 2A** – Clean Version of the Terms and Conditions for Municipal Aggregators including attached Billing Services Agreement and Data Security Agreement.
- **Exhibit 2B** - Clean Version of the Terms and Conditions for Nonregulated Power Producers including attached Billing Services Agreement and Data Security Agreement.

This filing is being made in accordance with the directives issued by the Public Utilities Commission (“PUC”) at an Open Meeting that occurred on July 27, 2021. Specifically, the PUC directed the Company to file tariff language reflecting the Term Sheet as modified by the PUC<sup>1</sup> within 30 days of the Open Meeting.

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<sup>1</sup> The Term Sheet (pre PUC modifications) may be accessed at: <http://www.ripuc.ri.gov/eventsactions/docket/5073-RESA-%20Settlement%20Term%20Sheet%206%202%2021.pdf>. The PUC made several modifications to the Term Sheet. They were as follows:

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Please note that the Parties in this docket, including the Division, have not had a chance to review the substance of the attached Exhibits. As such, the Company respectfully suggests that the PUC provide the Parties, including the Division, with an opportunity to review and comment on the attached Exhibits during this tariff stage of the POR proceedings.

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.

Sincerely,



Andrew S. Marcaccio

cc: Docket 5073 Service List  
John Bell, Division  
Jon Hagopian, Esq.

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To modify Section D(2)(a) of the Term Sheet so that it reads as follows: “The uncollectible percentage for the customer class, based on actual data for the most recent period for which data is available unless otherwise determined by the Commission.” (underlined language is new)

To modify Section B(3) of the Term Sheet so that it reads: “Under the POR program agreed upon by the parties, the EDC will file a tariff which will purchase the suppliers’ accounts receivables, including existing receivables, at discount rates, regardless of whether the EDCs have collected the owed monies from customers. This agreement is subject to further review by the Commission during the tariff proceeding.” (underlined language is new)

To modify Section E(5) of the Term Sheet so that it reads: “The EDC shall file a tariff whereby [e]xisting receivables for generation services will be purchased by the EDC when the program is implemented, using transition rates based on historical data. These rates will be subject to reconciliation of uncollectible expenses actually experienced versus discounted supplier payments. This agreement is subject to further review by the Commission during the tariff proceeding.” (underlined language is new)

Certificate of Service

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

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

\_\_\_\_\_  
Joanne M. Scanlon

August 26, 2021  
Date

**Docket No. 5073 – Retail Energy Supply Association Petition for Implementation of Purchase of Receivables Program  
Service List updated 5/17/2021**

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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.

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

“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 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

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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 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.

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

“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 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.

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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 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.

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

### 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;
- (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

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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:

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- (1) Primary customer name;
- (2) First four characters of last name;
- (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

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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.

### **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

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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 ~~Competitive~~ 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.

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 service territory 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.

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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 the Municipal 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 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.

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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.

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 NARRAGANSETT ELECTRIC COMPANY TERMS AND CONDITIONS FOR MUNICIPAL AGGREGATORS**

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 Residential Customer Classes, 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 Classes to the Company.

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For Commercial and Industrial 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 ~~them~~ 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. 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.

### (2) — Payment to Supplier

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

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service components of the bill in a single mailing to the Customer. ~~While standard collection notices may be printed on Customer bills, the Supplier is responsible for collection of past due accounts for the Supplier's portion of Customers' bills.~~

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

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.

~~Upon receipt of Customer payments, the Company will forward to Supplier notification of any and all revenue from Supplier sales which have been received and recorded by midnight of that business day, e.g., notification of any payment received on Monday normally will be forwarded to the Supplier by noon on the following business day. The format of the record to be transmitted will be in accordance with EDI.~~

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.

~~Partial payments made through the Company from Customers who purchase electricity from a Supplier, and whose bill from the Company includes the Supplier's charges for that purchased electricity will be first applied to any arrearages owed to the Company, then to any arrearages owed to the Supplier, then to current charges owed to the Company, and lastly to current charges owed to the Supplier.~~

### 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 Class.

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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 15<sup>th</sup> 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 15<sup>th</sup> 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:

$$\text{SCBP}_{\text{CC}} = \text{UP}_{\text{CC}} + \text{ACP}_{\text{CC}} + \text{PPRP}_{\text{CC}}$$

Where

CC = The Customer Class 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 Classes are defined as follows:

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“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<sub>CC</sub> = Standard Complete Billing Percentage for the Customer Class 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<sub>CC</sub> = Uncollectible Percentage is the uncollectible expense for the Customer Class, 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 Class 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 Class 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 Class. The period used to calculate the first Uncollectible

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Percentage will be the most recent 12-month period for which data is available prior to the first filing.

ACP<sub>CC</sub> = 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 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 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<sub>CC</sub> = Past Period Reconciliation Percentage for the Customer Class is the sum of the following three percentages:

1) the percentage associated with the difference between estimated uncollectible expense reflected in the SCBP<sub>CC</sub> 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 Class 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 Class under Standard Complete Billing over the applicable 12-month period by the actual UP<sub>CC</sub> for the same twelve month period, and (b) the total amounts billed to Customers in the

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Customer Class under Standard Complete Billing over the applicable 12-month period multiplied by the applicable UP<sub>CC</sub> 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 Class 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 Class purchasing Generation Service from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer Class for Generation Service purchased from Participating Suppliers for those years times the applicable ACP<sub>CC</sub>, divided by the total amounts billed to Customers in the Customer Class 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 Class 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.

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<sub>CC</sub> 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.

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### ~~(3)~~(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.

### ~~(4)~~(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.

#### (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.

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- 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.
- 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.

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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.

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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 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

# **Billing Services** **Agreement**

**COMPETITIVE ELECTRIC SUPPLIER SERVICE AGREEMENT FOR  
BILLING SERVICES AND FOR THE PURCHASE OF ACCOUNTS RECEIVABLE  
NATIONAL GRID**

THIS AGREEMENT (“Agreement”) effective the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ is by and between The Narragansett Electric Company, a Rhode Island corporation with a principal place of business at \_\_\_\_\_ (“Company”), and [specify Non-regulated power producer’s, full legal name] (“NPP”), a [specify corporation / limited liability company / partnership], organized and existing under the laws of the State of [specify state of organization] with its principal place of business at [specify legal mailing address]. The Company and the NPP are also individually referred to herein as a “Party” or collectively as the “Parties.”

**BASIC UNDERSTANDINGS**

Company has the authority and obligation to perform services for non-regulated producers of electricity. The Company’s Terms and Conditions for Nonregulated Power Producers, in Section 2.1.1, and the Company’s Terms and Conditions for Municipal Aggregators, in Section 3C.5, require the NPP to enter into a service contract with the Company for the provision of these services. Accordingly, Company agrees to provide services to, NPP in accordance with the Terms and Conditions for Nonregulated Power Producers or Terms and Conditions for Municipal Aggregators, as applicable, which are fully incorporated herein by reference, and the terms of this Agreement.

This form of Agreement has been developed for use between Company and NPPs, and may not be waived, altered, amended, or modified, except as provided herein. Attachments A through F, attached hereto and incorporated herein by reference, include additional terms which are a part of this Agreement.

In consideration of the covenants, promises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows

**ARTICLE 1**

**DEFINITIONS AND RULES OF INTERPRETATION**

1.1 **Definitions.** The following terms shall have the meanings set forth in this Article 1 or elsewhere in the provisions of this Agreement referred, to below:

**Account(s) Receivable** means with respect to any eligible Customer, any NPP’s Generation Service revenue and associated charges determined by Company under Article 2 and Article 3 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any state tax, if assessed, and any other applicable state or federal taxes and/or surcharges) that are billed under this Agreement that represent an account of such Customer.

**Accounts Receivable Purchase Price** means in respect of any Account Receivable purchased hereunder, the Account Receivable less the following amounts as applicable: (1) Standard Complete Billing Percentage, as defined in Section 2.1.1(2)(b) of the Company’s NPP Terms and Conditions and Section 8B(2)(b) of the Company’s Municipal Aggregator Terms and Conditions and (2) NPP Charges.

**ACH** means any automated clearing house transaction which is part of the Electronic Funds

Transfer Act and Federal Reserve Board's Fedwire system, consisting of a collection of regional electronic interbank networks used to process transactions electronically.

**Additional Assurance Amount** means the amount due and owing by the NPP under this Agreement and the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as of the date of the Company's issuance of a demand for the same.

**Affiliate(s)** means with respect to a Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition the term "control" (including the terms "controlling," "controlled by," and "under common control with") of a Person means the possession, direct or indirect, of the power to vote 10% or more of the Voting Stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

**Agreement** shall have the meaning provided in the preamble.

**AR Date** shall have the meaning provided in Attachment E.

**Billed Amounts** means any and all amounts billed by Company to eligible Customers, including Accounts Receivable.

**Billing Cycle** means the meter reading schedule published by Company.

**Billing Date** means with respect to any Account Receivable, the date on which Company's billing system calculates such Account Receivable.

**Billing Price Determinant(s)** means the Flat Rate price amount and such other information submitted by NPP, more fully described in Attachment A, attached hereto and made a part hereof, required to calculate the Accounts Receivable Purchase Price for the Generation Service supplied by NPP and billed by Company to eligible Customers under this Agreement.

**Billing Services** means the billing services provided to NPP by Company under Article 2.

**Business Day** means any day that is not a Sunday, Federal holiday, or other day on which commercial banking institutions in Rhode Island are authorized or obligated by law or executive order to be closed.

**Collateral** shall have the meaning provided in Section 3.5.

**Company** shall have the meaning provided in the preamble.

**Contract** shall have the meaning provided in Section 5.5.

**Creditworthy** means a credit rating of "BBB-" or better (as assigned by Standard & Poor's Financial Services LLC ("S&P") and its successors, or "Baa3" or better (as assigned by Moody's Investors Service, Inc. and its successors) ("Moody's").

**Customer** means 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** means the Company's meter or a point designated by the Company located on the Customer's premise.

**Customer Payment** means the Customer's payment for Generation Service and any and all Company Tariff charges and surcharges for energy services provided by Company inclusive of applicable tax, if assessed, imposed thereon.

**Default** means any event that, but for the passage of time or the giving of notice, or both, would constitute an Event of Default.

**Distribution Company** shall mean The Narragansett Electric Company.

**Distribution Service** means the delivery of electricity to Customers by the Distribution Company.

**Document(s)** means this Agreement, Financing Statement(s), and all other documents, instruments and/or statements related hereto and thereto.

**Effective Date** shall have the meaning provided in Section 8.1.

**EFT** means electronic funds transfer provided under the Electronic Funds Transfer Act and Federal Reserve Board Regulation E which is a transfer of funds other than a transaction originated by check, draft, or similar paper instrument, that is initiated electronically to order, instruct, or authorize a financial institution to debit or credit an account.

**Electric Data Interchange** or **EDI** shall mean the exchange of business data in a standardized format between business computer systems. For purposes of this Agreement, a negotiated, uniform set of rules and procedures that apply to all Suppliers participating in the Company's POR program shall be consistent with EDI.

**Event of Default** shall have the meaning provided in Section 9.2.

**FERC** means the Federal Energy Regulatory Commission or any successor agency thereto.

**Financing Statements** means any and all financing statements and amendments thereto, required in connection with NPP's grant of security interest in the Collateral under Section 3.5 to be filed in accordance with requirements of the UCC.

**Flat Rate** means the Rate Factor price per kWh as submitted by NPP in Attachment A.

**Generation Service** means the sale of electricity to a Customer by a NPP, 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.

ISO-NE means the Independent System Operator – New England.

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

Municipal Aggregation Terms and Conditions shall mean the Company’s Terms and Conditions for Municipal Aggregators, as in effect from time to time and approved by the R.I.P.U.C.

Law shall have the meaning provided in Section 5.5.

R.I.P.U.C. means the Rhode Island Public Utilities Commission.

NEPOOL means the New England Power Pool and its successors.

NPP means, as the context indicates, (i) Company’s counterparty to this Agreement, provided that in any case, Company’s counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its Customers, and (2) a municipal light department acting as a Distribution Company.

NPP Charges means an amount that includes the costs, fees, and expenses that should properly be borne by NPP in accordance with the requirements of this Agreement, the Municipal Aggregator Terms and Conditions or the NPP Terms and Conditions, as applicable, as each may be amended or modified from time to time, and approved by the R.I.P.U.C.

NPP Terms and Conditions shall mean the Company’s Terms and Conditions for Nonregulated Power Producers, as in effect from time to time and approved by the R.I.P.U.C.

Person means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

Program means the Purchase of Receivable Program approved by the R.I.P.U.C. as amended and updated from time to time by the R.I.P.U.C.

Qualified Bank means a major US commercial bank or the US branch office of a major foreign commercial bank, in either case, whose senior unsecured debt obligations have been rated at least (i) “A-” by S & P or “A3” by Moody’s, if such entity is rated by both S&P and Moody’s or (ii) “A-” by S&P or “A3” by Moody’s, if such entity is rated by either S&P or Moody’s but not both, provided that such bank shall have assets totaling not less than USD ten billion (\$10,000,000,000).

Representatives means the Subsidiaries, Affiliates, directors, officers, employees, agents, auditors, attorneys, consultants or advisors by and on behalf of the Parties.

Standard Complete Billing Services shall have the meaning provided in Article 2.

**Standard Passthrough Billing Services** shall have the meaning provided in Article 2.

**Submission Date** means the date Company receives initial or revised Billing Price Determinants from NPP.

**Subsidiary** means with respect to any Person, corporation, partnership, joint venture, limited liability company, trust, or estate of which (or in which) more than 50% of (a) the Voting Stock, (b) the interest in the capital or profits of such limited liability company, partnership or joint venture, or (c) the beneficial interest in such trust is, in each case, at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries, or by one or more of such Person's other Subsidiaries.

**Term** shall have the meaning provided in Article 8.

**Third Party Financing Statements** shall have the meaning provided in Section 6.4.

**UCC** means the Uniform Commercial Code as in effect in the jurisdiction under the laws of which the NPP is a “registered organization,” as such term is defined in the UCC.

**Unbilled Accounts Receivable** means the amount of NPP’s Generation Service revenue and associated charges to be determined by Company under Article 2 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any applicable state or federal taxes and/or surcharges) for Generation Service which has been rendered to Customers but which remains unbilled until such time as such receivables are billed and purchased by Company under the terms of this Agreement.

**Voting Stock** means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right to vote has been suspended by the happening of such a contingency.

## **1.2 Rules of Interpretation.**

(a) A reference to any document or agreement shall include such document or agreement as amended, modified, or supplemented from time to time in accordance with its terms and the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) Accounting terms not otherwise defined herein have the meanings assigned to them by GAAP applied on a consistent basis by the accounting entity to which they refer.

(f) The words “include,” “includes” and “including” are not limiting.

(g) Reference to a particular “§” or “section” refers to that section of this Agreement unless otherwise indicated.

(h) The words “herein,” “hereof,” “hereunder” and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement unless otherwise indicated.

(i) Any capitalized terms used in this Agreement and not defined herein shall have the meaning given to it in the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or as stated in the R.I.P.U.C. regulations.

## ARTICLE 2

### BILLING

2.1 Billing Services. Company shall offer two billing services to NPP: (a) Standard Complete Billing Service; and (b) Standard Passthrough Billing Service. All measured billing determinants will be based on Company-owned metering, except as otherwise agreed to in a subsequent agreement.

#### (a) Standard Complete Billing Services

In accordance with the provision of the Standard Complete Billing Service Option, Company shall issue a single bill for electric service. Company shall input and use the rates and pricing options supplied by NPP to calculate the NPP portion of Customer bills and integrate this billing with Company's billing in a single mailing to the Customer. Company shall provide NPP with Customer usage and billing information, in accordance with EDI. Company shall send a payment/adjustment transaction to the NPP. NPP rates and pricing options must conform to the rate structure in use by Company for each specific rate class Service and be supported by the meters in place. Changes in the rate levels of NPP charges to be billed shall be prospective only and shall be implemented for the next billed reading, provided that: (i) NPP notifies Company of the rate changes in accordance with Subsection 2 below; (ii) the notification includes the old and new rates, pricing options, and effective date; (iii) upon Company's request, NPP provides a sample bill calculation of a 500 kWh Customer or another sample Customer if it better fits the rate structure; and (iv) NPP consents to the implementation of the new rate once Company has tested its billing processes.

1. Billing Statement Contents. During the Term, Company shall prepare and render bills that include amounts due from Customers for NPP Generation Service. The single bill will include NPP's toll free telephone number for Customer inquiries. The Company shall not be required to include inserts containing NPP specific information except as otherwise required. Company shall calculate the Accounts Receivable, based upon the Billing Price Determinants in effect, and include on Company bills to eligible Customers such calculated amount along with any and all Company Tariff charges and surcharges, if applicable, for services provided by Company in connection with NPP's supply of the Generation Service to Customers. Company charges and any applicable surcharges in connection with the Customer's Generation Service shall be separately identified on the Company bills prepared under this Agreement except for surcharges that may be included by NPP as a component of the Billing Price Determinants provided to Company under this Agreement.

2. Submission of Initial Billing Price Determinants. If NPP elects to utilize the Standard Complete Billing Services from the Company, NPP shall submit its applicable initial Billing Price Determinants prior to Company's performance of any Billing Services under this Agreement. Specifically, NPPs electing to utilize the Standard Complete Billing Services from the Company shall furnish to Company a complete schedule of NPP's relevant rates and rate pricing options for Generation Service in written form or in an electronic format reasonably acceptable to Company at Company's option, no less than ten (10) business days prior to initial Customer enrollment for any such rate or prior to a change in NPP's existing rate or five (5) business days prior to a change in rate pricing options.

3. Calculation of Accounts Receivable. Based on the applicable Billing Price Determinants in effect under this Agreement and on available metering data or estimated usage data, Company, applying its standard billing methods, will determine the Accounts Receivable under Article 2, and include such

amounts on Company bills issued to Customers. Company's standard billing methods include, but shall not be limited to, a proration of Flat Rate based Billing Price Determinants.

**(b) Standard Passthrough Billing Service**

In accordance with the provision of the Standard Passthrough Billing Service Option, Competitive Supplier agrees to separately bill Customers for the cost of Generation Service provided by the NPP and the collection of amounts due to the NPP from the Customer. Company agrees to provide NPP with Customer usage information.

**(c) Transaction Processing.**

Customer transactions will be processed in accordance with the EDI standards. These transactions include, but are not limited to, account administration, reporting of Customer usage and billing, and reporting of Customer Payments and adjustments. Any changes in these standard transactions will be in accordance with the EDI standards.

**(d) Conditions of Billing**

Customers that contact Company concerning the billed amount for NPP Generation Service or any other NPP issue will be referred to NPP's customer service number identified in Attachment C. Company will not undertake bill investigations, Customer inquiries concerning NPP charges, collection activities for Customers billed under the Standard Passthrough Billing Service Option, or the settlement of billing disputes on behalf of NPP for Customers billed under either option. For both Standard Passthrough Billing Service and Standard Complete Billing Service, NPP shall be responsible for the reporting and payment of all taxes, if assessed, upon Generation Service.

**(e) Billing Errors.**

If either Party finds a billing error or other miscalculation on a bill or in the usage determinants used as the basis for either the Company or the NPP's bill calculation, the Party shall within sixty (60) days from the date of the Customer's statement containing the error, notify the other Party in writing or electronically and explain the nature of the error. In the event of an error by the Company, the Company shall either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. In the event of an error by the NPP, the Company will, upon NPP's request, and as is reasonably practicable, either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. If neither of the requested options is determined by the Company to be reasonably practicable, or if the NPP affirmatively chooses, the NPP may submit a rate pricing option correction in accordance with EDI. NPP will be responsible to pay any fees, as filed with and approved by the R.I.P.U.C., for any rebilling and/or adjustment caused by NPP error. When either Party reasonably believes that an error related to billing activity may have occurred, either Party may request the production of documents required to verify the accuracy of such billing, which the other Party will provide within ten (10) Business Days. Notwithstanding the forgoing, the Parties acknowledge that the Company may send estimated bills to Customers in accordance with R.I.P.U.C. regulations, and such estimated bills shall not be considered billing errors.

**2.2 Tax.**

The tax rates applied to NPP portion of Billed Amounts hereunder shall be based solely upon the tax rates that would have otherwise been charged to the same Customer if the Generation Service had been provided by Company.

### **2.3 Load Estimating and Reporting.**

Company shall determine the NPP's hourly loads and report such to the ISO-NE in accordance with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. In addition, upon NPP's written request the Company shall provide NPP with the following reports: (1) daily report of NPP's aggregate hourly loads; and (2) monthly reconciliation of NPP's aggregated hourly loads (completed once Company has read Customer's meters). Company will provide these reports to NPP in a format designated by the Company and reasonably acceptable to NPP. Upon NPP's request, the Company shall provide the methodology used to calculate transmission and distribution line losses and unaccounted for energy.

## **ARTICLE 3**

### **PURCHASE AND MANAGEMENT OF ACCOUNTS RECEIVABLE**

#### **3.1 General.**

Pursuant to the terms of this Agreement, to the extent that the NPP selects the Standard Complete Billing Service for either all or a portion of their customer accounts in a class, NPP agrees to sell and Company agrees to purchase each existing and future Account Receivable for such Customers on Standard Complete Billing Service as of the Billing Date in respect of such Account Receivable, and, in consideration of such purchase, NPP grants to Company a security interest in the Collateral under this Article 3. Pursuant to Section 2.1.1(3) of the NPP Terms and Conditions and Section 8B(3)(b) of the Municipal Aggregation Terms and Conditions, the Company's methodology for purchasing the outstanding existing Accounts Receivable of a NPP that selects the Standard Complete Billing Service is presented in Attachment E. As of the Billing Date, title to such Account Receivable shall pass to Company and NPP shall have no rights in or to such Account Receivable, and shall not seek to collect in any manner such amount from any Customer. Any Accounts Receivable, or portion thereof, that are billed by Company under this Agreement and for which payment is received by NPP from Customers shall be held by NPP in trust as the property of Company and shall be remitted in full to Company immediately upon receipt, and in any event within five (5) Business Days of receipt or discovery by the NPP, without any deduction or setoff. Company shall have the right to endorse the name of NPP on any and all remittances by Customers received by Company that are payable to NPP, and the right to collect the same from Customers. In addition, NPP assigns to Company any and all payments received from state, federal or other agencies associated with the Accounts Receivable including but not limited to payments for heating assistance.

#### **3.2 RESERVED.**

#### **3.3 Payment by Company.**

Company shall remit to NPP the Accounts Receivable Purchase Price on a timetable consistent with the average payment period of the relevant Customer Class, pursuant to Section 2.1.1(2)(a) of the Company's NPP Terms and Conditions Section 8B(2) of the Municipal Aggregation Terms and Conditions. The Company shall send a "payment adjustment" transaction to each NPP to notify the NPP the amount at which the Company will purchase the NPP's Accounts Receivable. To the extent that for operational reasons or system change requirements, Company alters the timetable for the average payment period applicable for the relevant Customer Class or makes other system-wide or operational changes, Company reserves the right to accelerate the payment procedure under the Agreement. In no event will a change to the procedure be undertaken without R.I.P.U.C. approval to the extent the change would hamper Company's compliance with Section 2.1.1(2)(b) of the

Company's NPP Terms and Conditions and Section 8B(2) of the Municipal Aggregation Terms and Conditions.

If the Company experiences disruptions in cash flow caused by customers not paying their bills within a timeframe that is consistent with historical payment periods, which are not adequately addressed by recovery of working capital costs, the Company may propose to the R.I.P.U.C. to adjust the payment period to NPPs.

The amount at which the Company will purchase the NPP's Accounts Receivable will be in accordance with Section 8B(2)(b) of the Terms and Conditions. At the time the NPP's Accounts Receivables are purchased, the Company will reclassify the Accounts Receivables from NPP's Accounts Receivables to a Company accounts receivable. Payment to NPP shall, at Company's option, be either by (a) ACH or (b) EFT.

### **3.4 NPP Statements/Reports.**

Company will provide NPP with all necessary statements/reports through EDI transactions.

### **3.5 Security Interest and Other Interests.**

As collateral for all obligations now existing or hereafter arising from NPP to Company, NPP hereby grants to Company a first priority perfected security interest in all the following property of NPP, wherever located, whether now owned, hereafter acquired, or created, and all proceeds and products thereof (the "Collateral"):

(a)All Accounts Receivable purchased by Company under this Agreement; and

(b)All Unbilled Accounts Receivable for service to be purchased by Company under this Agreement. While NPP is authorized to assign its right to receive payment under this Agreement to a third party by providing Company with appropriate payment instructions, NPP is explicitly not authorized to file any other Documents, including but not limited to any financing statements or liens, in order to effectuate the granted security interest.

### **3.6 Netting.**

The parties hereby agree that they may discharge mutual debts and payment obligations due and owing to each other under this Agreement through netting, in which case all amounts owed by each Party to the other party may be netted so that only the excess amount remaining due shall be paid by the Party who owes it. If no mutual debts or payment obligations exist and only one Party owes a debt or obligation to the other during the monthly billing period, such Party shall pay such sum in full when due.

### **3.7 Financial Assurance.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, if at any time during the Term of this Agreement, NPP, or NPP's Guarantor, if applicable, is not Creditworthy, the NPP shall provide credit support to the Company in an amount equal to the Additional Assurance Amount within three (3) Business Days after the Company's request. Such credit support shall be: (i) a letter of credit issued by a Qualified Bank in a form acceptable to the Company, which will allow the Company to draw on the letter of credit up to the full amount of the Additional Assurance Amount, or (ii) such other credit support that is reasonably acceptable to the Company, which may include a parent guarantee from a Creditworthy parent or a deposit.

## **ARTICLE 4** **DISCONTINUANCE OF DELIVERY AND GENERATION SERVICES**

### **4.1 Non-Payment and Discontinuance of Customer Service.**

Company shall be authorized to disconnect its Tariff delivery service and NPP's Generation Service to Customers when (i) the Customer fails to make full payment of all amounts due on the consolidated bill issued pursuant to Article 2; and (ii) Company has purchased the NPP's Accounts Receivable, subject to R.I.P.U.C. rules and regulations regarding termination of service and the Company's Terms and Conditions for Distribution Service.

## **ARTICLE 5** **REPRESENTATIONS AND WARRANTIES**

### **5.1 Supplier's Rights in Collateral.**

NPP warrants that it has the rights in, or the power to transfer the Collateral to Company.

### **5.2 No Liens.**

NPP warrants that its title in the Collateral is and will remain free from any and all liens, claims, encumbrances, security interests and restrictions on transfer or pledge and are not and will not be subject to any other valid or existing billing, collection, or financing instrument, and have not been billed and, and that no Collateral will be assigned, financed, sold, pledged, hypothecated, or otherwise encumbered, except to Company.

### **5.3 Prices.**

NPP warrants that the prices charged to Customers are in accordance with NPP's agreements with these Customers.

5.3.1 Company acknowledges its obligation to pay NPP in accordance with the terms of this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms of Service, as applicable, and the Program.

### **5.4 Entity Information.**

5.4.1. NPP. NPP warrants that its legal name and state of organization is as set forth in the preamble to this Agreement and NPP (a) is a [specify state [specify corporation /limited liability company /partnership], duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign [specify corporation / limited liability company / partnership] in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite [specify, corporation / limited liability company / partnership] power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted. If NPP is a non-Rhode Island entity, NPP is a registered organization as defined in Section 9-102 of the UCC in its state of organization and this applies only in the case of a non-Rhode Island entity qualified to do business and in good standing in the State of Rhode Island.

5.4.2 Company. Company warrants that its legal name and state of organization are as set forth in the preamble of this Agreement and that Company (a) is duly organized, validly existing and in good

standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign corporation in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted.

#### **5.5 Corporate Power, Authorization and Non-Contravention.**

The execution, delivery and performance by the Parties of this Agreement and each Document to which they are or are to be a party, and the consummation of the transactions contemplated hereby and thereby, are within the respective Party's corporate powers, have been duly authorized by all necessary corporate/organizational action(s), and do not (a) contravene Party's governance documents, (b) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award (each a "Law"), (c) conflict with or result in the breach of, or constitute a default under, any contract, loan agreement, indenture, mortgage, deed of trust, lease or other instrument, (each a "Contract") binding on or affecting the Parties, or their respective Subsidiaries, or any of their properties, or (d) result in or require the creation or imposition of any lien upon or with respect to any of the Collateral other than as provided under this Agreement.

#### **5.6 No Breach of Contract.**

Neither Party nor any of its respective Subsidiaries are in violation or breach of any Contract or Law, the violation or breach of which is reasonably likely to have a material adverse effect on its ability to perform under this Agreement.

#### **5.7 Third Party Approvals.**

No authorization, consent or approval, license, exemption or filing or registration with any court or other action by, and no notice to or filing with any governmental authority or regulatory body or any other third party is required for the due execution, delivery, recordation, filing or performance by either Party of this Agreement or any other Document to which either is a party, or for the consummation of the other transactions contemplated hereby.

#### **5.8 Enforceable Obligations.**

This Agreement has been, and each other Document when delivered hereunder will have been, duly executed and delivered by the Parties except as otherwise provided in this Agreement. This Agreement is, and each other Document to which either Party is a party when delivered hereunder will be, the legal, valid and binding obligation of the respective Party, enforceable against the respective Party in accordance with its respective terms.

#### **5.9 No Litigation.**

There is no action, suit, investigation, litigation or proceeding affecting either Party pending or threatened before any court, governmental agency or arbitrator that purports to affect the legality, validity or enforceability of this Agreement, any Document or the consummation of the transactions contemplated thereby or by this Agreement.

#### **5.10 No Tax Lien.**

NPP warrants that Collateral is free of all tax liens claims and/or encumbrances and that NPP will pay and remit on a timely basis all applicable state and federal tax levied or assessed upon the Accounts Receivable or the Collateral.

### **5.11 ISO-NE Membership.**

NPP warrants that it is duly qualified and accepted as a member of the ISO-NE or has a contract with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 and is in compliance with the rules and regulations of the ISO-NE as of the Effective Date of this Agreement.

### **5.12 General Representations.**

Each Party represents that it shall perform its obligations under this Agreement in compliance with all applicable laws, tariffs, and R.I.P.U.C. regulations in effect during the term of this Agreement. Each person executing this Agreement for each Party represents and warrants that he or she has authority to bind that Party. Each Party represents that: (a) it has the full power and authority to execute, deliver, and perform this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms. Each Party shall exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement and carry out its duties in accordance with applicable recognized professional standards.

## **ARTICLE 6** **COVENANTS AND OBLIGATIONS**

### **6.1 Legal Identity.**

During the Term of this Agreement and until all of NPP's obligations under this Agreement are completed or satisfied, NPP agrees that it will:

- (a) provide Company with sixty (60) days' prior written notice of any change in [specify, corporation/limited liability company / partnership] existence and status as a registered organization;
- (b) provide Company with sixty (60) days' prior written notice, if NPP merges into or consolidates with any other entity, or sells all or substantially all of its assets;
- (c) provide Company with thirty (30) days' prior written notice of any change in NPP's state where it is located, incorporated or is registered, as the case may be;
- (d) not change its corporate name without providing Company with thirty (30) days' prior written notice;
- (e) not grant any security interest in the Collateral except to Company; and
- (f) remain a duly qualified member of ISO-NE and use its best efforts to maintain its membership status in accordance with the rules and regulations of the ISO-NE or continue to meet its transaction requirements through a contractual arrangement with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 to qualify as a NPP. NPPs shall notify Company within two (2) Business Days of notification from the ISO-NE of any change in NPP's membership status or within two (2) business days after NPP ceases to be a counterparty to a contract with a NEPOOL participant to the extent that the cessation of such contract results in the NPP failing to qualify as a NPP. At any time, NPP, in its sole discretion, may terminate any contract it may have with a NEPOOL participant when such contract is unrelated to this Agreement or its qualification as a NPP.

### **6.2 Cooperation.**

Each Party agrees to cooperate with the other to the fullest extent possible under the law and to use its best efforts to facilitate the transactions under this Agreement. Such cooperation shall include, but not be limited to, supplying the other with all information and assistance that may be necessary or helpful to the requesting Party in performing under this Agreement, establishing the accuracy of any Accounts Receivable or in correcting errors.

### **6.3 Document Delivery.**

NPP hereby agrees to promptly execute and/or deliver to Company any and all Documents Company deems necessary to evidence Company's first priority security interests in the Collateral and satisfy NPP's obligations under this Agreement. NPP authorizes Company to file and/or record Documents, at NPP's sole cost and expense, including Financing Statements deemed necessary by Company to perfect its interest in the Collateral under the UCC and put third parties on notice of Company's interest in the Collateral. NPP further agrees that Company may execute, file and/or record any such other documents at NPP's sole cost and expense, if required, to evidence Company's interest in the Collateral, for and on behalf of NPP. NPP must submit a completed NPP Information form. The form is found in Attachment C. NPP acknowledges and agrees that no further Documents are required to evidence Company's obligations to NPP under this Agreement.

### **6.4 Third Party Financing Statements.**

NPP shall:(a) obtain any and all necessary amendments or terminations of financing statements, filed by any third party ("Third Party Financing Statements"), before the commencement of the Term of this Agreement against NPP as a debtor in the Collateral contemplated under this Agreement, specifically obtaining a release of the Collateral; and (b) ensure that any and all Third Party Financing Statements filed subsequent to the commencement of the Term of this Agreement shall expressly (i) except the Collateral from the description of collateral therein, and (ii) specifically reference this Agreement to ensure continuation of Company's first priority perfected security interest in the Collateral.

### **6.5 Notification.**

In addition to the requirements in Article 7, NPP shall provide copies to Company of any Third Party Statements filed after the commencement of the Term of this Agreement prior to the filing of any such statements to allow Company to review such Third Party Financing Statements. After its receipt of the Third Party Financing Statements, Company shall have three (3) Business Days to object to such statements on the ground that the execution of the Third Party Financing Statement would grant a security interest in the Collateral or otherwise affect Company's security interest in the Collateral. NPP shall deliver the Third Party Financing Statements by a nationally recognized courier service and by facsimile to Company at the address and facsimile numbers set forth in Section 15.7 of this Agreement. Third Party Financing Statements delivered by facsimile shall be deemed given on the day of receipt; provided that the statements delivered by nationally recognized courier service are received by Company before noon Rhode Island time on the next Business Day following the receipt of the facsimile.

### **6.6 Suspension of Tariff Delivery Service.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, during the Term of this Agreement, NPP assigns to Company any and all rights to request Company to suspend its Tariff delivery service or collect Accounts Receivable and Competitive Supplier waives all of its rights to exercise these activities without Company's consent.

### **6.7 Parties' Responsibilities.**

(a) NPP shall notify Company within twenty-four (24) hours in writing if its registration to act as a NPP, as provided in 810-RICR 40-10-2.3 and 815-RICR-30-05-1, is rescinded by the Division of Public Utilities and Carriers, or surrendered by the NPP, pursuant to 815-RICR-30-05-1, in such a way that it materially affects NPP's performance under this Agreement. Surrender or rescission of NPP's registration shall be grounds for immediate termination of this Agreement by the Company.

- (b) Company shall notify NPP within a reasonable period of discovery of its inability to pay for the Account Receivables or its inability to perform any material obligations under this Agreement.
- (c) Company shall notify NPP if the R.I.P.U.C. takes action with respect to Company's ability to operate as a public utility in such a way that it materially affects Company's performance under this Agreement, including but not limited to suspension, revocation, modification, or non-renewal.
- (d) NPP shall notify Company no less than forty-eight (48) hours prior, as applicable, to an event reasonably within the NPP's knowledge, and of which NPP has reason to believe Company has no knowledge, that will render NPP or its agent unable to maintain their status with NEPOOL, required to serve load. Upon such notice or upon the occurrence of such an event, Company shall have the immediate right to switch the affected NPP's Customers to Last Resort Service, under the Company's tariffs, and Company's obligation to purchase Unbilled Accounts Receivable under this Agreement would cease for such Customers.
- (e) NPP shall update information requested in Attachment C ten (10) days prior to any change in information contained in Attachment C. Company shall update information in Attachment D fifteen (15) days prior to any change in information contained in Attachment D.
- (f) NPP acknowledges that Company will select and may from time to time change the electronic transmission vehicle. Company will not change the electronic transmission vehicle without first providing NPP via Internet electronic mail at least fifteen (15) days' prior written notice of any such change.
- (g) NPP acknowledges that Company will not include NPP's preexisting balances on Standard Complete Billing for newly enrolled Customers.
- (h) NPP acknowledges that Company is authorized to deny Generation Service to Customers if Company has terminated such Customer's Distribution Service in accordance with the rules and regulations of the R.I.P.U.C., including the R.I.P.U.C.'s billing and termination regulations, until such time as the Customer is reinstated by the Company. In order for the NPP to serve such a Customer after reinstatement, NPP must re-enroll the Customer.
- (i) During the term of this Agreement, as to any EDI standards implemented, subsequent to the initial testing period, NPP shall be required to successfully complete testing of said standards in accordance with EDI.

## ARTICLE 7

### CONDITIONS PRECEDENT

The commencement of the Term and the obligations of NPP and Company under this Agreement are subject to the satisfaction of the following *conditions precedent*:

7.1 NPP shall deliver the following information to the Company, marked to the attention and address of Company's representative in Section 15.7, prior to the commencement of the Term of this Agreement:

- (a) complete list of any liens in favor of a third party, as creditor, against NPP as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (b) copies of all documents evidencing such liens including any Third-Party Financing Statement filed against NPP, as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (c) a certified copy of a lien search of NPP from the UCC filing offices under the UCC or a report that is complete and satisfactory to Company, such that Company is satisfied that any Collateral that has been previously pledged by the NPP whether recorded or not, has been fully discharged and released, and that no lien currently is recorded against the Collateral. An uncertified lien search obtained from an internet-based website from NPP's state of organization shall not satisfy the requirements under this Section. The lien search obtained shall be at NPP's sole cost and expense;
- and (d) an original or certified copy of a certificate of good standing with respect to NPP issued by

the Secretary of State of NPP's jurisdiction of organization and, if such jurisdiction is not the State of Rhode Island, then an original certificate of authority evidencing that NPP is duly qualified and in good standing as a foreign organization in the State of Rhode Island.

#### **7.2 Registration.**

NPP shall provide evidence to the Company that the NPP has registered with the Rhode Island Division of Public and Carriers

#### **7.3 Payment of Taxes.**

In accordance with Section 3.4, the amount of taxes invoiced to Customers in connection with NPP's portion of Billed Amounts will be provided in NPP's Statements/Reports. NPP shall be considered the vendor for purposes of liability for taxes related to Billed Amounts. Nothing in this Agreement shall be construed as imposing upon Company the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of NPP with respect to any Billed Amounts or with respect to Company's purchase of Accounts Receivable from NPP. NPP shall be liable for and shall pay all such taxes, and shall further indemnify, defend, and save harmless Company from and against any and all liability for such taxes, and any interest or penalties thereon.

#### **7.4 Failure to Provide Satisfactory Information.**

If the information provided by NPP under this Article 7 is not, in the reasonable opinion of Company, satisfactory, complete and acceptable in form and substance, and such information does not provide adequate evidence that Company's interest in the Collateral is superior to any third party's interest, then Company may provide written notice to NPP that the Term of this Agreement shall not commence and shall not be effective until the required information has been provided.

### **ARTICLE 8**

#### **TERM OF AGREEMENT**

8.1 The initial term of this Agreement ("Term") shall commence on the date (the "Effective Date") that is the later to occur of (a) the date of this Agreement or (b) the date that NPP submits the initial Billing Price Determinants to Company; provided, however, that NPP fulfills its condition precedents under Article 7 to Company's satisfaction. If NPP does not fulfill the obligations under Article 7, the Term of this Agreement shall not commence and no obligations will arise with respect to Company and this Agreement shall be null and void. The Term of this Agreement shall only commence in accordance with express terms and conditions of this Agreement and continue in full force and effect for the duration of the Program, unless earlier terminated in accordance with Article 9.

### **ARTICLE 9**

#### **TERMINATION/EVENT OF DEFAULT**

#### **9.1 Termination for Convenience.**

Subject to R.I.P.U.C. approval, either Party may terminate for convenience this Agreement upon sixty (60) days' prior written notice to the other Party.

#### **9.2 Termination for Default.**

Except as otherwise provided in this Article 9, this Agreement may be terminated by either Party (the "Terminating Party") upon prior written notice to the other Party upon the occurrence of any of the following events ("Events of Default") with respect to the other Party (the "Defaulting Party"):

(a) the Defaulting Party's failure to make any payment required under this Agreement when or before due which failure continues for five (5) days after receipt of written notice from the Terminating Party; or (b) Any representation or warranty made or deemed made by the Defaulting Party herein or in connection with this Agreement proves to have been incorrect in any respect when made or deemed made; or (c) the Defaulting Party's failure to materially perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for a period of thirty (30) days after written notice thereof shall have been given to the Defaulting Party; or (d) the Defaulting Party's ceasing to do business for five (5) or more days, or generally not paying its debts as such debts become due; or admitting in writing its inability to pay its debts generally or making an assignment for the benefit of creditors; or the institution of any proceeding by or against the Defaulting Party seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization arrangement, adjustment, protection relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it) either such proceeding shall remain undismissed or unstayed for a period of sixty (60) days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Defaulting Party or any of its Subsidiaries or Affiliates shall take any corporate/organizational action to authorize any of the actions set forth or the appointment of a receiver, trustee or custodian over, or an execution, attachment or levy upon, all or any material part of the property of the Defaulting Party.

Upon termination for default, the Terminating Party shall have the additional right to declare all amounts owing under this Agreement from the Defaulting Party to be immediately due and payable.

### **9.3 Additional Rights.**

In addition to the termination rights set forth in Section 9.1 and 9.2 above, the Parties have the following additional rights under the Agreement:

(a) In the event of a Party's failure to comply with the Municipal Aggregation Terms and Conditions, or NPP Terms and Conditions, as appropriate, or with any tariffs on file with the FERC that may be applicable to the Program, or with any tariffs on file with the R.I.P.U.C. or R.I.P.U.C. requirements applicable to the Program, the other Party shall have the right to exercise any such rights authorized and provided in the Terms and Conditions or by any R.I.P.U.C. requirements applicable to the Program including the right to immediately terminate this Agreement;

(b) In the event of either Party's failure to maintain in place at all times, any and all governmental approvals, if required, for the Party to receive service from the other under this Agreement or to sell the Generation Service to Customers, whether such approvals are issued by the R.I.P.U.C. or other state or federal regulatory authority of competent jurisdiction, the other Party shall have the right to immediately terminate this Agreement and/or seek relief from the R.I.P.U.C. upon the expiration of any applicable cure period provided to the other Party by such state or regulatory authority; and

(c) In the event of a Party's breach of this Agreement or any other written agreement with the other Party in connection with the Program, the aggrieved Party shall have the right to terminate this Agreement in the event such breach continues uncured for ten (10) days after written notice of termination to the other Party.

#### **9.4 Payment Obligations.**

At the end of the Term or upon the earlier termination of this Agreement, whether for convenience or otherwise, the Parties shall remain responsible for their respective payment or reimbursement obligations of any and all sums due or owing under this Agreement prior to such termination. Each Party shall have the right to set off such sums against amounts otherwise payable to the other Party in accordance with the provisions of this Agreement.

#### **9.5 Cumulative Remedies.**

The rights and remedies set forth in this Article 9 are in addition to any and all rights allowed by this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or any other applicable tariff, the UCC, the applicable laws of the State of Rhode Island, and any applicable rules and regulations thereunder or the common law. All rights and remedies shall be cumulative and may be exercised separately or concurrently.

### **ARTICLE 10 RESERVED**

#### **ARTICLE 11** **FORCE MAJEURE**

11.1 Any delays in or failure of performance by the Parties, other than the payment of monies, shall not constitute an Event of Default and shall be excused under this Agreement, if and to the extent such delays or failures of performance are caused by occurrences that are both: (a) beyond the reasonable control of the affected Party, including, but not limited to, acts of God, compliance with any order or request of any governmental or judicial authority, compliance with Company's public service obligations, riots or strikes or other concerted acts of workers, storms, fires, floods, and accidents; and (b) beyond the ability of the affected Party to prevent, by the exercise of reasonable diligence. In the event of a force majeure, both Parties shall take all reasonable steps to comply with this Agreement.

#### **ARTICLE 12** **LIMITATION OF LIABILITY**

##### **12.1 Liability limitations.**

The Parties acknowledge that the liability provisions in Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, are incorporated herein by reference. For purposes of such liability and indemnification, however, the Parties acknowledge and agree that nothing in such Terms and Conditions prohibits one Party from impleading the other Party as a third-party defendant, whether or not one or both Parties are named defendants in the initial claim of a third-party. The third-party claim shall be stayed pending resolution of any dispute regarding liability and indemnification under this Agreement. Such resolution shall be final and binding upon the Parties only after agreement between the Parties or after entry of a final judgment, after any further appeals of a court of competent jurisdiction to which any appeal may have been taken from the determination of the arbitrator(s). The Parties acknowledge and agree that for purposes of Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, a Party seeking recovery from the other Party in connection with the performance of its obligations of the Terms and Conditions shall not be entitled to recovery if its conduct is deemed to be more negligent than the conduct of the other Party. The Parties expressly acknowledge and agree that the dispute resolution provision in Section 15.19 of this Agreement shall apply to any and all disputes arising under this paragraph, including without

limitation, those disputes that arise as a result of either of the Parties being named as a defendant in the primary action or being named as a third-party defendant by a defendant in the primary action. Notwithstanding anything in this Agreement or the Terms and Conditions to the contrary, each Party's liability under this Agreement shall be limited to direct damages and in no event shall either Party be liable to the other Party for any indirect, incidental, consequential, punitive, special, or exemplary damages under any theory of law that is now or may in the future be in effect, including without limitation: contract, tort, strict liability, or negligence, including, but not limited to, lost profits or revenues and expenses involving cost of capital. Notwithstanding the availability of other remedies at law or in equity, either Party hereto shall be entitled to specific performance to remedy a breach of this Agreement by the other Party. The provisions of this Article 12 shall survive the expiration, cancellation, or termination of this Agreement.

### **ARTICLE 13** **INDEMNIFICATION**

13.1 The Company and NPP shall indemnify and hold each other and their respective Affiliates, and directors, officers, employees, and agents of each of them harmless from and against any and all damages, costs, including attorneys' fees, fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts, omissions of such Party in connection with the performance of its obligations under the Terms and Conditions. The Company and NPP shall waive recourse against the other Party and its Affiliates for or arising from the non-negligent performance by such other Party in connection with the performance of its obligations under the Terms and Conditions.

13.2 The Parties agree that the NPP's obligations pursuant to Section 12 herein are limited solely to Section 12 herein, and include Liabilities associated with: (a) NPP's acts or omissions regarding the Accounts Receivable or billing determinants provided by NPP; (b) NPP's failure to remit to the appropriate taxing jurisdiction any taxes; (c) any other agreement or understanding alleged to have been made with Competitive Supplier in connection with the Collateral or Collateral-related transactions contemplated by this Agreement, and (d) any inaccuracy in any document or affidavit provided to Company under this Agreement or other breach of any representation or warranty or affidavit made by NPP in this Agreement. The Parties agree that a Party's obligations pursuant to Section 12 herein include Liabilities associated with (a) a failure by a Party to satisfy its obligations under this Agreement; and (b) all costs and expenses, including reasonable fees and expenses of counsel and other advisors, associated with any costs or losses incurred by a Party in connection with the Liabilities. The Parties agree that the Company's obligations to NPP pursuant to Section 12 herein are limited solely to Section 12 herein does not alter or in any way modify or nullify any limitations on the Company's liabilities pursuant to other Company tariffs, including, but not limited to Company's Terms and Conditions for Distribution Service. Moreover, pursuant to Company's NPP Terms and Conditions in Section 4.2 and the Company's Municipal Aggregation Terms and Conditions in Section 9E, the Company shall not be responsible for any estimating errors and shall not be liable to the NPP for any costs that are associated with such estimating errors.

#### 13.3 RESERVED.

13.4 **Defense.** NPP and Company, respectively, shall take action to defend, indemnify and hold the Indemnified Parties harmless against any and all claims, actual or threatened, promptly, but in no event later than the service of a notice, summons, complaint, petition, or other service of process with

respect to such claims, including, as applicable, the engagement of legal counsel, to respond to, defend, or settle, or compromise any claim or threatened claim.

13.5 **Enforcement.** NPP and Company respectively shall pay any and all costs and expenses (including reasonable attorneys' fees) incurred to enforce the provisions of this Article 13.

13.6 **Survival.** The obligations set forth in this Article 13 shall survive the expiration, cancellation, or termination of this Agreement.

## **ARTICLE 14** **NONDISCLOSURE**

### **14.1 Nondisclosure of Confidential Information.**

Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including Affiliates, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, Customers of either or both Parties, suppliers for either Party, personnel of either Party; any trade secrets; and other information of a similar nature whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information obtained by a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a Party who was under an obligation of confidentiality to the other Party to this Agreement, or information developed by either Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own Confidential Information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

### **14.2 Exceptions.**

Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosures, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

### **14.3 Data Security Agreement**

NPP shall be required to execute the Company's Data Security Agreement provided as Attachment F as a condition to participating in this Agreement.

## **ARTICLE 15** **MISCELLANEOUS**

### **15.1 Entire Agreement/Integration/Merger/Survival.**

This Agreement, as may be amended in accordance with Section 15.3, constitutes and expresses the entire understanding between the Parties with respect to the subject matter hereof. The Parties agree

that there are no understandings, agreements, or representations, expressed or implied, other than those expressed herein. This Agreement supersedes and merges all prior and contemporaneous agreements, discussions, understandings, inducements or conditions, whether expressed or implied, written or oral. This Agreement shall not merge with or be terminated or suspended by any future agreement between the Parties which does not specifically and in writing so provide. Upon execution of this Agreement by the Parties, except as otherwise provided in this Agreement, the Parties shall no longer be bound by the terms and provisions of any previous definitive billing service agreements between the Parties and such agreements shall be terminated and superseded by this Agreement, except for such terms and provisions that expressly or by their operation survive the termination or expiration of such definitive billing services agreement, provided that such terms do not conflict with the terms of this Agreement. As of the expiration of this Agreement or, if earlier, its termination, the Parties shall no longer be bound by the terms and provisions hereof, except (a) to the extent necessary to enforce the rights and obligations of the Parties arising under this Agreement before such expiration or termination or (b) for such terms and provisions that expressly or by their operation survive the termination or expiration of this Agreement.

### **15.2 No Further Obligation.**

Upon expiration, cancellation, or termination of this Agreement, Company shall thereafter have no obligation to include NPP's Accounts Receivable on its bills to Customers.

### **15.3 Modifications**

This Agreement, and any provision thereof, shall not be superseded, modified, amended, waived, or otherwise changed, except in a writing duly signed by both Parties.

**15.4 Assignment.** NPP shall not assign all or any part of the monies payable by Company under this Agreement without the prior written consent of Company, which consent Company shall not unreasonably withhold, except NPP may, upon twenty (20) days' prior written notice to Company, assign such monies to any lender of NPP, or financial institution of NPP for financing or credit purposes excluding any assignment of the Collateral. NPP, to the fullest extent of the law, shall indemnify and hold Company harmless from any loss, damage, or claim which may at any time be imposed on, incurred by, or asserted against Company by NPP or any third parties (including Customers) that are directly or indirectly caused by, arise out of or under, or are associated with, incident to or in connection with any assignment under this Section 15.4. Notwithstanding anything to the contrary herein, under no circumstances shall NPP sell, assign, transfer, pledge or otherwise dispose of any of the Collateral. In addition, either party may subcontract its duties under this Agreement to a subcontractor provided that the subcontracting party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, and shall serve as the point of contact between its subcontractor and the other party, and the subcontractor shall meet the requirements of any applicable laws, rules, regulations, and Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. The assigning or subcontracting party shall provide the other party with thirty (30) calendar days' prior written notice of any such subcontracting or assignment, which notice shall include such information about the subcontractor as the other party shall reasonably require.

**15.5 Successors Bound.** This Agreement shall be binding upon and inure to the benefit of each Party and its respective legal representatives, successors, and permitted assigns and shall survive any acquisition merger, reorganization or other business combination to which it is party.

15.6 No Third-Party Beneficiaries. This Agreement is solely between the Parties and is not intended to confer any rights whatsoever on any third parties.

15.7 Notices. Except as otherwise provided in this Agreement, each Party hereby designates the following individuals to be its duly authorized representative for the receipt of any legal or contractual notices required to be sent to such Party. Such notices shall be deemed duly sent when personally delivered or mailed by registered or certified mail, return receipt requested, postage prepaid, to the intended Party's designated representative at the addresses set forth hereafter or to such other address as the Party to whom the same is intended shall have specified in conformity with this provision.

National Grid Attn: Manager of Supplier Services 175 East Old Country Road Hicksville, New York 11801 Facsimile Number: 516-545-3250

NPP's notice information is provided in Attachment C to this Agreement.

15.8 Choice of Law.

This Agreement shall be interpreted and enforced according to the laws of the State of Rhode Island without regard to the choice of law provisions thereof. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence. The Parties hereby consent to the personal jurisdiction of courts in the State of Rhode Island in any litigation or proceeding concerning any issues related to this Agreement, including the validity, enforceability, or interpretation of this Agreement.

15.9 Severability. To the extent that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, it shall be severed from this Agreement without affecting the validity, legality or enforceability of the remaining provisions of the Agreement.

15.10 Headings. The headings contained in this Agreement are provided solely for the convenience of the Parties and shall neither expand nor restrict the rights and obligations created herein.

15.11 Conflict: Order of Precedence.

In the event of conflict between the terms of this Agreement as executed or amended and the provisions of the Municipal Aggregation Terms and Conditions or the NPP Terms and Conditions, as applicable, including, without limitation, the definitions set forth in this Agreement, any conflict will be resolved in the following order of precedence: Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, Agreement.

15.12 No Waiver.

No failure on the part of any Party to exercise, or delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

15.13 Additional Service(s) and Opt-In Programs.

In the event that NPP requests additional service(s) from Company that are not provided under this Agreement, Company will provide NPP with a price quote(s) for service(s) so requested. If NPP accepts Company's price quote(s) and Company agrees to provide such service(s), then the associated prices for each service shall be more fully set forth on Attachment B, annexed hereto and

made a part hereof. The additional service(s) set forth on Attachment B shall be in addition to any service(s) under this Agreement and shall be at NPP's sole cost and expense. NPP shall pay Company for the additional service(s) in accordance with the price and upon terms set forth on Attachment B.

**15.14 Execution in Counterparts.**

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by electronic transmission (whether by telecopier or by email) shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by electronic transmission shall be deemed to be their original signatures for all purposes. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought.

**15.15 RESERVED**

15.16 Fees. Company may charge fees to NPP as set forth in Attachment D or the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. Company shall have the right to subtract fees that NPP owes to Company, and that are sixty (60) days or more past due, from amounts Company collects on behalf of NPP for reimbursement to NPP. Amounts subject to a good faith dispute will not be subject to deduction. NPP reserves the right to dispute such charges and/or claim that such charges are inconsistent with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or are otherwise not in accordance with the law.

**15.17 Billing and Payment for Services.**

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

**15.18 RESERVED**

**15.19 Dispute Resolution.**

Disputes hereunder shall be reduced to writing and referred to the Parties’ representatives for resolution. The Parties’ representatives shall meet and make all reasonable efforts to resolve the dispute. Pending resolution, the Parties shall continue to fulfill their obligations under this Agreement in good faith, unless this Agreement has been suspended or terminated as provided in Article 9.0. If the Parties fail to resolve the dispute within thirty (30) days, they may mutually agree to pursue mediation or arbitration to resolve such issues. The Parties agree that the place of mediation or arbitration shall be Providence, Rhode Island.

In witness whereof, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date above.

**NPP**

**THE NARRAGANSETT ELECTRIC COMPANY**

<u>Name (Print):</u>	<u>Name:</u>
<u>Signature:</u>	<u>Signature:</u>
<u>Title:</u>	<u>Title:</u>
<u>Date:</u>	<u>Date:</u>

**ATTACHMENT A**  
**BILLING PRICE DETERMINANTS**

**NPP Name:**

**NPP ID Leave blank**

**Effective Date:**

**ATTACHMENT B**

**ADDITIONAL SERVICES**

The following is a list of Additional Services, as described in Section 15.13. Printing of NPP Logo on Customer Bill Other Additional Services

## ATTACHMENT C

### NPP INFORMATION

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

#### A. General Information (all NPPs)

1. Legal name of the NPP
2. d/b/a name, if applicable
3. NPP Address
4. Type of Business Entity
5. NPP Customer Service phone number
6. NPP Tax Identification number
7. NPP Dun & Bradstreet number
8. Name of the NPP's general contact
9. NPP's general contact phone number
10. NPP's general contact facsimile number
11. NPP's general contact e-mail address
12. Name of NPP's technical contact
13. NPP's technical contact phone number
14. NPP's technical contact facsimile number
15. NPP's technical contact e-mail address
16. Has NPP attended Rhode Island NPP Training?
17. Is NPP registered with the Rhode Island Division of Public Utilities and Registration Number

#### B. Billing and Banking Information

- 1 If the NPP is planning to assign its own account number, provide format and size
- 2 Name of receiving bank (to accept electronic transfer of Customer Payments)
- 3 Routing and transit number (ABA number)
- 4 Bank account number

#### C. Value Added Network (VAN)

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

#### D. Establishment of NEPOOL Tie Line

- 1 Name of the NEPOOL Participant in whose NEPOOL Own Load Dispatch the NPP's load will be served
- 2 Own Load Number (if available)
- 3 NPP contact name
- 4 NPP contact phone number
- 5 NPP contact facsimile number
- 6 NPP contact e-mail address
- 7 Estimated Load Transfer (KW Demand)
- 8 Estimated Transfer

**E. NPP Load Allocation, if requested**

1 Check to receive load estimation results Yes No

2 NPP contact name

3 NPP contact phone number

4 NPP contact e-mail address

**F. Notices to NPP shall go to:**

Name:

Address:

Phone Number:

Facsimile Number:

Electronic Mail:

Authorized Signature:

Title:

Date:

## **ATTACHMENT D** **COMPANY SPECIFIC PROVISIONS**

### **1. Budget and Payment Options**

NPP acknowledges that Company offers customers payment options that include budget and payment plans. Both options modify the amount that is considered the current amount due. Payment plans will normally generate a current amount due greater than the actual monthly charges as this option is typically used to recover the current month's bill plus some portion of the total outstanding balance. Budgets are typically used to allocate an annual bill equally over twelve months. This equal allocation can generate a current amount due that is greater than or less than the actual calculated charges for a given billing period. Budgets or payment plans shall not affect any Accounts Receivable Purchase Price offered pursuant to this Agreement.

### **2. Summary Billing**

NPP acknowledges that Company offers a summary billing option, which allows qualified Customers with multiple electric service accounts to consolidate multiple individual billings on a single bill format.

### **3. Fees**

NPP agrees to pay any fees once and as approved by the R.I.P.U.C. Company shall notify Supplier of the approval of any such fees, as included in the Company's Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as amended from time to time.

### **4. Holidays and Time**

Any reference made with respect to time either in this agreement is understood to be Eastern Standard Time adjusted to account for Daylight Savings Time. The Company observes the following holidays and will not receive or process electronic transactions on the following days: New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, The Last Weekday Before Christmas Day, and Christmas Day. All holidays will be the nationally observed day.

### **5. Business Continuity Plan**

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

### **6. Company Contact**

Information on how to contact the Company's representative for the administration of this Agreement shall be posted on the Company's web site.

## ATTACHMENT E

### PURCHASING OF EXISTING ACCOUNTS RECEIVABLE

#### Transition Rate Calculation Methodology

- After final approval by the R.I.P.U.C. of the Company's implementation plan for the purchase of a NPP's Accounts Receivable ("AR") pursuant to R.I.P.U.C., the risk of the collective NPP's commodity AR will be determined as of the last day of the month that is at least one month prior to the R.I.P.U.C. final order "go-live" date in R.I.P.U.C. 5073 ("AR Date").
- The Company will first determine an indebtedness portfolio by assigning each customer's AR existing at the time of the AR Date to an indebtedness bucket (e.g., 0-29 days, 30-59 days, 60-89 days plus, 90-119 days, and 120 days plus). The AR will consist of the delivery and commodity charges for all of the Company's customers, inclusive of the commodity charges billed on behalf of NPPs. An uncollectible risk rate for each indebtedness bucket will be determined by dividing the write-offs associated with each bucket over the 12-month period following the AR portfolio existing at the month-end 12-months prior to the AR Date plus the charge-back credits to the NPPs over that same period that stem from the same AR portfolio, by the indebtedness AR.
- Three collective Transition Rates will be determined for all NPPs: Residential; Commercial; and Industrial. These collective Transition Rates are defined as the weighted average of the uncollectible risk rates for each indebtedness bucket. Three single blended Transition Rates will be provided to all NPPs by these three Customer classes.
- Any existing AR for a NPP will be purchased at the discount amounts represented by the three Transition Rates upon the NPP's initiation of the Program.

**Indebtedness:** The collective view of a customer's accounts receivable against which an uncollectible risk rate is assessed. In this perspective, all of a customer's accounts receivable is gathered into an aged bucket in which their oldest dollar lies. For example, assume a single customer's accounts receivable is spread in the following manner on a straight aging basis:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$100 \$100 \$100 \$100 \$100 \$500

In an indebtedness view, this customer's accounts receivable is placed in the bucket where its oldest dollar lies:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$0 \$0 \$0 \$0 \$500 \$500

- The calculation of the Transition Rates will be consistent with the illustrative methodology presented in the Transition Rate Model addendum.

#### NATIONAL GRID TRANSITION RATE MODEL ADDENDUM

##### ILLUSTRATIVE EXAMPLE

ESCO COLLECTIVE TOTAL INDEBTEDNESS A/R on "AR Date" -- mm-dd-2014  
(5000's)

0-29 30-59 60-89 90-119 120+

RES AR \$ 3,135 \$ 1,523 \$ 806 \$ 372 \$ 1,164 \$

NONRES AR \$ 11,908 \$ 7,299 \$ 2,305 \$ 576 8 912 5

ESCO AR

7,000(a)

23,000(b)

\$ 15,043 \$ 8,822 \$ 3,111 \$ 948 \$ 2,076 \$ 30,000(c)

NATIONAL GRID UNCOLLECTIBLE RATES

(By Indebtedness Aging Buckets for 12-Mo Period ending on "AR Date")

(Write-Offs + Charge Backs divided by AR 12-Mo Prior to "AR Date")

0-29 30-59 60-89 90-119 120+

RES AR

NONRES AR

0.80% 3.00% 8.00% 14.00% 24.00%

0.20% 2.50% 4.00% 11.00% 23.00%

(d)

(e)

ESCO Collective Residential & Non-Residential Charge Off Estimates

0-29 30-59 60-89 90-119 120+

RES AR \$ 25 \$ 46 \$ 64 \$ 52 \$ 279 \$ (f) = [ (a) x (d) ]

NONRES AR \$ 24 \$ 182 \$ 92 \$ 63 \$ 210 \$ 572 (g) = 1 (b) x (e) ]

\$ 49 \$ 228 \$ 157 \$ 115 \$ 489 \$ 1,038 (li)

ESCO Collective Residential and Non-Residential Transition Rates

RES AR 6.67% (i) [ (1) / (a) ]

NONRES AR 2.49% (1) = [(g)/(b)]

ESCO Transition Rates by POR Customer Class

Commercial Industrial Total C&I

Delivery Delivery Delivery

Charge Offs Charge Offs Charge Offs

(5000's)

Historic delivery charge offs for Customers on Competitive Supply: \$ 125 \$ 250 \$ 375 (k)

Percentage of each class' delivery charge offs of the total: 33.33% 66.67% 100.00% (l) = [(k) customer class / (k) Total]

Allocated ESCO Non-Residential Estimated Charge Offs: \$ 191 \$ 381 \$ 572 (m) = (g) x (l) Total

Commercial Industrial Total C&I

Delivery Delivery Delivery

Revenue Revenue Revenue

(5000's)

Historic delivery revenue for Customers on Competitive Supply: \$ 70,000 \$ 350,000 \$ 420,000 (n)

Percentage of each class' delivery revenue of the total: 16.67% 83.33% 100.00% (o) = [(n) customer class / (n) Total]

Allocated ESCO Non-Residential Outstanding A/R: \$ 3,833 \$ 19,167 \$ 23,000 (p) = (o) x (b) Total

Residential Transition Rate: Proxy

Commercial Transition Rate: Proxy

Industrial Transition Rate:

6.67% (q) = (1)

4.97% (r) = [(m) / (p)] for Commercial Class

1.99% (s) = [(m) / (p)] for Industrial Class

**ATTACHMENT F**

**DATA SECURITY AGREEMENT**

**DATA**  
**SECURITY**  
**AGREEMENT**

This Data Security Agreement (“Agreement”) effective \_\_\_\_\_, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between The Narragansett Electric Company (“Distribution Company”) and non-regulated power producer, [INSERT TYPE OF ENTITY AND STATE OF ORGANIZATION] (“NPP”) with offices at \_\_\_\_\_; and together with Distribution Company the (“Parties” and each, individually, a “Party”).

### **RECITALS**

WHEREAS, NPP desires to have access to Confidential Customer Distribution Company Information, or the Rhode Island Public Utilities Commission (“Commission”) has ordered Distribution Company to provide to NPP customer information; and

WHEREAS, NPP has obtained consent from all customers from whom the NPP intends to obtain information from Distribution Company; and

WHEREAS, NPP may utilize a third party to fulfill its Service obligations, including but not limited to, Electronic Data Interchange (“EDI”) communications with Distribution Company, data collection or analysis, or billing; and

WHEREAS NPP’s utilization of a third party provider does not relieve NPP of its transactional obligation; and

WHEREAS, Distribution Company and NPP also desire to enter into this Agreement to establish, among other things, the full scope of NPP’s obligations of security and confidentiality with respect to Confidential Customer Information in a manner consistent with the orders, rules and regulations of the Commission and requirements of Distribution Company, as well as the obligations of the Distribution Company under this Agreement; and

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agreeas follows:

#### **1. Definitions.**

- 
- a. “Confidential NPP Information” means information that NPP is: (A) required to receive from the end use customer and provide to Distribution Company to enroll the customer or (B) any other information provided by NPP to Distribution Company and marked confidential by the NPP, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without

reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

- b. “Confidential Customer Information” means information that is: provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.
- c. “Confidential Information” means, collectively, Confidential Customer Information or Confidential NPP Information.
- d. “Cybersecurity and Data Privacy Protections” refer to controls addressing the risk to IT systems and data. These cybersecurity requirements are applicable to NPP or its Third-Party Representative that electronically exchange Confidential Customer Information, not including by email, with Distribution Company. These controls also implement and address the risk of improper access, or misuse, of Confidential Customer Information. The data privacy protections are required of any NPP that processes Confidential Customer Information.
- e. “Data Protection Requirements” means, collectively, (A) all national, state, and local laws, regulations, or other government standards relating to the protection of information that identifies or can be used to identify an individual that apply with respect to NPP or its Representative’s Processing of Confidential Customer Information; (B) industry best practices or frameworks to secure information, computer systems, network, and devices using a defense-in-depth approach, such as and including, but not limited to, NIST SP 800-53, ISO 27001 / 27002, COBIT, CIS Security Benchmarks, Top 20 Critical Controls as best industry practices and frameworks may evolve over time; and (C) the Commission rules, regulations, and guidelines relating to data access, Cybersecurity and Data Privacy Protection. Subject to the above, NPP will determine and implement the necessary Cybersecurity and Data Privacy Protections to provide for the protection of Confidential Information.
- f. “Data Security Incident” means a situation when Distribution Company or NPP reasonably believes that there has been: (A) the loss or misuse (by any means) of Confidential Information; (B) the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of Confidential Information,

computer systems, network and devices used by a business; (C) any other act or omission that compromises the security, confidentiality, or integrity of Confidential Information, or (D) any material breach of any Data Protection Requirements in relation to the Processing of Confidential Information, including by any current or former Representatives.

- g. “Distribution Company Data” means data held by Distribution Company, whether produced in the normal course of business or at the request of NPP.
- h. “NPP” means, as the context indicates, (i) Distribution Company’s counterparty to this Agreement, provided that in any case Distribution Company’s counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its distribution Customers, and (2) a municipal light department acting as a distribution company.
- i. “PUC” or “Commission” shall have the meaning attributed to it in the Recitals.
- j. “Processing” (including its cognate, “process”) means any operation, action, error, omission, negligent act, or set of operations, actions, errors, omissions, or negligent acts that is performed using or upon Confidential Information or Distribution Company Data, whether it be by physical, automatic or electronic means, including, without limitation, collection, recording, organization, storage, access, adaptation, alteration, retrieval, use, transfer, hosting, maintenance, handling, retrieval, consultation, use, disclosure, dissemination, exfiltration, taking, removing, copying, processing, making available, alignment, combination, blocking, deletion, erasure, or destruction.
- k. “Third-Party Representatives” or “Representatives” means those agents acting on behalf of NPPs that are contractors or subcontractors and that store, transmit or process Confidential Customer Information. For the avoidance of doubt, Third-Party Representatives do not include NPPs and their members, directors, officers or employees who need to know Confidential Customer Information for the purposes of providing Services.
- l. “Services” mean any assistance in the competitive markets provided by NPPs to end use customers that also require interaction with a Distribution Company, including but not limited to the electronic exchange of information with a Distribution Company.

**2. Scope of the Agreement.** This Agreement shall govern the Cybersecurity and Data Privacy Protections of NPPs that electronically receive or exchange customer information, other than email, from a direct connection with the Distribution Company IT systems and the privacy protections that apply to Confidential Information disclosed to NPP or to which NPP is given access by Distribution Company, including all archival or back-up copies of the Confidential Information held or maintained by NPP (or its Representatives) and Confidential NPP Information. No financial information, other than billing information, will be provided pursuant to this Agreement. If any information is inadvertently sent to

NPP or Distribution Company, NPP or Distribution Company will immediately notify the Distribution Company/NPP and destroy any such information in the appropriate manner.

3. **Customer Consent.** The Parties agree that Federal, State and local laws, and the orders, rules and regulations of the Commission govern an NPP's obligation to obtain informed consent from all customers before NPP requests Confidential Customer Information from Distribution Company. The NPP agrees to comply with the Federal, State and local laws, the orders, rules and regulations of the Commission, and the Distribution Company's tariffs regarding customer consent.
  
4. **Provision of Information.** Distribution Company agrees to provide to NPP or its Third-Party Representatives, certain Confidential Customer Information, as requested, provided that: (A) if the Distribution Company has identified a potential Cybersecurity or Data Privacy Protection issue NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) are in compliance with the terms of this Agreement in all material respects; (B) if required by Distribution Company due to the identification of a potential or actual Data Security Incident, NPP shall undergo an audit, at the NPP's expense;<sup>1</sup> (C) NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) shall have and maintain throughout the term, systems and processes in place and as detailed in the Self Attestation to protect Distribution Company IT systems, Data Privacy Protections and Confidential Customer Information. A copy of the required Self Attestation form is attached to this Agreement as Exhibit A. Provided the foregoing prerequisites have been satisfied, NPP shall be permitted access to Confidential Customer Information and/or Distribution Company shall provide such Confidential Customer Information to NPP. Nothing in this Agreement will be interpreted or construed as granting either Party any license or other right under any patent, copyright, trademark, trade secret, or other proprietary right or any right to assert any lien over or right to withhold from the other Party any Data and/or Confidential Information of the other Party. Distribution Company will comply with the security requirements set forth in its assessment.
  
5. **Confidentiality.** NPP shall: (A) hold all Confidential Customer Information in strict confidence pursuant to Commission's orders and rules; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential Customer Information to any Third-Party Representatives, or affiliates, except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential Customer Distribution Company Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential Customer Information; (E) store Confidential Customer Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential Customer Information under the provisions

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<sup>1</sup> An audit related to a Data Security Incident is used to verify that the necessary Cybersecurity and Data Privacy Protections are in place for the Distribution Company to provide certain Confidential Customer Distribution Company Information to the NPP or its Third-Party Representatives with an electronic connection to the Distribution Company, other than by email. The same audit requirements will apply as in Section 8. However, the NPP will be responsible for the cost of the audit in order to be authorized to receive data from the Distribution Company.

hereof; and (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential Customer Information as NPP employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care. At all times, Distribution Company shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential Customer Information are being observed and NPP shall be obligated to promptly provide Distribution Company with the requested assurances. An NPP may provide Confidential Customer Information to a Third-Party representative without a direct electronic connection with the Distribution Company, to assist the NPP in providing permitted Services, but an NPP utilizing such Third Party Representative shall be solely responsible and fully liable for the actions of the Third Party Representative.

Distribution Company shall: (A) hold all Confidential NPP Information in strict confidence; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential NPP Information to any other person or entity except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential NPP Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential NPP Information; (E) store Confidential NPP Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential NPP Information under the provisions hereof; (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential NPP Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care; and (G) to the extent required by NPP, each Third Party Representative with a need to know the Confidential NPP Information shall sign the Third-Party Representative Agreement set forth as Exhibit B to this Agreement. At all times, NPP shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential NPP Information are being observed and Distribution Company shall be obligated to promptly provide NPP with the requested assurances.

This Section 5 supersedes prior data security agreements between the Parties pertaining to Confidential Information.

## **6. Exceptions Allowing NPP to Disclose Confidential Customer Information.**

- a. **Disclosure to Representatives.** Notwithstanding the provisions of Section 5 herein, the Parties may disclose Confidential Information to their Third-Party Representatives who have a legitimate need to know or use such Confidential Customer Information for the purposes of providing Services in accordance with Commission orders and rules, provided that each such Third-Party Representative first is advised by the disclosing Party of the sensitive and confidential nature of such Confidential Customer Information. Notwithstanding the foregoing, the NPP shall be liable for any act or omission of its Third-Party Representative, including without limitation, those acts or omissions that would constitute a breach of this Agreement.
- b. **Disclosure if Legally Compelled.** Notwithstanding anything herein, in the event that a Party or any of its Third-Party Representatives receives notice that it has, will,

or may become compelled, pursuant to applicable law or regulation or legal process to disclose any Confidential Information (whether by receipt of oral questions, interrogatories, requests for information or documents in legal proceedings, subpoenas, civil investigative demands, other similar processes, or otherwise), that Party shall, except to the extent prohibited by law, within one (1) business day, notify the other Party, orally and in writing, of the pending or threatened compulsion. To the extent lawfully allowable, the Parties shall have the right to consult and the Parties will cooperate, in advance of any disclosure, to undertake any lawfully permissible steps to reduce and/or minimize the extent of Confidential Information that must be disclosed. The Parties shall also have the right to seek an appropriate protective order or other remedy reducing and/or minimizing the extent of Confidential Information that must be disclosed. In any event, the Party and its Third-Party Representatives shall disclose only such Confidential Information which they are advised by legal counsel that they are legally required to disclose in order to comply with such applicable law or regulation or legal process (as such may be affected by any protective order or other remedy obtained by the Party) and the Party and its Third-Party Representatives shall use all reasonable efforts to ensure that all Confidential Information that is so disclosed will be accorded confidential treatment.

7. **Return/Destruction of Information.** Within thirty (30) days after Distribution Company's written demand, NPP shall (and shall cause its Third-Party Representatives to) cease to access and Process Confidential Customer Information and shall at the Distribution Company's option: (A) return such Confidential Customer Information to Distribution Company in such manner, format, and timeframe as reasonably requested by Distribution Company or, if not so directed by Distribution Company, (B) shred, permanently erase and delete, degauss or otherwise modify so as to make unreadable, unreconstructible and indecipherable ("Destroy") all copies of all Confidential Customer Information (including any and all extracts, compilations, studies, or other documents based upon, derived from, or containing Confidential Customer Information) that has come into NPP's or its Third-Party Representatives' possession, including Destroying Confidential Customer Information from all systems, records, archives, and backups of NPP and its Third-Party Representatives, and all subsequent access, use, and Processing of the Confidential Customer Information by NPP and its Third-Party Representatives shall cease, provided any items required to be maintained by governmental administrative rule or law or necessary for legitimate business or legal needs will not be destroyed until permitted and will remain subject to confidentiality during the retention period. A Distribution Company making a written demand of an NPP for the return or destruction of Confidential Customer Information will specify the reason for the demand. NPP agrees that upon a customer revocation of consent, NPP warrants that it will no longer access through Distribution Company, Confidential Customer Information and that it will Destroy any Confidential Customer Information in its or its Third-Party Representative's possession. Notwithstanding the foregoing, NPP and its Third-Party Representatives shall not be obligated to erase Confidential Customer Information contained in an archived computer system backup maintained in accordance with their respective security or disaster recovery procedures, provided that NPP and its Third-Party Representatives shall: (1) not have experienced an actual Data Security Incident; (2) maintain Cybersecurity and Data Privacy Protections to limit access to or recovery of Confidential Customer Information from such computer backup system and; (3) keep all such Confidential Customer Information confidential in accordance with this Agreement.

NPP shall, upon request, certify to Distribution Company that the destruction by NPP and its Third-Party Representatives required by this Section has occurred by (A) having a duly authorized officer of NPP complete, execute, and deliver to Distribution Company a certification and (B) obtaining substantially similar certifications from its Third-Party Representatives and maintaining them on file. Compliance with this Section 7 shall not relieve NPP from compliance with the other provisions of this Agreement. The written demand to Destroy or return Confidential Customer Information pursuant to this Section may occur if the NPP has been decertified by the Commission, the Distribution Company has been notified of a potential or actual Data Security Incident and Distribution Company has a reasonable belief of potential ongoing harm or the Confidential Customer Information has been held for a period in excess of its retention period. The obligations under this Section shall survive any expiration of termination of this Agreement. Subject to applicable federal, state and local laws, rules, regulations and orders, at NPP's written demand and termination of electronic exchange of data with Distribution Company, Distribution Company will Destroy or return, at NPP's option, Confidential NPP Information.

8. **Audit.** Upon thirty (30) days' notice to NPP, NPP shall permit an auditor selected by the Distribution Company through a competitive solicitation and agreed to by the NPP ("CSA") to audit and inspect, at Distribution Company's sole expense (except as otherwise provided in this Agreement), and provided that the audit may occur no more often than once per twelve (12) month period (unless otherwise required by Distribution Company's regulators). The audit may include (A) the facilities of NPP and NPP's Third-Party Representatives where Confidential Customer Information is Processed by or on behalf of NPP; (B) any computerized or paper systems used to Process Confidential Customer Information; and (C) NPP's security practices and procedures, facilities, resources, plans, procedures, and books and records relating to the privacy and security of Confidential Customer Information. Such audit rights shall be limited to verifying NPP's compliance with this Agreement, including all applicable Data Protection Requirements. If the NPP provides a SOC II report or its equivalent to the Distribution Company, or commits to complete an independent third-party audit of NPP's compliance with this Agreement acceptable to the Distribution Company at NPP's sole expense, within one hundred eighty (180) days, no audit by an auditor selected by the Distribution Company through a CSA and conducted at Distribution Company's sole expense is necessary absent a Data Security Incident. Any audit must be subject to confidentiality and non-disclosure requirements set forth in Section 5 of this Agreement. The auditor will audit the NPP's compliance with the required Cybersecurity and Data Privacy Protections and provide those results to the Distribution Company and NPP. The audit report sent to the Distribution Company shall not include any NPP confidential information, it will simply provide an assessment as to the NPP's compliance with the terms of this agreement. In the event of a "failed" audit dispute, a complaint can be brought to the Commission. Distribution Company shall provide NPP with a report of the findings as a result of any audit carried out by an auditor selected by a CSA. NPP shall, within thirty (30) days, or within a reasonable time period agreed upon in writing between the NPP and Distribution Company, correct any deficiencies identified in the audit, and provide the SOC II audit report or its equivalent or the report produced by the independent auditor at NPP expense to the Distribution Company and provide a report regarding the timing and correction of identified deficiencies to the Distribution Company.

9. **Investigation.** Upon notice to NPP, NPP shall assist and support Distribution Company in the event of an investigation by any regulator or similar authority, if and to the extent that such investigation relates to Confidential Customer Information Processed by NPP on behalf of Distribution Company. Such assistance shall be at Distribution Company's sole expense, except where such investigation was required due to the acts or omissions of NPP or its Representatives, in which case such assistance shall be at NPP's sole expense.
10. **Data Security Incidents.** NPP is responsible for any and all Data Security Incidents involving Confidential Customer Information that is Processed by, or on behalf of, NPP. NPP shall notify Distribution Company in writing immediately (and in any event within forty-eight (48) hours) whenever NPP reasonably believes that there has been a Data Security Incident. After providing such notice, NPP will investigate the Data Security Incident, and immediately take all necessary steps to eliminate or contain any exposure of Confidential Customer Information and keep Distribution Company advised of the status of such Data Security Incident and all matters related thereto. NPP further agrees to provide, at NPP's sole cost: (1) reasonable assistance and cooperation requested by Distribution Company and/or Distribution Company's designated representatives, in the furtherance of any correction, remediation, or investigation of any such Data Security Incident; (2) and/or the mitigation of any damage, including any notification required by law or that Distribution Company may determine appropriate to send to individuals impacted or potentially impacted by the Data Security Incident; and (3) and/or the provision of any credit reporting service required by law or that Distribution Company deems appropriate to provide to such individuals. In addition, within thirty (30) days of confirmation of a Data Security Incident, NPP shall develop and execute a plan, subject to Distribution Company's approval, which approval will not be unreasonably withheld, that reduces the likelihood of a recurrence of such Data Security Incident. NPP agrees that Distribution Company may at its discretion and without penalty immediately suspend performance hereunder and/or terminate the Agreement if a Data Security Incident occurs and it has a reasonable belief of potential ongoing harm. Any suspension made by Distribution Company pursuant to this paragraph 11 will be temporary, lasting until the Data Security Incident has ended, the NPP security has been restored to the reasonable satisfaction of the Distribution Company so that Distribution Company IT systems and Confidential Customer Distribution Company Information are safe and the NPP is capable of maintaining adequate security once electronic communication resumes. Actions made pursuant to this paragraph, including a suspension will be made, or subject to dispute resolution and appeal as applicable, pursuant to processes as approved by the Commission.
11. **No Intellectual Property Rights Granted.** Nothing in this Agreement shall be construed as granting or conferring any rights, by license, or otherwise, expressly, implicitly, or otherwise, under any patents, copyrights, trade secrets, or other intellectual property rights of Distribution Company, and NPP shall acquire no ownership interest in the Confidential Customer Information. No rights or obligations other than those expressly stated herein shall be implied from this Agreement.

**12. Additional Obligations.**

- a. NPP shall not create or maintain data which are derivative of Confidential Customer Information except for the purpose of performing its obligations under this Agreement, or as expressly authorized by the customer, unless that use violates Federal, State, and local laws, tariffs, rules, and regulations. For purposes of this Agreement, the following shall not be considered Confidential Customer Information or a derivative thereof: (i) any customer contracts, customer invoices, or any other documents created by NPP that reference estimated or actual measured customer usage information, which NPP needs to maintain for any tax, financial reporting or other legitimate business purposes; and (ii) Data collected by NPP from customers through its website or other interactions based on those customers' interest in receiving information from or otherwise engaging with NPP or its partners.
- b. NPP shall comply with all applicable privacy and security laws to which it is subject, including without limitation all applicable Data Protection Requirements and not, by act or omission, place Distribution Company in violation of any privacy or security law known by NPP to be applicable to Distribution Company.
- c. NPP shall have in place appropriate and reasonable processes and systems, including an Information Security Program, defined as having completed an accepted Attestation as reasonably determined by the Distribution Company in its discretion, to protect the security of Confidential Customer Information and protect against a Data Security Incident, including, without limitation, a breach resulting from or arising out of NPP's internal use, processing, or other transmission of Confidential Customer Information, whether between or among NPP's Third-Party Representatives, subsidiaries and affiliates or any other person or entity acting on behalf of NPP, including without limitation Third-Party Representatives. NPP and Distribution Company shall safely secure or encrypt during storage and encrypt during transmission all Confidential Information, except that no encryption in transit is required for email communications.
- d. NPP shall establish policies and procedures to provide reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual who is or may be the subject of a Data Security Incident involving Confidential Customer Information Processed by NPP to the extent such request, complaint or other communication relates to NPP's Processing of such individual's Confidential Customer Information.
- e. NPP shall establish policies and procedures to provide all reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual, government, government agency, regulatory authority, or other entity that is or may have an interest in the Confidential Customer Information, data theft, or other unauthorized release of Confidential Customer Information, disclosure of Confidential Customer Information, or misuse of Confidential Customer Information to the extent such request, complaint or other communication relates to NPP's accessing or Processing of such Confidential Customer Information.

- f. NPP will not process Confidential Customer Information outside of the United States or Canada absent a written agreement with Distribution Company. For the avoidance of doubt, Confidential Customer Information stored in the United States or Canada, or other countries as agreed upon in writing will be maintained in a secure fashion at a secure location pursuant to the terms and conditions of this Agreement.
13. **Specific Performance.** The Parties acknowledge that disclosure or misuse of Confidential Customer Information in violation of this Agreement may result in irreparable harm to Distribution Company, the amount of which may be difficult to ascertain and which may not be adequately compensated by monetary damages, and that therefore Distribution Company shall be entitled to specific performance and/or injunctive relief to enforce compliance with the provisions of this Agreement. Distribution Company's right to such relief shall be in addition to and not to the exclusion of any remedies otherwise available under this Agreement, at law or in equity, including monetary damages, the right to terminate this Agreement for breach and the right to suspend in accordance with the Commission's rules and orders the provision or Processing of Confidential Customer Information hereunder. NPP agrees to waive any requirement for the securing or posting of any bond or other security in connection with Distribution Company obtaining any such injunctive or other equitable relief.
14. **Indemnification.** To the fullest extent permitted by law, NPP shall indemnify and hold Distribution Company, its affiliates, and their respective officers, directors, trustees, shareholders, employees, and agents, harmless from and against any and all loss, cost, damage, or expense of every kind and nature (including, without limitation, penalties imposed by the Commission or other regulatory authority or under any Data Protection Requirements, court costs, expenses, and reasonable attorneys' fees) arising out of, relating to, or resulting from, in whole or in part, the breach or non-compliance with this Agreement by NPP or any of its Third-Party Representatives except to the extent that the loss, cost, damage or expense is caused by the negligence, gross negligence or willful misconduct of Distribution Company.
15. **Notices.** With the exception of notices or correspondence relating to potential or pending disclosure under legal compulsion, all notices and other correspondence hereunder shall be sent by first class mail, by personal delivery, or by a nationally recognized courier service. Notices or correspondences relating to potential or pending disclosure under legal compulsion shall be sent by means of Express Mail through the U.S. Postal Service or other nationally recognized courier service which provides for scheduled delivery no later than the business day following the transmittal of the notice or correspondence and which provides for confirmation of delivery. All notices and correspondence shall be in writing and addressed as follows:

If to NPP, to:

NPP Name:  
Name of Contact:  
Address:  
Phone:  
Email:

If to  
Distribution  
Company, to:

Distribution Company Name: The Narragansett Electric Company

Name of Contact: Konica Shandal  
Address: 175 E. Old Country Road, Hicksville, NY 11801  
Phone: 516.545.4425  
Email: Konica.shandal@nationalgrid.com

A Party may change the address or addressee for notices and other correspondence to it hereunder by notifying the other Party by written notice given pursuant hereto.

16. **Term and Termination.** This Agreement shall be effective as of the date first set forth above and shall remain in effect until terminated in accordance with the provisions of the service agreement, if any, between the Parties and upon not less than thirty (30) days' prior written notice specifying the effective date of termination, provided, however, that any expiration or termination shall not affect the respective obligations or rights of the Parties arising under this Agreement prior to the effective date of termination. Distribution Company may terminate this Agreement if the NPP is decertified under Commission Orders, where applicable, has not served customers for two (2) years, or has not had electronic communication, other than by email, with Distribution Company for one (1) year. Further, Distribution Company may terminate this Agreement immediately upon notice to NPP in the event of a material breach hereof by NPP or its Third-Party Representatives. For the purpose of clarity, a breach of Sections 3-4, 5-12, 14, and 22 shall be a material breach hereof. The Breaching Party will provide the non-breaching Party with a written description and notice of material breach. Upon the expiration or termination hereof, neither NPP nor its Third-Party Representatives shall have any further right to Process Confidential Customer Information or Customer Information, unless the customer has given written or electronic consent to do so, and shall immediately comply with its obligations under Section 7 and the Distribution Company shall not have the right to process Confidential NPP Information and shall immediately comply with its obligations under Section 7.
17. **Consent to Jurisdiction; Selection of Forum.** NPP irrevocably submits to the jurisdiction of the Commission and courts located within the State of Rhode Island with regard to any dispute or controversy arising out of or relating to this Agreement. NPP agrees that service of process on it in relation to such jurisdiction may be made by certified or registered mail addressed to NPP at the address for NPP pursuant to Section 15 hereof and that such service shall be deemed sufficient even under circumstances where, apart from this Section, there

would be no jurisdictional basis for such service. NPP agrees that service of process on it may also be made in any manner permitted by law. NPP consents to the selection of the Rhode Island State and United States courts within Rhode Island as the exclusive forums for any legal or equitable action or proceeding arising out of or relating to this Agreement.

18. **Governing Law.** This Agreement shall be interpreted, and the rights and obligations of the Parties determined in accordance with the laws of the State of Rhode Island, without recourse to such state's choice of law rules. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence.
19. **Survival.** The obligations of NPP under this Agreement shall continue for so long as NPP and/or NPP's Third-Party Representatives continue to have access to, are in possession of or acquire Confidential Customer Information even if all Agreements between NPP and Distribution Company have expired or been terminated.
20. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. Copies of this Agreement and copies of signatures on this Agreement, including any such copies delivered electronically as a .pdf file, shall be treated for all purposes as originals.
21. **Amendments; Waivers.** Except as directed by the Commission, this Agreement may not be amended or modified except if set forth in writing signed by the Party against whom enforcement is sought to be effective. No forbearance by any Party to require performance of any provisions of this Agreement shall constitute or be deemed a waiver of such provision or the right thereafter to enforce it. Any waiver shall be effective only if in writing and signed by an authorized representative of the Party making such waiver and only with respect to the particular event to which it specifically refers.
22. **Assignment.** This Agreement (and the Distribution Company's or NPP's obligations hereunder) may not be assigned by Distribution Company, NPP or Third-Party Representatives without the prior written consent of the non-assigning Party, and any purported assignment without such consent shall be void. Consent will not be unreasonably withheld.
23. **Severability.** Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction over this Agreement to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.
24. **Entire Agreement.** This Agreement (including any Exhibits hereto) constitutes the entire Agreement between the Parties with respect to the subject matter hereof and any prior or contemporaneous oral or written Agreements or understandings with respect to such subject matter are merged herein. This Agreement may not be amended without the written Agreement of the Parties.

25. **No Third-Party Beneficiaries.** This Agreement is solely for the benefit of, and shall be binding solely upon, the Parties and their respective agents, successors, and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the Parties and the indemnified parties named herein, and no other party shall have any right, claim, or action as a result of this Agreement.
26. **Force Majeure.** No Party shall be liable for any failure to perform its obligations in connection with this Agreement, where such failure results from any act of God or governmental action or order or other cause beyond such Party's reasonable control (including, without limitation, any mechanical, electronic, or communications failure) which prevents such Party from performing under this Agreement and which such Party is unable to prevent or overcome after the exercise of reasonable diligence. For the avoidance of doubt a Data Security Incident is not a force majeure event.
27. **Relationship of the Parties.** Distribution Company and NPP expressly agree they are acting as independent contractors and under no circumstances shall any of the employees of one Party be deemed the employees of the other for any purpose. Except as expressly authorized herein, this Agreement shall not be construed as authority for either Party to act for the other Party in any agency or other capacity, or to make commitments of any kind for the account of or on behalf of the other.
28. **Construction.** This Agreement shall be construed as to its fair meaning and not strictly for or against any party.
29. **Binding Effect.** No portion of this Agreement is binding upon a Party until it is executed on behalf of that Party in the space provided below and delivered to the other Party. The Distribution Company shall execute and deliver a signed original copy of this Agreement to the NPP within five (5) business days of receiving an executed Agreement with a complete Self Attestation, if the NPP has an electronic interconnection with the Distribution Company other than by email, from the NPP. Prior to such execution and delivery by the Parties, neither the submission, exchange, return, discussion, nor the negotiation of this document, whether or not this document is then designated as a "draft" document, shall have any binding effect on a Party.

*[signature page follows]*

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

**DISTRIBUTION COMPANY**  
**The Narragansett Electric Company**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**NON-REGULATED POWER PRODUCER - NPP**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**EXHIBIT A**

**SELF-ATTESTATION  
OF Cybersecurity Protections**

Each Distribution Company, for itself only, represents that for all information received from NPP, in response or pursuant to this Self-Attestation, that is marked CONFIDENTIAL by NPP (Confidential Self-Attestation Information) Distribution Company shall: (A) hold such Confidential Self- Attestation Information in strict confidence; (B) not disclose such Confidential Self- Attestation Information to any other person or entity; (C) not Process such Confidential Self- Attestation Information outside of the United States or Canada; (D) not Process such Confidential Self-Attestation Information for any purpose other than to assess the adequate security of NPP pursuant to this Self-Attestation and to work with NPP to permit it to achieve adequate security if it has not already done so; (E) limit reproduction of such Confidential Self-Attestation Information; (F) store such Confidential Self-AttestationInformation in a secure fashion at a secure location in the United States or Canada that is not accessible to any person or entity not authorized to receive such Confidential Self-Attestation Information under the provisions hereof; (G) otherwise use at least the same degree of care to avoid publication or dissemination of such Confidential Self-Attestation Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care.

The Cybersecurity protections listed below are required before NPPs will be allowed access to Distribution Company IT systems or electronically exchange Confidential Customer Information with Distribution Company.

This SELF-ATTESTATION OF INFORMATION SECURITY CONTROLS (“Attestation”), is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by \_\_\_\_\_, an NPP to The Narragansett Electric Company.

## EXHIBIT A

WHEREAS, NPP desires to obtain or retain access to Distribution Company IT systems and electronically exchange Confidential Customer Information<sup>2</sup> (as defined in this Data Security Agreement) with Distribution Company, NPP must THEREFORE self-attest to NPP's compliance with the Cybersecurity Protections ("Requirements") as listed herein. NPP acknowledges that non-compliance with any of the Requirements may result in the termination of Distribution Company data access as per the discretion of the Distribution Company, Distribution Company in whole or part, for its system(s).

An Information Security Policy is implemented across the NPP's corporation which includes officer level approval.

An Incident Response Procedure is implemented that includes notification within 48 hours of knowledge of a potential incident alerting Distribution Company when Confidential Customer Information is potentially exposed, or of any other potential security breach.

Role-based access controls are used to restrict system access to authorized users and limited on a need-to-know basis.

Multi-factor authentication is used for all remote administrative access, including, but not limited to, access to production environments.

All production systems are properly maintained and updated to include security patches on a periodic basis. Where a critical alert is raised, time is of the essence, and patches will be applied as soon as practicable.

Antivirus software is installed on all servers and workstations and is maintained with up-to-date signatures.

All Confidential Customer Information is encrypted in transit utilizing industry best practice encryption methods, except that Confidential Information does not need to be encrypted during email communications.

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<sup>2</sup> "Confidential Customer Information" means information that Distribution Company is: (A) required to provide to NPP or (B) any other information provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

**EXHIBIT A**

All Confidential Customer Information is secured or encrypted at rest utilizing industry best practice encryption methods, or is otherwise physically secured.

It is prohibited to store Confidential Customer Information on any mobile forms of storage media, including, but not limited to, laptop PCs, mobile phones, portable backup storage media, and external hard drives, unless the storage media or data is encrypted.

All Confidential Customer Information is stored in the United States or Canada only, including, but not limited to, cloud storage environments and data management services.

NPP monitors and alerts their network for anomalous cyber activity on a 24/7 basis.

Security awareness training is provided to all personnel with access to Confidential Customer Information.

Employee background screening occurs prior to the granting of access to Confidential Customer Information.

Replication of Confidential Customer Information to non-company assets, systems, or locations is prohibited.

Access to Confidential Customer Information is revoked when no longer required, or if employees separate from the NPP or Third Party Representative.

Additionally, the attestation of the following item is requested, but is NOT part of the Requirements:

NPP maintains an up-to-date SOC II Type 2 Audit Report, or other security controls audit report.

IN WITNESS WHEREOF, NPP has delivered accurate information for this Attestation as of the date first above written.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

**EXHIBIT B**  
**THIRD-PARTY REPRESENTATIVE AGREEMENT**

This Third-Party Agreement to be provided to the Distribution Company upon request.

I, have read the Agreement between \_\_\_\_\_, ("Company") and  
The Narragansett Electric Company, ("Distribution Company") dated , 20\_\_ (the "Agreement") and agree  
to the terms and conditions contained therein. My duties and responsibilities on behalf of  
require me to have access to the Confidential Information disclosed by Distribution Company to the NPP  
pursuant to the Agreement.

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Name (print):

## **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 “Company”). Each Customer is identified by a number assigned by 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 Narragansett and assigned an Account number.

##### **1.2 Distribution Company**

Narragansett 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 ("PUC") Reliability and Responsibility Regulations for Nonregulated Power Producers. The Supplier is solely responsible for paying all costs incurred or to be incurred to provide its all-requirements service obligation in the same manner as if the Company were to provide such all-requirements service, including, without limitation, all costs or other requirements to furnish capacity, energy, operating reserves, automatic generation control, uplift costs, congestion charges, and any other ancillary services, expenses or charges incurred to provide all-requirements service; or costs imposed by NEPOOL, ISO-NE or any similar or successor entity in connection with such service. The Supplier is solely responsible for meeting any other requirements and paying any other costs now or hereafter imposed by the ISO-NE which are attributable to the provision of such service.

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

#### ***1.3.1 NEPOOL Registration***

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

to be served by the Nonregulated Power Producer in such entity's settlement account with ISO-NE.

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

## 2.0 **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 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 PUC. 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 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 Residential Customer Classes, 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 Classes to the Company.

For Commercial and Industrial 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

Under the Standard Complete Billing Service, Suppliers would provide Narragansett with rates and pricing structures to be implemented for designated Narragansett customer 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. ~~While standard collection notices may be printed on Customer bills, the Supplier is responsible for collection of past due accounts for the Supplier's portion of Customers' bills.~~

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

If Suppliers make a written request for different Customer classes or rate structures, Narragansett 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 Narragansett to the Supplier in advance of any changes.

~~Upon receipt of Customer payments, Narragansett will forward to Supplier notification of any and all revenue from Supplier sales which have been received and recorded by midnight of that business day, e.g., notification of any payment received on Monday normally will be forwarded to the Supplier by noon on the following business day. The format of the record to be transmitted will be in accordance with EDI.~~

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 Narragansett 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 Class.

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 15<sup>th</sup> 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 15<sup>th</sup> 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:

$$\text{SCBP}_{\text{CC}} = \text{UP}_{\text{CC}} + \text{ACP}_{\text{CC}} + \text{PPRP}_{\text{CC}}$$

Where

CC = The Customer Class 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 Classes 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<sub>CC</sub> = Standard Complete Billing Percentage for the Customer Class 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<sub>CC</sub> = Uncollectible Percentage is the uncollectible expense for the Customer Class, 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 Class 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 Class 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 Class. 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<sub>CC</sub> = 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 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 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<sub>CC</sub> = Past Period Reconciliation Percentage for the Customer Class is the sum of the following three percentages:

1) the percentage associated with the difference between estimated uncollectible expense reflected in the SCBP<sub>CC</sub> 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 Class 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 Class under Standard Complete Billing over the applicable 12-month period by the actual UP<sub>CC</sub> for the same twelve month period, and (b) the total amounts billed to Customers in the Customer Class under Standard Complete Billing over the applicable 12-month period multiplied by the applicable UP<sub>CC</sub> 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 Class 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 Class purchasing Generation Service from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer Class for Generation Service purchased from Participating Suppliers for those years times the applicable ACP<sub>CC</sub>, divided by the total amounts billed to Customers in the Customer Class 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 Class 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.

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<sub>CC</sub> 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 Narragansett.

Existing 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 Narragansett Retail Terms and Conditions, applicable to all Customers. The cash posting sequence for customer payments to Accounts will be in accordance with EDI.

#### **2.1.2 Standard Passthrough ~~Passthru~~ Billing Service**

Narragansett may offer Standard Passthrough ~~Passthru~~ Billing Service to Suppliers for those Customers that have elected such service. If Narragansett elects to offer Standard Passthrough ~~Passthru~~ Billing Service, Narragansett reserves the right to obtain confirmation from a Customer being served by a Supplier that such election has been made. Under this option, Narragansett 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 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 will pass Customers' usage and demand information obtained via meter reads to the Supplier and the Supplier will pass back to Narragansett a bill amount for inclusion in each Customer's bill. In addition, the Supplier will separately pass back to Narragansett 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 Commission at the time of implementation.

### ***2.1.4 Summary Billing***

Narragansett 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 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 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 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 may disconnect the Customer pursuant to the current PUC procedures for disconnection which apply to Customers of the applicable rate class. Narragansett 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 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 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 Narragansett, unless or until they enroll with a new Supplier.

#### **2.4 Distribution Service Interruptions**

Narragansett 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 shall restore electrical service to Customers in accordance with the Company's service restoration procedures, as filed with the PUC from time to time.

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

#### **2.5 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 Narragansett will disclose any such information, consistent with the procedures set forth below. Upon a Supplier obtaining written consent, Narragansett 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 Narragansett, using the EDI transactions, an Historical Usage Transaction containing the customer account number and first four characters of the Customer’s name. Once Narragansett receives this transaction, Narragansett presumes that the Supplier has obtained appropriate authorization and will send the usage information to the supplier via EDI.

Narragansett 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 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 understands that in order to assist in the advancement of the retail market in Rhode Island, Narragansett may provide non-residential customer lists to licensed Suppliers that have signed a confidentiality agreement with Narragansett indicating that they would only use the information provided to market energy-related products and services. The list provided by 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 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’s requirement is that the RAPR data format be supported by the MV-90<sup>1</sup> 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 PUC.

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

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

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 PUC. A comparison is made between Customer's estimated and actual usage, by billing

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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 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 Narragansett and deliver it to the interconnection(s) between NEP's transmission system and Narragansett's local distribution system (Transmission Delivery Points). This service will be provided to

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Narragansett by NEP under a transmission tariff on file at the Federal Energy Regulatory Commission.

Narragansett 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 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 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,

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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.

# **Billing Services** **Agreement**

**COMPETITIVE ELECTRIC SUPPLIER SERVICE AGREEMENT FOR  
BILLING SERVICES AND FOR THE PURCHASE OF ACCOUNTS RECEIVABLE  
NATIONAL GRID**

THIS AGREEMENT (“Agreement”) effective the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ is by and between The Narragansett Electric Company, a Rhode Island corporation with a principal place of business at \_\_\_\_\_ (“Company”), and [specify Non-regulated power producer’s, full legal name] (“NPP”), a [specify corporation / limited liability company / partnership], organized and existing under the laws of the State of [specify state of organization] with its principal place of business at [specify legal mailing address]. The Company and the NPP are also individually referred to herein as a “Party” or collectively as the “Parties.”

**BASIC UNDERSTANDINGS**

Company has the authority and obligation to perform services for non-regulated producers of electricity. The Company’s Terms and Conditions for Nonregulated Power Producers, in Section 2.1.1, and the Company’s Terms and Conditions for Municipal Aggregators, in Section 3C.5, require the NPP to enter into a service contract with the Company for the provision of these services. Accordingly, Company agrees to provide services to, NPP in accordance with the Terms and Conditions for Nonregulated Power Producers or Terms and Conditions for Municipal Aggregators, as applicable, which are fully incorporated herein by reference, and the terms of this Agreement.

This form of Agreement has been developed for use between Company and NPPs, and may not be waived, altered, amended, or modified, except as provided herein. Attachments A through F, attached hereto and incorporated herein by reference, include additional terms which are a part of this Agreement.

In consideration of the covenants, promises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows

**ARTICLE 1**

**DEFINITIONS AND RULES OF INTERPRETATION**

1.1 **Definitions.** The following terms shall have the meanings set forth in this Article 1 or elsewhere in the provisions of this Agreement referred, to below:

**Account(s) Receivable** means with respect to any eligible Customer, any NPP’s Generation Service revenue and associated charges determined by Company under Article 2 and Article 3 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any state tax, if assessed, and any other applicable state or federal taxes and/or surcharges) that are billed under this Agreement that represent an account of such Customer.

**Accounts Receivable Purchase Price** means in respect of any Account Receivable purchased hereunder, the Account Receivable less the following amounts as applicable: (1) Standard Complete Billing Percentage, as defined in Section 2.1.1(2)(b) of the Company’s NPP Terms and Conditions and Section 8B(2)(b) of the Company’s Municipal Aggregator Terms and Conditions and (2) NPP Charges.

**ACH** means any automated clearing house transaction which is part of the Electronic Funds

Transfer Act and Federal Reserve Board's Fedwire system, consisting of a collection of regional electronic interbank networks used to process transactions electronically.

**Additional Assurance Amount** means the amount due and owing by the NPP under this Agreement and the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as of the date of the Company's issuance of a demand for the same.

**Affiliate(s)** means with respect to a Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition the term "control" (including the terms "controlling," "controlled by," and "under common control with") of a Person means the possession, direct or indirect, of the power to vote 10% or more of the Voting Stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

**Agreement** shall have the meaning provided in the preamble.

**AR Date** shall have the meaning provided in Attachment E.

**Billed Amounts** means any and all amounts billed by Company to eligible Customers, including Accounts Receivable.

**Billing Cycle** means the meter reading schedule published by Company.

**Billing Date** means with respect to any Account Receivable, the date on which Company's billing system calculates such Account Receivable.

**Billing Price Determinant(s)** means the Flat Rate price amount and such other information submitted by NPP, more fully described in Attachment A, attached hereto and made a part hereof, required to calculate the Accounts Receivable Purchase Price for the Generation Service supplied by NPP and billed by Company to eligible Customers under this Agreement.

**Billing Services** means the billing services provided to NPP by Company under Article 2.

**Business Day** means any day that is not a Sunday, Federal holiday, or other day on which commercial banking institutions in Rhode Island are authorized or obligated by law or executive order to be closed.

**Collateral** shall have the meaning provided in Section 3.5.

**Company** shall have the meaning provided in the preamble.

**Contract** shall have the meaning provided in Section 5.5.

**Creditworthy** means a credit rating of "BBB-" or better (as assigned by Standard & Poor's Financial Services LLC ("S&P") and its successors, or "Baa3" or better (as assigned by Moody's Investors Service, Inc. and its successors) ("Moody's").

**Customer** means 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** means the Company's meter or a point designated by the Company located on the Customer's premise.

**Customer Payment** means the Customer's payment for Generation Service and any and all Company Tariff charges and surcharges for energy services provided by Company inclusive of applicable tax, if assessed, imposed thereon.

**Default** means any event that, but for the passage of time or the giving of notice, or both, would constitute an Event of Default.

**Distribution Company** shall mean The Narragansett Electric Company.

**Distribution Service** means the delivery of electricity to Customers by the Distribution Company.

**Document(s)** means this Agreement, Financing Statement(s), and all other documents, instruments and/or statements related hereto and thereto.

**Effective Date** shall have the meaning provided in Section 8.1.

**EFT** means electronic funds transfer provided under the Electronic Funds Transfer Act and Federal Reserve Board Regulation E which is a transfer of funds other than a transaction originated by check, draft, or similar paper instrument, that is initiated electronically to order, instruct, or authorize a financial institution to debit or credit an account.

**Electric Data Interchange** or **EDI** shall mean the exchange of business data in a standardized format between business computer systems. For purposes of this Agreement, a negotiated, uniform set of rules and procedures that apply to all Suppliers participating in the Company's POR program shall be consistent with EDI.

**Event of Default** shall have the meaning provided in Section 9.2.

**FERC** means the Federal Energy Regulatory Commission or any successor agency thereto.

**Financing Statements** means any and all financing statements and amendments thereto, required in connection with NPP's grant of security interest in the Collateral under Section 3.5 to be filed in accordance with requirements of the UCC.

**Flat Rate** means the Rate Factor price per kWh as submitted by NPP in Attachment A.

**Generation Service** means the sale of electricity to a Customer by a NPP, 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.

ISO-NE means the Independent System Operator – New England.

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

Municipal Aggregation Terms and Conditions shall mean the Company’s Terms and Conditions for Municipal Aggregators, as in effect from time to time and approved by the R.I.P.U.C.

Law shall have the meaning provided in Section 5.5.

R.I.P.U.C. means the Rhode Island Public Utilities Commission.

NEPOOL means the New England Power Pool and its successors.

NPP means, as the context indicates, (i) Company’s counterparty to this Agreement, provided that in any case, Company’s counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its Customers, and (2) a municipal light department acting as a Distribution Company.

NPP Charges means an amount that includes the costs, fees, and expenses that should properly be borne by NPP in accordance with the requirements of this Agreement, the Municipal Aggregator Terms and Conditions or the NPP Terms and Conditions, as applicable, as each may be amended or modified from time to time, and approved by the R.I.P.U.C.

NPP Terms and Conditions shall mean the Company’s Terms and Conditions for Nonregulated Power Producers, as in effect from time to time and approved by the R.I.P.U.C.

Person means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

Program means the Purchase of Receivable Program approved by the R.I.P.U.C. as amended and updated from time to time by the R.I.P.U.C.

Qualified Bank means a major US commercial bank or the US branch office of a major foreign commercial bank, in either case, whose senior unsecured debt obligations have been rated at least (i) “A-” by S & P or “A3” by Moody’s, if such entity is rated by both S&P and Moody’s or (ii) “A-” by S&P or “A3” by Moody’s, if such entity is rated by either S&P or Moody’s but not both, provided that such bank shall have assets totaling not less than USD ten billion (\$10,000,000,000).

Representatives means the Subsidiaries, Affiliates, directors, officers, employees, agents, auditors, attorneys, consultants or advisors by and on behalf of the Parties.

Standard Complete Billing Services shall have the meaning provided in Article 2.

**Standard Passthrough Billing Services** shall have the meaning provided in Article 2.

**Submission Date** means the date Company receives initial or revised Billing Price Determinants from NPP.

**Subsidiary** means with respect to any Person, corporation, partnership, joint venture, limited liability company, trust, or estate of which (or in which) more than 50% of (a) the Voting Stock, (b) the interest in the capital or profits of such limited liability company, partnership or joint venture, or (c) the beneficial interest in such trust is, in each case, at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries, or by one or more of such Person's other Subsidiaries.

**Term** shall have the meaning provided in Article 8.

**Third Party Financing Statements** shall have the meaning provided in Section 6.4.

**UCC** means the Uniform Commercial Code as in effect in the jurisdiction under the laws of which the NPP is a “registered organization,” as such term is defined in the UCC.

**Unbilled Accounts Receivable** means the amount of NPP’s Generation Service revenue and associated charges to be determined by Company under Article 2 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any applicable state or federal taxes and/or surcharges) for Generation Service which has been rendered to Customers but which remains unbilled until such time as such receivables are billed and purchased by Company under the terms of this Agreement.

**Voting Stock** means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right to vote has been suspended by the happening of such a contingency.

## **1.2 Rules of Interpretation.**

(a) A reference to any document or agreement shall include such document or agreement as amended, modified, or supplemented from time to time in accordance with its terms and the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) Accounting terms not otherwise defined herein have the meanings assigned to them by GAAP applied on a consistent basis by the accounting entity to which they refer.

(f) The words “include,” “includes” and “including” are not limiting.

(g) Reference to a particular “§” or “section” refers to that section of this Agreement unless otherwise indicated.

(h) The words “herein,” “hereof,” “hereunder” and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement unless otherwise indicated.

(i) Any capitalized terms used in this Agreement and not defined herein shall have the meaning given to it in the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or as stated in the R.I.P.U.C. regulations.

## ARTICLE 2

### BILLING

2.1 Billing Services. Company shall offer two billing services to NPP: (a) Standard Complete Billing Service; and (b) Standard Passthrough Billing Service. All measured billing determinants will be based on Company-owned metering, except as otherwise agreed to in a subsequent agreement.

#### (a) Standard Complete Billing Services

In accordance with the provision of the Standard Complete Billing Service Option, Company shall issue a single bill for electric service. Company shall input and use the rates and pricing options supplied by NPP to calculate the NPP portion of Customer bills and integrate this billing with Company's billing in a single mailing to the Customer. Company shall provide NPP with Customer usage and billing information, in accordance with EDI. Company shall send a payment/adjustment transaction to the NPP. NPP rates and pricing options must conform to the rate structure in use by Company for each specific rate class Service and be supported by the meters in place. Changes in the rate levels of NPP charges to be billed shall be prospective only and shall be implemented for the next billed reading, provided that: (i) NPP notifies Company of the rate changes in accordance with Subsection 2 below; (ii) the notification includes the old and new rates, pricing options, and effective date; (iii) upon Company's request, NPP provides a sample bill calculation of a 500 kWh Customer or another sample Customer if it better fits the rate structure; and (iv) NPP consents to the implementation of the new rate once Company has tested its billing processes.

1. Billing Statement Contents. During the Term, Company shall prepare and render bills that include amounts due from Customers for NPP Generation Service. The single bill will include NPP's toll free telephone number for Customer inquiries. The Company shall not be required to include inserts containing NPP specific information except as otherwise required. Company shall calculate the Accounts Receivable, based upon the Billing Price Determinants in effect, and include on Company bills to eligible Customers such calculated amount along with any and all Company Tariff charges and surcharges, if applicable, for services provided by Company in connection with NPP's supply of the Generation Service to Customers. Company charges and any applicable surcharges in connection with the Customer's Generation Service shall be separately identified on the Company bills prepared under this Agreement except for surcharges that may be included by NPP as a component of the Billing Price Determinants provided to Company under this Agreement.

2. Submission of Initial Billing Price Determinants. If NPP elects to utilize the Standard Complete Billing Services from the Company, NPP shall submit its applicable initial Billing Price Determinants prior to Company's performance of any Billing Services under this Agreement. Specifically, NPPs electing to utilize the Standard Complete Billing Services from the Company shall furnish to Company a complete schedule of NPP's relevant rates and rate pricing options for Generation Service in written form or in an electronic format reasonably acceptable to Company at Company's option, no less than ten (10) business days prior to initial Customer enrollment for any such rate or prior to a change in NPP's existing rate or five (5) business days prior to a change in rate pricing options.

3. Calculation of Accounts Receivable. Based on the applicable Billing Price Determinants in effect under this Agreement and on available metering data or estimated usage data, Company, applying its standard billing methods, will determine the Accounts Receivable under Article 2, and include such

amounts on Company bills issued to Customers. Company's standard billing methods include, but shall not be limited to, a proration of Flat Rate based Billing Price Determinants.

**(b) Standard Passthrough Billing Service**

In accordance with the provision of the Standard Passthrough Billing Service Option, Competitive Supplier agrees to separately bill Customers for the cost of Generation Service provided by the NPP and the collection of amounts due to the NPP from the Customer. Company agrees to provide NPP with Customer usage information.

**(c) Transaction Processing.**

Customer transactions will be processed in accordance with the EDI standards. These transactions include, but are not limited to, account administration, reporting of Customer usage and billing, and reporting of Customer Payments and adjustments. Any changes in these standard transactions will be in accordance with the EDI standards.

**(d) Conditions of Billing**

Customers that contact Company concerning the billed amount for NPP Generation Service or any other NPP issue will be referred to NPP's customer service number identified in Attachment C. Company will not undertake bill investigations, Customer inquiries concerning NPP charges, collection activities for Customers billed under the Standard Passthrough Billing Service Option, or the settlement of billing disputes on behalf of NPP for Customers billed under either option. For both Standard Passthrough Billing Service and Standard Complete Billing Service, NPP shall be responsible for the reporting and payment of all taxes, if assessed, upon Generation Service.

**(e) Billing Errors.**

If either Party finds a billing error or other miscalculation on a bill or in the usage determinants used as the basis for either the Company or the NPP's bill calculation, the Party shall within sixty (60) days from the date of the Customer's statement containing the error, notify the other Party in writing or electronically and explain the nature of the error. In the event of an error by the Company, the Company shall either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. In the event of an error by the NPP, the Company will, upon NPP's request, and as is reasonably practicable, either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. If neither of the requested options is determined by the Company to be reasonably practicable, or if the NPP affirmatively chooses, the NPP may submit a rate pricing option correction in accordance with EDI. NPP will be responsible to pay any fees, as filed with and approved by the R.I.P.U.C., for any rebilling and/or adjustment caused by NPP error. When either Party reasonably believes that an error related to billing activity may have occurred, either Party may request the production of documents required to verify the accuracy of such billing, which the other Party will provide within ten (10) Business Days. Notwithstanding the forgoing, the Parties acknowledge that the Company may send estimated bills to Customers in accordance with R.I.P.U.C. regulations, and such estimated bills shall not be considered billing errors.

**2.2 Tax.**

The tax rates applied to NPP portion of Billed Amounts hereunder shall be based solely upon the tax rates that would have otherwise been charged to the same Customer if the Generation Service had been provided by Company.

### **2.3 Load Estimating and Reporting.**

Company shall determine the NPP's hourly loads and report such to the ISO-NE in accordance with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. In addition, upon NPP's written request the Company shall provide NPP with the following reports: (1) daily report of NPP's aggregate hourly loads; and (2) monthly reconciliation of NPP's aggregated hourly loads (completed once Company has read Customer's meters). Company will provide these reports to NPP in a format designated by the Company and reasonably acceptable to NPP. Upon NPP's request, the Company shall provide the methodology used to calculate transmission and distribution line losses and unaccounted for energy.

## **ARTICLE 3**

### **PURCHASE AND MANAGEMENT OF ACCOUNTS RECEIVABLE**

#### **3.1 General.**

Pursuant to the terms of this Agreement, to the extent that the NPP selects the Standard Complete Billing Service for either all or a portion of their customer accounts in a class, NPP agrees to sell and Company agrees to purchase each existing and future Account Receivable for such Customers on Standard Complete Billing Service as of the Billing Date in respect of such Account Receivable, and, in consideration of such purchase, NPP grants to Company a security interest in the Collateral under this Article 3. Pursuant to Section 2.1.1(3) of the NPP Terms and Conditions and Section 8B(3)(b) of the Municipal Aggregation Terms and Conditions, the Company's methodology for purchasing the outstanding existing Accounts Receivable of a NPP that selects the Standard Complete Billing Service is presented in Attachment E. As of the Billing Date, title to such Account Receivable shall pass to Company and NPP shall have no rights in or to such Account Receivable, and shall not seek to collect in any manner such amount from any Customer. Any Accounts Receivable, or portion thereof, that are billed by Company under this Agreement and for which payment is received by NPP from Customers shall be held by NPP in trust as the property of Company and shall be remitted in full to Company immediately upon receipt, and in any event within five (5) Business Days of receipt or discovery by the NPP, without any deduction or setoff. Company shall have the right to endorse the name of NPP on any and all remittances by Customers received by Company that are payable to NPP, and the right to collect the same from Customers. In addition, NPP assigns to Company any and all payments received from state, federal or other agencies associated with the Accounts Receivable including but not limited to payments for heating assistance.

#### **3.2 RESERVED.**

#### **3.3 Payment by Company.**

Company shall remit to NPP the Accounts Receivable Purchase Price on a timetable consistent with the average payment period of the relevant Customer Class, pursuant to Section 2.1.1(2)(a) of the Company's NPP Terms and Conditions Section 8B(2) of the Municipal Aggregation Terms and Conditions. The Company shall send a "payment adjustment" transaction to each NPP to notify the NPP the amount at which the Company will purchase the NPP's Accounts Receivable. To the extent that for operational reasons or system change requirements, Company alters the timetable for the average payment period applicable for the relevant Customer Class or makes other system-wide or operational changes, Company reserves the right to accelerate the payment procedure under the Agreement. In no event will a change to the procedure be undertaken without R.I.P.U.C. approval to the extent the change would hamper Company's compliance with Section 2.1.1(2)(b) of the

Company's NPP Terms and Conditions and Section 8B(2) of the Municipal Aggregation Terms and Conditions.

If the Company experiences disruptions in cash flow caused by customers not paying their bills within a timeframe that is consistent with historical payment periods, which are not adequately addressed by recovery of working capital costs, the Company may propose to the R.I.P.U.C. to adjust the payment period to NPPs.

The amount at which the Company will purchase the NPP's Accounts Receivable will be in accordance with Section 8B(2)(b) of the Terms and Conditions. At the time the NPP's Accounts Receivables are purchased, the Company will reclassify the Accounts Receivables from NPP's Accounts Receivables to a Company accounts receivable. Payment to NPP shall, at Company's option, be either by (a) ACH or (b) EFT.

### **3.4 NPP Statements/Reports.**

Company will provide NPP with all necessary statements/reports through EDI transactions.

### **3.5 Security Interest and Other Interests.**

As collateral for all obligations now existing or hereafter arising from NPP to Company, NPP hereby grants to Company a first priority perfected security interest in all the following property of NPP, wherever located, whether now owned, hereafter acquired, or created, and all proceeds and products thereof (the "Collateral"):

(a)All Accounts Receivable purchased by Company under this Agreement; and

(b)All Unbilled Accounts Receivable for service to be purchased by Company under this Agreement. While NPP is authorized to assign its right to receive payment under this Agreement to a third party by providing Company with appropriate payment instructions, NPP is explicitly not authorized to file any other Documents, including but not limited to any financing statements or liens, in order to effectuate the granted security interest.

### **3.6 Netting.**

The parties hereby agree that they may discharge mutual debts and payment obligations due and owing to each other under this Agreement through netting, in which case all amounts owed by each Party to the other party may be netted so that only the excess amount remaining due shall be paid by the Party who owes it. If no mutual debts or payment obligations exist and only one Party owes a debt or obligation to the other during the monthly billing period, such Party shall pay such sum in full when due.

### **3.7 Financial Assurance.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, if at any time during the Term of this Agreement, NPP, or NPP's Guarantor, if applicable, is not Creditworthy, the NPP shall provide credit support to the Company in an amount equal to the Additional Assurance Amount within three (3) Business Days after the Company's request. Such credit support shall be: (i) a letter of credit issued by a Qualified Bank in a form acceptable to the Company, which will allow the Company to draw on the letter of credit up to the full amount of the Additional Assurance Amount, or (ii) such other credit support that is reasonably acceptable to the Company, which may include a parent guarantee from a Creditworthy parent or a deposit.

## **ARTICLE 4** **DISCONTINUANCE OF DELIVERY AND GENERATION SERVICES**

### **4.1 Non-Payment and Discontinuance of Customer Service.**

Company shall be authorized to disconnect its Tariff delivery service and NPP's Generation Service to Customers when (i) the Customer fails to make full payment of all amounts due on the consolidated bill issued pursuant to Article 2; and (ii) Company has purchased the NPP's Accounts Receivable, subject to R.I.P.U.C. rules and regulations regarding termination of service and the Company's Terms and Conditions for Distribution Service.

## **ARTICLE 5** **REPRESENTATIONS AND WARRANTIES**

### **5.1 Supplier's Rights in Collateral.**

NPP warrants that it has the rights in, or the power to transfer the Collateral to Company.

### **5.2 No Liens.**

NPP warrants that its title in the Collateral is and will remain free from any and all liens, claims, encumbrances, security interests and restrictions on transfer or pledge and are not and will not be subject to any other valid or existing billing, collection, or financing instrument, and have not been billed and, and that no Collateral will be assigned, financed, sold, pledged, hypothecated, or otherwise encumbered, except to Company.

### **5.3 Prices.**

NPP warrants that the prices charged to Customers are in accordance with NPP's agreements with these Customers.

5.3.1 Company acknowledges its obligation to pay NPP in accordance with the terms of this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms of Service, as applicable, and the Program.

### **5.4 Entity Information.**

5.4.1. NPP. NPP warrants that its legal name and state of organization is as set forth in the preamble to this Agreement and NPP (a) is a [specify state [specify corporation /limited liability company /partnership], duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign [specify corporation / limited liability company / partnership] in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite [specify, corporation / limited liability company / partnership] power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted. If NPP is a non-Rhode Island entity, NPP is a registered organization as defined in Section 9-102 of the UCC in its state of organization and this applies only in the case of a non-Rhode Island entity qualified to do business and in good standing in the State of Rhode Island.

5.4.2 Company. Company warrants that its legal name and state of organization are as set forth in the preamble of this Agreement and that Company (a) is duly organized, validly existing and in good

standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign corporation in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted.

#### **5.5 Corporate Power, Authorization and Non-Contravention.**

The execution, delivery and performance by the Parties of this Agreement and each Document to which they are or are to be a party, and the consummation of the transactions contemplated hereby and thereby, are within the respective Party's corporate powers, have been duly authorized by all necessary corporate/organizational action(s), and do not (a) contravene Party's governance documents, (b) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award (each a "Law"), (c) conflict with or result in the breach of, or constitute a default under, any contract, loan agreement, indenture, mortgage, deed of trust, lease or other instrument, (each a "Contract") binding on or affecting the Parties, or their respective Subsidiaries, or any of their properties, or (d) result in or require the creation or imposition of any lien upon or with respect to any of the Collateral other than as provided under this Agreement.

#### **5.6 No Breach of Contract.**

Neither Party nor any of its respective Subsidiaries are in violation or breach of any Contract or Law, the violation or breach of which is reasonably likely to have a material adverse effect on its ability to perform under this Agreement.

#### **5.7 Third Party Approvals.**

No authorization, consent or approval, license, exemption or filing or registration with any court or other action by, and no notice to or filing with any governmental authority or regulatory body or any other third party is required for the due execution, delivery, recordation, filing or performance by either Party of this Agreement or any other Document to which either is a party, or for the consummation of the other transactions contemplated hereby.

#### **5.8 Enforceable Obligations.**

This Agreement has been, and each other Document when delivered hereunder will have been, duly executed and delivered by the Parties except as otherwise provided in this Agreement. This Agreement is, and each other Document to which either Party is a party when delivered hereunder will be, the legal, valid and binding obligation of the respective Party, enforceable against the respective Party in accordance with its respective terms.

#### **5.9 No Litigation.**

There is no action, suit, investigation, litigation or proceeding affecting either Party pending or threatened before any court, governmental agency or arbitrator that purports to affect the legality, validity or enforceability of this Agreement, any Document or the consummation of the transactions contemplated thereby or by this Agreement.

#### **5.10 No Tax Lien.**

NPP warrants that Collateral is free of all tax liens claims and/or encumbrances and that NPP will pay and remit on a timely basis all applicable state and federal tax levied or assessed upon the Accounts Receivable or the Collateral.

### **5.11 ISO-NE Membership.**

NPP warrants that it is duly qualified and accepted as a member of the ISO-NE or has a contract with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 and is in compliance with the rules and regulations of the ISO-NE as of the Effective Date of this Agreement.

### **5.12 General Representations.**

Each Party represents that it shall perform its obligations under this Agreement in compliance with all applicable laws, tariffs, and R.I.P.U.C. regulations in effect during the term of this Agreement. Each person executing this Agreement for each Party represents and warrants that he or she has authority to bind that Party. Each Party represents that: (a) it has the full power and authority to execute, deliver, and perform this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms. Each Party shall exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement and carry out its duties in accordance with applicable recognized professional standards.

## **ARTICLE 6** **COVENANTS AND OBLIGATIONS**

### **6.1 Legal Identity.**

During the Term of this Agreement and until all of NPP's obligations under this Agreement are completed or satisfied, NPP agrees that it will:

- (a) provide Company with sixty (60) days' prior written notice of any change in [specify, corporation/limited liability company / partnership] existence and status as a registered organization;
- (b) provide Company with sixty (60) days' prior written notice, if NPP merges into or consolidates with any other entity, or sells all or substantially all of its assets;
- (c) provide Company with thirty (30) days' prior written notice of any change in NPP's state where it is located, incorporated or is registered, as the case may be;
- (d) not change its corporate name without providing Company with thirty (30) days' prior written notice;
- (e) not grant any security interest in the Collateral except to Company; and
- (f) remain a duly qualified member of ISO-NE and use its best efforts to maintain its membership status in accordance with the rules and regulations of the ISO-NE or continue to meet its transaction requirements through a contractual arrangement with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 to qualify as a NPP. NPPs shall notify Company within two (2) Business Days of notification from the ISO-NE of any change in NPP's membership status or within two (2) business days after NPP ceases to be a counterparty to a contract with a NEPOOL participant to the extent that the cessation of such contract results in the NPP failing to qualify as a NPP. At any time, NPP, in its sole discretion, may terminate any contract it may have with a NEPOOL participant when such contract is unrelated to this Agreement or its qualification as a NPP.

### **6.2 Cooperation.**

Each Party agrees to cooperate with the other to the fullest extent possible under the law and to use its best efforts to facilitate the transactions under this Agreement. Such cooperation shall include, but not be limited to, supplying the other with all information and assistance that may be necessary or helpful to the requesting Party in performing under this Agreement, establishing the accuracy of any Accounts Receivable or in correcting errors.

### **6.3 Document Delivery.**

NPP hereby agrees to promptly execute and/or deliver to Company any and all Documents Company deems necessary to evidence Company's first priority security interests in the Collateral and satisfy NPP's obligations under this Agreement. NPP authorizes Company to file and/or record Documents, at NPP's sole cost and expense, including Financing Statements deemed necessary by Company to perfect its interest in the Collateral under the UCC and put third parties on notice of Company's interest in the Collateral. NPP further agrees that Company may execute, file and/or record any such other documents at NPP's sole cost and expense, if required, to evidence Company's interest in the Collateral, for and on behalf of NPP. NPP must submit a completed NPP Information form. The form is found in Attachment C. NPP acknowledges and agrees that no further Documents are required to evidence Company's obligations to NPP under this Agreement.

### **6.4 Third Party Financing Statements.**

NPP shall:(a) obtain any and all necessary amendments or terminations of financing statements, filed by any third party ("Third Party Financing Statements"), before the commencement of the Term of this Agreement against NPP as a debtor in the Collateral contemplated under this Agreement, specifically obtaining a release of the Collateral; and (b) ensure that any and all Third Party Financing Statements filed subsequent to the commencement of the Term of this Agreement shall expressly (i) except the Collateral from the description of collateral therein, and (ii) specifically reference this Agreement to ensure continuation of Company's first priority perfected security interest in the Collateral.

### **6.5 Notification.**

In addition to the requirements in Article 7, NPP shall provide copies to Company of any Third Party Statements filed after the commencement of the Term of this Agreement prior to the filing of any such statements to allow Company to review such Third Party Financing Statements. After its receipt of the Third Party Financing Statements, Company shall have three (3) Business Days to object to such statements on the ground that the execution of the Third Party Financing Statement would grant a security interest in the Collateral or otherwise affect Company's security interest in the Collateral. NPP shall deliver the Third Party Financing Statements by a nationally recognized courier service and by facsimile to Company at the address and facsimile numbers set forth in Section 15.7 of this Agreement. Third Party Financing Statements delivered by facsimile shall be deemed given on the day of receipt; provided that the statements delivered by nationally recognized courier service are received by Company before noon Rhode Island time on the next Business Day following the receipt of the facsimile.

### **6.6 Suspension of Tariff Delivery Service.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, during the Term of this Agreement, NPP assigns to Company any and all rights to request Company to suspend its Tariff delivery service or collect Accounts Receivable and Competitive Supplier waives all of its rights to exercise these activities without Company's consent.

### **6.7 Parties' Responsibilities.**

(a) NPP shall notify Company within twenty-four (24) hours in writing if its registration to act as a NPP, as provided in 810-RICR 40-10-2.3 and 815-RICR-30-05-1, is rescinded by the Division of Public Utilities and Carriers, or surrendered by the NPP, pursuant to 815-RICR-30-05-1, in such a way that it materially affects NPP's performance under this Agreement. Surrender or rescission of NPP's registration shall be grounds for immediate termination of this Agreement by the Company.

- (b) Company shall notify NPP within a reasonable period of discovery of its inability to pay for the Account Receivables or its inability to perform any material obligations under this Agreement.
- (c) Company shall notify NPP if the R.I.P.U.C. takes action with respect to Company's ability to operate as a public utility in such a way that it materially affects Company's performance under this Agreement, including but not limited to suspension, revocation, modification, or non-renewal.
- (d) NPP shall notify Company no less than forty-eight (48) hours prior, as applicable, to an event reasonably within the NPP's knowledge, and of which NPP has reason to believe Company has no knowledge, that will render NPP or its agent unable to maintain their status with NEPOOL, required to serve load. Upon such notice or upon the occurrence of such an event, Company shall have the immediate right to switch the affected NPP's Customers to Last Resort Service, under the Company's tariffs, and Company's obligation to purchase Unbilled Accounts Receivable under this Agreement would cease for such Customers.
- (e) NPP shall update information requested in Attachment C ten (10) days prior to any change in information contained in Attachment C. Company shall update information in Attachment D fifteen (15) days prior to any change in information contained in Attachment D.
- (f) NPP acknowledges that Company will select and may from time to time change the electronic transmission vehicle. Company will not change the electronic transmission vehicle without first providing NPP via Internet electronic mail at least fifteen (15) days' prior written notice of any such change.
- (g) NPP acknowledges that Company will not include NPP's preexisting balances on Standard Complete Billing for newly enrolled Customers.
- (h) NPP acknowledges that Company is authorized to deny Generation Service to Customers if Company has terminated such Customer's Distribution Service in accordance with the rules and regulations of the R.I.P.U.C., including the R.I.P.U.C.'s billing and termination regulations, until such time as the Customer is reinstated by the Company. In order for the NPP to serve such a Customer after reinstatement, NPP must re-enroll the Customer.
- (i) During the term of this Agreement, as to any EDI standards implemented, subsequent to the initial testing period, NPP shall be required to successfully complete testing of said standards in accordance with EDI.

## ARTICLE 7

### CONDITIONS PRECEDENT

The commencement of the Term and the obligations of NPP and Company under this Agreement are subject to the satisfaction of the following *conditions precedent*:

7.1 NPP shall deliver the following information to the Company, marked to the attention and address of Company's representative in Section 15.7, prior to the commencement of the Term of this Agreement:

- (a) complete list of any liens in favor of a third party, as creditor, against NPP as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (b) copies of all documents evidencing such liens including any Third-Party Financing Statement filed against NPP, as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (c) a certified copy of a lien search of NPP from the UCC filing offices under the UCC or a report that is complete and satisfactory to Company, such that Company is satisfied that any Collateral that has been previously pledged by the NPP whether recorded or not, has been fully discharged and released, and that no lien currently is recorded against the Collateral. An uncertified lien search obtained from an internet-based website from NPP's state of organization shall not satisfy the requirements under this Section. The lien search obtained shall be at NPP's sole cost and expense;
- and (d) an original or certified copy of a certificate of good standing with respect to NPP issued by

the Secretary of State of NPP's jurisdiction of organization and, if such jurisdiction is not the State of Rhode Island, then an original certificate of authority evidencing that NPP is duly qualified and in good standing as a foreign organization in the State of Rhode Island.

#### **7.2 Registration.**

NPP shall provide evidence to the Company that the NPP has registered with the Rhode Island Division of Public and Carriers

#### **7.3 Payment of Taxes.**

In accordance with Section 3.4, the amount of taxes invoiced to Customers in connection with NPP's portion of Billed Amounts will be provided in NPP's Statements/Reports. NPP shall be considered the vendor for purposes of liability for taxes related to Billed Amounts. Nothing in this Agreement shall be construed as imposing upon Company the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of NPP with respect to any Billed Amounts or with respect to Company's purchase of Accounts Receivable from NPP. NPP shall be liable for and shall pay all such taxes, and shall further indemnify, defend, and save harmless Company from and against any and all liability for such taxes, and any interest or penalties thereon.

#### **7.4 Failure to Provide Satisfactory Information.**

If the information provided by NPP under this Article 7 is not, in the reasonable opinion of Company, satisfactory, complete and acceptable in form and substance, and such information does not provide adequate evidence that Company's interest in the Collateral is superior to any third party's interest, then Company may provide written notice to NPP that the Term of this Agreement shall not commence and shall not be effective until the required information has been provided.

### **ARTICLE 8**

#### **TERM OF AGREEMENT**

8.1 The initial term of this Agreement ("Term") shall commence on the date (the "Effective Date") that is the later to occur of (a) the date of this Agreement or (b) the date that NPP submits the initial Billing Price Determinants to Company; provided, however, that NPP fulfills its condition precedents under Article 7 to Company's satisfaction. If NPP does not fulfill the obligations under Article 7, the Term of this Agreement shall not commence and no obligations will arise with respect to Company and this Agreement shall be null and void. The Term of this Agreement shall only commence in accordance with express terms and conditions of this Agreement and continue in full force and effect for the duration of the Program, unless earlier terminated in accordance with Article 9.

### **ARTICLE 9**

#### **TERMINATION/EVENT OF DEFAULT**

#### **9.1 Termination for Convenience.**

Subject to R.I.P.U.C. approval, either Party may terminate for convenience this Agreement upon sixty (60) days' prior written notice to the other Party.

#### **9.2 Termination for Default.**

Except as otherwise provided in this Article 9, this Agreement may be terminated by either Party (the "Terminating Party") upon prior written notice to the other Party upon the occurrence of any of the following events ("Events of Default") with respect to the other Party (the "Defaulting Party"):

(a) the Defaulting Party's failure to make any payment required under this Agreement when or before due which failure continues for five (5) days after receipt of written notice from the Terminating Party; or (b) Any representation or warranty made or deemed made by the Defaulting Party herein or in connection with this Agreement proves to have been incorrect in any respect when made or deemed made; or (c) the Defaulting Party's failure to materially perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for a period of thirty (30) days after written notice thereof shall have been given to the Defaulting Party; or (d) the Defaulting Party's ceasing to do business for five (5) or more days, or generally not paying its debts as such debts become due; or admitting in writing its inability to pay its debts generally or making an assignment for the benefit of creditors; or the institution of any proceeding by or against the Defaulting Party seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization arrangement, adjustment, protection relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it) either such proceeding shall remain undismissed or unstayed for a period of sixty (60) days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Defaulting Party or any of its Subsidiaries or Affiliates shall take any corporate/organizational action to authorize any of the actions set forth or the appointment of a receiver, trustee or custodian over, or an execution, attachment or levy upon, all or any material part of the property of the Defaulting Party.

Upon termination for default, the Terminating Party shall have the additional right to declare all amounts owing under this Agreement from the Defaulting Party to be immediately due and payable.

### **9.3 Additional Rights.**

In addition to the termination rights set forth in Section 9.1 and 9.2 above, the Parties have the following additional rights under the Agreement:

(a) In the event of a Party's failure to comply with the Municipal Aggregation Terms and Conditions, or NPP Terms and Conditions, as appropriate, or with any tariffs on file with the FERC that may be applicable to the Program, or with any tariffs on file with the R.I.P.U.C. or R.I.P.U.C. requirements applicable to the Program, the other Party shall have the right to exercise any such rights authorized and provided in the Terms and Conditions or by any R.I.P.U.C. requirements applicable to the Program including the right to immediately terminate this Agreement;

(b) In the event of either Party's failure to maintain in place at all times, any and all governmental approvals, if required, for the Party to receive service from the other under this Agreement or to sell the Generation Service to Customers, whether such approvals are issued by the R.I.P.U.C. or other state or federal regulatory authority of competent jurisdiction, the other Party shall have the right to immediately terminate this Agreement and/or seek relief from the R.I.P.U.C. upon the expiration of any applicable cure period provided to the other Party by such state or regulatory authority; and

(c) In the event of a Party's breach of this Agreement or any other written agreement with the other Party in connection with the Program, the aggrieved Party shall have the right to terminate this Agreement in the event such breach continues uncured for ten (10) days after written notice of termination to the other Party.

#### **9.4 Payment Obligations.**

At the end of the Term or upon the earlier termination of this Agreement, whether for convenience or otherwise, the Parties shall remain responsible for their respective payment or reimbursement obligations of any and all sums due or owing under this Agreement prior to such termination. Each Party shall have the right to set off such sums against amounts otherwise payable to the other Party in accordance with the provisions of this Agreement.

#### **9.5 Cumulative Remedies.**

The rights and remedies set forth in this Article 9 are in addition to any and all rights allowed by this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or any other applicable tariff, the UCC, the applicable laws of the State of Rhode Island, and any applicable rules and regulations thereunder or the common law. All rights and remedies shall be cumulative and may be exercised separately or concurrently.

### **ARTICLE 10 RESERVED**

#### **ARTICLE 11** **FORCE MAJEURE**

11.1 Any delays in or failure of performance by the Parties, other than the payment of monies, shall not constitute an Event of Default and shall be excused under this Agreement, if and to the extent such delays or failures of performance are caused by occurrences that are both: (a) beyond the reasonable control of the affected Party, including, but not limited to, acts of God, compliance with any order or request of any governmental or judicial authority, compliance with Company's public service obligations, riots or strikes or other concerted acts of workers, storms, fires, floods, and accidents; and (b) beyond the ability of the affected Party to prevent, by the exercise of reasonable diligence. In the event of a force majeure, both Parties shall take all reasonable steps to comply with this Agreement.

#### **ARTICLE 12** **LIMITATION OF LIABILITY**

##### **12.1 Liability limitations.**

The Parties acknowledge that the liability provisions in Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, are incorporated herein by reference. For purposes of such liability and indemnification, however, the Parties acknowledge and agree that nothing in such Terms and Conditions prohibits one Party from impleading the other Party as a third-party defendant, whether or not one or both Parties are named defendants in the initial claim of a third-party. The third-party claim shall be stayed pending resolution of any dispute regarding liability and indemnification under this Agreement. Such resolution shall be final and binding upon the Parties only after agreement between the Parties or after entry of a final judgment, after any further appeals of a court of competent jurisdiction to which any appeal may have been taken from the determination of the arbitrator(s). The Parties acknowledge and agree that for purposes of Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, a Party seeking recovery from the other Party in connection with the performance of its obligations of the Terms and Conditions shall not be entitled to recovery if its conduct is deemed to be more negligent than the conduct of the other Party. The Parties expressly acknowledge and agree that the dispute resolution provision in Section 15.19 of this Agreement shall apply to any and all disputes arising under this paragraph, including without

limitation, those disputes that arise as a result of either of the Parties being named as a defendant in the primary action or being named as a third-party defendant by a defendant in the primary action. Notwithstanding anything in this Agreement or the Terms and Conditions to the contrary, each Party's liability under this Agreement shall be limited to direct damages and in no event shall either Party be liable to the other Party for any indirect, incidental, consequential, punitive, special, or exemplary damages under any theory of law that is now or may in the future be in effect, including without limitation: contract, tort, strict liability, or negligence, including, but not limited to, lost profits or revenues and expenses involving cost of capital. Notwithstanding the availability of other remedies at law or in equity, either Party hereto shall be entitled to specific performance to remedy a breach of this Agreement by the other Party. The provisions of this Article 12 shall survive the expiration, cancellation, or termination of this Agreement.

### **ARTICLE 13** **INDEMNIFICATION**

13.1 The Company and NPP shall indemnify and hold each other and their respective Affiliates, and directors, officers, employees, and agents of each of them harmless from and against any and all damages, costs, including attorneys' fees, fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts, omissions of such Party in connection with the performance of its obligations under the Terms and Conditions. The Company and NPP shall waive recourse against the other Party and its Affiliates for or arising from the non-negligent performance by such other Party in connection with the performance of its obligations under the Terms and Conditions.

13.2 The Parties agree that the NPP's obligations pursuant to Section 12 herein are limited solely to Section 12 herein, and include Liabilities associated with: (a) NPP's acts or omissions regarding the Accounts Receivable or billing determinants provided by NPP; (b) NPP's failure to remit to the appropriate taxing jurisdiction any taxes; (c) any other agreement or understanding alleged to have been made with Competitive Supplier in connection with the Collateral or Collateral-related transactions contemplated by this Agreement, and (d) any inaccuracy in any document or affidavit provided to Company under this Agreement or other breach of any representation or warranty or affidavit made by NPP in this Agreement. The Parties agree that a Party's obligations pursuant to Section 12 herein include Liabilities associated with (a) a failure by a Party to satisfy its obligations under this Agreement; and (b) all costs and expenses, including reasonable fees and expenses of counsel and other advisors, associated with any costs or losses incurred by a Party in connection with the Liabilities. The Parties agree that the Company's obligations to NPP pursuant to Section 12 herein are limited solely to Section 12 herein does not alter or in any way modify or nullify any limitations on the Company's liabilities pursuant to other Company tariffs, including, but not limited to Company's Terms and Conditions for Distribution Service. Moreover, pursuant to Company's NPP Terms and Conditions in Section 4.2 and the Company's Municipal Aggregation Terms and Conditions in Section 9E, the Company shall not be responsible for any estimating errors and shall not be liable to the NPP for any costs that are associated with such estimating errors.

13.3 RESERVED.

13.4 **Defense.** NPP and Company, respectively, shall take action to defend, indemnify and hold the Indemnified Parties harmless against any and all claims, actual or threatened, promptly, but in no event later than the service of a notice, summons, complaint, petition, or other service of process with

respect to such claims, including, as applicable, the engagement of legal counsel, to respond to, defend, or settle, or compromise any claim or threatened claim.

13.5 **Enforcement.** NPP and Company respectively shall pay any and all costs and expenses (including reasonable attorneys' fees) incurred to enforce the provisions of this Article 13.

13.6 **Survival.** The obligations set forth in this Article 13 shall survive the expiration, cancellation, or termination of this Agreement.

## **ARTICLE 14** **NONDISCLOSURE**

### **14.1 Nondisclosure of Confidential Information.**

Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including Affiliates, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, Customers of either or both Parties, suppliers for either Party, personnel of either Party; any trade secrets; and other information of a similar nature whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information obtained by a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a Party who was under an obligation of confidentiality to the other Party to this Agreement, or information developed by either Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own Confidential Information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

### **14.2 Exceptions.**

Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosures, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

### **14.3 Data Security Agreement**

NPP shall be required to execute the Company's Data Security Agreement provided as Attachment F as a condition to participating in this Agreement.

## **ARTICLE 15** **MISCELLANEOUS**

### **15.1 Entire Agreement/Integration/Merger/Survival.**

This Agreement, as may be amended in accordance with Section 15.3, constitutes and expresses the entire understanding between the Parties with respect to the subject matter hereof. The Parties agree

that there are no understandings, agreements, or representations, expressed or implied, other than those expressed herein. This Agreement supersedes and merges all prior and contemporaneous agreements, discussions, understandings, inducements or conditions, whether expressed or implied, written or oral. This Agreement shall not merge with or be terminated or suspended by any future agreement between the Parties which does not specifically and in writing so provide. Upon execution of this Agreement by the Parties, except as otherwise provided in this Agreement, the Parties shall no longer be bound by the terms and provisions of any previous definitive billing service agreements between the Parties and such agreements shall be terminated and superseded by this Agreement, except for such terms and provisions that expressly or by their operation survive the termination or expiration of such definitive billing services agreement, provided that such terms do not conflict with the terms of this Agreement. As of the expiration of this Agreement or, if earlier, its termination, the Parties shall no longer be bound by the terms and provisions hereof, except (a) to the extent necessary to enforce the rights and obligations of the Parties arising under this Agreement before such expiration or termination or (b) for such terms and provisions that expressly or by their operation survive the termination or expiration of this Agreement.

### **15.2 No Further Obligation.**

Upon expiration, cancellation, or termination of this Agreement, Company shall thereafter have no obligation to include NPP's Accounts Receivable on its bills to Customers.

### **15.3 Modifications**

This Agreement, and any provision thereof, shall not be superseded, modified, amended, waived, or otherwise changed, except in a writing duly signed by both Parties.

**15.4 Assignment.** NPP shall not assign all or any part of the monies payable by Company under this Agreement without the prior written consent of Company, which consent Company shall not unreasonably withhold, except NPP may, upon twenty (20) days' prior written notice to Company, assign such monies to any lender of NPP, or financial institution of NPP for financing or credit purposes excluding any assignment of the Collateral. NPP, to the fullest extent of the law, shall indemnify and hold Company harmless from any loss, damage, or claim which may at any time be imposed on, incurred by, or asserted against Company by NPP or any third parties (including Customers) that are directly or indirectly caused by, arise out of or under, or are associated with, incident to or in connection with any assignment under this Section 15.4. Notwithstanding anything to the contrary herein, under no circumstances shall NPP sell, assign, transfer, pledge or otherwise dispose of any of the Collateral. In addition, either party may subcontract its duties under this Agreement to a subcontractor provided that the subcontracting party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, and shall serve as the point of contact between its subcontractor and the other party, and the subcontractor shall meet the requirements of any applicable laws, rules, regulations, and Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. The assigning or subcontracting party shall provide the other party with thirty (30) calendar days' prior written notice of any such subcontracting or assignment, which notice shall include such information about the subcontractor as the other party shall reasonably require.

**15.5 Successors Bound.** This Agreement shall be binding upon and inure to the benefit of each Party and its respective legal representatives, successors, and permitted assigns and shall survive any acquisition merger, reorganization or other business combination to which it is party.

15.6 No Third-Party Beneficiaries. This Agreement is solely between the Parties and is not intended to confer any rights whatsoever on any third parties.

15.7 Notices. Except as otherwise provided in this Agreement, each Party hereby designates the following individuals to be its duly authorized representative for the receipt of any legal or contractual notices required to be sent to such Party. Such notices shall be deemed duly sent when personally delivered or mailed by registered or certified mail, return receipt requested, postage prepaid, to the intended Party's designated representative at the addresses set forth hereafter or to such other address as the Party to whom the same is intended shall have specified in conformity with this provision.

National Grid Attn: Manager of Supplier Services 175 East Old Country Road Hicksville, New York 11801 Facsimile Number: 516-545-3250

NPP's notice information is provided in Attachment C to this Agreement.

15.8 Choice of Law.

This Agreement shall be interpreted and enforced according to the laws of the State of Rhode Island without regard to the choice of law provisions thereof. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence. The Parties hereby consent to the personal jurisdiction of courts in the State of Rhode Island in any litigation or proceeding concerning any issues related to this Agreement, including the validity, enforceability, or interpretation of this Agreement.

15.9 Severability. To the extent that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, it shall be severed from this Agreement without affecting the validity, legality or enforceability of the remaining provisions of the Agreement.

15.10 Headings. The headings contained in this Agreement are provided solely for the convenience of the Parties and shall neither expand nor restrict the rights and obligations created herein.

15.11 Conflict: Order of Precedence.

In the event of conflict between the terms of this Agreement as executed or amended and the provisions of the Municipal Aggregation Terms and Conditions or the NPP Terms and Conditions, as applicable, including, without limitation, the definitions set forth in this Agreement, any conflict will be resolved in the following order of precedence: Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, Agreement.

15.12 No Waiver.

No failure on the part of any Party to exercise, or delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

15.13 Additional Service(s) and Opt-In Programs.

In the event that NPP requests additional service(s) from Company that are not provided under this Agreement, Company will provide NPP with a price quote(s) for service(s) so requested. If NPP accepts Company's price quote(s) and Company agrees to provide such service(s), then the associated prices for each service shall be more fully set forth on Attachment B, annexed hereto and

made a part hereof. The additional service(s) set forth on Attachment B shall be in addition to any service(s) under this Agreement and shall be at NPP's sole cost and expense. NPP shall pay Company for the additional service(s) in accordance with the price and upon terms set forth on Attachment B.

**15.14 Execution in Counterparts.**

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by electronic transmission (whether by telecopier or by email) shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by electronic transmission shall be deemed to be their original signatures for all purposes. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought.

**15.15 RESERVED**

15.16 Fees. Company may charge fees to NPP as set forth in Attachment D or the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. Company shall have the right to subtract fees that NPP owes to Company, and that are sixty (60) days or more past due, from amounts Company collects on behalf of NPP for reimbursement to NPP. Amounts subject to a good faith dispute will not be subject to deduction. NPP reserves the right to dispute such charges and/or claim that such charges are inconsistent with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or are otherwise not in accordance with the law.

**15.17 Billing and Payment for Services.**

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

**15.18 RESERVED**

**15.19 Dispute Resolution.**

Disputes hereunder shall be reduced to writing and referred to the Parties' representatives for resolution. The Parties' representatives shall meet and make all reasonable efforts to resolve the dispute. Pending resolution, the Parties shall continue to fulfill their obligations under this Agreement in good faith, unless this Agreement has been suspended or terminated as provided in Article 9.0. If the Parties fail to resolve the dispute within thirty (30) days, they may mutually agree to pursue mediation or arbitration to resolve such issues. The Parties agree that the place of mediation or arbitration shall be Providence, Rhode Island.

In witness whereof, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date above.

**NPP**

**THE NARRAGANSETT ELECTRIC COMPANY**

Name (Print):

Name:

Signature:

Signature:

Title:

Title:

Date:

Date:

ATTACHMENT A  
BILLING PRICE DETERMINANTS

NPP Name:

NPP ID Leave blank

Effective Date:

**ATTACHMENT B**

**ADDITIONAL SERVICES**

The following is a list of Additional Services, as described in Section 15.13. Printing of NPP Logo on Customer Bill Other Additional Services

## ATTACHMENT C

### NPP INFORMATION

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

#### A. General Information (all NPPs)

1. Legal name of the NPP
2. d/b/a name, if applicable
3. NPP Address
4. Type of Business Entity
5. NPP Customer Service phone number
6. NPP Tax Identification number
7. NPP Dun & Bradstreet number
8. Name of the NPP's general contact
9. NPP's general contact phone number
10. NPP's general contact facsimile number
11. NPP's general contact e-mail address
12. Name of NPP's technical contact
13. NPP's technical contact phone number
14. NPP's technical contact facsimile number
15. NPP's technical contact e-mail address
16. Has NPP attended Rhode Island NPP Training?
17. Is NPP registered with the Rhode Island Division of Public Utilities and Registration Number

#### B. Billing and Banking Information

- 1 If the NPP is planning to assign its own account number, provide format and size
- 2 Name of receiving bank (to accept electronic transfer of Customer Payments)
- 3 Routing and transit number (ABA number)
- 4 Bank account number

#### C. Value Added Network (VAN)

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

#### D. Establishment of NEPOOL Tie Line

- 1 Name of the NEPOOL Participant in whose NEPOOL Own Load Dispatch the NPP's load will be served
- 2 Own Load Number (if available)
- 3 NPP contact name
- 4 NPP contact phone number
- 5 NPP contact facsimile number
- 6 NPP contact e-mail address
- 7 Estimated Load Transfer (KW Demand)
- 8 Estimated Transfer

**E. NPP Load Allocation, if requested**

1 Check to receive load estimation results Yes No

2 NPP contact name

3 NPP contact phone number

4 NPP contact e-mail address

**F. Notices to NPP shall go to:**

Name:

Address:

Phone Number:

Facsimile Number:

Electronic Mail:

Authorized Signature:

Title:

Date:

## **ATTACHMENT D** **COMPANY SPECIFIC PROVISIONS**

### **1. Budget and Payment Options**

NPP acknowledges that Company offers customers payment options that include budget and payment plans. Both options modify the amount that is considered the current amount due. Payment plans will normally generate a current amount due greater than the actual monthly charges as this option is typically used to recover the current month's bill plus some portion of the total outstanding balance. Budgets are typically used to allocate an annual bill equally over twelve months. This equal allocation can generate a current amount due that is greater than or less than the actual calculated charges for a given billing period. Budgets or payment plans shall not affect any Accounts Receivable Purchase Price offered pursuant to this Agreement.

### **2. Summary Billing**

NPP acknowledges that Company offers a summary billing option, which allows qualified Customers with multiple electric service accounts to consolidate multiple individual billings on a single bill format.

### **3. Fees**

NPP agrees to pay any fees once and as approved by the R.I.P.U.C. Company shall notify Supplier of the approval of any such fees, as included in the Company's Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as amended from time to time.

### **4. Holidays and Time**

Any reference made with respect to time either in this agreement is understood to be Eastern Standard Time adjusted to account for Daylight Savings Time. The Company observes the following holidays and will not receive or process electronic transactions on the following days: New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, The Last Weekday Before Christmas Day, and Christmas Day. All holidays will be the nationally observed day.

### **5. Business Continuity Plan**

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

### **6. Company Contact**

Information on how to contact the Company's representative for the administration of this Agreement shall be posted on the Company's web site.

## ATTACHMENT E

### PURCHASING OF EXISTING ACCOUNTS RECEIVABLE

#### Transition Rate Calculation Methodology

- After final approval by the R.I.P.U.C. of the Company's implementation plan for the purchase of a NPP's Accounts Receivable ("AR") pursuant to R.I.P.U.C., the risk of the collective NPP's commodity AR will be determined as of the last day of the month that is at least one month prior to the R.I.P.U.C. final order "go-live" date in R.I.P.U.C. 5073 ("AR Date").
- The Company will first determine an indebtedness portfolio by assigning each customer's AR existing at the time of the AR Date to an indebtedness bucket (e.g., 0-29 days, 30-59 days, 60-89 days plus, 90-119 days, and 120 days plus). The AR will consist of the delivery and commodity charges for all of the Company's customers, inclusive of the commodity charges billed on behalf of NPPs. An uncollectible risk rate for each indebtedness bucket will be determined by dividing the write-offs associated with each bucket over the 12-month period following the AR portfolio existing at the month-end 12-months prior to the AR Date plus the charge-back credits to the NPPs over that same period that stem from the same AR portfolio, by the indebtedness AR.
- Three collective Transition Rates will be determined for all NPPs: Residential; Commercial; and Industrial. These collective Transition Rates are defined as the weighted average of the uncollectible risk rates for each indebtedness bucket. Three single blended Transition Rates will be provided to all NPPs by these three Customer classes.
- Any existing AR for a NPP will be purchased at the discount amounts represented by the three Transition Rates upon the NPP's initiation of the Program.

**Indebtedness:** The collective view of a customer's accounts receivable against which an uncollectible risk rate is assessed. In this perspective, all of a customer's accounts receivable is gathered into an aged bucket in which their oldest dollar lies. For example, assume a single customer's accounts receivable is spread in the following manner on a straight aging basis:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$100 \$100 \$100 \$100 \$100 \$500

In an indebtedness view, this customer's accounts receivable is placed in the bucket where its oldest dollar lies:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$0 \$0 \$0 \$0 \$500 \$500

- The calculation of the Transition Rates will be consistent with the illustrative methodology presented in the Transition Rate Model addendum.

#### NATIONAL GRID TRANSITION RATE MODEL ADDENDUM

##### ILLUSTRATIVE EXAMPLE

ESCO COLLECTIVE TOTAL INDEBTEDNESS A/R on "AR Date" -- mm-dd-2014  
(5000's)

0-29 30-59 60-89 90-119 120+

RES AR \$ 3,135 \$ 1,523 \$ 806 \$ 372 \$ 1,164 \$

NONRES AR \$ 11,908 \$ 7,299 \$ 2,305 \$ 576 8 912 5

ESCO AR

7,000(a)

23,000(b)

\$ 15,043 \$ 8,822 \$ 3,111 \$ 948 \$ 2,076 \$ 30,000(c)

NATIONAL GRID UNCOLLECTIBLE RATES

(By Indebtedness Aging Buckets for 12-Mo Period ending on "AR Date")

(Write-Offs + Charge Backs divided by AR 12-Mo Prior to "AR Date")

0-29 30-59 60-89 90-119 120+

RES AR

NONRES AR

0.80% 3.00% 8.00% 14.00% 24.00%

0.20% 2.50% 4.00% 11.00% 23.00%

(d)

(e)

ESCO Collective Residential & Non-Residential Charge Off Estimates

0-29 30-59 60-89 90-119 120+

RES AR \$ 25 \$ 46 \$ 64 \$ 52 \$ 279 \$ (f) = [ (a) x (d) ]

NONRES AR \$ 24 \$ 182 \$ 92 \$ 63 \$ 210 \$ 572 (g) = 1 (b) x (e) ]

\$ 49 \$ 228 \$ 157 \$ 115 \$ 489 \$ 1,038 (h)

ESCO Collective Residential and Non-Residential Transition Rates

RES AR 6.67% (i) [ (1) / (a) ]

NONRES AR 2.49% (1) = [(g)/(b)]

ESCO Transition Rates by POR Customer Class

Commercial Industrial Total C&I

Delivery Delivery Delivery

Charge Offs Charge Offs Charge Offs

(5000's)

Historic delivery charge offs for Customers on Competitive Supply: \$ 125 \$ 250 \$ 375 (k)

Percentage of each class' delivery charge offs of the total: 33.33% 66.67% 100.00% (l) = [(k) customer class / (k) Total]

Allocated ESCO Non-Residential Estimated Charge Offs: \$ 191 \$ 381 \$ 572 (m) = (g) x (l) Total

Commercial Industrial Total C&I

Delivery Delivery Delivery

Revenue Revenue Revenue

(5000's)

Historic delivery revenue for Customers on Competitive Supply: \$ 70,000 \$ 350,000 \$ 420,000 (n)

Percentage of each class' delivery revenue of the total: 16.67% 83.33% 100.00% (o) = [(n) customer class / (n) Total]

Allocated ESCO Non-Residential Outstanding A/R: \$ 3,833 \$ 19,167 \$ 23,000 (p) = (o) x (b) Total

Residential Transition Rate: Proxy

Commercial Transition Rate: Proxy

Industrial Transition Rate:

6.67% (q) = (1)

4.97% (r) = [(m) / (p)] for Commercial Class

1.99% (s) = [(m) / (p)] for Industrial Class

**ATTACHMENT F**

**DATA SECURITY AGREEMENT**

**DATA**  
**SECURITY**  
**AGREEMENT**

This Data Security Agreement (“Agreement”) effective \_\_\_\_\_, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between The Narragansett Electric Company (“Distribution Company”) and non-regulated power producer, [INSERT TYPE OF ENTITY AND STATE OF ORGANIZATION] (“NPP”) with offices at \_\_\_\_\_; and together with Distribution Company the (“Parties” and each, individually, a “Party”).

### **RECITALS**

WHEREAS, NPP desires to have access to Confidential Customer Distribution Company Information, or the Rhode Island Public Utilities Commission (“Commission”) has ordered Distribution Company to provide to NPP customer information; and

WHEREAS, NPP has obtained consent from all customers from whom the NPP intends to obtain information from Distribution Company; and

WHEREAS, NPP may utilize a third party to fulfill its Service obligations, including but not limited to, Electronic Data Interchange (“EDI”) communications with Distribution Company, data collection or analysis, or billing; and

WHEREAS NPP’s utilization of a third party provider does not relieve NPP of its transactional obligation; and

WHEREAS, Distribution Company and NPP also desire to enter into this Agreement to establish, among other things, the full scope of NPP’s obligations of security and confidentiality with respect to Confidential Customer Information in a manner consistent with the orders, rules and regulations of the Commission and requirements of Distribution Company, as well as the obligations of the Distribution Company under this Agreement; and

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agreeas follows:

#### **1. Definitions.**

- a. “Confidential NPP Information” means information that NPP is: (A) required to receive from the end use customer and provide to Distribution Company to enroll the customer or (B) any other information provided by NPP to Distribution Company and marked confidential by the NPP, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without

reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

- b. “Confidential Customer Information” means information that is: provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.
- c. “Confidential Information” means, collectively, Confidential Customer Information or Confidential NPP Information.
- d. “Cybersecurity and Data Privacy Protections” refer to controls addressing the risk to IT systems and data. These cybersecurity requirements are applicable to NPP or its Third-Party Representative that electronically exchange Confidential Customer Information, not including by email, with Distribution Company. These controls also implement and address the risk of improper access, or misuse, of Confidential Customer Information. The data privacy protections are required of any NPP that processes Confidential Customer Information.
- e. “Data Protection Requirements” means, collectively, (A) all national, state, and local laws, regulations, or other government standards relating to the protection of information that identifies or can be used to identify an individual that apply with respect to NPP or its Representative’s Processing of Confidential Customer Information; (B) industry best practices or frameworks to secure information, computer systems, network, and devices using a defense-in-depth approach, such as and including, but not limited to, NIST SP 800-53, ISO 27001 / 27002, COBIT, CIS Security Benchmarks, Top 20 Critical Controls as best industry practices and frameworks may evolve over time; and (C) the Commission rules, regulations, and guidelines relating to data access, Cybersecurity and Data Privacy Protection. Subject to the above, NPP will determine and implement the necessary Cybersecurity and Data Privacy Protections to provide for the protection of Confidential Information.
- f. “Data Security Incident” means a situation when Distribution Company or NPP reasonably believes that there has been: (A) the loss or misuse (by any means) of Confidential Information; (B) the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of Confidential Information,

computer systems, network and devices used by a business; (C) any other act or omission that compromises the security, confidentiality, or integrity of Confidential Information, or (D) any material breach of any Data Protection Requirements in relation to the Processing of Confidential Information, including by any current or former Representatives.

- g. “Distribution Company Data” means data held by Distribution Company, whether produced in the normal course of business or at the request of NPP.
- h. “NPP” means, as the context indicates, (i) Distribution Company’s counterparty to this Agreement, provided that in any case Distribution Company’s counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its distribution Customers, and (2) a municipal light department acting as a distribution company.
- i. “PUC” or “Commission” shall have the meaning attributed to it in the Recitals.
- j. “Processing” (including its cognate, “process”) means any operation, action, error, omission, negligent act, or set of operations, actions, errors, omissions, or negligent acts that is performed using or upon Confidential Information or Distribution Company Data, whether it be by physical, automatic or electronic means, including, without limitation, collection, recording, organization, storage, access, adaptation, alteration, retrieval, use, transfer, hosting, maintenance, handling, retrieval, consultation, use, disclosure, dissemination, exfiltration, taking, removing, copying, processing, making available, alignment, combination, blocking, deletion, erasure, or destruction.
- k. “Third-Party Representatives” or “Representatives” means those agents acting on behalf of NPPs that are contractors or subcontractors and that store, transmit or process Confidential Customer Information. For the avoidance of doubt, Third-Party Representatives do not include NPPs and their members, directors, officers or employees who need to know Confidential Customer Information for the purposes of providing Services.
- l. “Services” mean any assistance in the competitive markets provided by NPPs to end use customers that also require interaction with a Distribution Company, including but not limited to the electronic exchange of information with a Distribution Company.

**2. Scope of the Agreement.** This Agreement shall govern the Cybersecurity and Data Privacy Protections of NPPs that electronically receive or exchange customer information, other than email, from a direct connection with the Distribution Company IT systems and the privacy protections that apply to Confidential Information disclosed to NPP or to which NPP is given access by Distribution Company, including all archival or back-up copies of the Confidential Information held or maintained by NPP (or its Representatives) and Confidential NPP Information. No financial information, other than billing information, will be provided pursuant to this Agreement. If any information is inadvertently sent to

NPP or Distribution Company, NPP or Distribution Company will immediately notify the Distribution Company/NPP and destroy any such information in the appropriate manner.

- 3. Customer Consent.** The Parties agree that Federal, State and local laws, and the orders, rules and regulations of the Commission govern an NPP's obligation to obtain informed consent from all customers before NPP requests Confidential Customer Information from Distribution Company. The NPP agrees to comply with the Federal, State and local laws, the orders, rules and regulations of the Commission, and the Distribution Company's tariffs regarding customer consent.
- 4. Provision of Information.** Distribution Company agrees to provide to NPP or its Third-Party Representatives, certain Confidential Customer Information, as requested, provided that: (A) if the Distribution Company has identified a potential Cybersecurity or Data Privacy Protection issue NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) are in compliance with the terms of this Agreement in all material respects; (B) if required by Distribution Company due to the identification of a potential or actual Data Security Incident, NPP shall undergo an audit, at the NPP's expense;<sup>1</sup> (C) NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) shall have and maintain throughout the term, systems and processes in place and as detailed in the Self Attestation to protect Distribution Company IT systems, Data Privacy Protections and Confidential Customer Information. A copy of the required Self Attestation form is attached to this Agreement as Exhibit A. Provided the foregoing prerequisites have been satisfied, NPP shall be permitted access to Confidential Customer Information and/or Distribution Company shall provide such Confidential Customer Information to NPP. Nothing in this Agreement will be interpreted or construed as granting either Party any license or other right under any patent, copyright, trademark, trade secret, or other proprietary right or any right to assert any lien over or right to withhold from the other Party any Data and/or Confidential Information of the other Party. Distribution Company will comply with the security requirements set forth in its assessment.
- 5. Confidentiality.** NPP shall: (A) hold all Confidential Customer Information in strict confidence pursuant to Commission's orders and rules; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential Customer Information to any Third-Party Representatives, or affiliates, except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential Customer Distribution Company Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential Customer Information; (E) store Confidential Customer Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential Customer Information under the provisions

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<sup>1</sup> An audit related to a Data Security Incident is used to verify that the necessary Cybersecurity and Data Privacy Protections are in place for the Distribution Company to provide certain Confidential Customer Distribution Company Information to the NPP or its Third-Party Representatives with an electronic connection to the Distribution Company, other than by email. The same audit requirements will apply as in Section 8. However, the NPP will be responsible for the cost of the audit in order to be authorized to receive data from the Distribution Company.

hereof; and (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential Customer Information as NPP employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care. At all times, Distribution Company shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential Customer Information are being observed and NPP shall be obligated to promptly provide Distribution Company with the requested assurances. An NPP may provide Confidential Customer Information to a Third-Party representative without a direct electronic connection with the Distribution Company, to assist the NPP in providing permitted Services, but an NPP utilizing such Third Party Representative shall be solely responsible and fully liable for the actions of the Third Party Representative.

Distribution Company shall: (A) hold all Confidential NPP Information in strict confidence; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential NPP Information to any other person or entity except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential NPP Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential NPP Information; (E) store Confidential NPP Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential NPP Information under the provisions hereof; (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential NPP Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care; and (G) to the extent required by NPP, each Third Party Representative with a need to know the Confidential NPP Information shall sign the Third-Party Representative Agreement set forth as Exhibit B to this Agreement. At all times, NPP shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential NPP Information are being observed and Distribution Company shall be obligated to promptly provide NPP with the requested assurances.

This Section 5 supersedes prior data security agreements between the Parties pertaining to Confidential Information.

## **6. Exceptions Allowing NPP to Disclose Confidential Customer Information.**

- a. **Disclosure to Representatives.** Notwithstanding the provisions of Section 5 herein, the Parties may disclose Confidential Information to their Third-Party Representatives who have a legitimate need to know or use such Confidential Customer Information for the purposes of providing Services in accordance with Commission orders and rules, provided that each such Third-Party Representative first is advised by the disclosing Party of the sensitive and confidential nature of such Confidential Customer Information. Notwithstanding the foregoing, the NPP shall be liable for any act or omission of its Third-Party Representative, including without limitation, those acts or omissions that would constitute a breach of this Agreement.
- b. **Disclosure if Legally Compelled.** Notwithstanding anything herein, in the event that a Party or any of its Third-Party Representatives receives notice that it has, will,

or may become compelled, pursuant to applicable law or regulation or legal process to disclose any Confidential Information (whether by receipt of oral questions, interrogatories, requests for information or documents in legal proceedings, subpoenas, civil investigative demands, other similar processes, or otherwise), that Party shall, except to the extent prohibited by law, within one (1) business day, notify the other Party, orally and in writing, of the pending or threatened compulsion. To the extent lawfully allowable, the Parties shall have the right to consult and the Parties will cooperate, in advance of any disclosure, to undertake any lawfully permissible steps to reduce and/or minimize the extent of Confidential Information that must be disclosed. The Parties shall also have the right to seek an appropriate protective order or other remedy reducing and/or minimizing the extent of Confidential Information that must be disclosed. In any event, the Party and its Third-Party Representatives shall disclose only such Confidential Information which they are advised by legal counsel that they are legally required to disclose in order to comply with such applicable law or regulation or legal process (as such may be affected by any protective order or other remedy obtained by the Party) and the Party and its Third-Party Representatives shall use all reasonable efforts to ensure that all Confidential Information that is so disclosed will be accorded confidential treatment.

7. **Return/Destruction of Information.** Within thirty (30) days after Distribution Company's written demand, NPP shall (and shall cause its Third-Party Representatives to) cease to access and Process Confidential Customer Information and shall at the Distribution Company's option: (A) return such Confidential Customer Information to Distribution Company in such manner, format, and timeframe as reasonably requested by Distribution Company or, if not so directed by Distribution Company, (B) shred, permanently erase and delete, degauss or otherwise modify so as to make unreadable, unreconstructible and indecipherable ("Destroy") all copies of all Confidential Customer Information (including any and all extracts, compilations, studies, or other documents based upon, derived from, or containing Confidential Customer Information) that has come into NPP's or its Third-Party Representatives' possession, including Destroying Confidential Customer Information from all systems, records, archives, and backups of NPP and its Third-Party Representatives, and all subsequent access, use, and Processing of the Confidential Customer Information by NPP and its Third-Party Representatives shall cease, provided any items required to be maintained by governmental administrative rule or law or necessary for legitimate business or legal needs will not be destroyed until permitted and will remain subject to confidentiality during the retention period. A Distribution Company making a written demand of an NPP for the return or destruction of Confidential Customer Information will specify the reason for the demand. NPP agrees that upon a customer revocation of consent, NPP warrants that it will no longer access through Distribution Company, Confidential Customer Information and that it will Destroy any Confidential Customer Information in its or its Third-Party Representative's possession. Notwithstanding the foregoing, NPP and its Third-Party Representatives shall not be obligated to erase Confidential Customer Information contained in an archived computer system backup maintained in accordance with their respective security or disaster recovery procedures, provided that NPP and its Third-Party Representatives shall: (1) not have experienced an actual Data Security Incident; (2) maintain Cybersecurity and Data Privacy Protections to limit access to or recovery of Confidential Customer Information from such computer backup system and; (3) keep all such Confidential Customer Information confidential in accordance with this Agreement.

NPP shall, upon request, certify to Distribution Company that the destruction by NPP and its Third-Party Representatives required by this Section has occurred by (A) having a duly authorized officer of NPP complete, execute, and deliver to Distribution Company a certification and (B) obtaining substantially similar certifications from its Third-Party Representatives and maintaining them on file. Compliance with this Section 7 shall not relieve NPP from compliance with the other provisions of this Agreement. The written demand to Destroy or return Confidential Customer Information pursuant to this Section may occur if the NPP has been decertified by the Commission, the Distribution Company has been notified of a potential or actual Data Security Incident and Distribution Company has a reasonable belief of potential ongoing harm or the Confidential Customer Information has been held for a period in excess of its retention period. The obligations under this Section shall survive any expiration of termination of this Agreement. Subject to applicable federal, state and local laws, rules, regulations and orders, at NPP's written demand and termination of electronic exchange of data with Distribution Company, Distribution Company will Destroy or return, at NPP's option, Confidential NPP Information.

8. **Audit.** Upon thirty (30) days' notice to NPP, NPP shall permit an auditor selected by the Distribution Company through a competitive solicitation and agreed to by the NPP ("CSA") to audit and inspect, at Distribution Company's sole expense (except as otherwise provided in this Agreement), and provided that the audit may occur no more often than once per twelve (12) month period (unless otherwise required by Distribution Company's regulators). The audit may include (A) the facilities of NPP and NPP's Third-Party Representatives where Confidential Customer Information is Processed by or on behalf of NPP; (B) any computerized or paper systems used to Process Confidential Customer Information; and (C) NPP's security practices and procedures, facilities, resources, plans, procedures, and books and records relating to the privacy and security of Confidential Customer Information. Such audit rights shall be limited to verifying NPP's compliance with this Agreement, including all applicable Data Protection Requirements. If the NPP provides a SOC II report or its equivalent to the Distribution Company, or commits to complete an independent third-party audit of NPP's compliance with this Agreement acceptable to the Distribution Company at NPP's sole expense, within one hundred eighty (180) days, no audit by an auditor selected by the Distribution Company through a CSA and conducted at Distribution Company's sole expense is necessary absent a Data Security Incident. Any audit must be subject to confidentiality and non-disclosure requirements set forth in Section 5 of this Agreement. The auditor will audit the NPP's compliance with the required Cybersecurity and Data Privacy Protections and provide those results to the Distribution Company and NPP. The audit report sent to the Distribution Company shall not include any NPP confidential information, it will simply provide an assessment as to the NPP's compliance with the terms of this agreement. In the event of a "failed" audit dispute, a complaint can be brought to the Commission. Distribution Company shall provide NPP with a report of the findings as a result of any audit carried out by an auditor selected by a CSA. NPP shall, within thirty (30) days, or within a reasonable time period agreed upon in writing between the NPP and Distribution Company, correct any deficiencies identified in the audit, and provide the SOC II audit report or its equivalent or the report produced by the independent auditor at NPP expense to the Distribution Company and provide a report regarding the timing and correction of identified deficiencies to the Distribution Company.

9. **Investigation.** Upon notice to NPP, NPP shall assist and support Distribution Company in the event of an investigation by any regulator or similar authority, if and to the extent that such investigation relates to Confidential Customer Information Processed by NPP on behalf of Distribution Company. Such assistance shall be at Distribution Company's sole expense, except where such investigation was required due to the acts or omissions of NPP or its Representatives, in which case such assistance shall be at NPP's sole expense.
10. **Data Security Incidents.** NPP is responsible for any and all Data Security Incidents involving Confidential Customer Information that is Processed by, or on behalf of, NPP. NPP shall notify Distribution Company in writing immediately (and in any event within forty-eight (48) hours) whenever NPP reasonably believes that there has been a Data Security Incident. After providing such notice, NPP will investigate the Data Security Incident, and immediately take all necessary steps to eliminate or contain any exposure of Confidential Customer Information and keep Distribution Company advised of the status of such Data Security Incident and all matters related thereto. NPP further agrees to provide, at NPP's sole cost: (1) reasonable assistance and cooperation requested by Distribution Company and/or Distribution Company's designated representatives, in the furtherance of any correction, remediation, or investigation of any such Data Security Incident; (2) and/or the mitigation of any damage, including any notification required by law or that Distribution Company may determine appropriate to send to individuals impacted or potentially impacted by the Data Security Incident; and (3) and/or the provision of any credit reporting service required by law or that Distribution Company deems appropriate to provide to such individuals. In addition, within thirty (30) days of confirmation of a Data Security Incident, NPP shall develop and execute a plan, subject to Distribution Company's approval, which approval will not be unreasonably withheld, that reduces the likelihood of a recurrence of such Data Security Incident. NPP agrees that Distribution Company may at its discretion and without penalty immediately suspend performance hereunder and/or terminate the Agreement if a Data Security Incident occurs and it has a reasonable belief of potential ongoing harm. Any suspension made by Distribution Company pursuant to this paragraph 11 will be temporary, lasting until the Data Security Incident has ended, the NPP security has been restored to the reasonable satisfaction of the Distribution Company so that Distribution Company IT systems and Confidential Customer Distribution Company Information are safe and the NPP is capable of maintaining adequate security once electronic communication resumes. Actions made pursuant to this paragraph, including a suspension will be made, or subject to dispute resolution and appeal as applicable, pursuant to processes as approved by the Commission.
11. **No Intellectual Property Rights Granted.** Nothing in this Agreement shall be construed as granting or conferring any rights, by license, or otherwise, expressly, implicitly, or otherwise, under any patents, copyrights, trade secrets, or other intellectual property rights of Distribution Company, and NPP shall acquire no ownership interest in the Confidential Customer Information. No rights or obligations other than those expressly stated herein shall be implied from this Agreement.

**12. Additional Obligations.**

- a. NPP shall not create or maintain data which are derivative of Confidential Customer Information except for the purpose of performing its obligations under this Agreement, or as expressly authorized by the customer, unless that use violates Federal, State, and local laws, tariffs, rules, and regulations. For purposes of this Agreement, the following shall not be considered Confidential Customer Information or a derivative thereof: (i) any customer contracts, customer invoices, or any other documents created by NPP that reference estimated or actual measured customer usage information, which NPP needs to maintain for any tax, financial reporting or other legitimate business purposes; and (ii) Data collected by NPP from customers through its website or other interactions based on those customers' interest in receiving information from or otherwise engaging with NPP or its partners.
- b. NPP shall comply with all applicable privacy and security laws to which it is subject, including without limitation all applicable Data Protection Requirements and not, by act or omission, place Distribution Company in violation of any privacy or security law known by NPP to be applicable to Distribution Company.
- c. NPP shall have in place appropriate and reasonable processes and systems, including an Information Security Program, defined as having completed an accepted Attestation as reasonably determined by the Distribution Company in its discretion, to protect the security of Confidential Customer Information and protect against a Data Security Incident, including, without limitation, a breach resulting from or arising out of NPP's internal use, processing, or other transmission of Confidential Customer Information, whether between or among NPP's Third-Party Representatives, subsidiaries and affiliates or any other person or entity acting on behalf of NPP, including without limitation Third-Party Representatives. NPP and Distribution Company shall safely secure or encrypt during storage and encrypt during transmission all Confidential Information, except that no encryption in transit is required for email communications.
- d. NPP shall establish policies and procedures to provide reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual who is or may be the subject of a Data Security Incident involving Confidential Customer Information Processed by NPP to the extent such request, complaint or other communication relates to NPP's Processing of such individual's Confidential Customer Information.
- e. NPP shall establish policies and procedures to provide all reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual, government, government agency, regulatory authority, or other entity that is or may have an interest in the Confidential Customer Information, data theft, or other unauthorized release of Confidential Customer Information, disclosure of Confidential Customer Information, or misuse of Confidential Customer Information to the extent such request, complaint or other communication relates to NPP's accessing or Processing of such Confidential Customer Information.

- f. NPP will not process Confidential Customer Information outside of the United States or Canada absent a written agreement with Distribution Company. For the avoidance of doubt, Confidential Customer Information stored in the United States or Canada, or other countries as agreed upon in writing will be maintained in a secure fashion at a secure location pursuant to the terms and conditions of this Agreement.
13. **Specific Performance.** The Parties acknowledge that disclosure or misuse of Confidential Customer Information in violation of this Agreement may result in irreparable harm to Distribution Company, the amount of which may be difficult to ascertain and which may not be adequately compensated by monetary damages, and that therefore Distribution Company shall be entitled to specific performance and/or injunctive relief to enforce compliance with the provisions of this Agreement. Distribution Company's right to such relief shall be in addition to and not to the exclusion of any remedies otherwise available under this Agreement, at law or in equity, including monetary damages, the right to terminate this Agreement for breach and the right to suspend in accordance with the Commission's rules and orders the provision or Processing of Confidential Customer Information hereunder. NPP agrees to waive any requirement for the securing or posting of any bond or other security in connection with Distribution Company obtaining any such injunctive or other equitable relief.
14. **Indemnification.** To the fullest extent permitted by law, NPP shall indemnify and hold Distribution Company, its affiliates, and their respective officers, directors, trustees, shareholders, employees, and agents, harmless from and against any and all loss, cost, damage, or expense of every kind and nature (including, without limitation, penalties imposed by the Commission or other regulatory authority or under any Data Protection Requirements, court costs, expenses, and reasonable attorneys' fees) arising out of, relating to, or resulting from, in whole or in part, the breach or non-compliance with this Agreement by NPP or any of its Third-Party Representatives except to the extent that the loss, cost, damage or expense is caused by the negligence, gross negligence or willful misconduct of Distribution Company.
15. **Notices.** With the exception of notices or correspondence relating to potential or pending disclosure under legal compulsion, all notices and other correspondence hereunder shall be sent by first class mail, by personal delivery, or by a nationally recognized courier service. Notices or correspondences relating to potential or pending disclosure under legal compulsion shall be sent by means of Express Mail through the U.S. Postal Service or other nationally recognized courier service which provides for scheduled delivery no later than the business day following the transmittal of the notice or correspondence and which provides for confirmation of delivery. All notices and correspondence shall be in writing and addressed as follows:

If to NPP, to:

NPP Name:  
Name of Contact:  
Address:  
Phone:  
Email:

If to  
Distribution  
Company, to:

Distribution Company Name: The Narragansett Electric Company

Name of Contact: Konica Shandal  
Address: 175 E. Old Country Road, Hicksville, NY 11801  
Phone: 516.545.4425  
Email: Konica.shandal@nationalgrid.com

A Party may change the address or addressee for notices and other correspondence to it hereunder by notifying the other Party by written notice given pursuant hereto.

16. **Term and Termination.** This Agreement shall be effective as of the date first set forth above and shall remain in effect until terminated in accordance with the provisions of the service agreement, if any, between the Parties and upon not less than thirty (30) days' prior written notice specifying the effective date of termination, provided, however, that any expiration or termination shall not affect the respective obligations or rights of the Parties arising under this Agreement prior to the effective date of termination. Distribution Company may terminate this Agreement if the NPP is decertified under Commission Orders, where applicable, has not served customers for two (2) years, or has not had electronic communication, other than by email, with Distribution Company for one (1) year. Further, Distribution Company may terminate this Agreement immediately upon notice to NPP in the event of a material breach hereof by NPP or its Third-Party Representatives. For the purpose of clarity, a breach of Sections 3-4, 5-12, 14, and 22 shall be a material breach hereof. The Breaching Party will provide the non-breaching Party with a written description and notice of material breach. Upon the expiration or termination hereof, neither NPP nor its Third-Party Representatives shall have any further right to Process Confidential Customer Information or Customer Information, unless the customer has given written or electronic consent to do so, and shall immediately comply with its obligations under Section 7 and the Distribution Company shall not have the right to process Confidential NPP Information and shall immediately comply with its obligations under Section 7.
17. **Consent to Jurisdiction; Selection of Forum.** NPP irrevocably submits to the jurisdiction of the Commission and courts located within the State of Rhode Island with regard to any dispute or controversy arising out of or relating to this Agreement. NPP agrees that service of process on it in relation to such jurisdiction may be made by certified or registered mail addressed to NPP at the address for NPP pursuant to Section 15 hereof and that such service shall be deemed sufficient even under circumstances where, apart from this Section, there

would be no jurisdictional basis for such service. NPP agrees that service of process on it may also be made in any manner permitted by law. NPP consents to the selection of the Rhode Island State and United States courts within Rhode Island as the exclusive forums for any legal or equitable action or proceeding arising out of or relating to this Agreement.

18. **Governing Law.** This Agreement shall be interpreted, and the rights and obligations of the Parties determined in accordance with the laws of the State of Rhode Island, without recourse to such state's choice of law rules. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence.
19. **Survival.** The obligations of NPP under this Agreement shall continue for so long as NPP and/or NPP's Third-Party Representatives continue to have access to, are in possession of or acquire Confidential Customer Information even if all Agreements between NPP and Distribution Company have expired or been terminated.
20. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. Copies of this Agreement and copies of signatures on this Agreement, including any such copies delivered electronically as a .pdf file, shall be treated for all purposes as originals.
21. **Amendments; Waivers.** Except as directed by the Commission, this Agreement may not be amended or modified except if set forth in writing signed by the Party against whom enforcement is sought to be effective. No forbearance by any Party to require performance of any provisions of this Agreement shall constitute or be deemed a waiver of such provision or the right thereafter to enforce it. Any waiver shall be effective only if in writing and signed by an authorized representative of the Party making such waiver and only with respect to the particular event to which it specifically refers.
22. **Assignment.** This Agreement (and the Distribution Company's or NPP's obligations hereunder) may not be assigned by Distribution Company, NPP or Third-Party Representatives without the prior written consent of the non-assigning Party, and any purported assignment without such consent shall be void. Consent will not be unreasonably withheld.
23. **Severability.** Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction over this Agreement to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.
24. **Entire Agreement.** This Agreement (including any Exhibits hereto) constitutes the entire Agreement between the Parties with respect to the subject matter hereof and any prior or contemporaneous oral or written Agreements or understandings with respect to such subject matter are merged herein. This Agreement may not be amended without the written Agreement of the Parties.

25. **No Third-Party Beneficiaries.** This Agreement is solely for the benefit of, and shall be binding solely upon, the Parties and their respective agents, successors, and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the Parties and the indemnified parties named herein, and no other party shall have any right, claim, or action as a result of this Agreement.
26. **Force Majeure.** No Party shall be liable for any failure to perform its obligations in connection with this Agreement, where such failure results from any act of God or governmental action or order or other cause beyond such Party's reasonable control (including, without limitation, any mechanical, electronic, or communications failure) which prevents such Party from performing under this Agreement and which such Party is unable to prevent or overcome after the exercise of reasonable diligence. For the avoidance of doubt a Data Security Incident is not a force majeure event.
27. **Relationship of the Parties.** Distribution Company and NPP expressly agree they are acting as independent contractors and under no circumstances shall any of the employees of one Party be deemed the employees of the other for any purpose. Except as expressly authorized herein, this Agreement shall not be construed as authority for either Party to act for the other Party in any agency or other capacity, or to make commitments of any kind for the account of or on behalf of the other.
28. **Construction.** This Agreement shall be construed as to its fair meaning and not strictly for or against any party.
29. **Binding Effect.** No portion of this Agreement is binding upon a Party until it is executed on behalf of that Party in the space provided below and delivered to the other Party. The Distribution Company shall execute and deliver a signed original copy of this Agreement to the NPP within five (5) business days of receiving an executed Agreement with a complete Self Attestation, if the NPP has an electronic interconnection with the Distribution Company other than by email, from the NPP. Prior to such execution and delivery by the Parties, neither the submission, exchange, return, discussion, nor the negotiation of this document, whether or not this document is then designated as a "draft" document, shall have any binding effect on a Party.

*[signature page follows]*

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

**DISTRIBUTION COMPANY**

**The Narragansett Electric Company**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**NON-REGULATED POWER PRODUCER - NPP**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**EXHIBIT A**

**SELF-ATTESTATION  
OF Cybersecurity Protections**

Each Distribution Company, for itself only, represents that for all information received from NPP, in response or pursuant to this Self-Attestation, that is marked CONFIDENTIAL by NPP (Confidential Self-Attestation Information) Distribution Company shall: (A) hold such Confidential Self- Attestation Information in strict confidence; (B) not disclose such Confidential Self- Attestation Information to any other person or entity; (C) not Process such Confidential Self- Attestation Information outside of the United States or Canada; (D) not Process such Confidential Self-Attestation Information for any purpose other than to assess the adequate security of NPP pursuant to this Self-Attestation and to work with NPP to permit it to achieve adequate security if it has not already done so; (E) limit reproduction of such Confidential Self-Attestation Information; (F) store such Confidential Self-AttestationInformation in a secure fashion at a secure location in the United States or Canada that is not accessible to any person or entity not authorized to receive such Confidential Self-Attestation Information under the provisions hereof; (G) otherwise use at least the same degree of care to avoid publication or dissemination of such Confidential Self-Attestation Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care.

The Cybersecurity protections listed below are required before NPPs will be allowed access to Distribution Company IT systems or electronically exchange Confidential Customer Information with Distribution Company.

This SELF-ATTESTATION OF INFORMATION SECURITY CONTROLS (“Attestation”), is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by \_\_\_\_\_, an NPP to The Narragansett Electric Company.

## EXHIBIT A

WHEREAS, NPP desires to obtain or retain access to Distribution Company IT systems and electronically exchange Confidential Customer Information<sup>2</sup> (as defined in this Data Security Agreement) with Distribution Company, NPP must THEREFORE self-attest to NPP's compliance with the Cybersecurity Protections ("Requirements") as listed herein. NPP acknowledges that non-compliance with any of the Requirements may result in the termination of Distribution Company data access as per the discretion of the Distribution Company, Distribution Company in whole or part, for its system(s).

An Information Security Policy is implemented across the NPP's corporation which includes officer level approval.

An Incident Response Procedure is implemented that includes notification within 48 hours of knowledge of a potential incident alerting Distribution Company when Confidential Customer Information is potentially exposed, or of any other potential security breach.

Role-based access controls are used to restrict system access to authorized users and limited on a need-to-know basis.

Multi-factor authentication is used for all remote administrative access, including, but not limited to, access to production environments.

All production systems are properly maintained and updated to include security patches on a periodic basis. Where a critical alert is raised, time is of the essence, and patches will be applied as soon as practicable.

Antivirus software is installed on all servers and workstations and is maintained with up-to-date signatures.

All Confidential Customer Information is encrypted in transit utilizing industry best practice encryption methods, except that Confidential Information does not need to be encrypted during email communications.

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<sup>2</sup> "Confidential Customer Information" means information that Distribution Company is: (A) required to provide to NPP or (B) any other information provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

EXHIBIT A

All Confidential Customer Information is secured or encrypted at rest utilizing industry best practice encryption methods, or is otherwise physically secured.

It is prohibited to store Confidential Customer Information on any mobile forms of storage media, including, but not limited to, laptop PCs, mobile phones, portable backup storage media, and external hard drives, unless the storage media or data is encrypted.

All Confidential Customer Information is stored in the United States or Canada only, including, but not limited to, cloud storage environments and data management services.

NPP monitors and alerts their network for anomalous cyber activity on a 24/7 basis.

Security awareness training is provided to all personnel with access to Confidential Customer Information.

Employee background screening occurs prior to the granting of access to Confidential Customer Information.

Replication of Confidential Customer Information to non-company assets, systems, or locations is prohibited.

Access to Confidential Customer Information is revoked when no longer required, or if employees separate from the NPP or Third Party Representative.

Additionally, the attestation of the following item is requested, but is NOT part of the Requirements:

NPP maintains an up-to-date SOC II Type 2 Audit Report, or other security controls audit report.

IN WITNESS WHEREOF, NPP has delivered accurate information for this Attestation as of the date first above written.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**  
**THIRD-PARTY REPRESENTATIVE AGREEMENT**

This Third-Party Agreement to be provided to the Distribution Company upon request.

I, have read the Agreement between \_\_\_\_\_, ("Company") and  
The Narragansett Electric Company, ("Distribution Company") dated , 20\_\_ (the "Agreement") and agree  
to the terms and conditions contained therein. My duties and responsibilities on behalf of  
require me to have access to the Confidential Information disclosed by Distribution Company to the NPP  
pursuant to the Agreement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (*print*):

**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.

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

“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 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

**THE NARRAGANSETT ELECTRIC COMPANY  
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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 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.

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

“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 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.

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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 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.

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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;
- (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

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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:

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- (1) Primary customer name;
- (2) First four characters of last name;
- (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

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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.

**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

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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.

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 service territory 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.

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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 the Municipal 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 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.

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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.

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.

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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 Residential Customer Classes, 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 Classes to the Company.

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For Commercial and Industrial 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. 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.

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

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 Class.

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 15<sup>th</sup> 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

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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 15<sup>th</sup> 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:

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

Where

CC = The Customer Class 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 Classes 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<sub>CC</sub> = Standard Complete Billing Percentage for the Customer

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Class 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.

$UP_{CC}$  = Uncollectible Percentage is the uncollectible expense for the Customer Class, 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 Class 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 Class 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 Class. 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.

$ACP_{CC}$  = 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 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

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instituted in accordance R.I. Gen. Laws § 39-1-27.3 and 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<sub>CC</sub> = Past Period Reconciliation Percentage for the Customer Class is the sum of the following three percentages:

1) the percentage associated with the difference between estimated uncollectible expense reflected in the SCBP<sub>CC</sub> 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 Class 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 Class under Standard Complete Billing over the applicable 12-month period by the actual UP<sub>CC</sub> for the same twelve month period, and (b) the total amounts billed to Customers in the Customer Class under Standard Complete Billing over the applicable 12-month period multiplied by the applicable UP<sub>CC</sub> 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 Class 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

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Customer Class purchasing Generation Service from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer Class for Generation Service purchased from Participating Suppliers for those years times the applicable ACP<sub>CC</sub>, divided by the total amounts billed to Customers in the Customer Class 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 Class 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.

- (3) 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.

Implementation of POR Program

a. Effective Date

The POR program shall take effect no later than January 23, 2022.

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<sub>CC</sub> provision in paragraph 8(B)2b above.

- (4) Security Interests

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

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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.

(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

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- 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.
- 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.

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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.

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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 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

# **Billing Services Agreement**

## **COMPETITIVE ELECTRIC SUPPLIER SERVICE AGREEMENT FOR BILLING SERVICES AND FOR THE PURCHASE OF ACCOUNTS RECEIVABLE NATIONAL GRID**

THIS AGREEMENT (“Agreement”) effective the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ is by and between The Narragansett Electric Company, a Rhode Island corporation with a principal place of business at \_\_\_\_\_ (“Company”), and [specify Non-regulated power producer’s, full legal name] (“NPP”), a [specify corporation / limited liability company / partnership], organized and existing under the laws of the State of [specify state of organization] with its principal place of business at [specify legal mailing address]. The Company and the NPP are also individually referred to herein as a “Party” or collectively as the “Parties.”

### **BASIC UNDERSTANDINGS**

Company has the authority and obligation to perform services for non-regulated producers of electricity. The Company’s Terms and Conditions for Nonregulated Power Producers, in Section 2.1.1, and the Company’s Terms and Conditions for Municipal Aggregators, in Section 3C.5, require the NPP to enter into a service contract with the Company for the provision of these services. Accordingly, Company agrees to provide services to, NPP in accordance with the Terms and Conditions for Nonregulated Power Producers or Terms and Conditions for Municipal Aggregators, as applicable, which are fully incorporated herein by reference, and the terms of this Agreement.

This form of Agreement has been developed for use between Company and NPPs, and may not be waived, altered, amended, or modified, except as provided herein. Attachments A through F, attached hereto and incorporated herein by reference, include additional terms which are a part of this Agreement.

In consideration of the covenants, promises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows

### **ARTICLE 1**

#### **DEFINITIONS AND RULES OF INTERPRETATION**

1.1 **Definitions.** The following terms shall have the meanings set forth in this Article 1 or elsewhere in the provisions of this Agreement referred, to below:

**Account(s) Receivable** means with respect to any eligible Customer, any NPP’s Generation Service revenue and associated charges determined by Company under Article 2 and Article 3 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any state tax, if assessed, and any other applicable state or federal taxes and/or surcharges) that are billed under this Agreement that represent an account of such Customer.

**Accounts Receivable Purchase Price** means in respect of any Account Receivable purchased hereunder, the Account Receivable less the following amounts as applicable: (1) Standard Complete Billing Percentage, as defined in Section 2.1.1(2)(b) of the Company’s NPP Terms and Conditions and Section 8B(2)(b) of the Company’s Municipal Aggregator Terms and Conditions and (2) NPP Charges.

**ACH** means any automated clearing house transaction which is part of the Electronic Funds

Transfer Act and Federal Reserve Board's Fedwire system, consisting of a collection of regional electronic interbank networks used to process transactions electronically.

**Additional Assurance Amount** means the amount due and owing by the NPP under this Agreement and the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as of the date of the Company's issuance of a demand for the same.

**Affiliate(s)** means with respect to a Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition the term "control" (including the terms "controlling," "controlled by," and "under common control with") of a Person means the possession, direct or indirect, of the power to vote 10% or more of the Voting Stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

**Agreement** shall have the meaning provided in the preamble.

**AR Date** shall have the meaning provided in Attachment E.

**Billed Amounts** means any and all amounts billed by Company to eligible Customers, including Accounts Receivable.

**Billing Cycle** means the meter reading schedule published by Company.

**Billing Date** means with respect to any Account Receivable, the date on which Company's billing system calculates such Account Receivable.

**Billing Price Determinant(s)** means the Flat Rate price amount and such other information submitted by NPP, more fully described in Attachment A, attached hereto and made a part hereof, required to calculate the Accounts Receivable Purchase Price for the Generation Service supplied by NPP and billed by Company to eligible Customers under this Agreement.

**Billing Services** means the billing services provided to NPP by Company under Article 2.

**Business Day** means any day that is not a Sunday, Federal holiday, or other day on which commercial banking institutions in Rhode Island are authorized or obligated by law or executive order to be closed.

**Collateral** shall have the meaning provided in Section 3.5.

**Company** shall have the meaning provided in the preamble.

**Contract** shall have the meaning provided in Section 5.5.

**Creditworthy** means a credit rating of "BBB-" or better (as assigned by Standard & Poor's Financial Services LLC ("S&P") and its successors, or "Baa3" or better (as assigned by Moody's Investors Service, Inc. and its successors) ("Moody's").

**Customer** means 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** means the Company's meter or a point designated by the Company located on the Customer's premise.

**Customer Payment** means the Customer's payment for Generation Service and any and all Company Tariff charges and surcharges for energy services provided by Company inclusive of applicable tax, if assessed, imposed thereon.

**Default** means any event that, but for the passage of time or the giving of notice, or both, would constitute an Event of Default.

**Distribution Company** shall mean The Narragansett Electric Company.

**Distribution Service** means the delivery of electricity to Customers by the Distribution Company.

**Document(s)** means this Agreement, Financing Statement(s), and all other documents, instruments and/or statements related hereto and thereto.

**Effective Date** shall have the meaning provided in Section 8.1.

**EFT** means electronic funds transfer provided under the Electronic Funds Transfer Act and Federal Reserve Board Regulation E which is a transfer of funds other than a transaction originated by check, draft, or similar paper instrument, that is initiated electronically to order, instruct, or authorize a financial institution to debit or credit an account.

**Electric Data Interchange** or **EDI** shall mean the exchange of business data in a standardized format between business computer systems. For purposes of this Agreement, a negotiated, uniform set of rules and procedures that apply to all Suppliers participating in the Company's POR program shall be consistent with EDI.

**Event of Default** shall have the meaning provided in Section 9.2.

**FERC** means the Federal Energy Regulatory Commission or any successor agency thereto.

**Financing Statements** means any and all financing statements and amendments thereto, required in connection with NPP's grant of security interest in the Collateral under Section 3.5 to be filed in accordance with requirements of the UCC.

**Flat Rate** means the Rate Factor price per kWh as submitted by NPP in Attachment A.

**Generation Service** means the sale of electricity to a Customer by a NPP, 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.

**ISO-NE** means the Independent System Operator – New England.

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

**Municipal Aggregation Terms and Conditions** shall mean the Company's Terms and Conditions for Municipal Aggregators, as in effect from time to time and approved by the R.I.P.U.C.

**Law** shall have the meaning provided in Section 5.5.

**R.I.P.U.C.** means the Rhode Island Public Utilities Commission.

**NEPOOL** means the New England Power Pool and its successors.

**NPP** means, as the context indicates, (i) Company's counterparty to this Agreement, provided that in any case, Company's counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its Customers, and (2) a municipal light department acting as a Distribution Company.

**NPP Charges** means an amount that includes the costs, fees, and expenses that should properly be borne by NPP in accordance with the requirements of this Agreement, the Municipal Aggregator Terms and Conditions or the NPP Terms and Conditions, as applicable, as each may be amended or modified from time to time, and approved by the R.I.P.U.C.

**NPP Terms and Conditions** shall mean the Company's Terms and Conditions for Nonregulated Power Producers, as in effect from time to time and approved by the R.I.P.U.C.

**Person** means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

**Program** means the Purchase of Receivable Program approved by the R.I.P.U.C. as amended and updated from time to time by the R.I.P.U.C.

**Qualified Bank** means a major US commercial bank or the US branch office of a major foreign commercial bank, in either case, whose senior unsecured debt obligations have been rated at least (i) "A-" by S & P or "A3" by Moody's, if such entity is rated by both S&P and Moody's or (ii) "A-" by S&P or "A3" by Moody's, if such entity is rated by either S&P or Moody's but not both, provided that such bank shall have assets totaling not less than USD ten billion (\$10,000,000,000).

**Representatives** means the Subsidiaries, Affiliates, directors, officers, employees, agents, auditors, attorneys, consultants or advisors by and on behalf of the Parties.

**Standard Complete Billing Services** shall have the meaning provided in Article 2.

**Standard Passthrough Billing Services** shall have the meaning provided in Article 2.

**Submission Date** means the date Company receives initial or revised Billing Price Determinants from NPP.

**Subsidiary** means with respect to any Person, corporation, partnership, joint venture, limited liability company, trust, or estate of which (or in which) more than 50% of (a) the Voting Stock, (b) the interest in the capital or profits of such limited liability company, partnership or joint venture, or (c) the beneficial interest in such trust is, in each case, at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries, or by one or more of such Person's other Subsidiaries.

**Term** shall have the meaning provided in Article 8.

**Third Party Financing Statements** shall have the meaning provided in Section 6.4.

**UCC** means the Uniform Commercial Code as in effect in the jurisdiction under the laws of which the NPP is a "registered organization," as such term is defined in the UCC.

**Unbilled Accounts Receivable** means the amount of NPP's Generation Service revenue and associated charges to be determined by Company under Article 2 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any applicable state or federal taxes and/or surcharges) for Generation Service which has been rendered to Customers but which remains unbilled until such time as such receivables are billed and purchased by Company under the terms of this Agreement.

**Voting Stock** means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right to vote has been suspended by the happening of such a contingency.

## 1.2 Rules of Interpretation.

- (a) A reference to any document or agreement shall include such document or agreement as amended, modified, or supplemented from time to time in accordance with its terms and the terms of this Agreement.
- (b) The singular includes the plural and the plural includes the singular.
- (c) A reference to any law includes any amendment or modification to such law.
- (d) A reference to any Person includes its permitted successors and permitted assigns.
- (e) Accounting terms not otherwise defined herein have the meanings assigned to them by GAAP applied on a consistent basis by the accounting entity to which they refer.
- (f) The words "include," "includes" and "including" are not limiting.
- (g) Reference to a particular "§" or "section" refers to that section of this Agreement unless otherwise indicated.
- (h) The words "herein," "hereof," "hereunder" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement unless otherwise indicated.
- (i) Any capitalized terms used in this Agreement and not defined herein shall have the meaning given to it in the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or as stated in the R.I.P.U.C. regulations.

## ARTICLE 2

### BILLING

2.1 **Billing Services.** Company shall offer two billing services to NPP: (a) Standard Complete Billing Service; and (b) Standard Passthrough Billing Service. All measured billing determinants will be based on Company-owned metering, except as otherwise agreed to in a subsequent agreement.

#### **(a) Standard Complete Billing Services**

In accordance with the provision of the Standard Complete Billing Service Option, Company shall issue a single bill for electric service. Company shall input and use the rates and pricing options supplied by NPP to calculate the NPP portion of Customer bills and integrate this billing with Company's billing in a single mailing to the Customer. Company shall provide NPP with Customer usage and billing information, in accordance with EDI. Company shall send a payment/adjustment transaction to the NPP. NPP rates and pricing options must conform to the rate structure in use by Company for each specific rate class Service and be supported by the meters in place. Changes in the rate levels of NPP charges to be billed shall be prospective only and shall be implemented for the next billed reading, provided that: (i) NPP notifies Company of the rate changes in accordance with Subsection 2 below; (ii) the notification includes the old and new rates, pricing options, and effective date; (iii) upon Company's request, NPP provides a sample bill calculation of a 500 kWh Customer or another sample Customer if it better fits the rate structure; and (iv) NPP consents to the implementation of the new rate once Company has tested its billing processes.

1. **Billing Statement Contents.** During the Term, Company shall prepare and render bills that include amounts due from Customers for NPP Generation Service. The single bill will include NPP's toll free telephone number for Customer inquiries. The Company shall not be required to include inserts containing NPP specific information except as otherwise required. Company shall calculate the Accounts Receivable, based upon the Billing Price Determinants in effect, and include on Company bills to eligible Customers such calculated amount along with any and all Company Tariff charges and surcharges, if applicable, for services provided by Company in connection with NPP's supply of the Generation Service to Customers. Company charges and any applicable surcharges in connection with the Customer's Generation Service shall be separately identified on the Company bills prepared under this Agreement except for surcharges that may be included by NPP as a component of the Billing Price Determinants provided to Company under this Agreement.

2. **Submission of Initial Billing Price Determinants.** If NPP elects to utilize the Standard Complete Billing Services from the Company, NPP shall submit its applicable initial Billing Price Determinants prior to Company's performance of any Billing Services under this Agreement. Specifically, NPPs electing to utilize the Standard Complete Billing Services from the Company shall furnish to Company a complete schedule of NPP's relevant rates and rate pricing options for Generation Service in written form or in an electronic format reasonably acceptable to Company at Company's option, no less than ten (10) business days prior to initial Customer enrollment for any such rate or prior to a change in NPP's existing rate or five (5) business days prior to a change in rate pricing options.

3. **Calculation of Accounts Receivable.** Based on the applicable Billing Price Determinants in effect under this Agreement and on available metering data or estimated usage data, Company, applying its standard billing methods, will determine the Accounts Receivable under Article 2, and include such

amounts on Company bills issued to Customers. Company's standard billing methods include, but shall not be limited to, a proration of Flat Rate based Billing Price Determinants.

**(b) Standard Passthrough Billing Service**

In accordance with the provision of the Standard Passthrough Billing Service Option, Competitive Supplier agrees to separately bill Customers for the cost of Generation Service provided by the NPP and the collection of amounts due to the NPP from the Customer. Company agrees to provide NPP with Customer usage information.

**(c) Transaction Processing.**

Customer transactions will be processed in accordance with the EDI standards. These transactions include, but are not limited to, account administration, reporting of Customer usage and billing, and reporting of Customer Payments and adjustments. Any changes in these standard transactions will be in accordance with the EDI standards.

**(d) Conditions of Billing**

Customers that contact Company concerning the billed amount for NPP Generation Service or any other NPP issue will be referred to NPP's customer service number identified in Attachment C. Company will not undertake bill investigations, Customer inquiries concerning NPP charges, collection activities for Customers billed under the Standard Passthrough Billing Service Option, or the settlement of billing disputes on behalf of NPP for Customers billed under either option. For both Standard Passthrough Billing Service and Standard Complete Billing Service, NPP shall be responsible for the reporting and payment of all taxes, if assessed, upon Generation Service.

**(e) Billing Errors.**

If either Party finds a billing error or other miscalculation on a bill or in the usage determinants used as the basis for either the Company or the NPP's bill calculation, the Party shall within sixty (60) days from the date of the Customer's statement containing the error, notify the other Party in writing or electronically and explain the nature of the error. In the event of an error by the Company, the Company shall either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. In the event of an error by the NPP, the Company will, upon NPP's request, and as is reasonably practicable, either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. If neither of the requested options is determined by the Company to be reasonably practicable, or if the NPP affirmatively chooses, the NPP may submit a rate pricing option correction in accordance with EDI. NPP will be responsible to pay any fees, as filed with and approved by the R.I.P.U.C., for any rebilling and/or adjustment caused by NPP error. When either Party reasonably believes that an error related to billing activity may have occurred, either Party may request the production of documents required to verify the accuracy of such billing, which the other Party will provide within ten (10) Business Days. Notwithstanding the forgoing, the Parties acknowledge that the Company may send estimated bills to Customers in accordance with R.I.P.U.C. regulations, and such estimated bills shall not be considered billing errors.

**2.2 Tax.**

The tax rates applied to NPP portion of Billed Amounts hereunder shall be based solely upon the tax rates that would have otherwise been charged to the same Customer if the Generation Service had been provided by Company.

### **2.3 Load Estimating and Reporting.**

Company shall determine the NPP's hourly loads and report such to the ISO-NE in accordance with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. In addition, upon NPP's written request the Company shall provide NPP with the following reports: (1) daily report of NPP's aggregate hourly loads; and (2) monthly reconciliation of NPP's aggregated hourly loads (completed once Company has read Customer's meters). Company will provide these reports to NPP in a format designated by the Company and reasonably acceptable to NPP. Upon NPP's request, the Company shall provide the methodology used to calculate transmission and distribution line losses and unaccounted for energy.

## **ARTICLE 3**

### **PURCHASE AND MANAGEMENT OF ACCOUNTS RECEIVABLE**

#### **3.1 General.**

Pursuant to the terms of this Agreement, to the extent that the NPP selects the Standard Complete Billing Service for either all or a portion of their customer accounts in a class, NPP agrees to sell and Company agrees to purchase each existing and future Account Receivable for such Customers on Standard Complete Billing Service as of the Billing Date in respect of such Account Receivable, and, in consideration of such purchase, NPP grants to Company a security interest in the Collateral under this Article 3. Pursuant to Section 2.1.1(3) of the NPP Terms and Conditions and Section 8B(3)(b) of the Municipal Aggregation Terms and Conditions, the Company's methodology for purchasing the outstanding existing Accounts Receivable of a NPP that selects the Standard Complete Billing Service is presented in Attachment E. As of the Billing Date, title to such Account Receivable shall pass to Company and NPP shall have no rights in or to such Account Receivable, and shall not seek to collect in any manner such amount from any Customer. Any Accounts Receivable, or portion thereof, that are billed by Company under this Agreement and for which payment is received by NPP from Customers shall be held by NPP in trust as the property of Company and shall be remitted in full to Company immediately upon receipt, and in any event within five (5) Business Days of receipt or discovery by the NPP, without any deduction or setoff. Company shall have the right to endorse the name of NPP on any and all remittances by Customers received by Company that are payable to NPP, and the right to collect the same from Customers. In addition, NPP assigns to Company any and all payments received from state, federal or other agencies associated with the Accounts Receivable including but not limited to payments for heating assistance.

#### **3.2 RESERVED.**

#### **3.3 Payment by Company.**

Company shall remit to NPP the Accounts Receivable Purchase Price on a timetable consistent with the average payment period of the relevant Customer Class, pursuant to Section 2.1.1(2)(a) of the Company's NPP Terms and Conditions Section 8B(2) of the Municipal Aggregation Terms and Conditions. The Company shall send a "payment adjustment" transaction to each NPP to notify the NPP the amount at which the Company will purchase the NPP's Accounts Receivable. To the extent that for operational reasons or system change requirements, Company alters the timetable for the average payment period applicable for the relevant Customer Class or makes other system-wide or operational changes, Company reserves the right to accelerate the payment procedure under the Agreement. In no event will a change to the procedure be undertaken without R.I.P.U.C. approval to the extent the change would hamper Company's compliance with Section 2.1.1(2)(b) of the

Company's NPP Terms and Conditions and Section 8B(2) of the Municipal Aggregation Terms and Conditions.

If the Company experiences disruptions in cash flow caused by customers not paying their bills within a timeframe that is consistent with historical payment periods, which are not adequately addressed by recovery of working capital costs, the Company may propose to the R.I.P.U.C. to adjust the payment period to NPPs.

The amount at which the Company will purchase the NPP's Accounts Receivable will be in accordance with Section 8B(2)(b) of the Terms and Conditions. At the time the NPP's Accounts Receivables are purchased, the Company will reclassify the Accounts Receivables from NPP's Accounts Receivables to a Company accounts receivable. Payment to NPP shall, at Company's option, be either by (a) ACH or (b) EFT.

### **3.4 NPP Statements/Reports.**

Company will provide NPP with all necessary statements/reports through EDI transactions.

### **3.5 Security Interest and Other Interests.**

As collateral for all obligations now existing or hereafter arising from NPP to Company, NPP hereby grants to Company a first priority perfected security interest in all the following property of NPP, wherever located, whether now owned, hereafter acquired, or created, and all proceeds and products thereof (the "Collateral"):

(a) All Accounts Receivable purchased by Company under this Agreement; and

(b) All Unbilled Accounts Receivable for service to be purchased by Company under this Agreement. While NPP is authorized to assign its right to receive payment under this Agreement to a third party by providing Company with appropriate payment instructions, NPP is explicitly not authorized to file any other Documents, including but not limited to any financing statements or liens, in order to effectuate the granted security interest.

### **3.6 Netting.**

The parties hereby agree that they may discharge mutual debts and payment obligations due and owing to each other under this Agreement through netting, in which case all amounts owed by each Party to the other party may be netted so that only the excess amount remaining due shall be paid by the Party who owes it. If no mutual debts or payment obligations exist and only one Party owes a debt or obligation to the other during the monthly billing period, such Party shall pay such sum in full when due.

### **3.7 Financial Assurance.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, if at any time during the Term of this Agreement, NPP, or NPP's Guarantor, if applicable, is not Creditworthy, the NPP shall provide credit support to the Company in an amount equal to the Additional Assurance Amount within three (3) Business Days after the Company's request. Such credit support shall be: (i) a letter of credit issued by a Qualified Bank in a form acceptable to the Company, which will allow the Company to draw on the letter of credit up to the full amount of the Additional Assurance Amount, or (ii) such other credit support that is reasonably acceptable to the Company, which may include a parent guarantee from a Creditworthy parent or a deposit.

## **ARTICLE 4 DISCONTINUANCE OF DELIVERY AND GENERATION SERVICES**

### **4.1 Non-Payment and Discontinuance of Customer Service.**

Company shall be authorized to disconnect its Tariff delivery service and NPP's Generation Service to Customers when (i) the Customer fails to make full payment of all amounts due on the consolidated bill issued pursuant to Article 2; and (ii) Company has purchased the NPP's Accounts Receivable, subject to R.I.P.U.C. rules and regulations regarding termination of service and the Company's Terms and Conditions for Distribution Service.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

### **5.1 Supplier's Rights in Collateral.**

NPP warrants that it has the rights in, or the power to transfer the Collateral to Company.

### **5.2 No Liens.**

NPP warrants that its title in the Collateral is and will remain free from any and all liens, claims, encumbrances, security interests and restrictions on transfer or pledge and are not and will not be subject to any other valid or existing billing, collection, or financing instrument, and have not been billed and, and that no Collateral will be assigned, financed, sold, pledged, hypothecated, or otherwise encumbered, except to Company.

### **5.3 Prices.**

NPP warrants that the prices charged to Customers are in accordance with NPP's agreements with these Customers.

5.3.1 Company acknowledges its obligation to pay NPP in accordance with the terms of this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms of Service, as applicable, and the Program.

### **5.4 Entity Information.**

5.4.1. **NPP.** NPP warrants that its legal name and state of organization is as set forth in the preamble to this Agreement and NPP (a) is a [specify state [specify corporation /limited liability company /partnership], duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign [specify corporation / limited liability company / partnership] in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite [specify, corporation / limited liability company / partnership] power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted. If NPP is a non-Rhode Island entity, NPP is a registered organization as defined in Section 9-102 of the UCC in its state of organization and this applies only in the case of a non-Rhode Island entity qualified to do business and in good standing in the State of Rhode Island.

5.4.2 **Company.** Company warrants that its legal name and state of organization are as set forth in the preamble of this Agreement and that Company (a) is duly organized, validly existing and in good

standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign corporation in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted.

#### **5.5 Corporate Power, Authorization and Non-Contravention.**

The execution, delivery and performance by the Parties of this Agreement and each Document to which they are or are to be a party, and the consummation of the transactions contemplated hereby and thereby, are within the respective Party's corporate powers, have been duly authorized by all necessary corporate/organizational action(s), and do not (a) contravene Party's governance documents, (b) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award (each a "Law"), (c) conflict with or result in the breach of, or constitute a default under, any contract, loan agreement, indenture, mortgage, deed of trust, lease or other instrument, (each a "Contract") binding on or affecting the Parties, or their respective Subsidiaries, or any of their properties, or (d) result in or require the creation or imposition of any lien upon or with respect to any of the Collateral other than as provided under this Agreement.

#### **5.6 No Breach of Contract.**

Neither Party nor any of its respective Subsidiaries are in violation or breach of any Contract or Law, the violation or breach of which is reasonably likely to have a material adverse effect on its ability to perform under this Agreement.

#### **5.7 Third Party Approvals.**

No authorization, consent or approval, license, exemption or filing or registration with any court or other action by, and no notice to or filing with any governmental authority or regulatory body or any other third party is required for the due execution, delivery, recordation, filing or performance by either Party of this Agreement or any other Document to which either is a party, or for the consummation of the other transactions contemplated hereby.

#### **5.8 Enforceable Obligations.**

This Agreement has been, and each other Document when delivered hereunder will have been, duly executed and delivered by the Parties except as otherwise provided in this Agreement. This Agreement is, and each other Document to which either Party is a party when delivered hereunder will be, the legal, valid and binding obligation of the respective Party, enforceable against the respective Party in accordance with its respective terms.

#### **5.9 No Litigation.**

There is no action, suit, investigation, litigation or proceeding affecting either Party pending or threatened before any court, governmental agency or arbitrator that purports to affect the legality, validity or enforceability of this Agreement, any Document or the consummation of the transactions contemplated thereby or by this Agreement.

#### **5.10 No Tax Lien.**

NPP warrants that Collateral is free of all tax liens claims and/or encumbrances and that NPP will pay and remit on a timely basis all applicable state and federal tax levied or assessed upon the Accounts Receivable or the Collateral.

### **5.11 ISO-NE Membership.**

NPP warrants that it is duly qualified and accepted as a member of the ISO-NE or has a contract with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 and is in compliance with the rules and regulations of the ISO-NE as of the Effective Date of this Agreement.

### **5.12 General Representations.**

Each Party represents that it shall perform its obligations under this Agreement in compliance with all applicable laws, tariffs, and R.I.P.U.C. regulations in effect during the term of this Agreement. Each person executing this Agreement for each Party represents and warrants that he or she has authority to bind that Party. Each Party represents that: (a) it has the full power and authority to execute, deliver, and perform this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms. Each Party shall exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement and carry out its duties in accordance with applicable recognized professional standards.

## **ARTICLE 6 COVENANTS AND OBLIGATIONS**

### **6.1 Legal Identity.**

During the Term of this Agreement and until all of NPP's obligations under this Agreement are completed or satisfied, NPP agrees that it will:

- (a) provide Company with sixty (60) days' prior written notice of any change in [specify, corporation/limited liability company / partnership] existence and status as a registered organization;
- (b) provide Company with sixty (60) days' prior written notice, if NPP merges into or consolidates with any other entity, or sells all or substantially all of its assets;
- (c) provide Company with thirty (30) days' prior written notice of any change in NPP's state where it is located, incorporated or is registered, as the case may be;
- (d) not change its corporate name without providing Company with thirty (30) days' prior written notice;
- (e) not grant any security interest in the Collateral except to Company; and
- (f) remain a duly qualified member of ISO-NE and use its best efforts to maintain its membership status in accordance with the rules and regulations of the ISO-NE or continue to meet its transaction requirements through a contractual arrangement with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 to qualify as a NPP. NPPs shall notify Company within two (2) Business Days of notification from the ISO-NE of any change in NPP's membership status or within two (2) business days after NPP ceases to be a counterparty to a contract with a NEPOOL participant to the extent that the cessation of such contract results in the NPP failing to qualify as a NPP. At any time, NPP, in its sole discretion, may terminate any contract it may have with a NEPOOL participant when such contract is unrelated to this Agreement or its qualification as a NPP.

### **6.2 Cooperation.**

Each Party agrees to cooperate with the other to the fullest extent possible under the law and to use its best efforts to facilitate the transactions under this Agreement. Such cooperation shall include, but not be limited to, supplying the other with all information and assistance that may be necessary or helpful to the requesting Party in performing under this Agreement, establishing the accuracy of any Accounts Receivable or in correcting errors.

### **6.3 Document Delivery.**

NPP hereby agrees to promptly execute and/or deliver to Company any and all Documents Company deems necessary to evidence Company's first priority security interests in the Collateral and satisfy NPP's obligations under this Agreement. NPP authorizes Company to file and/or record Documents, at NPP's sole cost and expense, including Financing Statements deemed necessary by Company to perfect its interest in the Collateral under the UCC and put third parties on notice of Company's interest in the Collateral. NPP further agrees that Company may execute, file and/or record any such other documents at NPP's sole cost and expense, if required, to evidence Company's interest in the Collateral, for and on behalf of NPP. NPP must submit a completed NPP Information form. The form is found in Attachment C. NPP acknowledges and agrees that no further Documents are required to evidence Company's obligations to NPP under this Agreement.

### **6.4 Third Party Financing Statements.**

NPP shall:(a) obtain any and all necessary amendments or terminations of financing statements, filed by any third party ("Third Party Financing Statements"), before the commencement of the Term of this Agreement against NPP as a debtor in the Collateral contemplated under this Agreement, specifically obtaining a release of the Collateral; and (b) ensure that any and all Third Party Financing Statements filed subsequent to the commencement of the Term of this Agreement shall expressly (i) except the Collateral from the description of collateral therein, and (ii) specifically reference this Agreement to ensure continuation of Company's first priority perfected security interest in the Collateral.

### **6.5 Notification.**

In addition to the requirements in Article 7, NPP shall provide copies to Company of any Third Party Statements filed after the commencement of the Term of this Agreement prior to the filing of any such statements to allow Company to review such Third Party Financing Statements. After its receipt of the Third Party Financing Statements, Company shall have three (3) Business Days to object to such statements on the ground that the execution of the Third Party Financing Statement would grant a security interest in the Collateral or otherwise affect Company's security interest in the Collateral. NPP shall deliver the Third Party Financing Statements by a nationally recognized courier service and by facsimile to Company at the address and facsimile numbers set forth in Section 15.7 of this Agreement. Third Party Financing Statements delivered by facsimile shall be deemed given on the day of receipt; provided that the statements delivered by nationally recognized courier service are received by Company before noon Rhode Island time on the next Business Day following the receipt of the facsimile.

### **6.6 Suspension of Tariff Delivery Service.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, during the Term of this Agreement, NPP assigns to Company any and all rights to request Company to suspend its Tariff delivery service or collect Accounts Receivable and Competitive Supplier waives all of its rights to exercise these activities without Company's consent.

### **6.7 Parties' Responsibilities.**

(a) NPP shall notify Company within twenty-four (24) hours in writing if its registration to act as a NPP, as provided in 810-RICR 40-10-2.3 and 815-RICR-30-05-1, is rescinded by the Division of Public Utilities and Carriers, or surrendered by the NPP, pursuant to 815-RICR-30-05-1, in such a way that it materially affects NPP's performance under this Agreement. Surrender or rescission of NPP's registration shall be grounds for immediate termination of this Agreement by the Company.

- (b) Company shall notify NPP within a reasonable period of discovery of its inability to pay for the Account Receivables or its inability to perform any material obligations under this Agreement.
- (c) Company shall notify NPP if the R.I.P.U.C. takes action with respect to Company's ability to operate as a public utility in such a way that it materially affects Company's performance under this Agreement, including but not limited to suspension, revocation, modification, or non-renewal.
- (d) NPP shall notify Company no less than forty-eight (48) hours prior, as applicable, to an event reasonably within the NPP's knowledge, and of which NPP has reason to believe Company has no knowledge, that will render NPP or its agent unable to maintain their status with NEPOOL, required to serve load. Upon such notice or upon the occurrence of such an event, Company shall have the immediate right to switch the affected NPP's Customers to Last Resort Service, under the Company's tariffs, and Company's obligation to purchase Unbilled Accounts Receivable under this Agreement would cease for such Customers.
- (e) NPP shall update information requested in Attachment C ten (10) days prior to any change in information contained in Attachment C. Company shall update information in Attachment D fifteen (15) days prior to any change in information contained in Attachment D.
- (f) NPP acknowledges that Company will select and may from time to time change the electronic transmission vehicle. Company will not change the electronic transmission vehicle without first providing NPP via Internet electronic mail at least fifteen (15) days' prior written notice of any such change.
- (g) NPP acknowledges that Company will not include NPP's preexisting balances on Standard Complete Billing for newly enrolled Customers.
- (h) NPP acknowledges that Company is authorized to deny Generation Service to Customers if Company has terminated such Customer's Distribution Service in accordance with the rules and regulations of the R.I.P.U.C., including the R.I.P.U.C.'s billing and termination regulations, until such time as the Customer is reinstated by the Company. In order for the NPP to serve such a Customer after reinstatement, NPP must re-enroll the Customer.
- (i) During the term of this Agreement, as to any EDI standards implemented, subsequent to the initial testing period, NPP shall be required to successfully complete testing of said standards in accordance with EDI.

## **ARTICLE 7**

### **CONDITIONS PRECEDENT**

The commencement of the Term and the obligations of NPP and Company under this Agreement are subject to the satisfaction of the following *conditions precedent*:

7.1 NPP shall deliver the following information to the Company, marked to the attention and address of Company's representative in Section 15.7, prior to the commencement of the Term of this Agreement:

- (a) complete list of any liens in favor of a third party, as creditor, against NPP as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (b) copies of all documents evidencing such liens including any Third-Party Financing Statement filed against NPP, as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (c) a certified copy of a lien search of NPP from the UCC filing offices under the UCC or a report that is complete and satisfactory to Company, such that Company is satisfied that any Collateral that has been previously pledged by the NPP whether recorded or not, has been fully discharged and released, and that no lien currently is recorded against the Collateral. An uncertified lien search obtained from an internet-based website from NPP's state of organization shall not satisfy the requirements under this Section. The lien search obtained shall be at NPP's sole cost and expense; and
- (d) an original or certified copy of a certificate of good standing with respect to NPP issued by

the Secretary of State of NPP's jurisdiction of organization and, if such jurisdiction is not the State of Rhode Island, then an original certificate of authority evidencing that NPP is duly qualified and in good standing as a foreign organization in the State of Rhode Island.

#### **7.2 Registration.**

NPP shall provide evidence to the Company that the NPP has registered with the Rhode Island Division of Public and Carriers

#### **7.3 Payment of Taxes.**

In accordance with Section 3.4, the amount of taxes invoiced to Customers in connection with NPP's portion of Billed Amounts will be provided in NPP's Statements/Reports. NPP shall be considered the vendor for purposes of liability for taxes related to Billed Amounts. Nothing in this Agreement shall be construed as imposing upon Company the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of NPP with respect to any Billed Amounts or with respect to Company's purchase of Accounts Receivable from NPP. NPP shall be liable for and shall pay all such taxes, and shall further indemnify, defend, and save harmless Company from and against any and all liability for such taxes, and any interest or penalties thereon.

#### **7.4 Failure to Provide Satisfactory Information.**

If the information provided by NPP under this Article 7 is not, in the reasonable opinion of Company, satisfactory, complete and acceptable in form and substance, and such information does not provide adequate evidence that Company's interest in the Collateral is superior to any third party's interest, then Company may provide written notice to NPP that the Term of this Agreement shall not commence and shall not be effective until the required information has been provided.

### **ARTICLE 8**

#### **TERM OF AGREEMENT**

8.1 The initial term of this Agreement ("Term") shall commence on the date (the "Effective Date") that is the later to occur of (a) the date of this Agreement or (b) the date that NPP submits the initial Billing Price Determinants to Company; provided, however, that NPP fulfills its condition precedents under Article 7 to Company's satisfaction. If NPP does not fulfill the obligations under Article 7, the Term of this Agreement shall not commence and no obligations will arise with respect to Company and this Agreement shall be null and void. The Term of this Agreement shall only commence in accordance with express terms and conditions of this Agreement and continue in full force and effect for the duration of the Program, unless earlier terminated in accordance with Article 9.

### **ARTICLE 9**

#### **TERMINATION/EVENT OF DEFAULT**

##### **9.1 Termination for Convenience.**

Subject to R.I.P.U.C. approval, either Party may terminate for convenience this Agreement upon sixty (60) days' prior written notice to the other Party.

##### **9.2 Termination for Default.**

Except as otherwise provided in this Article 9, this Agreement may be terminated by either Party (the "Terminating Party") upon prior written notice to the other Party upon the occurrence of any of the following events ("Events of Default") with respect to the other Party (the "Defaulting Party"):

(a) the Defaulting Party's failure to make any payment required under this Agreement when or before due which failure continues for five (5) days after receipt of written notice from the Terminating Party; or (b) Any representation or warranty made or deemed made by the Defaulting Party herein or in connection with this Agreement proves to have been incorrect in any respect when made or deemed made; or (c) the Defaulting Party's failure to materially perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for a period of thirty (30) days after written notice thereof shall have been given to the Defaulting Party; or (d) the Defaulting Party's ceasing to do business for five (5) or more days, or generally not paying its debts as such debts become due; or admitting in writing its inability to pay its debts generally or making an assignment for the benefit of creditors; or the institution of any proceeding by or against the Defaulting Party seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization arrangement, adjustment, protection relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it) either such proceeding shall remain undismissed or unstayed for a period of sixty (60) days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Defaulting Party or any of its Subsidiaries or Affiliates shall take any corporate/organizational action to authorize any of the actions set forth or the appointment of a receiver, trustee or custodian over, or an execution, attachment or levy upon, all or any material part of the property of the Defaulting Party.

Upon termination for default, the Terminating Party shall have the additional right to declare all amounts owing under this Agreement from the Defaulting Party to be immediately due and payable.

### **9.3 Additional Rights.**

In addition to the termination rights set forth in Section 9.1 and 9.2 above, the Parties have the following additional rights under the Agreement:

- (a) In the event of a Party's failure to comply with the Municipal Aggregation Terms and Conditions, or NPP Terms and Conditions, as appropriate, or with any tariffs on file with the FERC that may be applicable to the Program, or with any tariffs on file with the R.I.P.U.C. or R.I.P.U.C. requirements applicable to the Program, the other Party shall have the right to exercise any such rights authorized and provided in the Terms and Conditions or by any R.I.P.U.C. requirements applicable to the Program including the right to immediately terminate this Agreement;
- (b) In the event of either Party's failure to maintain in place at all times, any and all governmental approvals, if required, for the Party to receive service from the other under this Agreement or to sell the Generation Service to Customers, whether such approvals are issued by the R.I.P.U.C. or other state or federal regulatory authority of competent jurisdiction, the other Party shall have the right to immediately terminate this Agreement and/or seek relief from the R.I.P.U.C. upon the expiration of any applicable cure period provided to the other Party by such state or regulatory authority; and
- (c) In the event of a Party's breach of this Agreement or any other written agreement with the other Party in connection with the Program, the aggrieved Party shall have the right to terminate this Agreement in the event such breach continues uncured for ten (10) days after written notice of termination to the other Party.

#### **9.4 Payment Obligations.**

At the end of the Term or upon the earlier termination of this Agreement, whether for convenience or otherwise, the Parties shall remain responsible for their respective payment or reimbursement obligations of any and all sums due or owing under this Agreement prior to such termination. Each Party shall have the right to set off such sums against amounts otherwise payable to the other Party in accordance with the provisions of this Agreement.

#### **9.5 Cumulative Remedies.**

The rights and remedies set forth in this Article 9 are in addition to any and all rights allowed by this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or any other applicable tariff, the UCC, the applicable laws of the State of Rhode Island, and any applicable rules and regulations thereunder or the common law. All rights and remedies shall be cumulative and may be exercised separately or concurrently.

### **ARTICLE 10 RESERVED**

#### **ARTICLE 11 FORCE MAJEURE**

11.1 Any delays in or failure of performance by the Parties, other than the payment of monies, shall not constitute an Event of Default and shall be excused under this Agreement, if and to the extent such delays or failures of performance are caused by occurrences that are both: (a) beyond the reasonable control of the affected Party, including, but not limited to, acts of God, compliance with any order or request of any governmental or judicial authority, compliance with Company's public service obligations, riots or strikes or other concerted acts of workers, storms, fires, floods, and accidents; and (b) beyond the ability of the affected Party to prevent, by the exercise of reasonable diligence. In the event of a force majeure, both Parties shall take all reasonable steps to comply with this Agreement.

#### **ARTICLE 12 LIMITATION OF LIABILITY**

##### **12.1 Liability limitations.**

The Parties acknowledge that the liability provisions in Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, are incorporated herein by reference. For purposes of such liability and indemnification, however, the Parties acknowledge and agree that nothing in such Terms and Conditions prohibits one Party from impleading the other Party as a third-party defendant, whether or not one or both Parties are named defendants in the initial claim of a third-party. The third-party claim shall be stayed pending resolution of any dispute regarding liability and indemnification under this Agreement. Such resolution shall be final and binding upon the Parties only after agreement between the Parties or after entry of a final judgment, after any further appeals of a court of competent jurisdiction to which any appeal may have been taken from the determination of the arbitrator(s). The Parties acknowledge and agree that for purposes of Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, a Party seeking recovery from the other Party in connection with the performance of its obligations of the Terms and Conditions shall not be entitled to recovery if its conduct is deemed to be more negligent than the conduct of the other Party. The Parties expressly acknowledge and agree that the dispute resolution provision in Section 15.19 of this Agreement shall apply to any and all disputes arising under this paragraph, including without

limitation, those disputes that arise as a result of either of the Parties being named as a defendant in the primary action or being named as a third-party defendant by a defendant in the primary action. Notwithstanding anything in this Agreement or the Terms and Conditions to the contrary, each Party's liability under this Agreement shall be limited to direct damages and in no event shall either Party be liable to the other Party for any indirect, incidental, consequential, punitive, special, or exemplary damages under any theory of law that is now or may in the future be in effect, including without limitation: contract, tort, strict liability, or negligence, including, but not limited to, lost profits or revenues and expenses involving cost of capital. Notwithstanding the availability of other remedies at law or in equity, either Party hereto shall be entitled to specific performance to remedy a breach of this Agreement by the other Party. The provisions of this Article 12 shall survive the expiration, cancellation, or termination of this Agreement.

### **ARTICLE 13 INDEMNIFICATION**

13.1 The Company and NPP shall indemnify and hold each other and their respective Affiliates, and directors, officers, employees, and agents of each of them harmless from and against any and all damages, costs, including attorneys' fees, fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts, omissions of such Party in connection with the performance of its obligations under the Terms and Conditions. The Company and NPP shall waive recourse against the other Party and its Affiliates for or arising from the non-negligent performance by such other Party in connection with the performance of its obligations under the Terms and Conditions.

13.2 The Parties agree that the NPP's obligations pursuant to Section 12 herein are limited solely to Section 12 herein, and include Liabilities associated with: (a) NPP's acts or omissions regarding the Accounts Receivable or billing determinants provided by NPP; (b) NPP's failure to remit to the appropriate taxing jurisdiction any taxes; (c) any other agreement or understanding alleged to have been made with Competitive Supplier in connection with the Collateral or Collateral-related transactions contemplated by this Agreement, and (d) any inaccuracy in any document or affidavit provided to Company under this Agreement or other breach of any representation or warranty or affidavit made by NPP in this Agreement. The Parties agree that a Party's obligations pursuant to Section 12 herein include Liabilities associated with (a) a failure by a Party to satisfy its obligations under this Agreement; and (b) all costs and expenses, including reasonable fees and expenses of counsel and other advisors, associated with any costs or losses incurred by a Party in connection with the Liabilities. The Parties agree that the Company's obligations to NPP pursuant to Section 12 herein are limited solely to Section 12 herein does not alter or in any way modify or nullify any limitations on the Company's liabilities pursuant to other Company tariffs, including, but not limited to Company's Terms and Conditions for Distribution Service. Moreover, pursuant to Company's NPP Terms and Conditions in Section 4.2 and the Company's Municipal Aggregation Terms and Conditions in Section 9E, the Company shall not be responsible for any estimating errors and shall not be liable to the NPP for any costs that are associated with such estimating errors.

13.3 RESERVED.

13.4 **Defense.** NPP and Company, respectively, shall take action to defend, indemnify and hold the Indemnified Parties harmless against any and all claims, actual or threatened, promptly, but in no event later than the service of a notice, summons, complaint, petition, or other service of process with

respect to such claims, including, as applicable, the engagement of legal counsel, to respond to, defend, or settle, or compromise any claim or threatened claim.

**13.5 Enforcement.** NPP and Company respectively shall pay any and all costs and expenses (including reasonable attorneys' fees) incurred to enforce the provisions of this Article 13.

**13.6 Survival.** The obligations set forth in this Article 13 shall survive the expiration, cancellation, or termination of this Agreement.

## **ARTICLE 14**

### **NONDISCLOSURE**

#### **14.1 Nondisclosure of Confidential Information.**

Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including Affiliates, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, Customers of either or both Parties, suppliers for either Party, personnel of either Party; any trade secrets; and other information of a similar nature whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information obtained by a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a Party who was under an obligation of confidentiality to the other Party to this Agreement, or information developed by either Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own Confidential Information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

#### **14.2 Exceptions.**

Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosures, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

#### **14.3 Data Security Agreement**

NPP shall be required to execute the Company's Data Security Agreement provided as Attachment F as a condition to participating in this Agreement.

## **ARTICLE 15**

### **MISCELLANEOUS**

#### **15.1 Entire Agreement/Integration/Merger/Survival.**

This Agreement, as may be amended in accordance with Section 15.3, constitutes and expresses the entire understanding between the Parties with respect to the subject matter hereof. The Parties agree

that there are no understandings, agreements, or representations, expressed or implied, other than those expressed herein. This Agreement supersedes and merges all prior and contemporaneous agreements, discussions, understandings, inducements or conditions, whether expressed or implied, written or oral. This Agreement shall not merge with or be terminated or suspended by any future agreement between the Parties which does not specifically and in writing so provide. Upon execution of this Agreement by the Parties, except as otherwise provided in this Agreement, the Parties shall no longer be bound by the terms and provisions of any previous definitive billing service agreements between the Parties and such agreements shall be terminated and superseded by this Agreement, except for such terms and provisions that expressly or by their operation survive the termination or expiration of such definitive billing services agreement, provided that such terms do not conflict with the terms of this Agreement. As of the expiration of this Agreement or, if earlier, its termination, the Parties shall no longer be bound by the terms and provisions hereof, except (a) to the extent necessary to enforce the rights and obligations of the Parties arising under this Agreement before such expiration or termination or (b) for such terms and provisions that expressly or by their operation survive the termination or expiration of this Agreement.

#### **15.2 No Further Obligation.**

Upon expiration, cancellation, or termination of this Agreement, Company shall thereafter have no obligation to include NPP's Accounts Receivable on its bills to Customers.

#### **15.3 Modifications**

This Agreement, and any provision thereof, shall not be superseded, modified, amended, waived, or otherwise changed, except in a writing duly signed by both Parties.

**15.4 Assignment.** NPP shall not assign all or any part of the monies payable by Company under this Agreement without the prior written consent of Company, which consent Company shall not unreasonably withhold, except NPP may, upon twenty (20) days' prior written notice to Company, assign such monies to any lender of NPP, or financial institution of NPP for financing or credit purposes excluding any assignment of the Collateral. NPP, to the fullest extent of the law, shall indemnify and hold Company harmless from any loss, damage, or claim which may at any time be imposed on, incurred by, or asserted against Company by NPP or any third parties (including Customers) that are directly or indirectly caused by, arise out of or under, or are associated with, incident to or in connection with any assignment under this Section 15.4. Notwithstanding anything to the contrary herein, under no circumstances shall NPP sell, assign, transfer, pledge or otherwise dispose of any of the Collateral. In addition, either party may subcontract its duties under this Agreement to a subcontractor provided that the subcontracting party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, and shall serve as the point of contact between its subcontractor and the other party, and the subcontractor shall meet the requirements of any applicable laws, rules, regulations, and Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. The assigning or subcontracting party shall provide the other party with thirty (30) calendar days' prior written notice of any such subcontracting or assignment, which notice shall include such information about the subcontractor as the other party shall reasonably require.

**15.5 Successors Bound.** This Agreement shall be binding upon and inure to the benefit of each Party and its respective legal representatives, successors, and permitted assigns and shall survive any acquisition merger, reorganization or other business combination to which it is party.

**15.6 No Third-Party Beneficiaries.** This Agreement is solely between the Parties and is not intended to confer any rights whatsoever on any third parties.

**15.7 Notices.** Except as otherwise provided in this Agreement, each Party hereby designates the following individuals to be its duly authorized representative for the receipt of any legal or contractual notices required to be sent to such Party. Such notices shall be deemed duly sent when personally delivered or mailed by registered or certified mail, return receipt requested, postage prepaid, to the intended Party's designated representative at the addresses set forth hereafter or to such other address as the Party to whom the same is intended shall have specified in conformity with this provision.

National Grid Attn: Manager of Supplier Services 175 East Old Country Road Hicksville, New York 11801 Facsimile Number: 516-545-3250

NPP's notice information is provided in Attachment C to this Agreement.

**15.8 Choice of Law.**

This Agreement shall be interpreted and enforced according to the laws of the State of Rhode Island without regard to the choice of law provisions thereof. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence. The Parties hereby consent to the personal jurisdiction of courts in the State of Rhode Island in any litigation or proceeding concerning any issues related to this Agreement, including the validity, enforceability, or interpretation of this Agreement.

**15.9 Severability.** To the extent that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, it shall be severed from this Agreement without affecting the validity, legality or enforceability of the remaining provisions of the Agreement.

**15.10 Headings.** The headings contained in this Agreement are provided solely for the convenience of the Parties and shall neither expand nor restrict the rights and obligations created herein.

**15.11 Conflict: Order of Precedence.**

In the event of conflict between the terms of this Agreement as executed or amended and the provisions of the Municipal Aggregation Terms and Conditions or the NPP Terms and Conditions, as applicable, including, without limitation, the definitions set forth in this Agreement, any conflict will be resolved in the following order of precedence: Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, Agreement.

**15.12 No Waiver.**

No failure on the part of any Party to exercise, or delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

**15.13 Additional Service(s) and Opt-In Programs.**

In the event that NPP requests additional service(s) from Company that are not provided under this Agreement, Company will provide NPP with a price quote(s) for service(s) so requested. If NPP accepts Company's price quote(s) and Company agrees to provide such service(s), then the associated prices for each service shall be more fully set forth on Attachment B, annexed hereto and

made a part hereof. The additional service(s) set forth on Attachment B shall be in addition to any service(s) under this Agreement and shall be at NPP's sole cost and expense. NPP shall pay Company for the additional service(s) in accordance with the price and upon terms set forth on Attachment B.

**15.14 Execution in Counterparts.**

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by electronic transmission (whether by telecopier or by email) shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by electronic transmission shall be deemed to be their original signatures for all purposes. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought.

**15.15 RESERVED**

**15.16 Fees.** Company may charge fees to NPP as set forth in Attachment D or the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. Company shall have the right to subtract fees that NPP owes to Company, and that are sixty (60) days or more past due, from amounts Company collects on behalf of NPP for reimbursement to NPP. Amounts subject to a good faith dispute will not be subject to deduction. NPP reserves the right to dispute such charges and/or claim that such charges are inconsistent with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or are otherwise not in accordance with the law.

**15.17 Billing and Payment for Services.**

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

**15.18 RESERVED**

**15.19 Dispute Resolution.**

Disputes hereunder shall be reduced to writing and referred to the Parties' representatives for resolution. The Parties' representatives shall meet and make all reasonable efforts to resolve the dispute. Pending resolution, the Parties shall continue to fulfill their obligations under this Agreement in good faith, unless this Agreement has been suspended or terminated as provided in Article 9.0. If the Parties fail to resolve the dispute within thirty (30) days, they may mutually agree to pursue mediation or arbitration to resolve such issues. The Parties agree that the place of mediation or arbitration shall be Providence, Rhode Island.

In witness whereof, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date above.

**NPP**

**THE NARRAGANSETT ELECTRIC COMPANY**

Name (Print):

Name:

Signature:

Signature:

Title:

Title:

Date:

Date:

**ATTACHMENT A**  
**BILLING PRICE DETERMINANTS**

**NPP Name:**

**NPP ID Leave blank**

**Effective Date:**

## **ATTACHMENT B**

### **ADDITIONAL SERVICES**

The following is a list of Additional Services, as described in Section 15.13. Printing of NPP Logo on Customer Bill Other Additional Services

## ATTACHMENT C

### NPP INFORMATION

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

#### A. General Information (all NPPs)

1. Legal name of the NPP
2. d/b/a name, if applicable
3. NPP Address
4. Type of Business Entity
5. NPP Customer Service phone number
6. NPP Tax Identification number
7. NPP Dun & Bradstreet number
8. Name of the NPP's general contact
9. NPP's general contact phone number
10. NPP's general contact facsimile number
11. NPP's general contact e-mail address
12. Name of NPP's technical contact
13. NPP's technical contact phone number
14. NPP's technical contact facsimile number
15. NPP's technical contact e-mail address
16. Has NPP attended Rhode Island NPP Training?
17. Is NPP registered with the Rhode Island Division of Public Utilities and Registration Number

#### B. Billing and Banking Information

- 1 If the NPP is planning to assign its own account number, provide format and size
- 2 Name of receiving bank (to accept electronic transfer of Customer Payments)
- 3 Routing and transit number (ABA number)
- 4 Bank account number

#### C. Value Added Network (VAN)

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

#### D. Establishment of NEPOOL Tie Line

- 1 Name of the NEPOOL Participant in whose NEPOOL Own Load Dispatch the NPP's load will be served
- 2 Own Load Number (if available)
- 3 NPP contact name
- 4 NPP contact phone number
- 5 NPP contact facsimile number
- 6 NPP contact e-mail address
- 7 Estimated Load Transfer (KW Demand)
- 8 Estimated Transfer

**E. NPP Load Allocation, if requested**

- 1 Check to receive load estimation results Yes No
- 2 NPP contact name
- 3 NPP contact phone number
- 4 NPP contact e-mail address

**F. Notices to NPP shall go to:**

Name:

Address:

Phone Number:

Facsimile Number:

Electronic Mail:

Authorized Signature:

Title:

Date:

## **ATTACHMENT D COMPANY SPECIFIC PROVISIONS**

### **1. Budget and Payment Options**

NPP acknowledges that Company offers customers payment options that include budget and payment plans. Both options modify the amount that is considered the current amount due. Payment plans will normally generate a current amount due greater than the actual monthly charges as this option is typically used to recover the current month's bill plus some portion of the total outstanding balance. Budgets are typically used to allocate an annual bill equally over twelve months. This equal allocation can generate a current amount due that is greater than or less than the actual calculated charges for a given billing period. Budgets or payment plans shall not affect any Accounts Receivable Purchase Price offered pursuant to this Agreement.

### **2. Summary Billing**

NPP acknowledges that Company offers a summary billing option, which allows qualified Customers with multiple electric service accounts to consolidate multiple individual billings on a single bill format.

### **3. Fees**

NPP agrees to pay any fees once and as approved by the R.I.P.U.C. Company shall notify Supplier of the approval of any such fees, as included in the Company's Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as amended from time to time.

### **4. Holidays and Time**

Any reference made with respect to time either in this agreement is understood to be Eastern Standard Time adjusted to account for Daylight Savings Time. The Company observes the following holidays and will not receive or process electronic transactions on the following days: New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, The Last Weekday Before Christmas Day, and Christmas Day. All holidays will be the nationally observed day.

### **5. Business Continuity Plan**

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

### **6. Company Contact**

Information on how to contact the Company's representative for the administration of this Agreement shall be posted on the Company's web site.

## ATTACHMENT E

### PURCHASING OF EXISTING ACCOUNTS RECEIVABLE

#### Transition Rate Calculation Methodology

- After final approval by the R.I.P.U.C. of the Company’s implementation plan for the purchase of a NPP’s Accounts Receivable (“AR”) pursuant to R.I.P.U.C., the risk of the collective NPP’s commodity AR will be determined as of the last day of the month that is at least one month prior to the R.I.P.U.C. final order “go-live” date in R.I.P.U.C. 5073 (“AR Date”).
- The Company will first determine an indebtedness portfolio by assigning each customer’s AR existing at the time of the AR Date to an indebtedness bucket (e.g., 0-29 days, 30-59 days, 60-89 days plus, 90-119 days, and 120 days plus). The AR will consist of the delivery and commodity charges for all of the Company’s customers, inclusive of the commodity charges billed on behalf of NPPs. An uncollectible risk rate for each indebtedness bucket will be determined by dividing the write-offs associated with each bucket over the 12month period following the AR portfolio existing at the month-end 12-months prior to the AR Date plus the charge-back credits to the NPPs over that same period that stem from the same AR portfolio, by the indebtedness AR.
- Three collective Transition Rates will be determined for all NPPs: Residential; Commercial; and Industrial. These collective Transition Rates are defined as the weighted average of the uncollectible risk rates for each indebtedness bucket. Three single blended Transition Rates will be provided to all NPPs by these three Customer classes.
- Any existing AR for a NPP will be purchased at the discount amounts represented by the three Transition Rates upon the NPP’s initiation of the Program.

**Indebtedness:** The collective view of a customer’s accounts receivable against which an uncollectible risk rate is assessed. In this perspective, all of a customer’s accounts receivable is gathered into an aged bucket in which their oldest dollar lies. For example, assume a single customer’s accounts receivable is spread in the following manner on a straight aging basis:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$100 \$100 \$100 \$100 \$100 \$500

In an indebtedness view, this customer’s accounts receivable is placed in the bucket where its oldest dollar lies:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$0 \$0 \$0 \$0 \$500 \$500

- The calculation of the Transition Rates will be consistent with the illustrative methodology presented in the Transition Rate Model addendum.

#### NATIONAL GRID TRANSITION RATE MODEL ADDENDUM

##### *ILLUSTRATIVE EXAMPLE*

ESCO COLLECTIVE TOTAL INDEBTEDNESS A/R on "AR Date" -- mm-dd-2014  
(5000's)

0-29	30-59	60-89	90-119	120+	
RES AR \$ 3,135	\$ 1,523	\$ 806	\$ 372	\$ 1,164	\$
NONRES AR \$ 11,908	\$ 7,299	\$ 2,305	\$ 576	8 912	5
ESCO AR					
7,000(a)					
23,000(b)					
\$ 15,043	\$ 8,822	\$ 3,111	\$ 948	\$ 2,076	\$ 30,000(c)

#### NATIONAL GRID UNCOLLECTIBLE RATES

(By Indebtedness Aging Buckets for 12-Mo Period ending on "AR Date")  
(Write-Offs + Charge Backs divided by AR 12-Mo Prior to "AR Date")

0-29	30-59	60-89	90-119	120+
RES AR				
NONRES AR				
0.80%	3.00%	8.00%	14.00%	24.00%

0.20% 2,50% 4.00% 11.00% 23.00%

(d)

(e)

ESCO Collective Residential & Non-Residential Charge Off Estimates

0-29 30-59 60-89 90-119 120+

RES AR \$ 25 \$ 46 \$ 64 \$ 52 \$ 279 \$ (f) = [ (a) x (d) ]

NONRES AR \$ 24 \$ 182 \$ 92 \$ 63 \$ 210 \$ 572 (g) = 1 (b) x (e) ]

\$ 49 \$ 228 \$ 157 \$ 115 \$ 489 \$ 1,038 (li)

ESCO Collective Residential and Non-Residential Transition Rates

RES AR 6.67% (i) [ (1) / (a)

NONRES AR 2.49% (1) = [(g)/(b)]

ESCO Transition Rates by POR Customer Class

Commercial Industrial Total C&I

Delivery Delivery Delivery

Charge Offs Charge Offs Charge Offs

(5000's)

Historic delivery charge offs for Customers on Competitive Supply: \$ 125 \$ 250 \$ 375 (k)

Percentage of each class' delivery charge offs of the total: 33.33% 66.67% 100.00% (l) = [(k) customer class / (k) Total]

Allocated ESCO Non-Residential Estimated Charge Offs: \$ 191 \$ 381 \$ 572 (m) = (g) x (l) Total

Commercial Industrial Total C&I

Delivery Delivery Delivery

Revenue Revenue Revenue

(5000's)

Historic delivery revenue for Customers on Competitive Supply: \$ 70,000 \$ 350,000 \$ 420,000 (n)

Percentage of each class' delivery revenue of the total: 16.67% 83.33% 100.00% (o) = [(n) customer class / (n) Total]

Allocated ESCO Non-Residential Outstanding A/R: \$ 3,833 \$ 19,167 \$ 23,000 (p) = (o) x (b) Total

Residential Transition Rate: Proxy

Commercial Transition Rate: Proxy

Industrial Transition Rate:

6.67% (q) = (1)

4.97% (r) = [(m) / (p)] for Commercial Class

1.99% (s) F [(m) / (p)] for Industrial Class

**ATTACHMENT F**

**DATA SECURITY AGREEMENT**

# **DATA SECURITY AGREEMENT**

This Data Security Agreement (“Agreement”) effective \_\_\_\_\_, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between The Narragansett Electric Company (“Distribution Company”) and non-regulated power producer, [INSERT TYPE OF ENTITY AND STATE OF ORGANIZATION] (“NPP”) with offices at \_\_\_\_\_; and together with Distribution Company the (“Parties” and each, individually, a “Party”).

## RECITALS

WHEREAS, NPP desires to have access to Confidential Customer Distribution Company Information, or the Rhode Island Public Utilities Commission (“Commission”) has ordered Distribution Company to provide to NPP customer information; and

WHEREAS, NPP has obtained consent from all customers from whom the NPP intends to obtain information from Distribution Company; and

WHEREAS, NPP may utilize a third party to fulfill its Service obligations, including but not limited to, Electronic Data Interchange (“EDI”) communications with Distribution Company, data collection or analysis, or billing; and

WHEREAS NPP’s utilization of a third party provider does not relieve NPP of its transactional obligation; and

WHEREAS, Distribution Company and NPP also desire to enter into this Agreement to establish, among other things, the full scope of NPP’s obligations of security and confidentiality with respect to Confidential Customer Information in a manner consistent with the orders, rules and regulations of the Commission and requirements of Distribution Company, as well as the obligations of the Distribution Company under this Agreement; and

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agreeas follows:

### 1. Definitions.

- 
- a. “Confidential NPP Information” means information that NPP is: (A) required to receive from the end use customer and provide to Distribution Company to enroll the customer or (B) any other information provided by NPP to Distribution Company and marked confidential by the NPP, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without

reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

- b. “Confidential Customer Information” means information that is: provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.
- c. “Confidential Information” means, collectively, Confidential Customer Information or Confidential NPP Information.
- d. “Cybersecurity and Data Privacy Protections” refer to controls addressing the risk to IT systems and data. These cybersecurity requirements are applicable to NPP or its Third-Party Representative that electronically exchange Confidential Customer Information, not including by email, with Distribution Company. These controls also implement and address the risk of improper access, or misuse, of Confidential Customer Information. The data privacy protections are required of any NPP that processes Confidential Customer Information.
- e. “Data Protection Requirements” means, collectively, (A) all national, state, and local laws, regulations, or other government standards relating to the protection of information that identifies or can be used to identify an individual that apply with respect to NPP or its Representative’s Processing of Confidential Customer Information; (B) industry best practices or frameworks to secure information, computer systems, network, and devices using a defense-in-depth approach, such as and including, but not limited to, NIST SP 800-53, ISO 27001 / 27002, COBIT, CIS Security Benchmarks, Top 20 Critical Controls as best industry practices and frameworks may evolve over time; and (C) the Commission rules, regulations, and guidelines relating to data access, Cybersecurity and Data Privacy Protection. Subject to the above, NPP will determine and implement the necessary Cybersecurity and Data Privacy Protections to provide for the protection of Confidential Information.
- f. “Data Security Incident” means a situation when Distribution Company or NPP reasonably believes that there has been: (A) the loss or misuse (by any means) of Confidential Information; (B) the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of Confidential Information,

computer systems, network and devices used by a business; (C) any other act or omission that compromises the security, confidentiality, or integrity of Confidential Information, or (D) any material breach of any Data Protection Requirements in relation to the Processing of Confidential Information, including by any current or former Representatives.

- g. “Distribution Company Data” means data held by Distribution Company, whether produced in the normal course of business or at the request of NPP.
  - h. “NPP” means, as the context indicates, (i) Distribution Company’s counterparty to this Agreement, provided that in any case Distribution Company’s counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its distribution Customers, and (2) a municipal light department acting as a distribution company.
  - i. “PUC” or “Commission” shall have the meaning attributed to it in the Recitals.
  - j. “Processing” (including its cognate, “process”) means any operation, action, error, omission, negligent act, or set of operations, actions, errors, omissions, or negligent acts that is performed using or upon Confidential Information or Distribution Company Data, whether it be by physical, automatic or electronic means, including, without limitation, collection, recording, organization, storage, access, adaptation, alteration, retrieval, use, transfer, hosting, maintenance, handling, retrieval, consultation, use, disclosure, dissemination, exfiltration, taking, removing, copying, processing, making available, alignment, combination, blocking, deletion, erasure, or destruction.
  - k. “Third-Party Representatives” or “Representatives” means those agents acting on behalf of NPPs that are contractors or subcontractors and that store, transmit or process Confidential Customer Information. For the avoidance of doubt, Third-Party Representatives do not include NPPs and their members, directors, officers or employees who need to know Confidential Customer Information for the purposes of providing Services.
  - l. “Services” mean any assistance in the competitive markets provided by NPPs to end use customers that also require interaction with a Distribution Company, including but not limited to the electronic exchange of information with a Distribution Company.
2. **Scope of the Agreement.** This Agreement shall govern the Cybersecurity and Data Privacy Protections of NPPs that electronically receive or exchange customer information, other than email, from a direct connection with the Distribution Company IT systems and the privacy protections that apply to Confidential Information disclosed to NPP or to which NPP is given access by Distribution Company, including all archival or back-up copies of the Confidential Information held or maintained by NPP (or its Representatives) and Confidential NPP Information. No financial information, other than billing information, will be provided pursuant to this Agreement. If any information is inadvertently sent to

NPP or Distribution Company, NPP or Distribution Company will immediately notify the Distribution Company/NPP and destroy any such information in the appropriate manner.

3. **Customer Consent.** The Parties agree that Federal, State and local laws, and the orders, rules and regulations of the Commission govern an NPP's obligation to obtain informed consent from all customers before NPP requests Confidential Customer Information from Distribution Company. The NPP agrees to comply with the Federal, State and local laws, the orders, rules and regulations of the Commission, and the Distribution Company's tariffs regarding customer consent.
4. **Provision of Information.** Distribution Company agrees to provide to NPP or its Third-Party Representatives, certain Confidential Customer Information, as requested, provided that: (A) if the Distribution Company has identified a potential Cybersecurity or Data Privacy Protection issue NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) are in compliance with the terms of this Agreement in all material respects; (B) if required by Distribution Company due to the identification of a potential or actual Data Security Incident, NPP shall undergo an audit, at the NPP's expense;<sup>1</sup> (C) NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) shall have and maintain throughout the term, systems and processes in place and as detailed in the Self Attestation to protect Distribution Company IT systems, Data Privacy Protections and Confidential Customer Information. A copy of the required Self Attestation form is attached to this Agreement as Exhibit A. Provided the foregoing prerequisites have been satisfied, NPP shall be permitted access to Confidential Customer Information and/or Distribution Company shall provide such Confidential Customer Information to NPP. Nothing in this Agreement will be interpreted or construed as granting either Party any license or other right under any patent, copyright, trademark, trade secret, or other proprietary right or any right to assert any lien over or right to withhold from the other Party any Data and/or Confidential Information of the other Party. Distribution Company will comply with the security requirements set forth in its assessment.
5. **Confidentiality.** NPP shall: (A) hold all Confidential Customer Information in strict confidence pursuant to Commission's orders and rules; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential Customer Information to any Third-Party Representatives, or affiliates, except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential Customer Distribution Company Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential Customer Information; (E) store Confidential Customer Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential Customer Information under the provisions

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<sup>1</sup> An audit related to a Data Security Incident is used to verify that the necessary Cybersecurity and Data Privacy Protections are in place for the Distribution Company to provide certain Confidential Customer Distribution Company Information to the NPP or its Third-Party Representatives with an electronic connection to the Distribution Company, other than by email. The same audit requirements will apply as in Section 8. However, the NPP will be responsible for the cost of the audit in order to be authorized to receive data from the Distribution Company.

hereof; and (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential Customer Information as NPP employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care. At all times, Distribution Company shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential Customer Information are being observed and NPP shall be obligated to promptly provide Distribution Company with the requested assurances. An NPP may provide Confidential Customer Information to a Third-Party representative without a direct electronic connection with the Distribution Company, to assist the NPP in providing permitted Services, but an NPP utilizing such Third Party Representative shall be solely responsible and fully liable for the actions of the Third Party Representative.

Distribution Company shall: (A) hold all Confidential NPP Information in strict confidence; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential NPP Information to any other person or entity except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential NPP Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential NPP Information; (E) store Confidential NPP Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential NPP Information under the provisions hereof; (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential NPP Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care; and (G) to the extent required by NPP, each Third Party Representative with a need to know the Confidential NPP Information shall sign the Third-Party Representative Agreement set forth as Exhibit B to this Agreement. At all times, NPP shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential NPP Information are being observed and Distribution Company shall be obligated to promptly provide NPP with the requested assurances.

This Section 5 supersedes prior data security agreements between the Parties pertaining to Confidential Information.

## **6. Exceptions Allowing NPP to Disclose Confidential Customer Information.**

- a. **Disclosure to Representatives.** Notwithstanding the provisions of Section 5 herein, the Parties may disclose Confidential Information to their Third-Party Representatives who have a legitimate need to know or use such Confidential Customer Information for the purposes of providing Services in accordance with Commission orders and rules, provided that each such Third-Party Representative first is advised by the disclosing Party of the sensitive and confidential nature of such Confidential Customer Information. Notwithstanding the foregoing, the NPP shall be liable for any act or omission of its Third-Party Representative, including without limitation, those acts or omissions that would constitute a breach of this Agreement.
- b. **Disclosure if Legally Compelled.** Notwithstanding anything herein, in the event that a Party or any of its Third-Party Representatives receives notice that it has, will,

or may become compelled, pursuant to applicable law or regulation or legal process to disclose any Confidential Information (whether by receipt of oral questions, interrogatories, requests for information or documents in legal proceedings, subpoenas, civil investigative demands, other similar processes, or otherwise), that Party shall, except to the extent prohibited by law, within one (1) business day, notify the other Party, orally and in writing, of the pending or threatened compulsion. To the extent lawfully allowable, the Parties shall have the right to consult and the Parties will cooperate, in advance of any disclosure, to undertake any lawfully permissible steps to reduce and/or minimize the extent of Confidential Information that must be disclosed. The Parties shall also have the right to seek an appropriate protective order or other remedy reducing and/or minimizing the extent of Confidential Information that must be disclosed. In any event, the Party and its Third-Party Representatives shall disclose only such Confidential Information which they are advised by legal counsel that they are legally required to disclose in order to comply with such applicable law or regulation or legal process (as such may be affected by any protective order or other remedy obtained by the Party) and the Party and its Third-Party Representatives shall use all reasonable efforts to ensure that all Confidential Information that is so disclosed will be accorded confidential treatment.

7. **Return/Destruction of Information.** Within thirty (30) days after Distribution Company's written demand, NPP shall (and shall cause its Third-Party Representatives to) cease to access and Process Confidential Customer Information and shall at the Distribution Company's option: (A) return such Confidential Customer Information to Distribution Company in such manner, format, and timeframe as reasonably requested by Distribution Company or, if not so directed by Distribution Company, (B) shred, permanently erase and delete, degauss or otherwise modify so as to make unreadable, unreconstructible and indecipherable ("Destroy") all copies of all Confidential Customer Information (including any and all extracts, compilations, studies, or other documents based upon, derived from, or containing Confidential Customer Information) that has come into NPP's or its Third-Party Representatives' possession, including Destroying Confidential Customer Information from all systems, records, archives, and backups of NPP and its Third-Party Representatives, and all subsequent access, use, and Processing of the Confidential Customer Information by NPP and its Third-Party Representatives shall cease, provided any items required to be maintained by governmental administrative rule or law or necessary for legitimate business or legal needs will not be destroyed until permitted and will remain subject to confidentiality during the retention period. A Distribution Company making a written demand of an NPP for the return or destruction of Confidential Customer Information will specify the reason for the demand. NPP agrees that upon a customer revocation of consent, NPP warrants that it will no longer access through Distribution Company, Confidential Customer Information and that it will Destroy any Confidential Customer Information in its or its Third-Party Representative's possession. Notwithstanding the foregoing, NPP and its Third-Party Representatives shall not be obligated to erase Confidential Customer Information contained in an archived computer system backup maintained in accordance with their respective security or disaster recovery procedures, provided that NPP and its Third-Party Representatives shall: (1) not have experienced an actual Data Security Incident; (2) maintain Cybersecurity and Data Privacy Protections to limit access to or recovery of Confidential Customer Information from such computer backup system and; (3) keep all such Confidential Customer Information confidential in accordance with this Agreement.

NPP shall, upon request, certify to Distribution Company that the destruction by NPP and its Third-Party Representatives required by this Section has occurred by (A) having a duly authorized officer of NPP complete, execute, and deliver to Distribution Company a certification and (B) obtaining substantially similar certifications from its Third-Party Representatives and maintaining them on file. Compliance with this Section 7 shall not relieve NPP from compliance with the other provisions of this Agreement. The written demand to Destroy or return Confidential Customer Information pursuant to this Section may occur if the NPP has been decertified by the Commission, the Distribution Company has been notified of a potential or actual Data Security Incident and Distribution Company has a reasonable belief of potential ongoing harm or the Confidential Customer Information has been held for a period in excess of its retention period. The obligations under this Section shall survive any expiration of termination of this Agreement. Subject to applicable federal, state and local laws, rules, regulations and orders, at NPP's written demand and termination of electronic exchange of data with Distribution Company, Distribution Company will Destroy or return, at NPP's option, Confidential NPP Information.

8. **Audit.** Upon thirty (30) days' notice to NPP, NPP shall permit an auditor selected by the Distribution Company through a competitive solicitation and agreed to by the NPP ("CSA") to audit and inspect, at Distribution Company's sole expense (except as otherwise provided in this Agreement), and provided that the audit may occur no more often than once per twelve (12) month period (unless otherwise required by Distribution Company's regulators). The audit may include (A) the facilities of NPP and NPP's Third-Party Representatives where Confidential Customer Information is Processed by or on behalf of NPP; (B) any computerized or paper systems used to Process Confidential Customer Information; and (C) NPP's security practices and procedures, facilities, resources, plans, procedures, and books and records relating to the privacy and security of Confidential Customer Information. Such audit rights shall be limited to verifying NPP's compliance with this Agreement, including all applicable Data Protection Requirements. If the NPP provides a SOC II report or its equivalent to the Distribution Company, or commits to complete an independent third-party audit of NPP's compliance with this Agreement acceptable to the Distribution Company at NPP's sole expense, within one hundred eighty (180) days, no audit by an auditor selected by the Distribution Company through a CSA and conducted at Distribution Company's sole expense is necessary absent a Data Security Incident. Any audit must be subject to confidentiality and non-disclosure requirements set forth in Section 5 of this Agreement. The auditor will audit the NPP's compliance with the required Cybersecurity and Data Privacy Protections and provide those results to the Distribution Company and NPP. The audit report sent to the Distribution Company shall not include any NPP confidential information, it will simply provide an assessment as to the NPP's compliance with the terms of this agreement. In the event of a "failed" audit dispute, a complaint can be brought to the Commission. Distribution Company shall provide NPP with a report of the findings as a result of any audit carried out by an auditor selected by a CSA. NPP shall, within thirty (30) days, or within a reasonable time period agreed upon in writing between the NPP and Distribution Company, correct any deficiencies identified in the audit, and provide the SOC II audit report or its equivalent or the report produced by the independent auditor at NPP expense to the Distribution Company and provide a report regarding the timing and correction of identified deficiencies to the Distribution Company.

- 9. Investigation.** Upon notice to NPP, NPP shall assist and support Distribution Company in the event of an investigation by any regulator or similar authority, if and to the extent that such investigation relates to Confidential Customer Information Processed by NPP on behalf of Distribution Company. Such assistance shall be at Distribution Company's sole expense, except where such investigation was required due to the acts or omissions of NPP or its Representatives, in which case such assistance shall be at NPP's sole expense.
- 10. Data Security Incidents.** NPP is responsible for any and all Data Security Incidents involving Confidential Customer Information that is Processed by, or on behalf of, NPP. NPP shall notify Distribution Company in writing immediately (and in any event within forty-eight (48) hours) whenever NPP reasonably believes that there has been a Data Security Incident. After providing such notice, NPP will investigate the Data Security Incident, and immediately take all necessary steps to eliminate or contain any exposure of Confidential Customer Information and keep Distribution Company advised of the status of such Data Security Incident and all matters related thereto. NPP further agrees to provide, at NPP's sole cost: (1) reasonable assistance and cooperation requested by Distribution Company and/or Distribution Company's designated representatives, in the furtherance of any correction, remediation, or investigation of any such Data Security Incident; (2) and/or the mitigation of any damage, including any notification required by law or that Distribution Company may determine appropriate to send to individuals impacted or potentially impacted by the Data Security Incident; and (3) and/or the provision of any credit reporting service required by law or that Distribution Company deems appropriate to provide to such individuals. In addition, within thirty (30) days of confirmation of a Data Security Incident, NPP shall develop and execute a plan, subject to Distribution Company's approval, which approval will not be unreasonably withheld, that reduces the likelihood of a recurrence of such Data Security Incident. NPP agrees that Distribution Company may at its discretion and without penalty immediately suspend performance hereunder and/or terminate the Agreement if a Data Security Incident occurs and it has a reasonable belief of potential ongoing harm. Any suspension made by Distribution Company pursuant to this paragraph 11 will be temporary, lasting until the Data Security Incident has ended, the NPP security has been restored to the reasonable satisfaction of the Distribution Company so that Distribution Company IT systems and Confidential Customer Distribution Company Information are safe and the NPP is capable of maintaining adequate security once electronic communication resumes. Actions made pursuant to this paragraph, including a suspension will be made, or subject to dispute resolution and appeal as applicable, pursuant to processes as approved by the Commission.
- 11. No Intellectual Property Rights Granted.** Nothing in this Agreement shall be construed as granting or conferring any rights, by license, or otherwise, expressly, implicitly, or otherwise, under any patents, copyrights, trade secrets, or other intellectual property rights of Distribution Company, and NPP shall acquire no ownership interest in the Confidential Customer Information. No rights or obligations other than those expressly stated herein shall be implied from this Agreement.

## 12. Additional Obligations.

- a. NPP shall not create or maintain data which are derivative of Confidential Customer Information except for the purpose of performing its obligations under this Agreement, or as expressly authorized by the customer, unless that use violates Federal, State, and local laws, tariffs, rules, and regulations. For purposes of this Agreement, the following shall not be considered Confidential Customer Information or a derivative thereof: (i) any customer contracts, customer invoices, or any other documents created by NPP that reference estimated or actual measured customer usage information, which NPP needs to maintain for any tax, financial reporting or other legitimate business purposes; and (ii) Data collected by NPP from customers through its website or other interactions based on those customers' interest in receiving information from or otherwise engaging with NPP or its partners.
- b. NPP shall comply with all applicable privacy and security laws to which it is subject, including without limitation all applicable Data Protection Requirements and not, by act or omission, place Distribution Company in violation of any privacy or security law known by NPP to be applicable to Distribution Company.
- c. NPP shall have in place appropriate and reasonable processes and systems, including an Information Security Program, defined as having completed an accepted Attestation as reasonably determined by the Distribution Company in its discretion, to protect the security of Confidential Customer Information and protect against a Data Security Incident, including, without limitation, a breach resulting from or arising out of NPP's internal use, processing, or other transmission of Confidential Customer Information, whether between or among NPP's Third-Party Representatives, subsidiaries and affiliates or any other person or entity acting on behalf of NPP, including without limitation Third-Party Representatives. NPP and Distribution Company shall safely secure or encrypt during storage and encrypt during transmission all Confidential Information, except that no encryption in transit is required for email communications.
- d. NPP shall establish policies and procedures to provide reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual who is or may be the subject of a Data Security Incident involving Confidential Customer Information Processed by NPP to the extent such request, complaint or other communication relates to NPP's Processing of such individual's Confidential Customer Information.
- e. NPP shall establish policies and procedures to provide all reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual, government, government agency, regulatory authority, or other entity that is or may have an interest in the Confidential Customer Information, data theft, or other unauthorized release of Confidential Customer Information, disclosure of Confidential Customer Information, or misuse of Confidential Customer Information to the extent such request, complaint or other communication relates to NPP's accessing or Processing of such Confidential Customer Information.

- f. NPP will not process Confidential Customer Information outside of the United States or Canada absent a written agreement with Distribution Company. For the avoidance of doubt, Confidential Customer Information stored in the United States or Canada, or other countries as agreed upon in writing will be maintained in a secure fashion at a secure location pursuant to the terms and conditions of this Agreement.
- 13. Specific Performance.** The Parties acknowledge that disclosure or misuse of Confidential Customer Information in violation of this Agreement may result in irreparable harm to Distribution Company, the amount of which may be difficult to ascertain and which may not be adequately compensated by monetary damages, and that therefore Distribution Company shall be entitled to specific performance and/or injunctive relief to enforce compliance with the provisions of this Agreement. Distribution Company's right to such relief shall be in addition to and not to the exclusion of any remedies otherwise available under this Agreement, at law or in equity, including monetary damages, the right to terminate this Agreement for breach and the right to suspend in accordance with the Commission's rules and orders the provision or Processing of Confidential Customer Information hereunder. NPP agrees to waive any requirement for the securing or posting of any bond or other security in connection with Distribution Company obtaining any such injunctive or other equitable relief.
- 14. Indemnification.** To the fullest extent permitted by law, NPP shall indemnify and hold Distribution Company, its affiliates, and their respective officers, directors, trustees, shareholders, employees, and agents, harmless from and against any and all loss, cost, damage, or expense of every kind and nature (including, without limitation, penalties imposed by the Commission or other regulatory authority or under any Data Protection Requirements, court costs, expenses, and reasonable attorneys' fees) arising out of, relating to, or resulting from, in whole or in part, the breach or non-compliance with this Agreement by NPP or any of its Third-Party Representatives except to the extent that the loss, cost, damage or expense is caused by the negligence, gross negligence or willful misconduct of Distribution Company.
- 15. Notices.** With the exception of notices or correspondence relating to potential or pending disclosure under legal compulsion, all notices and other correspondence hereunder shall be sent by first class mail, by personal delivery, or by a nationally recognized courier service. Notices or correspondences relating to potential or pending disclosure under legal compulsion shall be sent by means of Express Mail through the U.S. Postal Service or other nationally recognized courier service which provides for scheduled delivery no later than the business day following the transmittal of the notice or correspondence and which provides for confirmation of delivery. All notices and correspondence shall be in writing and addressed as follows:

If to NPP, to:

NPP Name:  
Name of Contact:  
Address:  
Phone:  
Email:

If to  
Distribution  
Company, to:

Distribution Company Name: The Narragansett Electric Company

Name of Contact: Konica Shandal  
Address: 175 E. Old Country Road, Hicksville, NY 11801  
Phone: 516.545.4425  
Email: [Konica.shandal@nationalgrid.com](mailto:Konica.shandal@nationalgrid.com)

A Party may change the address or addressee for notices and other correspondence to it hereunder by notifying the other Party by written notice given pursuant hereto.

- 16. Term and Termination.** This Agreement shall be effective as of the date first set forth above and shall remain in effect until terminated in accordance with the provisions of the service agreement, if any, between the Parties and upon not less than thirty (30) days' prior written notice specifying the effective date of termination, provided, however, that any expiration or termination shall not affect the respective obligations or rights of the Parties arising under this Agreement prior to the effective date of termination. Distribution Company may terminate this Agreement if the NPP is decertified under Commission Orders, where applicable, has not served customers for two (2) years, or has not had electronic communication, other than by email, with Distribution Company for one (1) year. Further, Distribution Company may terminate this Agreement immediately upon notice to NPP in the event of a material breach hereof by NPP or its Third-Party Representatives. For the purpose of clarity, a breach of Sections 3-4, 5-12, 14, and 22 shall be a material breach hereof. The Breaching Party will provide the non-breaching Party with a written description and notice of material breach. Upon the expiration or termination hereof, neither NPP nor its Third-Party Representatives shall have any further right to Process Confidential Customer Information or Customer Information, unless the customer has given written or electronic consent to do so, and shall immediately comply with its obligations under Section 7 and the Distribution Company shall not have the right to process Confidential NPP Information and shall immediately comply with its obligations under Section 7.
- 17. Consent to Jurisdiction; Selection of Forum.** NPP irrevocably submits to the jurisdiction of the Commission and courts located within the State of Rhode Island with regard to any dispute or controversy arising out of or relating to this Agreement. NPP agrees that service of process on it in relation to such jurisdiction may be made by certified or registered mail addressed to NPP at the address for NPP pursuant to Section 15 hereof and that such service shall be deemed sufficient even under circumstances where, apart from this Section, there

would be no jurisdictional basis for such service. NPP agrees that service of process on it may also be made in any manner permitted by law. NPP consents to the selection of the Rhode Island State and United States courts within Rhode Island as the exclusive forums for any legal or equitable action or proceeding arising out of or relating to this Agreement.

- 18. Governing Law.** This Agreement shall be interpreted, and the rights and obligations of the Parties determined in accordance with the laws of the State of Rhode Island, without recourse to such state's choice of law rules. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence.
- 19. Survival.** The obligations of NPP under this Agreement shall continue for so long as NPP and/or NPP's Third-Party Representatives continue to have access to, are in possession of or acquire Confidential Customer Information even if all Agreements between NPP and Distribution Company have expired or been terminated.
- 20. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. Copies of this Agreement and copies of signatures on this Agreement, including any such copies delivered electronically as a .pdf file, shall be treated for all purposes as originals.
- 21. Amendments; Waivers.** Except as directed by the Commission, this Agreement may not be amended or modified except if set forth in writing signed by the Party against whom enforcement is sought to be effective. No forbearance by any Party to require performance of any provisions of this Agreement shall constitute or be deemed a waiver of such provision or the right thereafter to enforce it. Any waiver shall be effective only if in writing and signed by an authorized representative of the Party making such waiver and only with respect to the particular event to which it specifically refers.
- 22. Assignment.** This Agreement (and the Distribution Company's or NPP's obligations hereunder) may not be assigned by Distribution Company, NPP or Third-Party Representatives without the prior written consent of the non-assigning Party, and any purported assignment without such consent shall be void. Consent will not be unreasonably withheld.
- 23. Severability.** Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction over this Agreement to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.
- 24. Entire Agreement.** This Agreement (including any Exhibits hereto) constitutes the entire Agreement between the Parties with respect to the subject matter hereof and any prior or contemporaneous oral or written Agreements or understandings with respect to such subject matter are merged herein. This Agreement may not be amended without the written Agreement of the Parties.

25. **No Third-Party Beneficiaries.** This Agreement is solely for the benefit of, and shall be binding solely upon, the Parties and their respective agents, successors, and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the Parties and the indemnified parties named herein, and no other party shall have any right, claim, or action as a result of this Agreement.
26. **Force Majeure.** No Party shall be liable for any failure to perform its obligations in connection with this Agreement, where such failure results from any act of God or governmental action or order or other cause beyond such Party's reasonable control (including, without limitation, any mechanical, electronic, or communications failure) which prevents such Party from performing under this Agreement and which such Party is unable to prevent or overcome after the exercise of reasonable diligence. For the avoidance of doubt a Data Security Incident is not a force majeure event.
27. **Relationship of the Parties.** Distribution Company and NPP expressly agree they are acting as independent contractors and under no circumstances shall any of the employees of one Party be deemed the employees of the other for any purpose. Except as expressly authorized herein, this Agreement shall not be construed as authority for either Party to act for the other Party in any agency or other capacity, or to make commitments of any kind for the account of or on behalf of the other.
28. **Construction.** This Agreement shall be construed as to its fair meaning and not strictly for or against any party.
29. **Binding Effect.** No portion of this Agreement is binding upon a Party until it is executed on behalf of that Party in the space provided below and delivered to the other Party. The Distribution Company shall execute and deliver a signed original copy of this Agreement to the NPP within five (5) business days of receiving an executed Agreement with a complete Self Attestation, if the NPP has an electronic interconnection with the Distribution Company other than by email, from the NPP. Prior to such execution and delivery by the Parties, neither the submission, exchange, return, discussion, nor the negotiation of this document, whether or not this document is then designated as a "draft" document, shall have any binding effect on a Party.

*[signature page follows]*

**IN WITNESS WHEREOF**, the Parties have executed and delivered this Agreement as of the date first above written.

**DISTRIBUTION COMPANY**  
**The Narragansett Electric Company**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**NON-REGULATED POWER PRODUCER - NPP**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**EXHIBIT A**

**SELF-ATTESTATION  
OF Cybersecurity Protections**

Each Distribution Company, for itself only, represents that for all information received from NPP, in response or pursuant to this Self-Attestation, that is marked CONFIDENTIAL by NPP (Confidential Self-Attestation Information) Distribution Company shall: (A) hold such Confidential Self- Attestation Information in strict confidence; (B) not disclose such Confidential Self- Attestation Information to any other person or entity; (C) not Process such Confidential Self- Attestation Information outside of the United States or Canada; (D) not Process such Confidential Self-Attestation Information for any purpose other than to assess the adequate security of NPP pursuant to this Self-Attestation and to work with NPP to permit it to achieve adequate security if it has not already done so; (E) limit reproduction of such Confidential Self-Attestation Information; (F) store such Confidential Self-AttestationInformation in a secure fashion at a secure location in the United States or Canada that is not accessible to any person or entity not authorized to receive such Confidential Self-Attestation Information under the provisions hereof; (G) otherwise use at least the same degree of care to avoid publication or dissemination of such Confidential Self-Attestation Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care.

The Cybersecurity protections listed below are required before NPPs will be allowed access to Distribution Company IT systems or electronically exchange Confidential Customer Information with Distribution Company.

This SELF-ATTESTATION OF INFORMATION SECURITY CONTROLS (“Attestation”), is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_, an NPP to The Narragansett Electric Company.

## EXHIBIT A

WHEREAS, NPP desires to obtain or retain access to Distribution Company IT systems and electronically exchange Confidential Customer Information<sup>2</sup> (as defined in this Data Security Agreement) with Distribution Company, NPP must THEREFORE self-attest to NPP's compliance with the Cybersecurity Protections ("Requirements") as listed herein. NPP acknowledges that non-compliance with any of the Requirements may result in the termination of Distribution Company data access as per the discretion of the Distribution Company, Distribution Company in whole or part, for its system(s).

- \_\_\_\_\_ An Information Security Policy is implemented across the NPP's corporation which includes officer level approval.
- \_\_\_\_\_ An Incident Response Procedure is implemented that includes notification within 48 hours of knowledge of a potential incident alerting Distribution Company when Confidential Customer Information is potentially exposed, or of any other potential security breach.
- \_\_\_\_\_ Role-based access controls are used to restrict system access to authorized users and limited on a need-to-know basis.
- \_\_\_\_\_ Multi-factor authentication is used for all remote administrative access, including, but not limited to, access to production environments.
- \_\_\_\_\_ All production systems are properly maintained and updated to include security patches on a periodic basis. Where a critical alert is raised, time is of the essence, and patches will be applied as soon as practicable.
- \_\_\_\_\_ Antivirus software is installed on all servers and workstations and is maintained with up-to-date signatures.
- \_\_\_\_\_ All Confidential Customer Information is encrypted in transit utilizing industry best practice encryption methods, except that Confidential Information does not need to be encrypted during email communications.

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<sup>2</sup> "Confidential Customer Information" means information that Distribution Company is: (A) required to provide to NPP or (B) any other information provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

**EXHIBIT A**

- \_\_\_\_\_ All Confidential Customer Information is secured or encrypted at rest utilizing industry best practice encryption methods, or is otherwise physically secured.
- \_\_\_\_\_ It is prohibited to store Confidential Customer Information on any mobile forms of storage media, including, but not limited to, laptop PCs, mobile phones, portable backup storage media, and external hard drives, unless the storage media or data is encrypted.
- \_\_\_\_\_ All Confidential Customer Information is stored in the United States or Canada only, including, but not limited to, cloud storage environments and data management services.
- \_\_\_\_\_ NPP monitors and alerts their network for anomalous cyber activity on a 24/7 basis.
- \_\_\_\_\_ Security awareness training is provided to all personnel with access to Confidential Customer Information.
- \_\_\_\_\_ Employee background screening occurs prior to the granting of access to Confidential Customer Information.
- \_\_\_\_\_ Replication of Confidential Customer Information to non-company assets, systems, or locations is prohibited.
- \_\_\_\_\_ Access to Confidential Customer Information is revoked when no longer required, or if employees separate from the NPP or Third Party Representative.

Additionally, the attestation of the following item is requested, but is NOT part of the Requirements:

- \_\_\_\_\_ NPP maintains an up-to-date SOC II Type 2 Audit Report, or other security controls audit report.

IN WITNESS WHEREOF, NPP has delivered accurate information for this Attestation as of the date first above written.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**  
**THIRD-PARTY REPRESENTATIVE AGREEMENT**

This Third-Party Agreement to be provided to the Distribution Company upon request.

I, have read the Agreement between \_\_\_\_\_, ("Company") and The Narragansett Electric Company, ("Distribution Company") dated , 20\_ (the "Agreement") and agree to the terms and conditions contained therein. My duties and responsibilities on behalf of \_\_\_\_\_ require me to have access to the Confidential Information disclosed by Distribution Company to the NPP pursuant to the Agreement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (*print*):

## **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 “Company”). Each Customer is identified by a number assigned by 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 Narragansett and assigned an Account number.

##### **1.2 Distribution Company**

Narragansett 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 ("PUC") Reliability and Responsibility Regulations for Nonregulated Power Producers. The Supplier is solely responsible for paying all costs incurred or to be incurred to provide its all-requirements service obligation in the same manner as if the Company were to provide such all-requirements service, including, without limitation, all costs or other requirements to furnish capacity, energy, operating reserves, automatic generation control, uplift costs, congestion charges, and any other ancillary services, expenses or charges incurred to provide all-requirements service; or costs imposed by NEPOOL, ISO-NE or any similar or successor entity in connection with such service. The Supplier is solely responsible for meeting any other requirements and paying any other costs now or hereafter imposed by the ISO-NE which are attributable to the provision of such service.

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

#### ***1.3.1 NEPOOL Registration***

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

to be served by the Nonregulated Power Producer in such entity's settlement account with ISO-NE.

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

## **2.0 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 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 PUC. 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 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 Residential Customer Classes, 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 Classes to the Company.

For Commercial and Industrial 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

Under the Standard Complete Billing Service, Suppliers would provide Narragansett with rates and pricing structures to be implemented for designated Narragansett customer 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 Customer classes and rate/pricing structures which follow the Company's format and meet the availability clauses of Narragansett's retail delivery tariffs on file with the PUC.

If Suppliers make a written request for different Customer classes or rate structures, Narragansett 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 Narragansett 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 Narragansett 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 Class.

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 15<sup>th</sup> 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 15<sup>th</sup> 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:

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

Where

CC = The Customer Class 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 Classes 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.

$SCBP_{CC}$  = Standard Complete Billing Percentage for the Customer Class 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.

$UP_{CC}$  = Uncollectible Percentage is the uncollectible expense for the Customer Class, 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 Class 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 Class 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 Class. 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.

$ACP_{CC}$  = 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 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 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<sub>CC</sub> = Past Period Reconciliation Percentage for the Customer Class is the sum of the following three percentages:

1) the percentage associated with the difference between estimated uncollectible expense reflected in the SCBP<sub>CC</sub> 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 Class 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 Class under Standard Complete Billing over the applicable 12-month period by the actual UP<sub>CC</sub> for the same twelve month period, and (b) the total amounts billed to Customers in the Customer Class under Standard Complete Billing over the applicable 12-

month period multiplied by the applicable  $UP_{CC}$  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 Class 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 Class purchasing Generation Service from Participating Suppliers; and (b) the total amounts actually billed to Customers in the Customer Class for Generation Service purchased from Participating Suppliers for those years times the applicable  $ACP_{CC}$ , divided by the total amounts billed to Customers in the Customer Class 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 Class 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.

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<sub>CC</sub> 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 Narragansett.

Existing 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 Narragansett Retail Terms and Conditions, 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 may offer Standard Passthrough Billing Service to Suppliers for those Customers that have elected such service. If Narragansett elects to offer Standard Passthrough Billing Service, Narragansett reserves the right to obtain confirmation from a Customer being served by a Supplier that such election has been made. Under this option, Narragansett 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 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 will pass Customers' usage and demand information obtained via meter reads to the Supplier and the Supplier will

pass back to Narragansett a bill amount for inclusion in each Customer's bill. In addition, the Supplier will separately pass back to Narragansett 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 Commission at the time of implementation.

#### ***2.1.4 Summary Billing***

Narragansett 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 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 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 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 may disconnect the Customer pursuant to the current PUC procedures for disconnection which apply to Customers of the applicable rate class. Narragansett 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 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 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 Narragansett, unless or until they enroll with a new Supplier.

## **2.4 Distribution Service Interruptions**

Narragansett 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 shall restore electrical service to Customers in accordance with the Company's service restoration procedures, as filed with the PUC from time to time.

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

## **2.5 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 Narragansett will disclose any such information, consistent with the procedures set forth below. Upon a Supplier obtaining written consent, Narragansett 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 Narragansett, using the EDI transactions, an Historical Usage Transaction containing the customer account number and first four characters of the Customer's name. Once Narragansett receives this transaction, Narragansett presumes

that the Supplier has obtained appropriate authorization and will send the usage information to the supplier via EDI.

Narragansett 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 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 understands that in order to assist in the advancement of the retail market in Rhode Island, Narragansett may provide non-residential customer lists to licensed Suppliers that have signed a confidentiality agreement with Narragansett indicating that they would only use the information provided to market energy-related products and services. The list provided by 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 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's requirement is that the RAPR data format be supported by the MV-90<sup>1</sup> 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 PUC.

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.

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<sup>1</sup> 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 PUC. 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 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 Narragansett and deliver it to the interconnection(s) between NEP’s transmission system and Narragansett’s local distribution system (Transmission Delivery Points). This service will be provided to Narragansett by NEP under a transmission tariff on file at the Federal Energy Regulatory Commission.

Narragansett 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

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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 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 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.

# **Billing Services Agreement**

## **COMPETITIVE ELECTRIC SUPPLIER SERVICE AGREEMENT FOR BILLING SERVICES AND FOR THE PURCHASE OF ACCOUNTS RECEIVABLE NATIONAL GRID**

THIS AGREEMENT (“Agreement”) effective the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ is by and between The Narragansett Electric Company, a Rhode Island corporation with a principal place of business at \_\_\_\_\_ (“Company”), and [specify Non-regulated power producer’s, full legal name] (“NPP”), a [specify corporation / limited liability company / partnership], organized and existing under the laws of the State of [specify state of organization] with its principal place of business at [specify legal mailing address]. The Company and the NPP are also individually referred to herein as a “Party” or collectively as the “Parties.”

### **BASIC UNDERSTANDINGS**

Company has the authority and obligation to perform services for non-regulated producers of electricity. The Company’s Terms and Conditions for Nonregulated Power Producers, in Section 2.1.1, and the Company’s Terms and Conditions for Municipal Aggregators, in Section 3C.5, require the NPP to enter into a service contract with the Company for the provision of these services. Accordingly, Company agrees to provide services to, NPP in accordance with the Terms and Conditions for Nonregulated Power Producers or Terms and Conditions for Municipal Aggregators, as applicable, which are fully incorporated herein by reference, and the terms of this Agreement.

This form of Agreement has been developed for use between Company and NPPs, and may not be waived, altered, amended, or modified, except as provided herein. Attachments A through F, attached hereto and incorporated herein by reference, include additional terms which are a part of this Agreement.

In consideration of the covenants, promises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows

### **ARTICLE 1**

#### **DEFINITIONS AND RULES OF INTERPRETATION**

1.1 **Definitions.** The following terms shall have the meanings set forth in this Article 1 or elsewhere in the provisions of this Agreement referred, to below:

**Account(s) Receivable** means with respect to any eligible Customer, any NPP’s Generation Service revenue and associated charges determined by Company under Article 2 and Article 3 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any state tax, if assessed, and any other applicable state or federal taxes and/or surcharges) that are billed under this Agreement that represent an account of such Customer.

**Accounts Receivable Purchase Price** means in respect of any Account Receivable purchased hereunder, the Account Receivable less the following amounts as applicable: (1) Standard Complete Billing Percentage, as defined in Section 2.1.1(2)(b) of the Company’s NPP Terms and Conditions and Section 8B(2)(b) of the Company’s Municipal Aggregator Terms and Conditions and (2) NPP Charges.

**ACH** means any automated clearing house transaction which is part of the Electronic Funds

Transfer Act and Federal Reserve Board's Fedwire system, consisting of a collection of regional electronic interbank networks used to process transactions electronically.

**Additional Assurance Amount** means the amount due and owing by the NPP under this Agreement and the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as of the date of the Company's issuance of a demand for the same.

**Affiliate(s)** means with respect to a Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition the term "control" (including the terms "controlling," "controlled by," and "under common control with") of a Person means the possession, direct or indirect, of the power to vote 10% or more of the Voting Stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

**Agreement** shall have the meaning provided in the preamble.

**AR Date** shall have the meaning provided in Attachment E.

**Billed Amounts** means any and all amounts billed by Company to eligible Customers, including Accounts Receivable.

**Billing Cycle** means the meter reading schedule published by Company.

**Billing Date** means with respect to any Account Receivable, the date on which Company's billing system calculates such Account Receivable.

**Billing Price Determinant(s)** means the Flat Rate price amount and such other information submitted by NPP, more fully described in Attachment A, attached hereto and made a part hereof, required to calculate the Accounts Receivable Purchase Price for the Generation Service supplied by NPP and billed by Company to eligible Customers under this Agreement.

**Billing Services** means the billing services provided to NPP by Company under Article 2.

**Business Day** means any day that is not a Sunday, Federal holiday, or other day on which commercial banking institutions in Rhode Island are authorized or obligated by law or executive order to be closed.

**Collateral** shall have the meaning provided in Section 3.5.

**Company** shall have the meaning provided in the preamble.

**Contract** shall have the meaning provided in Section 5.5.

**Creditworthy** means a credit rating of "BBB-" or better (as assigned by Standard & Poor's Financial Services LLC ("S&P") and its successors, or "Baa3" or better (as assigned by Moody's Investors Service, Inc. and its successors) ("Moody's").

**Customer** means 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** means the Company's meter or a point designated by the Company located on the Customer's premise.

**Customer Payment** means the Customer's payment for Generation Service and any and all Company Tariff charges and surcharges for energy services provided by Company inclusive of applicable tax, if assessed, imposed thereon.

**Default** means any event that, but for the passage of time or the giving of notice, or both, would constitute an Event of Default.

**Distribution Company** shall mean The Narragansett Electric Company.

**Distribution Service** means the delivery of electricity to Customers by the Distribution Company.

**Document(s)** means this Agreement, Financing Statement(s), and all other documents, instruments and/or statements related hereto and thereto.

**Effective Date** shall have the meaning provided in Section 8.1.

**EFT** means electronic funds transfer provided under the Electronic Funds Transfer Act and Federal Reserve Board Regulation E which is a transfer of funds other than a transaction originated by check, draft, or similar paper instrument, that is initiated electronically to order, instruct, or authorize a financial institution to debit or credit an account.

**Electric Data Interchange** or **EDI** shall mean the exchange of business data in a standardized format between business computer systems. For purposes of this Agreement, a negotiated, uniform set of rules and procedures that apply to all Suppliers participating in the Company's POR program shall be consistent with EDI.

**Event of Default** shall have the meaning provided in Section 9.2.

**FERC** means the Federal Energy Regulatory Commission or any successor agency thereto.

**Financing Statements** means any and all financing statements and amendments thereto, required in connection with NPP's grant of security interest in the Collateral under Section 3.5 to be filed in accordance with requirements of the UCC.

**Flat Rate** means the Rate Factor price per kWh as submitted by NPP in Attachment A.

**Generation Service** means the sale of electricity to a Customer by a NPP, 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.

**ISO-NE** means the Independent System Operator – New England.

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

**Municipal Aggregation Terms and Conditions** shall mean the Company's Terms and Conditions for Municipal Aggregators, as in effect from time to time and approved by the R.I.P.U.C.

**Law** shall have the meaning provided in Section 5.5.

**R.I.P.U.C.** means the Rhode Island Public Utilities Commission.

**NEPOOL** means the New England Power Pool and its successors.

**NPP** means, as the context indicates, (i) Company's counterparty to this Agreement, provided that in any case, Company's counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its Customers, and (2) a municipal light department acting as a Distribution Company.

**NPP Charges** means an amount that includes the costs, fees, and expenses that should properly be borne by NPP in accordance with the requirements of this Agreement, the Municipal Aggregator Terms and Conditions or the NPP Terms and Conditions, as applicable, as each may be amended or modified from time to time, and approved by the R.I.P.U.C.

**NPP Terms and Conditions** shall mean the Company's Terms and Conditions for Nonregulated Power Producers, as in effect from time to time and approved by the R.I.P.U.C.

**Person** means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

**Program** means the Purchase of Receivable Program approved by the R.I.P.U.C. as amended and updated from time to time by the R.I.P.U.C.

**Qualified Bank** means a major US commercial bank or the US branch office of a major foreign commercial bank, in either case, whose senior unsecured debt obligations have been rated at least (i) "A-" by S & P or "A3" by Moody's, if such entity is rated by both S&P and Moody's or (ii) "A-" by S&P or "A3" by Moody's, if such entity is rated by either S&P or Moody's but not both, provided that such bank shall have assets totaling not less than USD ten billion (\$10,000,000,000).

**Representatives** means the Subsidiaries, Affiliates, directors, officers, employees, agents, auditors, attorneys, consultants or advisors by and on behalf of the Parties.

**Standard Complete Billing Services** shall have the meaning provided in Article 2.

**Standard Passthrough Billing Services** shall have the meaning provided in Article 2.

**Submission Date** means the date Company receives initial or revised Billing Price Determinants from NPP.

**Subsidiary** means with respect to any Person, corporation, partnership, joint venture, limited liability company, trust, or estate of which (or in which) more than 50% of (a) the Voting Stock, (b) the interest in the capital or profits of such limited liability company, partnership or joint venture, or (c) the beneficial interest in such trust is, in each case, at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries, or by one or more of such Person's other Subsidiaries.

**Term** shall have the meaning provided in Article 8.

**Third Party Financing Statements** shall have the meaning provided in Section 6.4.

**UCC** means the Uniform Commercial Code as in effect in the jurisdiction under the laws of which the NPP is a "registered organization," as such term is defined in the UCC.

**Unbilled Accounts Receivable** means the amount of NPP's Generation Service revenue and associated charges to be determined by Company under Article 2 of this Agreement based upon the applicable Billing Price Determinants in effect (including, but not limited to, any applicable state or federal taxes and/or surcharges) for Generation Service which has been rendered to Customers but which remains unbilled until such time as such receivables are billed and purchased by Company under the terms of this Agreement.

**Voting Stock** means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right to vote has been suspended by the happening of such a contingency.

## 1.2 Rules of Interpretation.

- (a) A reference to any document or agreement shall include such document or agreement as amended, modified, or supplemented from time to time in accordance with its terms and the terms of this Agreement.
- (b) The singular includes the plural and the plural includes the singular.
- (c) A reference to any law includes any amendment or modification to such law.
- (d) A reference to any Person includes its permitted successors and permitted assigns.
- (e) Accounting terms not otherwise defined herein have the meanings assigned to them by GAAP applied on a consistent basis by the accounting entity to which they refer.
- (f) The words "include," "includes" and "including" are not limiting.
- (g) Reference to a particular "§" or "section" refers to that section of this Agreement unless otherwise indicated.
- (h) The words "herein," "hereof," "hereunder" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement unless otherwise indicated.
- (i) Any capitalized terms used in this Agreement and not defined herein shall have the meaning given to it in the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or as stated in the R.I.P.U.C. regulations.

## ARTICLE 2

### BILLING

2.1 **Billing Services.** Company shall offer two billing services to NPP: (a) Standard Complete Billing Service; and (b) Standard Passthrough Billing Service. All measured billing determinants will be based on Company-owned metering, except as otherwise agreed to in a subsequent agreement.

#### **(a) Standard Complete Billing Services**

In accordance with the provision of the Standard Complete Billing Service Option, Company shall issue a single bill for electric service. Company shall input and use the rates and pricing options supplied by NPP to calculate the NPP portion of Customer bills and integrate this billing with Company's billing in a single mailing to the Customer. Company shall provide NPP with Customer usage and billing information, in accordance with EDI. Company shall send a payment/adjustment transaction to the NPP. NPP rates and pricing options must conform to the rate structure in use by Company for each specific rate class Service and be supported by the meters in place. Changes in the rate levels of NPP charges to be billed shall be prospective only and shall be implemented for the next billed reading, provided that: (i) NPP notifies Company of the rate changes in accordance with Subsection 2 below; (ii) the notification includes the old and new rates, pricing options, and effective date; (iii) upon Company's request, NPP provides a sample bill calculation of a 500 kWh Customer or another sample Customer if it better fits the rate structure; and (iv) NPP consents to the implementation of the new rate once Company has tested its billing processes.

1. **Billing Statement Contents.** During the Term, Company shall prepare and render bills that include amounts due from Customers for NPP Generation Service. The single bill will include NPP's toll free telephone number for Customer inquiries. The Company shall not be required to include inserts containing NPP specific information except as otherwise required. Company shall calculate the Accounts Receivable, based upon the Billing Price Determinants in effect, and include on Company bills to eligible Customers such calculated amount along with any and all Company Tariff charges and surcharges, if applicable, for services provided by Company in connection with NPP's supply of the Generation Service to Customers. Company charges and any applicable surcharges in connection with the Customer's Generation Service shall be separately identified on the Company bills prepared under this Agreement except for surcharges that may be included by NPP as a component of the Billing Price Determinants provided to Company under this Agreement.

2. **Submission of Initial Billing Price Determinants.** If NPP elects to utilize the Standard Complete Billing Services from the Company, NPP shall submit its applicable initial Billing Price Determinants prior to Company's performance of any Billing Services under this Agreement. Specifically, NPPs electing to utilize the Standard Complete Billing Services from the Company shall furnish to Company a complete schedule of NPP's relevant rates and rate pricing options for Generation Service in written form or in an electronic format reasonably acceptable to Company at Company's option, no less than ten (10) business days prior to initial Customer enrollment for any such rate or prior to a change in NPP's existing rate or five (5) business days prior to a change in rate pricing options.

3. **Calculation of Accounts Receivable.** Based on the applicable Billing Price Determinants in effect under this Agreement and on available metering data or estimated usage data, Company, applying its standard billing methods, will determine the Accounts Receivable under Article 2, and include such

amounts on Company bills issued to Customers. Company's standard billing methods include, but shall not be limited to, a proration of Flat Rate based Billing Price Determinants.

**(b) Standard Passthrough Billing Service**

In accordance with the provision of the Standard Passthrough Billing Service Option, Competitive Supplier agrees to separately bill Customers for the cost of Generation Service provided by the NPP and the collection of amounts due to the NPP from the Customer. Company agrees to provide NPP with Customer usage information.

**(c) Transaction Processing.**

Customer transactions will be processed in accordance with the EDI standards. These transactions include, but are not limited to, account administration, reporting of Customer usage and billing, and reporting of Customer Payments and adjustments. Any changes in these standard transactions will be in accordance with the EDI standards.

**(d) Conditions of Billing**

Customers that contact Company concerning the billed amount for NPP Generation Service or any other NPP issue will be referred to NPP's customer service number identified in Attachment C. Company will not undertake bill investigations, Customer inquiries concerning NPP charges, collection activities for Customers billed under the Standard Passthrough Billing Service Option, or the settlement of billing disputes on behalf of NPP for Customers billed under either option. For both Standard Passthrough Billing Service and Standard Complete Billing Service, NPP shall be responsible for the reporting and payment of all taxes, if assessed, upon Generation Service.

**(e) Billing Errors.**

If either Party finds a billing error or other miscalculation on a bill or in the usage determinants used as the basis for either the Company or the NPP's bill calculation, the Party shall within sixty (60) days from the date of the Customer's statement containing the error, notify the other Party in writing or electronically and explain the nature of the error. In the event of an error by the Company, the Company shall either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. In the event of an error by the NPP, the Company will, upon NPP's request, and as is reasonably practicable, either: (1) rebill the affected Customer reflecting an appropriate adjustment in the Customer's account; or (2) make an appropriate timely adjustment on a subsequent bill sent to Customer. If neither of the requested options is determined by the Company to be reasonably practicable, or if the NPP affirmatively chooses, the NPP may submit a rate pricing option correction in accordance with EDI. NPP will be responsible to pay any fees, as filed with and approved by the R.I.P.U.C., for any rebilling and/or adjustment caused by NPP error. When either Party reasonably believes that an error related to billing activity may have occurred, either Party may request the production of documents required to verify the accuracy of such billing, which the other Party will provide within ten (10) Business Days. Notwithstanding the forgoing, the Parties acknowledge that the Company may send estimated bills to Customers in accordance with R.I.P.U.C. regulations, and such estimated bills shall not be considered billing errors.

**2.2 Tax.**

The tax rates applied to NPP portion of Billed Amounts hereunder shall be based solely upon the tax rates that would have otherwise been charged to the same Customer if the Generation Service had been provided by Company.

### **2.3 Load Estimating and Reporting.**

Company shall determine the NPP's hourly loads and report such to the ISO-NE in accordance with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. In addition, upon NPP's written request the Company shall provide NPP with the following reports: (1) daily report of NPP's aggregate hourly loads; and (2) monthly reconciliation of NPP's aggregated hourly loads (completed once Company has read Customer's meters). Company will provide these reports to NPP in a format designated by the Company and reasonably acceptable to NPP. Upon NPP's request, the Company shall provide the methodology used to calculate transmission and distribution line losses and unaccounted for energy.

## **ARTICLE 3**

### **PURCHASE AND MANAGEMENT OF ACCOUNTS RECEIVABLE**

#### **3.1 General.**

Pursuant to the terms of this Agreement, to the extent that the NPP selects the Standard Complete Billing Service for either all or a portion of their customer accounts in a class, NPP agrees to sell and Company agrees to purchase each existing and future Account Receivable for such Customers on Standard Complete Billing Service as of the Billing Date in respect of such Account Receivable, and, in consideration of such purchase, NPP grants to Company a security interest in the Collateral under this Article 3. Pursuant to Section 2.1.1(3) of the NPP Terms and Conditions and Section 8B(3)(b) of the Municipal Aggregation Terms and Conditions, the Company's methodology for purchasing the outstanding existing Accounts Receivable of a NPP that selects the Standard Complete Billing Service is presented in Attachment E. As of the Billing Date, title to such Account Receivable shall pass to Company and NPP shall have no rights in or to such Account Receivable, and shall not seek to collect in any manner such amount from any Customer. Any Accounts Receivable, or portion thereof, that are billed by Company under this Agreement and for which payment is received by NPP from Customers shall be held by NPP in trust as the property of Company and shall be remitted in full to Company immediately upon receipt, and in any event within five (5) Business Days of receipt or discovery by the NPP, without any deduction or setoff. Company shall have the right to endorse the name of NPP on any and all remittances by Customers received by Company that are payable to NPP, and the right to collect the same from Customers. In addition, NPP assigns to Company any and all payments received from state, federal or other agencies associated with the Accounts Receivable including but not limited to payments for heating assistance.

#### **3.2 RESERVED.**

#### **3.3 Payment by Company.**

Company shall remit to NPP the Accounts Receivable Purchase Price on a timetable consistent with the average payment period of the relevant Customer Class, pursuant to Section 2.1.1(2)(a) of the Company's NPP Terms and Conditions Section 8B(2) of the Municipal Aggregation Terms and Conditions. The Company shall send a "payment adjustment" transaction to each NPP to notify the NPP the amount at which the Company will purchase the NPP's Accounts Receivable. To the extent that for operational reasons or system change requirements, Company alters the timetable for the average payment period applicable for the relevant Customer Class or makes other system-wide or operational changes, Company reserves the right to accelerate the payment procedure under the Agreement. In no event will a change to the procedure be undertaken without R.I.P.U.C. approval to the extent the change would hamper Company's compliance with Section 2.1.1(2)(b) of the

Company's NPP Terms and Conditions and Section 8B(2) of the Municipal Aggregation Terms and Conditions.

If the Company experiences disruptions in cash flow caused by customers not paying their bills within a timeframe that is consistent with historical payment periods, which are not adequately addressed by recovery of working capital costs, the Company may propose to the R.I.P.U.C. to adjust the payment period to NPPs.

The amount at which the Company will purchase the NPP's Accounts Receivable will be in accordance with Section 8B(2)(b) of the Terms and Conditions. At the time the NPP's Accounts Receivables are purchased, the Company will reclassify the Accounts Receivables from NPP's Accounts Receivables to a Company accounts receivable. Payment to NPP shall, at Company's option, be either by (a) ACH or (b) EFT.

### **3.4 NPP Statements/Reports.**

Company will provide NPP with all necessary statements/reports through EDI transactions.

### **3.5 Security Interest and Other Interests.**

As collateral for all obligations now existing or hereafter arising from NPP to Company, NPP hereby grants to Company a first priority perfected security interest in all the following property of NPP, wherever located, whether now owned, hereafter acquired, or created, and all proceeds and products thereof (the "Collateral"):

(a) All Accounts Receivable purchased by Company under this Agreement; and

(b) All Unbilled Accounts Receivable for service to be purchased by Company under this Agreement. While NPP is authorized to assign its right to receive payment under this Agreement to a third party by providing Company with appropriate payment instructions, NPP is explicitly not authorized to file any other Documents, including but not limited to any financing statements or liens, in order to effectuate the granted security interest.

### **3.6 Netting.**

The parties hereby agree that they may discharge mutual debts and payment obligations due and owing to each other under this Agreement through netting, in which case all amounts owed by each Party to the other party may be netted so that only the excess amount remaining due shall be paid by the Party who owes it. If no mutual debts or payment obligations exist and only one Party owes a debt or obligation to the other during the monthly billing period, such Party shall pay such sum in full when due.

### **3.7 Financial Assurance.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, if at any time during the Term of this Agreement, NPP, or NPP's Guarantor, if applicable, is not Creditworthy, the NPP shall provide credit support to the Company in an amount equal to the Additional Assurance Amount within three (3) Business Days after the Company's request. Such credit support shall be: (i) a letter of credit issued by a Qualified Bank in a form acceptable to the Company, which will allow the Company to draw on the letter of credit up to the full amount of the Additional Assurance Amount, or (ii) such other credit support that is reasonably acceptable to the Company, which may include a parent guarantee from a Creditworthy parent or a deposit.

## **ARTICLE 4 DISCONTINUANCE OF DELIVERY AND GENERATION SERVICES**

### **4.1 Non-Payment and Discontinuance of Customer Service.**

Company shall be authorized to disconnect its Tariff delivery service and NPP's Generation Service to Customers when (i) the Customer fails to make full payment of all amounts due on the consolidated bill issued pursuant to Article 2; and (ii) Company has purchased the NPP's Accounts Receivable, subject to R.I.P.U.C. rules and regulations regarding termination of service and the Company's Terms and Conditions for Distribution Service.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

### **5.1 Supplier's Rights in Collateral.**

NPP warrants that it has the rights in, or the power to transfer the Collateral to Company.

### **5.2 No Liens.**

NPP warrants that its title in the Collateral is and will remain free from any and all liens, claims, encumbrances, security interests and restrictions on transfer or pledge and are not and will not be subject to any other valid or existing billing, collection, or financing instrument, and have not been billed and, and that no Collateral will be assigned, financed, sold, pledged, hypothecated, or otherwise encumbered, except to Company.

### **5.3 Prices.**

NPP warrants that the prices charged to Customers are in accordance with NPP's agreements with these Customers.

5.3.1 Company acknowledges its obligation to pay NPP in accordance with the terms of this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms of Service, as applicable, and the Program.

### **5.4 Entity Information.**

5.4.1. **NPP.** NPP warrants that its legal name and state of organization is as set forth in the preamble to this Agreement and NPP (a) is a [specify state [specify corporation /limited liability company /partnership], duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign [specify corporation / limited liability company / partnership] in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite [specify, corporation / limited liability company / partnership] power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted. If NPP is a non-Rhode Island entity, NPP is a registered organization as defined in Section 9-102 of the UCC in its state of organization and this applies only in the case of a non-Rhode Island entity qualified to do business and in good standing in the State of Rhode Island.

5.4.2 **Company.** Company warrants that its legal name and state of organization are as set forth in the preamble of this Agreement and that Company (a) is duly organized, validly existing and in good

standing under the laws of the jurisdiction of its organization, (b) is duly qualified in Rhode Island and each other jurisdiction and in good standing as a foreign corporation in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed, and (c) has all requisite power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own or lease and operate its properties and to carry on its business as now conducted.

#### **5.5 Corporate Power, Authorization and Non-Contravention.**

The execution, delivery and performance by the Parties of this Agreement and each Document to which they are or are to be a party, and the consummation of the transactions contemplated hereby and thereby, are within the respective Party's corporate powers, have been duly authorized by all necessary corporate/organizational action(s), and do not (a) contravene Party's governance documents, (b) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award (each a "Law"), (c) conflict with or result in the breach of, or constitute a default under, any contract, loan agreement, indenture, mortgage, deed of trust, lease or other instrument, (each a "Contract") binding on or affecting the Parties, or their respective Subsidiaries, or any of their properties, or (d) result in or require the creation or imposition of any lien upon or with respect to any of the Collateral other than as provided under this Agreement.

#### **5.6 No Breach of Contract.**

Neither Party nor any of its respective Subsidiaries are in violation or breach of any Contract or Law, the violation or breach of which is reasonably likely to have a material adverse effect on its ability to perform under this Agreement.

#### **5.7 Third Party Approvals.**

No authorization, consent or approval, license, exemption or filing or registration with any court or other action by, and no notice to or filing with any governmental authority or regulatory body or any other third party is required for the due execution, delivery, recordation, filing or performance by either Party of this Agreement or any other Document to which either is a party, or for the consummation of the other transactions contemplated hereby.

#### **5.8 Enforceable Obligations.**

This Agreement has been, and each other Document when delivered hereunder will have been, duly executed and delivered by the Parties except as otherwise provided in this Agreement. This Agreement is, and each other Document to which either Party is a party when delivered hereunder will be, the legal, valid and binding obligation of the respective Party, enforceable against the respective Party in accordance with its respective terms.

#### **5.9 No Litigation.**

There is no action, suit, investigation, litigation or proceeding affecting either Party pending or threatened before any court, governmental agency or arbitrator that purports to affect the legality, validity or enforceability of this Agreement, any Document or the consummation of the transactions contemplated thereby or by this Agreement.

#### **5.10 No Tax Lien.**

NPP warrants that Collateral is free of all tax liens claims and/or encumbrances and that NPP will pay and remit on a timely basis all applicable state and federal tax levied or assessed upon the Accounts Receivable or the Collateral.

### **5.11 ISO-NE Membership.**

NPP warrants that it is duly qualified and accepted as a member of the ISO-NE or has a contract with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 and is in compliance with the rules and regulations of the ISO-NE as of the Effective Date of this Agreement.

### **5.12 General Representations.**

Each Party represents that it shall perform its obligations under this Agreement in compliance with all applicable laws, tariffs, and R.I.P.U.C. regulations in effect during the term of this Agreement. Each person executing this Agreement for each Party represents and warrants that he or she has authority to bind that Party. Each Party represents that: (a) it has the full power and authority to execute, deliver, and perform this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms. Each Party shall exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement and carry out its duties in accordance with applicable recognized professional standards.

## **ARTICLE 6 COVENANTS AND OBLIGATIONS**

### **6.1 Legal Identity.**

During the Term of this Agreement and until all of NPP's obligations under this Agreement are completed or satisfied, NPP agrees that it will:

- (a) provide Company with sixty (60) days' prior written notice of any change in [specify, corporation/limited liability company / partnership] existence and status as a registered organization;
- (b) provide Company with sixty (60) days' prior written notice, if NPP merges into or consolidates with any other entity, or sells all or substantially all of its assets;
- (c) provide Company with thirty (30) days' prior written notice of any change in NPP's state where it is located, incorporated or is registered, as the case may be;
- (d) not change its corporate name without providing Company with thirty (30) days' prior written notice;
- (e) not grant any security interest in the Collateral except to Company; and
- (f) remain a duly qualified member of ISO-NE and use its best efforts to maintain its membership status in accordance with the rules and regulations of the ISO-NE or continue to meet its transaction requirements through a contractual arrangement with a NEPOOL participant in accordance with 810-RICR 40-10-2.3 to qualify as a NPP. NPPs shall notify Company within two (2) Business Days of notification from the ISO-NE of any change in NPP's membership status or within two (2) business days after NPP ceases to be a counterparty to a contract with a NEPOOL participant to the extent that the cessation of such contract results in the NPP failing to qualify as a NPP. At any time, NPP, in its sole discretion, may terminate any contract it may have with a NEPOOL participant when such contract is unrelated to this Agreement or its qualification as a NPP.

### **6.2 Cooperation.**

Each Party agrees to cooperate with the other to the fullest extent possible under the law and to use its best efforts to facilitate the transactions under this Agreement. Such cooperation shall include, but not be limited to, supplying the other with all information and assistance that may be necessary or helpful to the requesting Party in performing under this Agreement, establishing the accuracy of any Accounts Receivable or in correcting errors.

### **6.3 Document Delivery.**

NPP hereby agrees to promptly execute and/or deliver to Company any and all Documents Company deems necessary to evidence Company's first priority security interests in the Collateral and satisfy NPP's obligations under this Agreement. NPP authorizes Company to file and/or record Documents, at NPP's sole cost and expense, including Financing Statements deemed necessary by Company to perfect its interest in the Collateral under the UCC and put third parties on notice of Company's interest in the Collateral. NPP further agrees that Company may execute, file and/or record any such other documents at NPP's sole cost and expense, if required, to evidence Company's interest in the Collateral, for and on behalf of NPP. NPP must submit a completed NPP Information form. The form is found in Attachment C. NPP acknowledges and agrees that no further Documents are required to evidence Company's obligations to NPP under this Agreement.

### **6.4 Third Party Financing Statements.**

NPP shall:(a) obtain any and all necessary amendments or terminations of financing statements, filed by any third party ("Third Party Financing Statements"), before the commencement of the Term of this Agreement against NPP as a debtor in the Collateral contemplated under this Agreement, specifically obtaining a release of the Collateral; and (b) ensure that any and all Third Party Financing Statements filed subsequent to the commencement of the Term of this Agreement shall expressly (i) except the Collateral from the description of collateral therein, and (ii) specifically reference this Agreement to ensure continuation of Company's first priority perfected security interest in the Collateral.

### **6.5 Notification.**

In addition to the requirements in Article 7, NPP shall provide copies to Company of any Third Party Statements filed after the commencement of the Term of this Agreement prior to the filing of any such statements to allow Company to review such Third Party Financing Statements. After its receipt of the Third Party Financing Statements, Company shall have three (3) Business Days to object to such statements on the ground that the execution of the Third Party Financing Statement would grant a security interest in the Collateral or otherwise affect Company's security interest in the Collateral. NPP shall deliver the Third Party Financing Statements by a nationally recognized courier service and by facsimile to Company at the address and facsimile numbers set forth in Section 15.7 of this Agreement. Third Party Financing Statements delivered by facsimile shall be deemed given on the day of receipt; provided that the statements delivered by nationally recognized courier service are received by Company before noon Rhode Island time on the next Business Day following the receipt of the facsimile.

### **6.6 Suspension of Tariff Delivery Service.**

In connection with the receipt of Standard Complete Billing Services as defined in Section 2.1 (a) of this Agreement, during the Term of this Agreement, NPP assigns to Company any and all rights to request Company to suspend its Tariff delivery service or collect Accounts Receivable and Competitive Supplier waives all of its rights to exercise these activities without Company's consent.

### **6.7 Parties' Responsibilities.**

(a) NPP shall notify Company within twenty-four (24) hours in writing if its registration to act as a NPP, as provided in 810-RICR 40-10-2.3 and 815-RICR-30-05-1, is rescinded by the Division of Public Utilities and Carriers, or surrendered by the NPP, pursuant to 815-RICR-30-05-1, in such a way that it materially affects NPP's performance under this Agreement. Surrender or rescission of NPP's registration shall be grounds for immediate termination of this Agreement by the Company.

- (b) Company shall notify NPP within a reasonable period of discovery of its inability to pay for the Account Receivables or its inability to perform any material obligations under this Agreement.
- (c) Company shall notify NPP if the R.I.P.U.C. takes action with respect to Company's ability to operate as a public utility in such a way that it materially affects Company's performance under this Agreement, including but not limited to suspension, revocation, modification, or non-renewal.
- (d) NPP shall notify Company no less than forty-eight (48) hours prior, as applicable, to an event reasonably within the NPP's knowledge, and of which NPP has reason to believe Company has no knowledge, that will render NPP or its agent unable to maintain their status with NEPOOL, required to serve load. Upon such notice or upon the occurrence of such an event, Company shall have the immediate right to switch the affected NPP's Customers to Last Resort Service, under the Company's tariffs, and Company's obligation to purchase Unbilled Accounts Receivable under this Agreement would cease for such Customers.
- (e) NPP shall update information requested in Attachment C ten (10) days prior to any change in information contained in Attachment C. Company shall update information in Attachment D fifteen (15) days prior to any change in information contained in Attachment D.
- (f) NPP acknowledges that Company will select and may from time to time change the electronic transmission vehicle. Company will not change the electronic transmission vehicle without first providing NPP via Internet electronic mail at least fifteen (15) days' prior written notice of any such change.
- (g) NPP acknowledges that Company will not include NPP's preexisting balances on Standard Complete Billing for newly enrolled Customers.
- (h) NPP acknowledges that Company is authorized to deny Generation Service to Customers if Company has terminated such Customer's Distribution Service in accordance with the rules and regulations of the R.I.P.U.C., including the R.I.P.U.C.'s billing and termination regulations, until such time as the Customer is reinstated by the Company. In order for the NPP to serve such a Customer after reinstatement, NPP must re-enroll the Customer.
- (i) During the term of this Agreement, as to any EDI standards implemented, subsequent to the initial testing period, NPP shall be required to successfully complete testing of said standards in accordance with EDI.

## **ARTICLE 7**

### **CONDITIONS PRECEDENT**

The commencement of the Term and the obligations of NPP and Company under this Agreement are subject to the satisfaction of the following *conditions precedent*:

7.1 NPP shall deliver the following information to the Company, marked to the attention and address of Company's representative in Section 15.7, prior to the commencement of the Term of this Agreement:

- (a) complete list of any liens in favor of a third party, as creditor, against NPP as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (b) copies of all documents evidencing such liens including any Third-Party Financing Statement filed against NPP, as debtor in Rhode Island and in the NPP's state of organization or incorporation;
- (c) a certified copy of a lien search of NPP from the UCC filing offices under the UCC or a report that is complete and satisfactory to Company, such that Company is satisfied that any Collateral that has been previously pledged by the NPP whether recorded or not, has been fully discharged and released, and that no lien currently is recorded against the Collateral. An uncertified lien search obtained from an internet-based website from NPP's state of organization shall not satisfy the requirements under this Section. The lien search obtained shall be at NPP's sole cost and expense; and
- (d) an original or certified copy of a certificate of good standing with respect to NPP issued by

the Secretary of State of NPP's jurisdiction of organization and, if such jurisdiction is not the State of Rhode Island, then an original certificate of authority evidencing that NPP is duly qualified and in good standing as a foreign organization in the State of Rhode Island.

**7.2 Registration.**

NPP shall provide evidence to the Company that the NPP has registered with the Rhode Island Division of Public and Carriers

**7.3 Payment of Taxes.**

In accordance with Section 3.4, the amount of taxes invoiced to Customers in connection with NPP's portion of Billed Amounts will be provided in NPP's Statements/Reports. NPP shall be considered the vendor for purposes of liability for taxes related to Billed Amounts. Nothing in this Agreement shall be construed as imposing upon Company the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of NPP with respect to any Billed Amounts or with respect to Company's purchase of Accounts Receivable from NPP. NPP shall be liable for and shall pay all such taxes, and shall further indemnify, defend, and save harmless Company from and against any and all liability for such taxes, and any interest or penalties thereon.

**7.4 Failure to Provide Satisfactory Information.**

If the information provided by NPP under this Article 7 is not, in the reasonable opinion of Company, satisfactory, complete and acceptable in form and substance, and such information does not provide adequate evidence that Company's interest in the Collateral is superior to any third party's interest, then Company may provide written notice to NPP that the Term of this Agreement shall not commence and shall not be effective until the required information has been provided.

**ARTICLE 8**

**TERM OF AGREEMENT**

8.1 The initial term of this Agreement ("Term") shall commence on the date (the "Effective Date") that is the later to occur of (a) the date of this Agreement or (b) the date that NPP submits the initial Billing Price Determinants to Company; provided, however, that NPP fulfills its condition precedents under Article 7 to Company's satisfaction. If NPP does not fulfill the obligations under Article 7, the Term of this Agreement shall not commence and no obligations will arise with respect to Company and this Agreement shall be null and void. The Term of this Agreement shall only commence in accordance with express terms and conditions of this Agreement and continue in full force and effect for the duration of the Program, unless earlier terminated in accordance with Article 9.

**ARTICLE 9**

**TERMINATION/EVENT OF DEFAULT**

**9.1 Termination for Convenience.**

Subject to R.I.P.U.C. approval, either Party may terminate for convenience this Agreement upon sixty (60) days' prior written notice to the other Party.

**9.2 Termination for Default.**

Except as otherwise provided in this Article 9, this Agreement may be terminated by either Party (the "Terminating Party") upon prior written notice to the other Party upon the occurrence of any of the following events ("Events of Default") with respect to the other Party (the "Defaulting Party"):

(a) the Defaulting Party's failure to make any payment required under this Agreement when or before due which failure continues for five (5) days after receipt of written notice from the Terminating Party; or (b) Any representation or warranty made or deemed made by the Defaulting Party herein or in connection with this Agreement proves to have been incorrect in any respect when made or deemed made; or (c) the Defaulting Party's failure to materially perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for a period of thirty (30) days after written notice thereof shall have been given to the Defaulting Party; or (d) the Defaulting Party's ceasing to do business for five (5) or more days, or generally not paying its debts as such debts become due; or admitting in writing its inability to pay its debts generally or making an assignment for the benefit of creditors; or the institution of any proceeding by or against the Defaulting Party seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization arrangement, adjustment, protection relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it) either such proceeding shall remain undismissed or unstayed for a period of sixty (60) days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Defaulting Party or any of its Subsidiaries or Affiliates shall take any corporate/organizational action to authorize any of the actions set forth or the appointment of a receiver, trustee or custodian over, or an execution, attachment or levy upon, all or any material part of the property of the Defaulting Party.

Upon termination for default, the Terminating Party shall have the additional right to declare all amounts owing under this Agreement from the Defaulting Party to be immediately due and payable.

### **9.3 Additional Rights.**

In addition to the termination rights set forth in Section 9.1 and 9.2 above, the Parties have the following additional rights under the Agreement:

- (a) In the event of a Party's failure to comply with the Municipal Aggregation Terms and Conditions, or NPP Terms and Conditions, as appropriate, or with any tariffs on file with the FERC that may be applicable to the Program, or with any tariffs on file with the R.I.P.U.C. or R.I.P.U.C. requirements applicable to the Program, the other Party shall have the right to exercise any such rights authorized and provided in the Terms and Conditions or by any R.I.P.U.C. requirements applicable to the Program including the right to immediately terminate this Agreement;
- (b) In the event of either Party's failure to maintain in place at all times, any and all governmental approvals, if required, for the Party to receive service from the other under this Agreement or to sell the Generation Service to Customers, whether such approvals are issued by the R.I.P.U.C. or other state or federal regulatory authority of competent jurisdiction, the other Party shall have the right to immediately terminate this Agreement and/or seek relief from the R.I.P.U.C. upon the expiration of any applicable cure period provided to the other Party by such state or regulatory authority; and
- (c) In the event of a Party's breach of this Agreement or any other written agreement with the other Party in connection with the Program, the aggrieved Party shall have the right to terminate this Agreement in the event such breach continues uncured for ten (10) days after written notice of termination to the other Party.

#### **9.4 Payment Obligations.**

At the end of the Term or upon the earlier termination of this Agreement, whether for convenience or otherwise, the Parties shall remain responsible for their respective payment or reimbursement obligations of any and all sums due or owing under this Agreement prior to such termination. Each Party shall have the right to set off such sums against amounts otherwise payable to the other Party in accordance with the provisions of this Agreement.

#### **9.5 Cumulative Remedies.**

The rights and remedies set forth in this Article 9 are in addition to any and all rights allowed by this Agreement, the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or any other applicable tariff, the UCC, the applicable laws of the State of Rhode Island, and any applicable rules and regulations thereunder or the common law. All rights and remedies shall be cumulative and may be exercised separately or concurrently.

### **ARTICLE 10 RESERVED**

### **ARTICLE 11 FORCE MAJEURE**

11.1 Any delays in or failure of performance by the Parties, other than the payment of monies, shall not constitute an Event of Default and shall be excused under this Agreement, if and to the extent such delays or failures of performance are caused by occurrences that are both: (a) beyond the reasonable control of the affected Party, including, but not limited to, acts of God, compliance with any order or request of any governmental or judicial authority, compliance with Company's public service obligations, riots or strikes or other concerted acts of workers, storms, fires, floods, and accidents; and (b) beyond the ability of the affected Party to prevent, by the exercise of reasonable diligence. In the event of a force majeure, both Parties shall take all reasonable steps to comply with this Agreement.

### **ARTICLE 12 LIMITATION OF LIABILITY**

#### **12.1 Liability limitations.**

The Parties acknowledge that the liability provisions in Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, are incorporated herein by reference. For purposes of such liability and indemnification, however, the Parties acknowledge and agree that nothing in such Terms and Conditions prohibits one Party from impleading the other Party as a third-party defendant, whether or not one or both Parties are named defendants in the initial claim of a third-party. The third-party claim shall be stayed pending resolution of any dispute regarding liability and indemnification under this Agreement. Such resolution shall be final and binding upon the Parties only after agreement between the Parties or after entry of a final judgment, after any further appeals of a court of competent jurisdiction to which any appeal may have been taken from the determination of the arbitrator(s). The Parties acknowledge and agree that for purposes of Section 6 of the NPP Terms and Conditions and Section 10 of the Municipal Aggregation Terms and Conditions, as applicable, a Party seeking recovery from the other Party in connection with the performance of its obligations of the Terms and Conditions shall not be entitled to recovery if its conduct is deemed to be more negligent than the conduct of the other Party. The Parties expressly acknowledge and agree that the dispute resolution provision in Section 15.19 of this Agreement shall apply to any and all disputes arising under this paragraph, including without

limitation, those disputes that arise as a result of either of the Parties being named as a defendant in the primary action or being named as a third-party defendant by a defendant in the primary action. Notwithstanding anything in this Agreement or the Terms and Conditions to the contrary, each Party's liability under this Agreement shall be limited to direct damages and in no event shall either Party be liable to the other Party for any indirect, incidental, consequential, punitive, special, or exemplary damages under any theory of law that is now or may in the future be in effect, including without limitation: contract, tort, strict liability, or negligence, including, but not limited to, lost profits or revenues and expenses involving cost of capital. Notwithstanding the availability of other remedies at law or in equity, either Party hereto shall be entitled to specific performance to remedy a breach of this Agreement by the other Party. The provisions of this Article 12 shall survive the expiration, cancellation, or termination of this Agreement.

### **ARTICLE 13 INDEMNIFICATION**

13.1 The Company and NPP shall indemnify and hold each other and their respective Affiliates, and directors, officers, employees, and agents of each of them harmless from and against any and all damages, costs, including attorneys' fees, fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts, omissions of such Party in connection with the performance of its obligations under the Terms and Conditions. The Company and NPP shall waive recourse against the other Party and its Affiliates for or arising from the non-negligent performance by such other Party in connection with the performance of its obligations under the Terms and Conditions.

13.2 The Parties agree that the NPP's obligations pursuant to Section 12 herein are limited solely to Section 12 herein, and include Liabilities associated with: (a) NPP's acts or omissions regarding the Accounts Receivable or billing determinants provided by NPP; (b) NPP's failure to remit to the appropriate taxing jurisdiction any taxes; (c) any other agreement or understanding alleged to have been made with Competitive Supplier in connection with the Collateral or Collateral-related transactions contemplated by this Agreement, and (d) any inaccuracy in any document or affidavit provided to Company under this Agreement or other breach of any representation or warranty or affidavit made by NPP in this Agreement. The Parties agree that a Party's obligations pursuant to Section 12 herein include Liabilities associated with (a) a failure by a Party to satisfy its obligations under this Agreement; and (b) all costs and expenses, including reasonable fees and expenses of counsel and other advisors, associated with any costs or losses incurred by a Party in connection with the Liabilities. The Parties agree that the Company's obligations to NPP pursuant to Section 12 herein are limited solely to Section 12 herein does not alter or in any way modify or nullify any limitations on the Company's liabilities pursuant to other Company tariffs, including, but not limited to Company's Terms and Conditions for Distribution Service. Moreover, pursuant to Company's NPP Terms and Conditions in Section 4.2 and the Company's Municipal Aggregation Terms and Conditions in Section 9E, the Company shall not be responsible for any estimating errors and shall not be liable to the NPP for any costs that are associated with such estimating errors.

13.3 RESERVED.

13.4 **Defense.** NPP and Company, respectively, shall take action to defend, indemnify and hold the Indemnified Parties harmless against any and all claims, actual or threatened, promptly, but in no event later than the service of a notice, summons, complaint, petition, or other service of process with

respect to such claims, including, as applicable, the engagement of legal counsel, to respond to, defend, or settle, or compromise any claim or threatened claim.

**13.5 Enforcement.** NPP and Company respectively shall pay any and all costs and expenses (including reasonable attorneys' fees) incurred to enforce the provisions of this Article 13.

**13.6 Survival.** The obligations set forth in this Article 13 shall survive the expiration, cancellation, or termination of this Agreement.

## **ARTICLE 14 NONDISCLOSURE**

### **14.1 Nondisclosure of Confidential Information.**

Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including Affiliates, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, Customers of either or both Parties, suppliers for either Party, personnel of either Party; any trade secrets; and other information of a similar nature whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information obtained by a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a Party who was under an obligation of confidentiality to the other Party to this Agreement, or information developed by either Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own Confidential Information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

### **14.2 Exceptions.**

Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosures, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

### **14.3 Data Security Agreement**

NPP shall be required to execute the Company's Data Security Agreement provided as Attachment F as a condition to participating in this Agreement.

## **ARTICLE 15 MISCELLANEOUS**

### **15.1 Entire Agreement/Integration/Merger/Survival.**

This Agreement, as may be amended in accordance with Section 15.3, constitutes and expresses the entire understanding between the Parties with respect to the subject matter hereof. The Parties agree

that there are no understandings, agreements, or representations, expressed or implied, other than those expressed herein. This Agreement supersedes and merges all prior and contemporaneous agreements, discussions, understandings, inducements or conditions, whether expressed or implied, written or oral. This Agreement shall not merge with or be terminated or suspended by any future agreement between the Parties which does not specifically and in writing so provide. Upon execution of this Agreement by the Parties, except as otherwise provided in this Agreement, the Parties shall no longer be bound by the terms and provisions of any previous definitive billing service agreements between the Parties and such agreements shall be terminated and superseded by this Agreement, except for such terms and provisions that expressly or by their operation survive the termination or expiration of such definitive billing services agreement, provided that such terms do not conflict with the terms of this Agreement. As of the expiration of this Agreement or, if earlier, its termination, the Parties shall no longer be bound by the terms and provisions hereof, except (a) to the extent necessary to enforce the rights and obligations of the Parties arising under this Agreement before such expiration or termination or (b) for such terms and provisions that expressly or by their operation survive the termination or expiration of this Agreement.

#### **15.2 No Further Obligation.**

Upon expiration, cancellation, or termination of this Agreement, Company shall thereafter have no obligation to include NPP's Accounts Receivable on its bills to Customers.

#### **15.3 Modifications**

This Agreement, and any provision thereof, shall not be superseded, modified, amended, waived, or otherwise changed, except in a writing duly signed by both Parties.

**15.4 Assignment.** NPP shall not assign all or any part of the monies payable by Company under this Agreement without the prior written consent of Company, which consent Company shall not unreasonably withhold, except NPP may, upon twenty (20) days' prior written notice to Company, assign such monies to any lender of NPP, or financial institution of NPP for financing or credit purposes excluding any assignment of the Collateral. NPP, to the fullest extent of the law, shall indemnify and hold Company harmless from any loss, damage, or claim which may at any time be imposed on, incurred by, or asserted against Company by NPP or any third parties (including Customers) that are directly or indirectly caused by, arise out of or under, or are associated with, incident to or in connection with any assignment under this Section 15.4. Notwithstanding anything to the contrary herein, under no circumstances shall NPP sell, assign, transfer, pledge or otherwise dispose of any of the Collateral. In addition, either party may subcontract its duties under this Agreement to a subcontractor provided that the subcontracting party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, and shall serve as the point of contact between its subcontractor and the other party, and the subcontractor shall meet the requirements of any applicable laws, rules, regulations, and Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. The assigning or subcontracting party shall provide the other party with thirty (30) calendar days' prior written notice of any such subcontracting or assignment, which notice shall include such information about the subcontractor as the other party shall reasonably require.

**15.5 Successors Bound.** This Agreement shall be binding upon and inure to the benefit of each Party and its respective legal representatives, successors, and permitted assigns and shall survive any acquisition merger, reorganization or other business combination to which it is party.

**15.6 No Third-Party Beneficiaries.** This Agreement is solely between the Parties and is not intended to confer any rights whatsoever on any third parties.

**15.7 Notices.** Except as otherwise provided in this Agreement, each Party hereby designates the following individuals to be its duly authorized representative for the receipt of any legal or contractual notices required to be sent to such Party. Such notices shall be deemed duly sent when personally delivered or mailed by registered or certified mail, return receipt requested, postage prepaid, to the intended Party's designated representative at the addresses set forth hereafter or to such other address as the Party to whom the same is intended shall have specified in conformity with this provision.

National Grid Attn: Manager of Supplier Services 175 East Old Country Road Hicksville, New York 11801 Facsimile Number: 516-545-3250

NPP's notice information is provided in Attachment C to this Agreement.

**15.8 Choice of Law.**

This Agreement shall be interpreted and enforced according to the laws of the State of Rhode Island without regard to the choice of law provisions thereof. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence. The Parties hereby consent to the personal jurisdiction of courts in the State of Rhode Island in any litigation or proceeding concerning any issues related to this Agreement, including the validity, enforceability, or interpretation of this Agreement.

**15.9 Severability.** To the extent that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, it shall be severed from this Agreement without affecting the validity, legality or enforceability of the remaining provisions of the Agreement.

**15.10 Headings.** The headings contained in this Agreement are provided solely for the convenience of the Parties and shall neither expand nor restrict the rights and obligations created herein.

**15.11 Conflict: Order of Precedence.**

In the event of conflict between the terms of this Agreement as executed or amended and the provisions of the Municipal Aggregation Terms and Conditions or the NPP Terms and Conditions, as applicable, including, without limitation, the definitions set forth in this Agreement, any conflict will be resolved in the following order of precedence: Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, Agreement.

**15.12 No Waiver.**

No failure on the part of any Party to exercise, or delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

**15.13 Additional Service(s) and Opt-In Programs.**

In the event that NPP requests additional service(s) from Company that are not provided under this Agreement, Company will provide NPP with a price quote(s) for service(s) so requested. If NPP accepts Company's price quote(s) and Company agrees to provide such service(s), then the associated prices for each service shall be more fully set forth on Attachment B, annexed hereto and

made a part hereof. The additional service(s) set forth on Attachment B shall be in addition to any service(s) under this Agreement and shall be at NPP's sole cost and expense. NPP shall pay Company for the additional service(s) in accordance with the price and upon terms set forth on Attachment B.

**15.14 Execution in Counterparts.**

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by electronic transmission (whether by telecopier or by email) shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by electronic transmission shall be deemed to be their original signatures for all purposes. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought.

**15.15 RESERVED**

**15.16 Fees.** Company may charge fees to NPP as set forth in Attachment D or the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable. Company shall have the right to subtract fees that NPP owes to Company, and that are sixty (60) days or more past due, from amounts Company collects on behalf of NPP for reimbursement to NPP. Amounts subject to a good faith dispute will not be subject to deduction. NPP reserves the right to dispute such charges and/or claim that such charges are inconsistent with the Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, or are otherwise not in accordance with the law.

**15.17 Billing and Payment for Services.**

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

**15.18 RESERVED**

**15.19 Dispute Resolution.**

Disputes hereunder shall be reduced to writing and referred to the Parties' representatives for resolution. The Parties' representatives shall meet and make all reasonable efforts to resolve the dispute. Pending resolution, the Parties shall continue to fulfill their obligations under this Agreement in good faith, unless this Agreement has been suspended or terminated as provided in Article 9.0. If the Parties fail to resolve the dispute within thirty (30) days, they may mutually agree to pursue mediation or arbitration to resolve such issues. The Parties agree that the place of mediation or arbitration shall be Providence, Rhode Island.

In witness whereof, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date above.

**NPP**

**THE NARRAGANSETT ELECTRIC COMPANY**

Name (Print):

Name:

Signature:

Signature:

Title:

Title:

Date:

Date:

**ATTACHMENT A**  
**BILLING PRICE DETERMINANTS**

**NPP Name:**

**NPP ID Leave blank**

**Effective Date:**

## **ATTACHMENT B**

### **ADDITIONAL SERVICES**

The following is a list of Additional Services, as described in Section 15.13. Printing of NPP Logo on Customer Bill Other Additional Services

## ATTACHMENT C

### NPP INFORMATION

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

#### A. General Information (all NPPs)

1. Legal name of the NPP
2. d/b/a name, if applicable
3. NPP Address
4. Type of Business Entity
5. NPP Customer Service phone number
6. NPP Tax Identification number
7. NPP Dun & Bradstreet number
8. Name of the NPP's general contact
9. NPP's general contact phone number
10. NPP's general contact facsimile number
11. NPP's general contact e-mail address
12. Name of NPP's technical contact
13. NPP's technical contact phone number
14. NPP's technical contact facsimile number
15. NPP's technical contact e-mail address
16. Has NPP attended Rhode Island NPP Training?
17. Is NPP registered with the Rhode Island Division of Public Utilities and Registration Number

#### B. Billing and Banking Information

- 1 If the NPP is planning to assign its own account number, provide format and size
- 2 Name of receiving bank (to accept electronic transfer of Customer Payments)
- 3 Routing and transit number (ABA number)
- 4 Bank account number

#### C. Value Added Network (VAN)

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

#### D. Establishment of NEPOOL Tie Line

- 1 Name of the NEPOOL Participant in whose NEPOOL Own Load Dispatch the NPP's load will be served
- 2 Own Load Number (if available)
- 3 NPP contact name
- 4 NPP contact phone number
- 5 NPP contact facsimile number
- 6 NPP contact e-mail address
- 7 Estimated Load Transfer (KW Demand)
- 8 Estimated Transfer

**E. NPP Load Allocation, if requested**

- 1 Check to receive load estimation results Yes No
- 2 NPP contact name
- 3 NPP contact phone number
- 4 NPP contact e-mail address

**F. Notices to NPP shall go to:**

Name:

Address:

Phone Number:

Facsimile Number:

Electronic Mail:

Authorized Signature:

Title:

Date:

## **ATTACHMENT D COMPANY SPECIFIC PROVISIONS**

### **1. Budget and Payment Options**

NPP acknowledges that Company offers customers payment options that include budget and payment plans. Both options modify the amount that is considered the current amount due. Payment plans will normally generate a current amount due greater than the actual monthly charges as this option is typically used to recover the current month's bill plus some portion of the total outstanding balance. Budgets are typically used to allocate an annual bill equally over twelve months. This equal allocation can generate a current amount due that is greater than or less than the actual calculated charges for a given billing period. Budgets or payment plans shall not affect any Accounts Receivable Purchase Price offered pursuant to this Agreement.

### **2. Summary Billing**

NPP acknowledges that Company offers a summary billing option, which allows qualified Customers with multiple electric service accounts to consolidate multiple individual billings on a single bill format.

### **3. Fees**

NPP agrees to pay any fees once and as approved by the R.I.P.U.C. Company shall notify Supplier of the approval of any such fees, as included in the Company's Municipal Aggregation Terms and Conditions or NPP Terms and Conditions, as applicable, as amended from time to time.

### **4. Holidays and Time**

Any reference made with respect to time either in this agreement is understood to be Eastern Standard Time adjusted to account for Daylight Savings Time. The Company observes the following holidays and will not receive or process electronic transactions on the following days: New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, The Last Weekday Before Christmas Day, and Christmas Day. All holidays will be the nationally observed day.

### **5. Business Continuity Plan**

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

### **6. Company Contact**

Information on how to contact the Company's representative for the administration of this Agreement shall be posted on the Company's web site.

## ATTACHMENT E

### PURCHASING OF EXISTING ACCOUNTS RECEIVABLE

#### Transition Rate Calculation Methodology

- After final approval by the R.I.P.U.C. of the Company's implementation plan for the purchase of a NPP's Accounts Receivable ("AR") pursuant to R.I.P.U.C., the risk of the collective NPP's commodity AR will be determined as of the last day of the month that is at least one month prior to the R.I.P.U.C. final order "go-live" date in R.I.P.U.C. 5073 ("AR Date").
- The Company will first determine an indebtedness portfolio by assigning each customer's AR existing at the time of the AR Date to an indebtedness bucket (e.g., 0-29 days, 30-59 days, 60-89 days plus, 90-119 days, and 120 days plus). The AR will consist of the delivery and commodity charges for all of the Company's customers, inclusive of the commodity charges billed on behalf of NPPs. An uncollectible risk rate for each indebtedness bucket will be determined by dividing the write-offs associated with each bucket over the 12-month period following the AR portfolio existing at the month-end 12-months prior to the AR Date plus the charge-back credits to the NPPs over that same period that stem from the same AR portfolio, by the indebtedness AR.
- Three collective Transition Rates will be determined for all NPPs: Residential; Commercial; and Industrial. These collective Transition Rates are defined as the weighted average of the uncollectible risk rates for each indebtedness bucket. Three single blended Transition Rates will be provided to all NPPs by these three Customer classes.
- Any existing AR for a NPP will be purchased at the discount amounts represented by the three Transition Rates upon the NPP's initiation of the Program.

**Indebtedness:** The collective view of a customer's accounts receivable against which an uncollectible risk rate is assessed. In this perspective, all of a customer's accounts receivable is gathered into an aged bucket in which their oldest dollar lies. For example, assume a single customer's accounts receivable is spread in the following manner on a straight aging basis:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$100 \$100 \$100 \$100 \$100 \$500

In an indebtedness view, this customer's accounts receivable is placed in the bucket where its oldest dollar lies:

**Days 0-29 30-59 60-89 90-119 120+ Total A/R**  
\$0 \$0 \$0 \$0 \$500 \$500

- The calculation of the Transition Rates will be consistent with the illustrative methodology presented in the Transition Rate Model addendum.

#### NATIONAL GRID TRANSITION RATE MODEL ADDENDUM

##### *ILLUSTRATIVE EXAMPLE*

ESCO COLLECTIVE TOTAL INDEBTEDNESS A/R on "AR Date" -- mm-dd-2014  
(5000's)

0-29 30-59 60-89 90-119 120+

RES AR \$ 3,135 \$ 1,523 \$ 806 \$ 372 \$ 1,164 \$

NONRES AR \$ 11,908 \$ 7,299 \$ 2,305 \$ 576 \$ 8,912 \$

ESCO AR

7,000(a)

23,000(b)

\$ 15,043 \$ 8,822 \$ 3,111 \$ 948 \$ 2,076 \$ 30,000(c)

NATIONAL GRID UNCOLLECTIBLE RATES

(By Indebtedness Aging Buckets for 12-Mo Period ending on "AR Date")

(Write-Offs + Charge Backs divided by AR 12-Mo Prior to "AR Date")

0-29 30-59 60-89 90-119 120+

RES AR

NONRES AR

0.80% 3.00% 8.00% 14.00% 24.00%

0.20% 2,50% 4.00% 11.00% 23.00%

(d)

(e)

ESCO Collective Residential & Non-Residential Charge Off Estimates

0-29 30-59 60-89 90-119 120+

RES AR \$ 25 \$ 46 \$ 64 \$ 52 \$ 279 \$ (f) = [ (a) x (d) ]

NONRES AR \$ 24 \$ 182 \$ 92 \$ 63 \$ 210 \$ 572 (g) = 1 (b) x (e) ]

\$ 49 \$ 228 \$ 157 \$ 115 \$ 489 \$ 1,038 (li)

ESCO Collective Residential and Non-Residential Transition Rates

RES AR 6.67% (i) [ (1) / (a)

NONRES AR 2.49% (1) = [(g)/(b)]

ESCO Transition Rates by POR Customer Class

Commercial Industrial Total C&I

Delivery Delivery Delivery

Charge Offs Charge Offs Charge Offs

(5000's)

Historic delivery charge offs for Customers on Competitive Supply: \$ 125 \$ 250 \$ 375 (k)

Percentage of each class' delivery charge offs of the total: 33.33% 66.67% 100.00% (l) = [(k) customer class / (k) Total]

Allocated ESCO Non-Residential Estimated Charge Offs: \$ 191 \$ 381 \$ 572 (m) = (g) x (l) Total

Commercial Industrial Total C&I

Delivery Delivery Delivery

Revenue Revenue Revenue

(5000's)

Historic delivery revenue for Customers on Competitive Supply: \$ 70,000 \$ 350,000 \$ 420,000 (n)

Percentage of each class' delivery revenue of the total: 16.67% 83.33% 100.00% (o) = [(n) customer class / (n) Total]

Allocated ESCO Non-Residential Outstanding A/R: \$ 3,833 \$ 19,167 \$ 23,000 (p) = (o) x (b) Total

Residential Transition Rate: Proxy

Commercial Transition Rate: Proxy

Industrial Transition Rate:

6.67% (q) = (1)

4.97% (r) = [(m) / (p)] for Commercial Class

1.99% (s) F [(m) / (p)] for Industrial Class

**ATTACHMENT F**

**DATA SECURITY AGREEMENT**

# **DATA SECURITY AGREEMENT**

This Data Security Agreement (“Agreement”) effective \_\_\_\_\_, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between The Narragansett Electric Company (“Distribution Company”) and non-regulated power producer, [INSERT TYPE OF ENTITY AND STATE OF ORGANIZATION] (“NPP”) with offices at \_\_\_\_\_; and together with Distribution Company the (“Parties” and each, individually, a “Party”).

## RECITALS

WHEREAS, NPP desires to have access to Confidential Customer Distribution Company Information, or the Rhode Island Public Utilities Commission (“Commission”) has ordered Distribution Company to provide to NPP customer information; and

WHEREAS, NPP has obtained consent from all customers from whom the NPP intends to obtain information from Distribution Company; and

WHEREAS, NPP may utilize a third party to fulfill its Service obligations, including but not limited to, Electronic Data Interchange (“EDI”) communications with Distribution Company, data collection or analysis, or billing; and

WHEREAS NPP’s utilization of a third party provider does not relieve NPP of its transactional obligation; and

WHEREAS, Distribution Company and NPP also desire to enter into this Agreement to establish, among other things, the full scope of NPP’s obligations of security and confidentiality with respect to Confidential Customer Information in a manner consistent with the orders, rules and regulations of the Commission and requirements of Distribution Company, as well as the obligations of the Distribution Company under this Agreement; and

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agreeas follows:

### 1. Definitions.

- 
- a. “Confidential NPP Information” means information that NPP is: (A) required to receive from the end use customer and provide to Distribution Company to enroll the customer or (B) any other information provided by NPP to Distribution Company and marked confidential by the NPP, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without

reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

- b. “Confidential Customer Information” means information that is: provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.
- c. “Confidential Information” means, collectively, Confidential Customer Information or Confidential NPP Information.
- d. “Cybersecurity and Data Privacy Protections” refer to controls addressing the risk to IT systems and data. These cybersecurity requirements are applicable to NPP or its Third-Party Representative that electronically exchange Confidential Customer Information, not including by email, with Distribution Company. These controls also implement and address the risk of improper access, or misuse, of Confidential Customer Information. The data privacy protections are required of any NPP that processes Confidential Customer Information.
- e. “Data Protection Requirements” means, collectively, (A) all national, state, and local laws, regulations, or other government standards relating to the protection of information that identifies or can be used to identify an individual that apply with respect to NPP or its Representative’s Processing of Confidential Customer Information; (B) industry best practices or frameworks to secure information, computer systems, network, and devices using a defense-in-depth approach, such as and including, but not limited to, NIST SP 800-53, ISO 27001 / 27002, COBIT, CIS Security Benchmarks, Top 20 Critical Controls as best industry practices and frameworks may evolve over time; and (C) the Commission rules, regulations, and guidelines relating to data access, Cybersecurity and Data Privacy Protection. Subject to the above, NPP will determine and implement the necessary Cybersecurity and Data Privacy Protections to provide for the protection of Confidential Information.
- f. “Data Security Incident” means a situation when Distribution Company or NPP reasonably believes that there has been: (A) the loss or misuse (by any means) of Confidential Information; (B) the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of Confidential Information,

computer systems, network and devices used by a business; (C) any other act or omission that compromises the security, confidentiality, or integrity of Confidential Information, or (D) any material breach of any Data Protection Requirements in relation to the Processing of Confidential Information, including by any current or former Representatives.

- g. “Distribution Company Data” means data held by Distribution Company, whether produced in the normal course of business or at the request of NPP.
  - h. “NPP” means, as the context indicates, (i) Distribution Company’s counterparty to this Agreement, provided that in any case Distribution Company’s counterparty to this Agreement shall satisfy subsection (ii) of this definition, or (ii) any entity licensed by the R.I.P.U.C. to sell electricity to retail Customers in Rhode Island, except it shall not include: (1) a Distribution Company providing Last Resort Service to its distribution Customers, and (2) a municipal light department acting as a distribution company.
  - i. “PUC” or “Commission” shall have the meaning attributed to it in the Recitals.
  - j. “Processing” (including its cognate, “process”) means any operation, action, error, omission, negligent act, or set of operations, actions, errors, omissions, or negligent acts that is performed using or upon Confidential Information or Distribution Company Data, whether it be by physical, automatic or electronic means, including, without limitation, collection, recording, organization, storage, access, adaptation, alteration, retrieval, use, transfer, hosting, maintenance, handling, retrieval, consultation, use, disclosure, dissemination, exfiltration, taking, removing, copying, processing, making available, alignment, combination, blocking, deletion, erasure, or destruction.
  - k. “Third-Party Representatives” or “Representatives” means those agents acting on behalf of NPPs that are contractors or subcontractors and that store, transmit or process Confidential Customer Information. For the avoidance of doubt, Third-Party Representatives do not include NPPs and their members, directors, officers or employees who need to know Confidential Customer Information for the purposes of providing Services.
  - l. “Services” mean any assistance in the competitive markets provided by NPPs to end use customers that also require interaction with a Distribution Company, including but not limited to the electronic exchange of information with a Distribution Company.
2. **Scope of the Agreement.** This Agreement shall govern the Cybersecurity and Data Privacy Protections of NPPs that electronically receive or exchange customer information, other than email, from a direct connection with the Distribution Company IT systems and the privacy protections that apply to Confidential Information disclosed to NPP or to which NPP is given access by Distribution Company, including all archival or back-up copies of the Confidential Information held or maintained by NPP (or its Representatives) and Confidential NPP Information. No financial information, other than billing information, will be provided pursuant to this Agreement. If any information is inadvertently sent to

NPP or Distribution Company, NPP or Distribution Company will immediately notify the Distribution Company/NPP and destroy any such information in the appropriate manner.

3. **Customer Consent.** The Parties agree that Federal, State and local laws, and the orders, rules and regulations of the Commission govern an NPP's obligation to obtain informed consent from all customers before NPP requests Confidential Customer Information from Distribution Company. The NPP agrees to comply with the Federal, State and local laws, the orders, rules and regulations of the Commission, and the Distribution Company's tariffs regarding customer consent.
4. **Provision of Information.** Distribution Company agrees to provide to NPP or its Third-Party Representatives, certain Confidential Customer Information, as requested, provided that: (A) if the Distribution Company has identified a potential Cybersecurity or Data Privacy Protection issue NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) are in compliance with the terms of this Agreement in all material respects; (B) if required by Distribution Company due to the identification of a potential or actual Data Security Incident, NPP shall undergo an audit, at the NPP's expense;<sup>1</sup> (C) NPP (and its Third-Party Representatives with an electronic connection to the Distribution Company other than by email) shall have and maintain throughout the term, systems and processes in place and as detailed in the Self Attestation to protect Distribution Company IT systems, Data Privacy Protections and Confidential Customer Information. A copy of the required Self Attestation form is attached to this Agreement as Exhibit A. Provided the foregoing prerequisites have been satisfied, NPP shall be permitted access to Confidential Customer Information and/or Distribution Company shall provide such Confidential Customer Information to NPP. Nothing in this Agreement will be interpreted or construed as granting either Party any license or other right under any patent, copyright, trademark, trade secret, or other proprietary right or any right to assert any lien over or right to withhold from the other Party any Data and/or Confidential Information of the other Party. Distribution Company will comply with the security requirements set forth in its assessment.
5. **Confidentiality.** NPP shall: (A) hold all Confidential Customer Information in strict confidence pursuant to Commission's orders and rules; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential Customer Information to any Third-Party Representatives, or affiliates, except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential Customer Distribution Company Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential Customer Information; (E) store Confidential Customer Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential Customer Information under the provisions

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<sup>1</sup> An audit related to a Data Security Incident is used to verify that the necessary Cybersecurity and Data Privacy Protections are in place for the Distribution Company to provide certain Confidential Customer Distribution Company Information to the NPP or its Third-Party Representatives with an electronic connection to the Distribution Company, other than by email. The same audit requirements will apply as in Section 8. However, the NPP will be responsible for the cost of the audit in order to be authorized to receive data from the Distribution Company.

hereof; and (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential Customer Information as NPP employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care. At all times, Distribution Company shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential Customer Information are being observed and NPP shall be obligated to promptly provide Distribution Company with the requested assurances. An NPP may provide Confidential Customer Information to a Third-Party representative without a direct electronic connection with the Distribution Company, to assist the NPP in providing permitted Services, but an NPP utilizing such Third Party Representative shall be solely responsible and fully liable for the actions of the Third Party Representative.

Distribution Company shall: (A) hold all Confidential NPP Information in strict confidence; except as otherwise expressly permitted by Section 6 herein; (B) not disclose Confidential NPP Information to any other person or entity except as set forth in Section 6(a) of this Agreement; (C) not Process Confidential NPP Information other than for the Services defined in the Recitals as authorized by this Agreement; (D) limit reproduction of Confidential NPP Information; (E) store Confidential NPP Information in a secure fashion at a secure location that is not accessible to any person or entity not authorized to receive the Confidential NPP Information under the provisions hereof; (F) otherwise use at least the same degree of care to avoid publication or dissemination of the Confidential NPP Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care; and (G) to the extent required by NPP, each Third Party Representative with a need to know the Confidential NPP Information shall sign the Third-Party Representative Agreement set forth as Exhibit B to this Agreement. At all times, NPP shall have the right for cause to request reasonable further assurances that the foregoing restrictions and protections concerning Confidential NPP Information are being observed and Distribution Company shall be obligated to promptly provide NPP with the requested assurances.

This Section 5 supersedes prior data security agreements between the Parties pertaining to Confidential Information.

## 6. **Exceptions Allowing NPP to Disclose Confidential Customer Information.**

- a. **Disclosure to Representatives.** Notwithstanding the provisions of Section 5 herein, the Parties may disclose Confidential Information to their Third-Party Representatives who have a legitimate need to know or use such Confidential Customer Information for the purposes of providing Services in accordance with Commission orders and rules, provided that each such Third-Party Representative first is advised by the disclosing Party of the sensitive and confidential nature of such Confidential Customer Information. Notwithstanding the foregoing, the NPP shall be liable for any act or omission of its Third-Party Representative, including without limitation, those acts or omissions that would constitute a breach of this Agreement.
- b. **Disclosure if Legally Compelled.** Notwithstanding anything herein, in the event that a Party or any of its Third-Party Representatives receives notice that it has, will,

or may become compelled, pursuant to applicable law or regulation or legal process to disclose any Confidential Information (whether by receipt of oral questions, interrogatories, requests for information or documents in legal proceedings, subpoenas, civil investigative demands, other similar processes, or otherwise), that Party shall, except to the extent prohibited by law, within one (1) business day, notify the other Party, orally and in writing, of the pending or threatened compulsion. To the extent lawfully allowable, the Parties shall have the right to consult and the Parties will cooperate, in advance of any disclosure, to undertake any lawfully permissible steps to reduce and/or minimize the extent of Confidential Information that must be disclosed. The Parties shall also have the right to seek an appropriate protective order or other remedy reducing and/or minimizing the extent of Confidential Information that must be disclosed. In any event, the Party and its Third-Party Representatives shall disclose only such Confidential Information which they are advised by legal counsel that they are legally required to disclose in order to comply with such applicable law or regulation or legal process (as such may be affected by any protective order or other remedy obtained by the Party) and the Party and its Third-Party Representatives shall use all reasonable efforts to ensure that all Confidential Information that is so disclosed will be accorded confidential treatment.

7. **Return/Destruction of Information.** Within thirty (30) days after Distribution Company's written demand, NPP shall (and shall cause its Third-Party Representatives to) cease to access and Process Confidential Customer Information and shall at the Distribution Company's option: (A) return such Confidential Customer Information to Distribution Company in such manner, format, and timeframe as reasonably requested by Distribution Company or, if not so directed by Distribution Company, (B) shred, permanently erase and delete, degauss or otherwise modify so as to make unreadable, unreconstructible and indecipherable ("Destroy") all copies of all Confidential Customer Information (including any and all extracts, compilations, studies, or other documents based upon, derived from, or containing Confidential Customer Information) that has come into NPP's or its Third-Party Representatives' possession, including Destroying Confidential Customer Information from all systems, records, archives, and backups of NPP and its Third-Party Representatives, and all subsequent access, use, and Processing of the Confidential Customer Information by NPP and its Third-Party Representatives shall cease, provided any items required to be maintained by governmental administrative rule or law or necessary for legitimate business or legal needs will not be destroyed until permitted and will remain subject to confidentiality during the retention period. A Distribution Company making a written demand of an NPP for the return or destruction of Confidential Customer Information will specify the reason for the demand. NPP agrees that upon a customer revocation of consent, NPP warrants that it will no longer access through Distribution Company, Confidential Customer Information and that it will Destroy any Confidential Customer Information in its or its Third-Party Representative's possession. Notwithstanding the foregoing, NPP and its Third-Party Representatives shall not be obligated to erase Confidential Customer Information contained in an archived computer system backup maintained in accordance with their respective security or disaster recovery procedures, provided that NPP and its Third-Party Representatives shall: (1) not have experienced an actual Data Security Incident; (2) maintain Cybersecurity and Data Privacy Protections to limit access to or recovery of Confidential Customer Information from such computer backup system and; (3) keep all such Confidential Customer Information confidential in accordance with this Agreement.

NPP shall, upon request, certify to Distribution Company that the destruction by NPP and its Third-Party Representatives required by this Section has occurred by (A) having a duly authorized officer of NPP complete, execute, and deliver to Distribution Company a certification and (B) obtaining substantially similar certifications from its Third-Party Representatives and maintaining them on file. Compliance with this Section 7 shall not relieve NPP from compliance with the other provisions of this Agreement. The written demand to Destroy or return Confidential Customer Information pursuant to this Section may occur if the NPP has been decertified by the Commission, the Distribution Company has been notified of a potential or actual Data Security Incident and Distribution Company has a reasonable belief of potential ongoing harm or the Confidential Customer Information has been held for a period in excess of its retention period. The obligations under this Section shall survive any expiration of termination of this Agreement. Subject to applicable federal, state and local laws, rules, regulations and orders, at NPP's written demand and termination of electronic exchange of data with Distribution Company, Distribution Company will Destroy or return, at NPP's option, Confidential NPP Information.

8. **Audit.** Upon thirty (30) days' notice to NPP, NPP shall permit an auditor selected by the Distribution Company through a competitive solicitation and agreed to by the NPP ("CSA") to audit and inspect, at Distribution Company's sole expense (except as otherwise provided in this Agreement), and provided that the audit may occur no more often than once per twelve (12) month period (unless otherwise required by Distribution Company's regulators). The audit may include (A) the facilities of NPP and NPP's Third-Party Representatives where Confidential Customer Information is Processed by or on behalf of NPP; (B) any computerized or paper systems used to Process Confidential Customer Information; and (C) NPP's security practices and procedures, facilities, resources, plans, procedures, and books and records relating to the privacy and security of Confidential Customer Information. Such audit rights shall be limited to verifying NPP's compliance with this Agreement, including all applicable Data Protection Requirements. If the NPP provides a SOC II report or its equivalent to the Distribution Company, or commits to complete an independent third-party audit of NPP's compliance with this Agreement acceptable to the Distribution Company at NPP's sole expense, within one hundred eighty (180) days, no audit by an auditor selected by the Distribution Company through a CSA and conducted at Distribution Company's sole expense is necessary absent a Data Security Incident. Any audit must be subject to confidentiality and non-disclosure requirements set forth in Section 5 of this Agreement. The auditor will audit the NPP's compliance with the required Cybersecurity and Data Privacy Protections and provide those results to the Distribution Company and NPP. The audit report sent to the Distribution Company shall not include any NPP confidential information, it will simply provide an assessment as to the NPP's compliance with the terms of this agreement. In the event of a "failed" audit dispute, a complaint can be brought to the Commission. Distribution Company shall provide NPP with a report of the findings as a result of any audit carried out by an auditor selected by a CSA. NPP shall, within thirty (30) days, or within a reasonable time period agreed upon in writing between the NPP and Distribution Company, correct any deficiencies identified in the audit, and provide the SOC II audit report or its equivalent or the report produced by the independent auditor at NPP expense to the Distribution Company and provide a report regarding the timing and correction of identified deficiencies to the Distribution Company.

- 9. Investigation.** Upon notice to NPP, NPP shall assist and support Distribution Company in the event of an investigation by any regulator or similar authority, if and to the extent that such investigation relates to Confidential Customer Information Processed by NPP on behalf of Distribution Company. Such assistance shall be at Distribution Company's sole expense, except where such investigation was required due to the acts or omissions of NPP or its Representatives, in which case such assistance shall be at NPP's sole expense.
- 10. Data Security Incidents.** NPP is responsible for any and all Data Security Incidents involving Confidential Customer Information that is Processed by, or on behalf of, NPP. NPP shall notify Distribution Company in writing immediately (and in any event within forty-eight (48) hours) whenever NPP reasonably believes that there has been a Data Security Incident. After providing such notice, NPP will investigate the Data Security Incident, and immediately take all necessary steps to eliminate or contain any exposure of Confidential Customer Information and keep Distribution Company advised of the status of such Data Security Incident and all matters related thereto. NPP further agrees to provide, at NPP's sole cost: (1) reasonable assistance and cooperation requested by Distribution Company and/or Distribution Company's designated representatives, in the furtherance of any correction, remediation, or investigation of any such Data Security Incident; (2) and/or the mitigation of any damage, including any notification required by law or that Distribution Company may determine appropriate to send to individuals impacted or potentially impacted by the Data Security Incident; and (3) and/or the provision of any credit reporting service required by law or that Distribution Company deems appropriate to provide to such individuals. In addition, within thirty (30) days of confirmation of a Data Security Incident, NPP shall develop and execute a plan, subject to Distribution Company's approval, which approval will not be unreasonably withheld, that reduces the likelihood of a recurrence of such Data Security Incident. NPP agrees that Distribution Company may at its discretion and without penalty immediately suspend performance hereunder and/or terminate the Agreement if a Data Security Incident occurs and it has a reasonable belief of potential ongoing harm. Any suspension made by Distribution Company pursuant to this paragraph 11 will be temporary, lasting until the Data Security Incident has ended, the NPP security has been restored to the reasonable satisfaction of the Distribution Company so that Distribution Company IT systems and Confidential Customer Distribution Company Information are safe and the NPP is capable of maintaining adequate security once electronic communication resumes. Actions made pursuant to this paragraph, including a suspension will be made, or subject to dispute resolution and appeal as applicable, pursuant to processes as approved by the Commission.
- 11. No Intellectual Property Rights Granted.** Nothing in this Agreement shall be construed as granting or conferring any rights, by license, or otherwise, expressly, implicitly, or otherwise, under any patents, copyrights, trade secrets, or other intellectual property rights of Distribution Company, and NPP shall acquire no ownership interest in the Confidential Customer Information. No rights or obligations other than those expressly stated herein shall be implied from this Agreement.

**12. Additional Obligations.**

- a. NPP shall not create or maintain data which are derivative of Confidential Customer Information except for the purpose of performing its obligations under this Agreement, or as expressly authorized by the customer, unless that use violates Federal, State, and local laws, tariffs, rules, and regulations. For purposes of this Agreement, the following shall not be considered Confidential Customer Information or a derivative thereof: (i) any customer contracts, customer invoices, or any other documents created by NPP that reference estimated or actual measured customer usage information, which NPP needs to maintain for any tax, financial reporting or other legitimate business purposes; and (ii) Data collected by NPP from customers through its website or other interactions based on those customers' interest in receiving information from or otherwise engaging with NPP or its partners.
- b. NPP shall comply with all applicable privacy and security laws to which it is subject, including without limitation all applicable Data Protection Requirements and not, by act or omission, place Distribution Company in violation of any privacy or security law known by NPP to be applicable to Distribution Company.
- c. NPP shall have in place appropriate and reasonable processes and systems, including an Information Security Program, defined as having completed an accepted Attestation as reasonably determined by the Distribution Company in its discretion, to protect the security of Confidential Customer Information and protect against a Data Security Incident, including, without limitation, a breach resulting from or arising out of NPP's internal use, processing, or other transmission of Confidential Customer Information, whether between or among NPP's Third-Party Representatives, subsidiaries and affiliates or any other person or entity acting on behalf of NPP, including without limitation Third-Party Representatives. NPP and Distribution Company shall safely secure or encrypt during storage and encrypt during transmission all Confidential Information, except that no encryption in transit is required for email communications.
- d. NPP shall establish policies and procedures to provide reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual who is or may be the subject of a Data Security Incident involving Confidential Customer Information Processed by NPP to the extent such request, complaint or other communication relates to NPP's Processing of such individual's Confidential Customer Information.
- e. NPP shall establish policies and procedures to provide all reasonable and prompt assistance to Distribution Company in responding to any and all requests, complaints, or other communications received from any individual, government, government agency, regulatory authority, or other entity that is or may have an interest in the Confidential Customer Information, data theft, or other unauthorized release of Confidential Customer Information, disclosure of Confidential Customer Information, or misuse of Confidential Customer Information to the extent such request, complaint or other communication relates to NPP's accessing or Processing of such Confidential Customer Information.

- f. NPP will not process Confidential Customer Information outside of the United States or Canada absent a written agreement with Distribution Company. For the avoidance of doubt, Confidential Customer Information stored in the United States or Canada, or other countries as agreed upon in writing will be maintained in a secure fashion at a secure location pursuant to the terms and conditions of this Agreement.
- 13. Specific Performance.** The Parties acknowledge that disclosure or misuse of Confidential Customer Information in violation of this Agreement may result in irreparable harm to Distribution Company, the amount of which may be difficult to ascertain and which may not be adequately compensated by monetary damages, and that therefore Distribution Company shall be entitled to specific performance and/or injunctive relief to enforce compliance with the provisions of this Agreement. Distribution Company's right to such relief shall be in addition to and not to the exclusion of any remedies otherwise available under this Agreement, at law or in equity, including monetary damages, the right to terminate this Agreement for breach and the right to suspend in accordance with the Commission's rules and orders the provision or Processing of Confidential Customer Information hereunder. NPP agrees to waive any requirement for the securing or posting of any bond or other security in connection with Distribution Company obtaining any such injunctive or other equitable relief.
- 14. Indemnification.** To the fullest extent permitted by law, NPP shall indemnify and hold Distribution Company, its affiliates, and their respective officers, directors, trustees, shareholders, employees, and agents, harmless from and against any and all loss, cost, damage, or expense of every kind and nature (including, without limitation, penalties imposed by the Commission or other regulatory authority or under any Data Protection Requirements, court costs, expenses, and reasonable attorneys' fees) arising out of, relating to, or resulting from, in whole or in part, the breach or non-compliance with this Agreement by NPP or any of its Third-Party Representatives except to the extent that the loss, cost, damage or expense is caused by the negligence, gross negligence or willful misconduct of Distribution Company.
- 15. Notices.** With the exception of notices or correspondence relating to potential or pending disclosure under legal compulsion, all notices and other correspondence hereunder shall be sent by first class mail, by personal delivery, or by a nationally recognized courier service. Notices or correspondences relating to potential or pending disclosure under legal compulsion shall be sent by means of Express Mail through the U.S. Postal Service or other nationally recognized courier service which provides for scheduled delivery no later than the business day following the transmittal of the notice or correspondence and which provides for confirmation of delivery. All notices and correspondence shall be in writing and addressed as follows:

If to NPP, to:

NPP Name:  
Name of Contact:  
Address:  
Phone:  
Email:

If to  
Distribution  
Company, to:

Distribution Company Name: The Narragansett Electric Company

Name of Contact: Konica Shandal  
Address: 175 E. Old Country Road, Hicksville, NY 11801  
Phone: 516.545.4425  
Email: [Konica.shandal@nationalgrid.com](mailto:Konica.shandal@nationalgrid.com)

A Party may change the address or addressee for notices and other correspondence to it hereunder by notifying the other Party by written notice given pursuant hereto.

- 16. Term and Termination.** This Agreement shall be effective as of the date first set forth above and shall remain in effect until terminated in accordance with the provisions of the service agreement, if any, between the Parties and upon not less than thirty (30) days' prior written notice specifying the effective date of termination, provided, however, that any expiration or termination shall not affect the respective obligations or rights of the Parties arising under this Agreement prior to the effective date of termination. Distribution Company may terminate this Agreement if the NPP is decertified under Commission Orders, where applicable, has not served customers for two (2) years, or has not had electronic communication, other than by email, with Distribution Company for one (1) year. Further, Distribution Company may terminate this Agreement immediately upon notice to NPP in the event of a material breach hereof by NPP or its Third-Party Representatives. For the purpose of clarity, a breach of Sections 3-4, 5-12, 14, and 22 shall be a material breach hereof. The Breaching Party will provide the non-breaching Party with a written description and notice of material breach. Upon the expiration or termination hereof, neither NPP nor its Third-Party Representatives shall have any further right to Process Confidential Customer Information or Customer Information, unless the customer has given written or electronic consent to do so, and shall immediately comply with its obligations under Section 7 and the Distribution Company shall not have the right to process Confidential NPP Information and shall immediately comply with its obligations under Section 7.
- 17. Consent to Jurisdiction; Selection of Forum.** NPP irrevocably submits to the jurisdiction of the Commission and courts located within the State of Rhode Island with regard to any dispute or controversy arising out of or relating to this Agreement. NPP agrees that service of process on it in relation to such jurisdiction may be made by certified or registered mail addressed to NPP at the address for NPP pursuant to Section 15 hereof and that such service shall be deemed sufficient even under circumstances where, apart from this Section, there

would be no jurisdictional basis for such service. NPP agrees that service of process on it may also be made in any manner permitted by law. NPP consents to the selection of the Rhode Island State and United States courts within Rhode Island as the exclusive forums for any legal or equitable action or proceeding arising out of or relating to this Agreement.

- 18. Governing Law.** This Agreement shall be interpreted, and the rights and obligations of the Parties determined in accordance with the laws of the State of Rhode Island, without recourse to such state's choice of law rules. Venue in any legal action shall lie exclusively in state or federal courts in the County of Providence.
- 19. Survival.** The obligations of NPP under this Agreement shall continue for so long as NPP and/or NPP's Third-Party Representatives continue to have access to, are in possession of or acquire Confidential Customer Information even if all Agreements between NPP and Distribution Company have expired or been terminated.
- 20. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. Copies of this Agreement and copies of signatures on this Agreement, including any such copies delivered electronically as a .pdf file, shall be treated for all purposes as originals.
- 21. Amendments; Waivers.** Except as directed by the Commission, this Agreement may not be amended or modified except if set forth in writing signed by the Party against whom enforcement is sought to be effective. No forbearance by any Party to require performance of any provisions of this Agreement shall constitute or be deemed a waiver of such provision or the right thereafter to enforce it. Any waiver shall be effective only if in writing and signed by an authorized representative of the Party making such waiver and only with respect to the particular event to which it specifically refers.
- 22. Assignment.** This Agreement (and the Distribution Company's or NPP's obligations hereunder) may not be assigned by Distribution Company, NPP or Third-Party Representatives without the prior written consent of the non-assigning Party, and any purported assignment without such consent shall be void. Consent will not be unreasonably withheld.
- 23. Severability.** Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction over this Agreement to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.
- 24. Entire Agreement.** This Agreement (including any Exhibits hereto) constitutes the entire Agreement between the Parties with respect to the subject matter hereof and any prior or contemporaneous oral or written Agreements or understandings with respect to such subject matter are merged herein. This Agreement may not be amended without the written Agreement of the Parties.

25. **No Third-Party Beneficiaries.** This Agreement is solely for the benefit of, and shall be binding solely upon, the Parties and their respective agents, successors, and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the Parties and the indemnified parties named herein, and no other party shall have any right, claim, or action as a result of this Agreement.
26. **Force Majeure.** No Party shall be liable for any failure to perform its obligations in connection with this Agreement, where such failure results from any act of God or governmental action or order or other cause beyond such Party's reasonable control (including, without limitation, any mechanical, electronic, or communications failure) which prevents such Party from performing under this Agreement and which such Party is unable to prevent or overcome after the exercise of reasonable diligence. For the avoidance of doubt a Data Security Incident is not a force majeure event.
27. **Relationship of the Parties.** Distribution Company and NPP expressly agree they are acting as independent contractors and under no circumstances shall any of the employees of one Party be deemed the employees of the other for any purpose. Except as expressly authorized herein, this Agreement shall not be construed as authority for either Party to act for the other Party in any agency or other capacity, or to make commitments of any kind for the account of or on behalf of the other.
28. **Construction.** This Agreement shall be construed as to its fair meaning and not strictly for or against any party.
29. **Binding Effect.** No portion of this Agreement is binding upon a Party until it is executed on behalf of that Party in the space provided below and delivered to the other Party. The Distribution Company shall execute and deliver a signed original copy of this Agreement to the NPP within five (5) business days of receiving an executed Agreement with a complete Self Attestation, if the NPP has an electronic interconnection with the Distribution Company other than by email, from the NPP. Prior to such execution and delivery by the Parties, neither the submission, exchange, return, discussion, nor the negotiation of this document, whether or not this document is then designated as a "draft" document, shall have any binding effect on a Party.

*[signature page follows]*

**IN WITNESS WHEREOF**, the Parties have executed and delivered this Agreement as of the date first above written.

**DISTRIBUTION COMPANY**  
**The Narragansett Electric Company**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**NON-REGULATED POWER PRODUCER - NPP**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**EXHIBIT A**

**SELF-ATTESTATION  
OF Cybersecurity Protections**

Each Distribution Company, for itself only, represents that for all information received from NPP, in response or pursuant to this Self-Attestation, that is marked CONFIDENTIAL by NPP (Confidential Self-Attestation Information) Distribution Company shall: (A) hold such Confidential Self- Attestation Information in strict confidence; (B) not disclose such Confidential Self- Attestation Information to any other person or entity; (C) not Process such Confidential Self- Attestation Information outside of the United States or Canada; (D) not Process such Confidential Self-Attestation Information for any purpose other than to assess the adequate security of NPP pursuant to this Self-Attestation and to work with NPP to permit it to achieve adequate security if it has not already done so; (E) limit reproduction of such Confidential Self-Attestation Information; (F) store such Confidential Self-AttestationInformation in a secure fashion at a secure location in the United States or Canada that is not accessible to any person or entity not authorized to receive such Confidential Self-Attestation Information under the provisions hereof; (G) otherwise use at least the same degree of care to avoid publication or dissemination of such Confidential Self-Attestation Information as Distribution Company employs (or would employ) with respect to its own confidential information that it does not (or would not) desire to have published or disseminated, but in no event less than reasonable care.

The Cybersecurity protections listed below are required before NPPs will be allowed access to Distribution Company IT systems or electronically exchange Confidential Customer Information with Distribution Company.

This SELF-ATTESTATION OF INFORMATION SECURITY CONTROLS (“Attestation”), is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_, an NPP to The Narragansett Electric Company.

## EXHIBIT A

WHEREAS, NPP desires to obtain or retain access to Distribution Company IT systems and electronically exchange Confidential Customer Information<sup>2</sup> (as defined in this Data Security Agreement) with Distribution Company, NPP must THEREFORE self-attest to NPP's compliance with the Cybersecurity Protections ("Requirements") as listed herein. NPP acknowledges that non-compliance with any of the Requirements may result in the termination of Distribution Company data access as per the discretion of the Distribution Company, Distribution Company in whole or part, for its system(s).

- \_\_\_\_\_ An Information Security Policy is implemented across the NPP's corporation which includes officer level approval.
- \_\_\_\_\_ An Incident Response Procedure is implemented that includes notification within 48 hours of knowledge of a potential incident alerting Distribution Company when Confidential Customer Information is potentially exposed, or of any other potential security breach.
- \_\_\_\_\_ Role-based access controls are used to restrict system access to authorized users and limited on a need-to-know basis.
- \_\_\_\_\_ Multi-factor authentication is used for all remote administrative access, including, but not limited to, access to production environments.
- \_\_\_\_\_ All production systems are properly maintained and updated to include security patches on a periodic basis. Where a critical alert is raised, time is of the essence, and patches will be applied as soon as practicable.
- \_\_\_\_\_ Antivirus software is installed on all servers and workstations and is maintained with up-to-date signatures.
- \_\_\_\_\_ All Confidential Customer Information is encrypted in transit utilizing industry best practice encryption methods, except that Confidential Information does not need to be encrypted during email communications.

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<sup>2</sup> "Confidential Customer Information" means information that Distribution Company is: (A) required to provide to NPP or (B) any other information provided to NPP by Distribution Company and marked confidential by the Distribution Company at the time of disclosure, but excludes (i) information which is or becomes generally available to the public other than as a result of a disclosure by Receiving Party or its Representatives; (ii) information which was already known to Receiving Party on a non-confidential basis prior to being furnished to Receiving Party by Disclosing Party; (iii) information which becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party or a representative of Disclosing Party if such source was not subject to any prohibition against transmitting the information to Receiving Party and was not bound by a confidentiality agreement with Disclosing Party; (iv) information which was independently developed by the Receiving Party or its Representatives without reference to, or consideration of, the Confidential Information; or (v) information provided by the customer with customer consent where the customer expressly agrees that the information is public.

**EXHIBIT A**

- \_\_\_\_\_ All Confidential Customer Information is secured or encrypted at rest utilizing industry best practice encryption methods, or is otherwise physically secured.
- \_\_\_\_\_ It is prohibited to store Confidential Customer Information on any mobile forms of storage media, including, but not limited to, laptop PCs, mobile phones, portable backup storage media, and external hard drives, unless the storage media or data is encrypted.
- \_\_\_\_\_ All Confidential Customer Information is stored in the United States or Canada only, including, but not limited to, cloud storage environments and data management services.
- \_\_\_\_\_ NPP monitors and alerts their network for anomalous cyber activity on a 24/7 basis.
- \_\_\_\_\_ Security awareness training is provided to all personnel with access to Confidential Customer Information.
- \_\_\_\_\_ Employee background screening occurs prior to the granting of access to Confidential Customer Information.
- \_\_\_\_\_ Replication of Confidential Customer Information to non-company assets, systems, or locations is prohibited.
- \_\_\_\_\_ Access to Confidential Customer Information is revoked when no longer required, or if employees separate from the NPP or Third Party Representative.

Additionally, the attestation of the following item is requested, but is NOT part of the Requirements:

- \_\_\_\_\_ NPP maintains an up-to-date SOC II Type 2 Audit Report, or other security controls audit report.

IN WITNESS WHEREOF, NPP has delivered accurate information for this Attestation as of the date first above written.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**  
**THIRD-PARTY REPRESENTATIVE AGREEMENT**

This Third-Party Agreement to be provided to the Distribution Company upon request.

I, have read the Agreement between \_\_\_\_\_, ("Company") and The Narragansett Electric Company, ("Distribution Company") dated , 20\_ (the "Agreement") and agree to the terms and conditions contained therein. My duties and responsibilities on behalf of require me to have access to the Confidential Information disclosed by Distribution Company to the NPP pursuant to the Agreement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (*print*):