# Request for Power Supply Proposals to Provide the Following Services:

Last Resort Service for the Industrial Group in Rhode Island for the Period:

April 1, 2023 – June 30, 2023

Last Resort Service for the Commercial Group in Rhode Island for the Period:

April 1, 2023 - March 31, 2025

Last Resort Service for the Residential Group in Rhode Island for the Period:

April 1, 2023 - March 31, 2025

**December 22, 2022** 

# REQUEST FOR POWER SUPPLY PROPOSALS

#### 1. Overview

# 1.1 Background

The Rhode Island Utility Restructuring Act (URA)<sup>1</sup> provides for competition in the electric utility industry by extending competition in the wholesale power supply markets to retail customers through the provision of retail access to all customers.

The URA provides access to the competitive retail electricity market for all retail customers of The Narragansett Electric Company (Narragansett or NECO) as of January 1, 1998. In 2006, the Rhode Island legislature extended Standard Offer Service (SOS) from the original termination date of December 31, 2009 until December 31, 2020. Narragansett was required to provide SOS to those customers who were not receiving generation service from a non-regulated power producer (also known as a competitive supplier) through December 31, 2020. Narragansett is also required to provide Last Resort Service (LRS) to customers who are not receiving generation service from either SOS or a competitive supplier.

# 1.2 Transition Service Agreement

In 2021, National Grid USA (National Grid) announced that it had entered into an agreement with PPL Energy Holdings, LLC (PPL), pursuant to which PPL will acquire National Grid's electric and gas distribution business in Rhode Island through the acquisition of National Grid's wholly-owned subsidiary, Narragansett. Upon the closing of this transaction, PPL acquired the outstanding shares of common stock of Narragansett, and Narragansett will continue as a subsidiary of PPL. The Transaction closed on May 25, 2022.

Pursuant to the grant of agency authority by Narragansett to National Grid USA Service Company, Inc. (referred to herein as the Service Provider), the Service Provider is designated to act as Narragansett's agent under the Transition Services Agreement (TSA) between the Service Provider, National Grid and Narragansett in connection with physical and financial energy transactions, including the solicitation and evaluation of this Request for Proposals (RFP), and the purchase, confirmation, billing and administration of the transactions resulting from this RFP.

#### 1.3 Standard Offer Service and Last Resort Service

Beginning on the retail access date, Narragansett's retail customers in Rhode Island had received generation service from either their choice of competitive suppliers or from Narragansett through Standard Offer Service or Last Resort Service. Beginning on January 1, 2010, all Narragansett customers not taking service from a competitive

supplier began taking Standard Offer Service<sup>2</sup>. Narragansett's requirement to provide generation service for customers through SOS concluded at the end of 2020, at which point it would provide generation service through Last Resort Service to those customers who are not taking service from a competitive supplier. Going forward, Narragansett will use the terminology Last Resort Service in its procurements and in its retail rates.

Customers taking Last Resort Service will be in one of three separate groups: Residential, Commercial, and Industrial. This RFP is to procure service for the following groups:

- Residential Group (as defined below) for 15% of the load for the period April 1, 2023 through March 31, 2025;
- Commercial Group (as defined below) for 15% of the load for the period April 1, 2023 through March 31, 2025;
- Industrial Group (as defined below) for 100% of the load for the period April 1, 2023 through June 30, 2023.

Narragansett is hereby seeking proposals from qualified power suppliers to supply firm, load-following power to meet these Last Resort Service requirements. It is the intent of Narragansett and supplier(s) that the resulting transactions shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the parties intend to physically settle the transactions, and are, therefore, not subject to swap regulation.

Service Provider, in consultation with or at the request of the PUC or the Rhode Island Division of Public Utilities and Carriers (Division), reserves the right to issue additional instructions or requests for additional information, to extend the due date, to modify any provision in this RFP or any appendix thereto, or to withdraw this RFP.

#### 1.4 Rhode Island Customer Groups

For the purposes of this solicitation, the Rhode Island Residential, Commercial, and Industrial Groups are defined as follows:

| <b>Customer Group</b> | Rate Class                   |  |
|-----------------------|------------------------------|--|
| Residential           | A-16 and A-60                |  |
| Commercial            | G-02, C-06, S-06, S-10, S-14 |  |
| Industrial            | G-32, B-32, X-01             |  |

<sup>&</sup>lt;sup>2</sup> On September 30, 2009, the Rhode Island Public Utilities Commission (PUC) approved Narragansett's April 29, 2009 filing (and revised on July 10, 2009) to replace the previous Standard Offer Service with a new Standard Offer Service. The new Standard Offer Service also included any Last Resort Service customers. Thus, in a change from the former Standard Offer Service, customers who chose to take service from a competitive supplier after January 1, 2010 would be permitted to return to Standard Offer Service if they were no longer receiving service from a competitive supplier.

# 2. Description of Services

# 2.1 Description

Appendix A contains an overview of the services covered by this Request for Proposal. The Appendix provides:

- A brief description of Last Resort Service;
- The eligibility requirements for a customer to obtain or leave Last Resort Service.

# 2.2 Expected Loads

Narragansett is unable to predict the amount of load that will be required to meet the needs of any customer group. Narragansett's customers are free to leave Last Resort Service at any time to take service from competitive suppliers. The ability of customers to enroll or return to Last Resort Service is described in Appendix A.

To assist suppliers with determining the potential load requirements, Narragansett provides the following information on a Power Procurement Website:

- Aggregate reconciled historical wholesale hourly loads for the Standard Offer Service customer groups (since January 1, 2007). These hourly loads are applicable to the new Last Resort Service that started January 1, 2021.
- Aggregate historical wholesale hourly load data for previous Last Resort Service (through January 2010).
- Aggregate historical wholesale hourly load data for previous Standard Offer Service.
- Municipal Aggregation customer count and historical retail load information (since June 2020).
- Class average load shapes at the retail meter point.
- Historical customer counts, as of the last billing day in each month, by distribution company, SMD Load Zone (since March 1, 2003) and rate class.
   These counts represent the number of active accounts in each rate class as of the last billing day in each month.
- Historical customer counts for customers taking service from a competitive supplier, as of the last billing day in each month, by rate class.
- ICAP tags as of the last day of the month for each load asset.
- Average winning load block prices from previous RFPs.

Please use the following link to access the site:

http://www.nationalgridus.com/energysupply/

Click on "Data" at the upper right of the screen to access Load data, Customer Count data, Class Average Load Shapes and ICAP Tags. This site is open to anyone with the above link. No user ID or password is required to access the data on the site.

#### 2.3 Load Blocks

Narragansett's total Last Resort Service requirements covered by this RFP are broken down into the following ten load blocks:

| Load<br>Block | Customer<br>Group | SMD Load<br>Zone | Load<br>Share | Type of Service     | Period                  |
|---------------|-------------------|------------------|---------------|---------------------|-------------------------|
| <b>A1</b>     | Industrial        | RI               | 50%           | Last Resort Service | 04/01/2023 - 06/30/2023 |
| <b>A2</b>     | Industrial        | RI               | 50%           | Last Resort Service | 04/01/2023 - 06/30/2023 |
| В             | Residential       | RI               | 15%           | Last Resort Service | 04/01/2023 - 09/30/2023 |
| C             | Residential       | RI               | 15%           | Last Resort Service | 10/01/2023 - 03/31/2024 |
| D             | Residential       | RI               | 15%           | Last Resort Service | 04/01/2024 - 09/30/2024 |
| E             | Residential       | RI               | 15%           | Last Resort Service | 10/01/2024 - 03/31/2025 |
| F             | Commercial        | RI               | 15%           | Last Resort Service | 04/01/2023 - 09/30/2023 |
| G             | Commercial        | RI               | 15%           | Last Resort Service | 10/01/2023 - 03/31/2024 |
| Н             | Commercial        | RI               | 15%           | Last Resort Service | 04/01/2024 - 09/30/2024 |
| I             | Commercial        | RI               | 15%           | Last Resort Service | 10/01/2024 - 03/31/2025 |

A supplier may bid on any number of load blocks that it wishes to serve. A Respondent wishing to serve the entire load for a particular customer group should submit a bid for each load block of that customer group. Respondents may not limit the amount of service that may be purchased for a given load block. Proposals that contain limits on the amount of service provided will be rejected<sup>3</sup>.

The amount of load for each load block to be supplied by the winning Supplier(s) will be determined in accordance with the procedure contained in Article 6 of the Master Power Agreement, a copy of which is provided in Appendix B.

# 2.4 Rhode Island Retail Customer Rates

During the term of service covered by this RFP, Narragansett intends to establish retail rates for generation service for Last Resort Service customers in Rhode Island. The Last Resort Service rates will reflect Narragansett's purchase costs for such service due to commitments made as a result of this and previous RFPs.

<sup>&</sup>lt;sup>3</sup> For example, a Respondent offering to supply Block A load must agree to supply 100% of the needs of that load block during every month of the Period. The Respondent may not offer to serve Block A provided that the amount of service purchased does not exceed [specified value] MW in any hour.

#### 3. General Provisions

#### 3.1 Terms and Conditions

The winning Supplier(s) will be selected to provide Last Resort Service to the applicable customer groups/load blocks during the term covered by this RFP. Last Resort Service will be provided by such Supplier(s) to Narragansett in accordance with the terms and conditions of the Master Power Agreement. A copy of the Master Power Agreement for Rhode Island is provided in Appendix B. All Respondents must have an updated executed Master Power Agreement(s) prior to the indicative bid date.

The winning Supplier(s) will be required to execute the applicable confirmation(s) within two (2) business days of being notified that it has been selected as the winning Supplier.

Under Article 7 of the Master Power Agreement, failure of the winning supplier to deliver Requirements would constitute an event of default under the agreement, allowing Narragansett to terminate and recover liquidated damages from the supplier.

# 3.2 Proposal Process and Submission Dates

The following table outlines the key dates associated with this procurement process.

| Process Step                           | Date  |
|--|---|
| Company Issues Request for Proposal    | December 22, 2022                           |
| Submit Respondent Proposal Information | December 29, 2022 – 5pm EPT                 |
| Submit Indicative Pricing              | January 4, 2023 – 10am EPT                  |
| Submit Final Pricing                   | January 11, 2023 – 10am EPT                 |
| Company Notifies Winning Bidders       | January 11, 2023 – 1pm                      |
| Winning Bidders and Company execute    | No later than two business days after Final |
| Confirmations                          | Pricing                                     |
| Service Begins                         | April 1, 2023                               |

One (1) copy of a Respondent's Proposal Information and proposed agreement modifications must be submitted by e-mail or mailed to the following address:

James Calandra Wholesale Electric Supply National Grid 100 East Old Country Road Hicksville, NY 11801 (516) 545-5433

e-mail: ElectricSupply@nationalgrid.com

Service Provider is conducting the procurement process in three steps. The first step is for Respondents to provide Service Provider with their background and financial information by 5:00 p.m. Eastern Prevailing Time (EPT) on December 29, 2022. Upon

receipt, Service Provider will evaluate each Respondent's qualifications and will notify any Respondent that does not qualify by at least one business day before Indicative Pricing is due.

Service Provider will not evaluate any indicative or final pricing if the Respondent does not have an executed Master Power Agreement. The Master Power Agreement must be executed prior to submitting indicative pricing.

The second step in this process is for Respondents to provide indicative pricing information by 10:00 a.m. EPT on January 4, 2023 at the above address. Service Provider will evaluate the indicative pricing as described above, and if required, Service Provider may seek clarifications from Respondents. Service Provider will file an indicative pricing summary with the PUC.

The third step is as follows: Respondents to provide final pricing information by 10:00 a.m. EPT on January 11, 2023 at the above address. Service Provider requests final pricing be valid until 1:00 p.m. Service Provider intends to evaluate the final pricing and select a Supplier(s) that day by that time. Final pricing shall be binding until execution of a confirmation. Respondents should specify the manner in which they will accept a binding acceptance of their offer by Service Provider prior to receipt of an executed agreement (letter of intent or e-mail) or they will be deemed to be bound by Service Provider's acceptance communicated in any of the preceding manners. Service Provider will file a final pricing summary with the PUC.

At any time, Service Provider, at its sole discretion, reserves the right to issue additional instructions or requests for additional information, to extend the due date, to modify any provision in this RFP or any appendix thereto and to withdraw this RFP.

# 3.3 Contact Person/Questions

All questions regarding this Request for Proposal should be directed to James Calandra at the address provided above.

#### 4. Service Features

#### 4.1 Commencement Date of Supply

Service from the winning Supplier(s) to Narragansett shall begin as of HE 0100 EPT on the date specified in the table found in Section 2.3 – Load Blocks.

Service from Narragansett to individual customers who are currently taking Last Resort Service in each customer group as of the Commencement Date, if any, will continue with the winning Supplier(s) providing such service to Narragansett as of the Commencement Date.

Service from Narragansett to individual customers taking Last Resort Service as of the Commencement Date shall begin on the customer's meter reading date following notification/determination that a customer will be commencing Last Resort Service or such other date designated by Narragansett consistent with Narragansett's Tariff for Off Cycle Meter Read for Switch of Supplier R.I.P.U.C. No. 2242 in Rhode Island.

Narragansett's procedures provide for customers to be switched from one service option to another (e.g., from Last Resort Service to a competitive supplier, from one competitive supplier to another competitive supplier, from a competitive supplier to Last Resort Service) on their normal cycle meter reading dates. However, there may be circumstances (e.g., default of a competitive supplier) that might require a customer to be switched to Last Resort Service "off-cycle". In such case, the customer will be switched to Last Resort Service on a date designated by Narragansett consistent with Narragansett's Tariff for Off Cycle Meter Read for Switch of Supplier R.I.P.U.C. No. 2242 in Rhode Island.

# 4.2 Termination Date of Supply

Service from the winning Supplier(s) to Narragansett shall terminate at HE 2400 EPT on the dates specified in the table found in Section 2.3 – Load Blocks.

Individual customers taking Last Resort Service from Narragansett may terminate the service at any time. Terminations may include, but not be limited to, (i) a customer's taking competitive service from a competitive supplier, (ii) disconnection of service by Narragansett in accordance with regulations and procedures approved by the PUC, or (iii) closing of a customer's account. Narragansett's procedures provide for customers electing to terminate such service to be switched to their successor service on their normal cycle meter reading date following the date that Narragansett receives notification of such switch. However, there may be circumstances which might require a customer to be terminated "off-cycle". In such a case, the customer will be terminated from Last Resort Service on a date to be determined by Narragansett.

# 4.3 Delivery Points

The Supplier(s) of Last Resort Service will be responsible for delivering power to the nodes/zones representing the actual locations of the Last Resort Service loads. The Supplier(s) of each of the services will be responsible for any PTF losses allocated by the ISO related to the services. The locations of the applicable Last Resort Service load assets are as follows:

|         | SMD  |       |                               |            |
|---------|------|-------|-------------------------------|------------|
|         | Load | Load  |                               | Load       |
| Company | Zone | Asset | Load Asset Name               | Block      |
| NECo    | RI   | 37765 | NECO INDUSTRIAL SO LOAD_4005  | A1, A2     |
| NECo    | RI   | 37763 | NECO RESIDENTIAL SO LOAD_4005 | B, C, D, E |
| NECo    | RI   | 37764 | NECO COMMERCIAL SO LOAD_4005  | F, G, H, I |

#### 4.4 Form of Service

The Supplier(s) of each load block shall be responsible for meeting the specified service requirements for all of Narragansett's customers in a specific load block. These service requirements include the generation and/or market procurement and delivery to the delivery point(s) of the portion of the electric capacity, energy and ancillary services required to meet the needs of Narragansett's ultimate customers taking such service. Narragansett will implement the transfer of these responsibilities to the Supplier(s) by updating the asset registration for each of the above Load Assets. Narragansett will assign to the Supplier(s) the applicable Ownership Share for each Load Asset. Once a Supplier's obligation terminates, Narragansett will terminate the Supplier's Ownership Share of a Load Asset.

The Supplier(s) shall be responsible for all obligations, requirements, and costs associated with the Supplier(s) having the Load Asset Ownership Share which shall include but not be limited to the day-ahead load obligations and real-time load obligations at the nodes/zones of each Load Asset. A more complete description of a Supplier(s)'s responsibilities can be found in the Master Power Agreement in Appendix B of this RFP.

The Supplier(s) shall be responsible for all decisions and data submissions associated with any bids into the market system to manage these obligations. The Supplier(s) shall be responsible for all components of any Locational Marginal Prices the Supplier must pay in delivery of the services. These components include, but are not limited to, the day-ahead and real-time energy, marginal losses, and congestion charges. As the supplier of such services, the Supplier(s) will be responsible for all present or future requirements and associated costs (to the extent such charges are not imposed on Narragansett as a transmission charge by NEPOOL or the ISO) associated with the services and any other requirements, market products, expenses or charges imposed by NEPOOL or the ISO, as they may be in effect from time to time.

The Supplier(s) will also be responsible for all transmission and distribution losses associated with delivery of the electricity from the delivery point to the Last Resort Service customer's meter. A description of the estimation process for determining supplier hourly load can be found in Appendix A of the Master Power Agreement, found in Appendix B of this RFP.

Narragansett will make arrangements with the ISO for transmission service over the PTF and non-PTF, from and after the Delivery Point to the Customers' meters. Narragansett will be billed by the ISO and the applicable Participating Transmission Owner(s) for these services. Narragansett will pay these bills and collect the costs, along with Narragansett's distribution costs, from its retail customers through its retail delivery service tariffs. Any other transmission or distribution costs will be the Supplier(s)' responsibility.

# 5. Proposal Requirements

# 5.1 Format of Proposal

The information required by Service Provider to evaluate each proposal is identified in Appendix C. Respondents may simply complete the forms provided in Appendix C in any legible fashion and return them to James Calandra as provided in Section 3.2. In addition, proposals should contain explanatory, descriptive and/or supporting materials as necessary.

# 5.2 Proposed Pricing

Respondents must specify the price at which they will provide Last Resort Service for each load block on which they are bidding to serve. Purchases will be made on an "asdelivered" energy basis with prices stated on a fixed \$/MWh basis. Such prices shall exclude any ISO capacity charges and credits. Such prices may vary by calendar month and by load block, but must be uniform for the entire calendar month or period, as specified, and cover the entire term of this Request for Proposals.

Prices which contain demand components, minimum purchase requirements or which vary by time-of-use within a calendar month will be rejected. Other than capacity market charges and credits, prices which exclude one or more market costs (e.g. uplift costs, etc.) will be rejected.

Service Provider intends to pay a Supplier(s) based on the billing determinants as defined in the Master Power Agreement. These billing determinants are the loads as reported to and settled by the ISO, which include transmission and distribution losses, and exclude any PTF losses allocated to the Supplier by the ISO during the settlement. Service Provider intends to pay a Supplier(s) the net of the actual ISO capacity charges and credits associated with the Supplier(s) having the Load Asset Ownership Share.

Service Provider is seeking the following pricing:

• All-Inclusive Bids: For each load block (A1 through I), a price which includes all costs except capacity market charges and credits. Should Service Provider select this option, (1) Suppliers would be responsible for all costs except capacity market charges and credits, (2) Service Provider would pay Suppliers for the net of the actual ISO capacity charges and credits, and (3) Suppliers would not be responsible for complying with the Renewable Energy Standard component.

# 5.3 Terms and Conditions

Service will be provided pursuant to the terms of the Master Power Agreement.

# 5.4 New England Market Participation

Each Respondent must indicate whether it has an executed and accepted Market Participant Service Agreement with ISO New England or if it plans to execute an agreement and, if so, at what point it is in the application process and the time frame for completing the process. Respondents must also provide evidence of agreements with a Market Participant if Respondent will have another Market Participant be responsible for its market settlement obligations.

# 5.5 Competitive Supplier Registration

The service provided by the Supplier(s) of Last Resort Service to Narragansett is a wholesale transaction between the Supplier(s) and Narragansett; therefore, the Supplier(s) do not have to be licensed or registered suppliers with any state regulatory commission.

# 5.6 Regulatory Approvals

The Supplier(s) of the services covered by this Request for Proposal must obtain and maintain all necessary regulatory approvals required to enable it to provide the applicable service. Such approvals must be obtained prior to April 1, 2023, as applicable.

# 6. Retail Customer Relationships

# 6.1 Customer Billing

All customers taking Last Resort Service covered by this RFP will be retail customers of Narragansett. As the retail provider of such service, Narragansett will bill customers for the Last Resort Service provided.

# 6.2 Notification of Enrollments and Terminations

Narragansett will provide electronic notification to the Supplier(s) of Last Resort Service customer enrollments and terminations within a customer group. Enrollment information will include account number, rate class and commencement date of service. Termination information will include account number, rate class and termination date of service. Such notifications shall only be provided when a Supplier establishes a Windows or Unix file server with capability of sending and receiving File Transfer Protocol (FTP), files with Pretty Good Privacy (PGP), Encryption/Decryption, and (ii) verifies its ability to transfer files to and receive files from Narragansett at least fourteen (14) days prior to the day on which a Supplier desires to commence electronic receipt.

#### 6.3 Customer Service

Narragansett, as the retail provider of Last Resort Service, will provide customer service to all customers receiving Last Resort Service.

#### 7. Selection Process

The criteria to be used in evaluating proposals will be the lowest evaluated bid price by load block. If there are identical lowest final bid prices, the winning bidder will be determined by selecting the bidder with the lowest final bid price for the estimated highest volume month.

# 8. Credit Requirements

In order to protect Narragansett's Last Resort Service customers from the risk of Supplier(s) default, a winning Supplier(s) must be able to demonstrate it has the financial resources to perform during the term of the agreement. As reflected in the attached Master Power Agreement (Appendix B to this RFP), Service Provider will require Supplier(s) to provide some form of security when entering into a Confirmation. The security arrangement will be based on the expected volume of load for the load block and a mark-to-market margining clause. As forward market prices change, the Supplier(s) will be required to post security for those incremental changes. Additionally, Suppliers that are rated at or below BBB-/Baa3 will be required to post an Independent Amount equal to 10% of the notional value of each load block awarded. The Supplier(s) shall provide security in one of the following forms:

- Unsecured line of credit for a rated counterparty
- Parental Guaranty
- Letter of Credit
- Cash deposit with Service Provider

Respondents that are rated by a major credit rating agency must provide the ratings assigned by such agencies. Respondents that are not rated by a major credit rating agency must provide the following information to enable Service Provider to evaluate a Respondent's financial strength:

- Respondent's organizational history
- Date of establishment
- Initial (if founded within the last ten years) and current capitalization
- Certified financial statements, including balance sheets and statements of income and cash flow with respect to the two previous fiscal years and the most recent interim period
- Forms 10-K and 10-Q, submitted to the United States Securities and Exchange Commission for the two previous fiscal years, if applicable;
- Short-term and long-term debt ratings from Moody's Investor Service or Standard & Poor's Corporation
- Corporate affiliates or joint venture partners including any details regarding financial limitations between partners or affiliates.

If a Respondent has provided this information to Service Provider or an affiliate in a response to a previous RFP, then the Respondent needs only to identify the date and to whom the information was submitted and update the previously provided information.

Service Provider agrees that it will treat the information it receives from Respondents in a confidential manner and will not, except as required by law or regulatory authority, disclose such information to any third party or use such information for any purpose other than in connection with this RFP.

# 9. General Requirements

Service Provider may withdraw and terminate this RFP at any time without any liability. Service Provider reserves the right to accept or reject, in whole or in part, any and all proposals. Service Provider will not be responsible to any Respondent or any other party for failure to execute a Master Power Agreement or Confirmation.

Service Provider shall reject proposals submitted in response to this RFP that are incomplete, or do not conform to the requirements of the RFP, or are submitted beyond the deadline for submission. All proposals submitted by Respondents in response to the RFP will become the exclusive property of Narragansett.

Service Provider will post the average winning bid price of each load block on the Power Procurement Website within 90 days of final pricing.

Each Respondent certifies, by is submission of a bid, that it is bidding independently and that it has no knowledge of any proposal being submitted by another Respondent in response to this RFP. Each Respondent further certifies that, by its submission of a bid, it has not disclosed and will not disclose prior to any award hereunder any information relating to its proposal which could have an effect on whether another party submits a proposal to this RFP or on the contents of such proposal that another bidder would be willing to submit in response to this RFP. Such information includes, but is not limited to: the fact that the bidder is submitting a proposal in response to this RFP, the bidder's bids, the bidder's quantities of each product bid, the bidder's estimation of the value of a product, the bidder's estimation of the risks associated with supplying a product, and the bidder's preference for bidding on one or several products.

If any information provided by the Respondent changes or fails to remain valid, it is the sole responsibility of the Respondent to notify Service Provider of such change. Failing to do so may result in disqualification of the Respondent and its proposal for the solicitation.

Respondents shall, at their own cost and expense, defend, indemnify and hold harmless Service Provider and Narragansett, their parents, subsidiaries and affiliates and their officers, directors, trustees, employees, shareholders, executors, administrators, successors and assigns against any and all manner of past, present, or future claims,

demands, disputes, controversies, complaints, suits, actions proceeding or allegations of any kind which in any manner relate to arise out of, or result from any false statements or misrepresentations, intentional or unintentional, in its proposal, or breach of any covenant by the Respondent set forth herein.

# APPENDIX A DESCRIPTION OF SERVICES

| The Narragansett Electric Company   |   |  |  |  |  |
|---|---|--|--|--|--|
| Last Resort Service   |   |  |  |  |  |
| Description   | Electric Service provided to retail customers who are not taking service from a competitive supplier.   |  |  |  |  |
| Eligibility<br>Requirements   | Service to customers can be initiated by:  a) A customer notifying Narragansett that it wishes to terminate service from its competitive supplier and commence Last Resort Service. b) A competitive supplier notifying Narragansett that it is terminating service to a customer. c) A competitive supplier ceasing to provide service to a customer without notifying Narragansett. d) A customer moves into Narragansett's service territory and does not affirmatively choose a competitive supplier. |  |  |  |  |
| Aggregate Number of Customers Taking Service and Historical Load Profiles | Note: Historic customer count data and historical hourly load profiles are available at the Power Procurement Website: <a href="http://www.nationalgridus.com/energysupply/">http://www.nationalgridus.com/energysupply/</a>  |  |  |  |  |

# APPENDIX B MASTER POWER AGREEMENT

# APPENDIX C

# REQUIRED PROPOSAL INFORMATION