



The Town of Dedham

Community Electricity Aggregation Program

Dear Resident,

As the result of a negotiated resolution of a contract claim by Public Power, LLC, the electric supplier for the Community Electricity Aggregation Program, the price paid by participants in the Program for electric supply will increase effective with meter reads after September 15, 2018. The new prices are as follows:

<u>Standard/Default Program</u>	<u>Current Price (cents per kWh)</u>	<u>New Price (cents per kWh)</u>
Dedham Local Green (5% additional Renewable Energy)	10.272	10.580
<u>Optional Programs</u>		
Dedham Basic (0% additional Renewable Energy)	10.122	10.430
Dedham Premium Local Green (100% Renewable Energy)	12.622	13.430

The new prices will remain fixed through the remainder of the term of the Electric Services Agreement, ending January 2021.

How Do the New Prices Compare?

The new prices are below the prices bid by all other suppliers during the Town's last competitive solicitation in 2017 and below estimates of a replacement supply in the current market. The new prices are also below the current Basic Service rate offered by Eversource, which is 11.397 cents per kWh. The new prices represent an increase of approximately \$1.80 per month given average usage of 600 kWh per month.

What Was the Claim About?

Under certain circumstances, the Electric Service Agreement with Public Power allows an increase in the electricity price in the event Public Power incurs unexpected cost increases resulting from a change in regulation, with the intent that those costs would be passed on to consumers under the terms of the Electric Services Agreement.

Public Power claimed that such a regulatory change occurred and resulted in increased costs, and it requested an increase in the electricity price. In response to Public Power's claim, the Town organized itself with 25 other communities and entered into negotiations with Public Power. Following negotiations and consultation with their advisors, the parties agreed to an increase in the electricity price to account for some of the claimed cost increases. The amendment to the Agreement includes language that prevents the pass-through of similar cost increases in the future.

The Town believes the new prices will continue to provide value to participating consumers even with the price increase.

Moving Forward – Fixed Rate through January 2021

The Town's rates will remain fixed at the prices shown above through the remainder of the term of the Electric Services Agreement, ending in January 2021.

It is the expectation of the Town that Eversource's current Basic Service rate of 11.397 cents per kWh will increase with the winter rate change effective January 1, 2018 – June 30, 2019. However, because the Basic Service rate changes every three to six months, there is no guarantee that the Program price will be below the Basic Service rate in future periods. All participating customers may leave the Community Electricity Aggregation Program at any time and without penalty.

Further Information

Please go to your community's dedicated webpage at www.MASSCEA.com for a rate comparison chart and information about the program. If you have any questions regarding the price increase or your options, please call 844-MASSCEA (627-7232).