

CITY OF METHUEN
COMMUNITY CHOICE POWER SUPPLY PROGRAM
FREQUENTLY ASKED QUESTIONS

1. WHAT IS THE “COMMUNITY CHOICE POWER SUPPLY PROGRAM”?

The Community Choice Power Supply Program is a Municipal Aggregation Program which allows local government to combine the purchasing power of its residents to achieve savings on electricity costs. In doing so, it creates competition among Competitive Suppliers which helps ensure aggressive rates. Consumers are no longer “stuck” with the cost and fluctuation of Basic Service rates because the Program offers them another option.

2. WHAT IS A "COMPETITIVE SUPPLIER"?

A Competitive Supplier is a power supplier other than your Local Utility. Competitive Suppliers provide power supply to consumers either through a Municipal Aggregation Program or through a Competitive Supplier Program. Your electricity is currently being supplied by your Local Utility unless you have switched to a Competitive Supplier Program on your own. Your electric bill is divided into two parts: **Delivery and Supply**. The supply is no longer regulated and therefore can be provided by a Competitive Supplier. Delivery is still regulated and can only be provided by your Local Utility. Your Local Utility will continue to deliver your power supply over the wires. However, the power running through those wires can be provided by a Competitive Supplier.

3. WHAT IS THE DIFFERENCE BETWEEN PROGRAMS ADVERTISED TO “LOWER YOUR ELECTRIC BILL” AND MUNICIPAL AGGREGATION PROGRAMS?

Programs you see advertised are Competitive Supplier Programs in which the Competitive Supplier contracts directly with the individual consumer. While both Programs seek to lower your electric bill, they are run very differently. Competitive Supplier Programs set their own terms and conditions. Once signed up, it is up to the consumer to monitor the rates. Competitive Supplier Programs usually have a clause in the terms and conditions that states the consumer remains in the Program after the original rate and term have ended unless specific action is taken to cancel the contract. In many cases, there may be an exit fee. Municipal Aggregation Programs are run by cities or towns. Once signed up, it is up to the city or town to monitor the rates. Having knowledge of the electricity market, the city or town continually looks out for their citizens’ best interests. Their goals are to provide low, stable rates and possibly green options to their citizens. Municipal Aggregation Programs have no entrance or exit fees.

BEWARE OF OTHER ENERGY OFFERS claiming to be associated with your community or Local Utility. You may receive direct mail, phone calls or even visits to your door from energy marketers for the Competitive Supplier Programs mentioned above. These marketers are NOT associated with the Community Choice Power Supply Program or with your Local Utility. The Community Choice Power Supply Program will notify you of the Program ONLY through mail direct from your community (look for your City’s seal).

4. WHY HAVE I RECEIVED A CONSUMER NOTIFICATION LETTER?

Your City has signed a contract with a Competitive Supplier on behalf of your community as part of their Community Choice Power Supply Program.

5. WHY HAVEN'T I RECEIVED A CONSUMER NOTIFICATION LETTER?

You will not receive a Consumer Notification Letter if your Local Utility has your account listed as being contracted with a Competitive Supplier or if you have requested the Local Utility put a "Supplier Block" on your account so that it is removed from all supplier marketing lists. However, there is a lag between the date the utility provides the account data and the date the Consumer Notification Letters are mailed so there may be some accounts that are categorized wrong at the time of the mailing.

6. HOW WILL BEING A PART OF THIS PROGRAM AFFECT ME?

You will receive the benefit of potentially lower rates on your electricity and therefore a lower electric bill. Otherwise, YOU WILL NOT NOTICE ANY CHANGE. The only difference you will see is that the name of the chosen Competitive Supplier will be printed under the "Supply/Generation Service Charges" section of your monthly bill. You will continue to receive one bill from your Local Utility. You will continue to send your payments to your Local Utility for processing. Your Local Utility will continue to read meters and maintain the distribution and transmission lines. Reliability and quality of service will remain the same. Furthermore, you will continue to have all existing consumer rights and protections.

7. WHAT DO I NEED TO DO TO PARTICIPATE IN THE PROGRAM?

If you have received a Consumer Notification Letter AND you have not opted out AND your account is not listed with the Local Utility as having a "Supplier Block" (a request to have your account removed from all supplier marketing lists), you will not need to do anything to participate. You will be automatically enrolled in the Program.

8. WHY HAVE I NOT BEEN ENROLLED, I THOUGHT IT WAS AUTOMATIC?

Enrollment is automatic ONLY IF you have received a Consumer Notification Letter and have not opted out. Enrollment is NOT AUTOMATIC if you have not received a Consumer Notification Letter OR if your Local Utility has your account listed as being contracted with a Competitive Supplier at the time of the enrollment. Also, you will not receive a Consumer Notification Letter, and therefore will not be enrolled, if you have requested the Local Utility put a "Supplier Block" on your account so that it is removed from all supplier marketing lists. If that is the case, consumers may have to call their Local Utility to be enrolled in the Program.

9. CAN I PARTICIPATE IN THE PROGRAM IF I DID NOT RECEIVE A CONSUMER NOTIFICATION LETTER?

Yes, as long as your community has a DPU approved aggregation working with Colonial Power Group. You may OPT-IN AT ANY TIME by filling out the online Opt-In Form on your community's page at www.colonialpowergroup.com OR by calling the Competitive Supplier chosen by your community (listed on your community's page) OR by calling Colonial Power Group at (508) 485-5858. To avoid

delays in your enrollment, before opting in, please make sure that if you have a “Supplier Block” on your account that it is removed. Also, if you have previously contracted with your own Competitive Supplier, you should confirm with them that you will not incur any fees for leaving their supply.

10. WHEN WILL MY ENROLLMENT TAKE EFFECT?

Your enrollment will start on the meter read date stated on the Consumer Notification Letter. You will see the new rate on your bill the following month. For example, if your meter read enrollment date is January 1, your usage from January 1 - January 31 will be charged the new rate and billed on February 1. If you opt-in at any other time, enrollment may take up to two billing cycles before taking effect.

11. WHAT IF I DO NOT WANT POWER FROM THIS SUPPLIER?

Each consumer has the right to choose his/her supplier. Enclosed in the Consumer Notification mailing is an Opt-Out Return Card. If you do not want to participate in the Community Choice Power Supply Program, you can sign and date the card and drop it in the mail OR fill out the Opt-Out Form on your community's page at www.colonialpowergroup.com OR call the Competitive Supplier chosen by your community (listed on your community's page) OR call Colonial Power Group at (508) 485-5858. You will then be removed from the list of participating consumers. The initial opt-out period is thirty (30) days from the mailing date of the Consumer Notification Letter.

12. WHAT IF I DECIDE I WANT TO OPT-OUT AFTER THE 30-DAY INITIAL OPT-OUT PERIOD?

Participation is designed to be as flexible as possible. You may leave the Community Choice Power Supply Program at no charge and be placed on your Local Utility's Basic Service or choose another Competitive Supplier on your own. Opting out of the Community Choice Power Supply Program is easy. You may fill out the online Opt-Out Form on your community's page at www.colonialpowergroup.com OR call the Competitive Supplier chosen by your community (listed on your community's page) OR call Colonial Power Group at (508) 485-5858. It may take a couple of billing cycles before you are back on your Local Utility's Basic Service. There is NO PENALTY CHARGE to opt-out.

Commercial consumers (G2, G3), if you participate initially and then choose to leave the Community Choice Power Supply Program, you may return only if accepted by the Competitive Supplier and at prevailing market rates.

13. WHAT IF I HAVE ALREADY CHOSEN A COMPETITIVE SUPPLIER?

The Local Utility records should indicate that you already have a Competitive Supplier. If so, you will not be enrolled in the Community Choice Power Supply Program. However, there is a lag between the date the utility provides the account data and the date the Consumer Notification Letters are mailed so there may be some accounts that are categorized wrong at the time of the mailing. This is why we recommend that you opt-out if you have received a Consumer Notification Letter but have contracted with a Competitive Supplier or have chosen a Green Power Supply Option.

14. WHAT IF I AM ON A BUDGET PLAN OR ELIGIBLE LOW-INCOME DELIVERY RATE?

You will continue to receive those benefits from your Local Utility.

15. WHAT IF I OPERATE A BUSINESS AND HAVE A "TAX EXEMPT" STATUS, WHAT DO I NEED TO DO TO MAINTAIN MY STATUS UNDER THIS PROGRAM?

According to Massachusetts law, in order to maintain your tax exempt status for your electric bill, you must send a copy of your tax exempt certificate directly to the Competitive Supplier chosen by your community. (The Competitive Supplier's name is listed on your community's page at www.colonialpowergroup.com.)

16. WHAT IF I HAVE SOLAR PANELS ON MY RESIDENCE OR BUSINESS?

Net Metering will work the same way with the Community Choice Power Supply Program. You will continue to receive your net metering credits while benefiting from the aggregation rate on your electricity. The Local Utility will continue to post your net meter credits to your electric bill at your Local Utility's Basic Service rate.

17. HOW LONG DOES THE COMMUNITY CHOICE POWER SUPPLY PROGRAM LAST?

The Community Choice Power Supply Program is in effect until the local government terminates the Program. Throughout the life of the Program, each subsequent contract will vary by rate, term and possibly Competitive Supplier. The latest rates, terms and contracted Competitive Supplier can be found on your community's page at www.colonialpowergroup.com or by calling Colonial Power Group at (508) 485-5858.