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## CITY ELECTRICITY PROGRAM NOTIFICATION LETTER

November 17, 2020

Dear Salem Electric Service Customer,

This letter contains important information about your electricity bill.

The City of Salem has an electricity program, **Salem PowerChoice**. When you participate, National Grid remains your electric utility, but you receive 100% renewable electricity, which is generated from sources like the sun and the wind.

**If you received this letter and you do nothing, you will be AUTOMATICALLY enrolled in Salem PowerChoice, unless you choose not to participate. Automatic enrollment is state law.**

**Your opt-out request must be postmarked by December 21, 2020, to avoid automatic enrollment in Salem PowerChoice.**

Salem PowerChoice is a form of group electricity purchasing known as electricity aggregation. In addition to increasing the amount of renewable energy in your electricity, participating will change your electricity supplier and the price used to calculate the supplier services portion of your National Grid electricity bill.

Salem has signed a contract with Dynegy to supply the City with **100% renewable electricity, including 5% from renewable energy projects in New England**, in addition to the minimum amount required by Massachusetts law. You may alternatively choose to receive all of your electricity from renewable energy projects in New England, or to receive just the minimum amount required by Massachusetts law. Please see the back of this letter for options and pricing.

### Your relationship with National Grid

**If you participate in Salem PowerChoice**, you will see two changes on your National Grid electricity bill: 1) Dynegy will be your electricity supplier, and 2) the Salem PowerChoice price will be used to calculate the supplier services charges and will not change until December 2021. Otherwise:

- You will continue to receive your electricity bill from National Grid.
- You will continue to call National Grid if your power goes out.
- If you are on a budget plan or are eligible for a low-income rate or fuel assistance, you will continue to receive those benefits.

**If you do not participate in Salem PowerChoice**, the supplier services portion of your electricity bill will be calculated based on National Grid's Basic Service price, and National Grid's price will change every 6 months (for residential and commercial accounts) or 3 months (for industrial accounts).

**Because future National Grid prices are not known, Salem PowerChoice cannot guarantee savings when compared with National Grid's Basic Service price.**



### Your New Electricity Supply Price

**11.104 ¢/kWh**  
( \$0.11104/kWh )

Compare to National Grid prices on the back. ▶

### Customer Support

**1-844-483-5004**

[salem.com/powerchoice](http://salem.com/powerchoice)

[salem@masspowerchoice.com](mailto:salem@masspowerchoice.com)

### Don't Want to Participate?

**You don't have to. There is no penalty or fee to opt out of the program, and you may do so at any time.**

To opt out before being enrolled, do one of the following by **December 21, 2020**:

- ▶ Sign and return the enclosed reply card (postmarked no later than **December 21, 2020**), call customer support at 1-844-483-5004, or opt out online at [salem.com/PowerChoice](http://salem.com/PowerChoice)

To opt out in the future, do one of the following at any time:

- ▶ Call customer support at 1-844-483-5004, or opt out online at [salem.com/PowerChoice](http://salem.com/PowerChoice)

## Program Options & Pricing

<b>1. If you do nothing, you will be automatically enrolled in POWERCHOICE STANDARD:</b>		<b>\$0.11104 /kWh*</b> for residential, commercial, and industrial accounts
<b>Renewable energy content</b>	100% renewable electricity: 16% from renewable energy projects in New England (MA Class I RECs) required by state law in 2020, 5% from renewable energy projects in New England (MA Class I RECs) added voluntarily by Salem, and 79% from wind projects outside of New England	
<b>Rate term</b>	Enrollment - December 2021 meter read	
<b>Exit terms</b>	Leave any time. No exit charge.	
<b>2. If you want more local renewable energy, you may choose POWERCHOICE PLUS:</b>		<b>\$0.12508 /kWh*</b> for residential, commercial, and industrial accounts
<i>Call customer support at 1-844-483-5004 or go to salem.com/PowerChoice</i>		
<b>Renewable energy content</b>	100% renewable electricity, all from renewable energy projects in New England (MA Class I RECs)	
<b>Rate term</b>	Enrollment - December 2021 meter read	
<b>Exit terms</b>	Leave any time. No exit charge.	
<b>3. If you want the cheapest option within the program, choose POWERCHOICE BASIC:</b>		<b>\$0.10958 /kWh*</b> for residential, commercial, and industrial accounts
<i>Call customer support at 1-844-483-5004 or go to salem.com/PowerChoice</i>		
<b>Renewable energy content</b>	16% from renewable energy projects in New England (MA Class I RECs) required by state law in 2020	
<b>Rate term</b>	Enrollment - December 2021 meter read	
<b>Exit terms</b>	Leave any time. No exit charge.	
<b>4. If you choose to opt out, you will remain on NATIONAL GRID'S BASIC SERVICE</b>		<b>\$0.12388 /kWh</b> residential
<i>NOTE: National Grid's prices are not long-term prices. Prices are for National Grid's current 6- or 3-month rate term only, and future prices are not known.</i>		<b>\$0.10763 /kWh</b> commercial
		<b>\$0.11325 /kWh</b> industrial
<b>Renewable energy content</b>	Meets Massachusetts minimum renewable energy requirements.	
<b>Rate term</b>	November 1, 2020 - April 30, 2021, for residential and commercial accounts, and November 1, 2020 - January 31, 2021, for industrial accounts. National Grid's fixed Basic Service prices change every 6 months for residential and commercial accounts and every 3 months for industrial accounts. National Grid prices will next change on May 1, 2021, for residential and commercial accounts, and on February 1, 2021, for industrial accounts.	
<b>Exit terms</b>	Leave any time. No exit charge.**	

\* Program prices include a \$0.001/kWh administration charge. Program prices could increase as a result of a change in law that results in a direct, material increase in costs during the term of the electricity supply agreement.

\*\* Exit terms for National Grid's Basic Service: No penalty charge. However, industrial customers only rates G-2 and G-3) on the fixed price Basic Service option may receive a billing adjustment, which may be either a credit or a charge.

### Important

**If you have already signed a contract with an electricity supplier:** If you received this letter *and also* you have an electricity supply contract that you wish to retain, you **must** opt out of this program. If you do not opt out, your current electricity supply contract may be cancelled, and you may be charged an early termination fee by your existing electricity supplier.

**If your organization is tax exempt:** Taxes will be billed as part of the program's power supply charge. Customers are responsible for identifying and requesting an exemption from the collection of any tax by providing appropriate tax exemption documentation to Dynegy. Visit salem.com/PowerChoice for more information.

If you have any questions, please do not hesitate to contact customer support at [salem@masspowerchoice.com](mailto:salem@masspowerchoice.com) or 1-844-483-5004. Our City consultants will be happy to help you. Or visit the program website at [salem.com/PowerChoice](http://salem.com/PowerChoice).

Kimberley Driscoll  
Mayor