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December 1, 2016

Mark D. Marini, Secretary
Department of Public Utilities
One South Station
Boston, MA 02110

Re: City of Salem Municipal Aggregation Annual Report

Dear Secretary Marini:

I have enclosed the City of Salem's Municipal Aggregation Annual Report.

Thank you for your assistance.

Sincerely yours,



Paul W. Gromer

Enclosure

cc: Elizabeth Lydon, Department of Public Utilities

**City of Salem Municipal Aggregation Annual Report
to the Massachusetts Department of Public Utilities**

December 1, 2016

The Salem municipal aggregation program was approved by the Department of Public Utilities on September 14, 2015 in docket no. D.P.U. 15-58. The program launched in January 2016 and is completing its first year.

1. Competitive supplier

The competitive supplier for the program is ConEdison Solutions, Inc.

2. Term of energy services agreement

The term of the energy services agreement is for the meter readings from January 2016 through January 2017.

3. Enrollment statistics

Customer Accounts

	Residential	Small Business	Large Business	Total
Feb-16	12,809	2,173	39	15,021
Mar-16	12,553	2,131	39	14,723
Apr-16	12,234	2,095	39	14,368
May-16	7,238	1,206	27	8,471
Jun-16	11,726	2,051	37	13,814
Jul-16	7,320	1,113	28	8,461
Aug-16	11,296	1,984	37	13,317
Sep-16	5,361	1,380	26	6,767

Note: The table reports the number of accounts with meter reads in each month. The number of accounts fluctuates significantly because many accounts in Salem are at the start of the meter read cycle. These accounts are read twice in some calendar months and are not read in the adjacent months.

4. Optional products

In addition to offering a 100% green default product that includes 5% Class I RECs over and above the RPS requirement, the program also offers two options:

- a. An optional 100% green energy product that includes 20% Class I RECs over and above the RPS requirement, as well as Maine Class II hydroelectric RECs. The incremental cost for the 100% green product is .79 cents/kWh.

- b. An optional basic product that meets minimum RPS requirements only and is not 100% green. The incremental cost reduction from the default product to the basic product is .31 cents/kWh.

5. Information disclosure

Salem implemented a multi-faceted information disclosure strategy prior to program launch to ensure all participants were fully informed about the program, pricing, options, and their right to opt out.

Opt-out letter: All eligible customers received an opt-out letter informing them of the program, their options, and their right to opt out.

Community meetings: Salem held two community meetings prior to program launch to inform the community about the program and answer questions. A meeting was held December 7, 2015, at the Senior Center, and another was held on December 10, 2015, at the City Hall Annex. The meeting schedule was publicized through a variety of internal City avenues and also media releases. It appeared in the *Salem Patch* on November 30, 2015. Printed FAQ brochures about the program were handed out at the meetings and also placed in City buildings for the public.

Media announcement: The Town sent out a media release about the program in on October 21, 2015, and it appeared in local online media outlets, including the *Salem Patch* in November and December 2015. *The Salem News* also covered the program on December 2, 2015.

Cable access television: On January 12, 2016, Salem Access Television recorded and broadcast a program regarding the aggregation. In addition, Salem Access Television broadcast a series of repeating informational slides about the program. Salem Access Television also records and broadcasts all City Council meetings, including those at which aggregation was discussed.

Aggregation website: Since before program launch, Salem provided comprehensive information about the aggregation program on the City website. The information includes pricing, customer opt-out rights, and answers to frequently asked questions. In November 2016, Salem rolled out a new, aggregation-specific website that is available from the City website and can be accessed at www.masspowerchoice.com/salem. The aggregation website marks a significant upgrade to the City's ability to present aggregation information. The site includes robust information about pricing, program options, and online forms for opting out and submitting customer support questions. The website was designed to make all aggregation information easier to find, including the energy mix disclosure labels and information about renewable energy sources.

Energy disclosure label: The energy disclosure label is available on the aggregation website. The current version of the label is attached.

Content Label for Salem Power Choice

ConEdison Solutions' customers are served through a regional power grid administered by the New England Independent System Operator. ConEdison Solutions supplies its customers with system power from this regional power grid, not from specific generating units. ConEdison Solutions procures renewable energy content to meet the Massachusetts renewable portfolio standard requirements and to supply voluntary green products chosen by customers. Information about ConEdison Solutions' renewable power content is shown below in the table on the right.

Generation Prices (cents per kilowatt hour)	Salem PowerChoice	Salem PowerChoice Basic	Salem PowerChoice Plus	Period in effect
All Customers	0.1039	0.1008	0.1118	Jan. 2016–Jan. 2017 meter read
Generation prices do not include regulated charges for customer service and delivery. Those charges are billed by your local distribution company.				

ConEdison Solutions October 31, 2016 Disclosure Label Based on the most Current Data Available at the Time of Filing.

New England System Mix	
Fuel	Percentages
Biodiesel	0.00%
Biomass	2.11%
Coal	2.58%
Diesel	1.43%
Digester gas	0.05%
Efficient Resource (Maine)	0.31%
Energy Storage	0.00%
Fuel cell	0.21%
Geothermal	0.00%
Hydroelectric/Hydropower	6.30%
Hydrokinetic	0.02%
Jet	0.01%
Landfill gas	0.44%
Municipal solid waste	1.11%
Natural Gas	40.84%
Nuclear	28.19%
Oil	9.09%
Solar Photovoltaic	1.42%
Solar Thermal	0.00%
Trash-to-energy	2.10%
Wind	2.15%
Wood	1.63%
Total	100.00%

ConEdison Solutions Power Attribute Content	
Salem PowerChoice (100% Green)	
Source	Percentage
MA Renewable Portfolio Standard Requirements (includes Wind, Solar, Biomass, and other renewable resources pursuant to MA regulations)	21.03%
MA Class I Resources (Wind, Solar)	5.00%
ME Class II Resources (Hydroelectric)	73.97%
Total Green Content	100.00%

ConEdison Solutions Power Attribute Content			
Salem PowerChoice Basic		Salem PowerChoice Plus (100% Green)	
Source	Percentage	Source	Percentage
MA Renewable Portfolio Standard Requirements (includes Wind, Solar, Biomass, and other renewable resources pursuant to MA regulations)	21.03%	MA Renewable Portfolio Standard Requirements (includes Wind, Solar, Biomass, and other renewable resources pursuant to MA regulations)	21.03%
System Mix	78.97%	MA Class I Resources (Wind, Solar)	20.00%
		Maine Class II Resources (Hydroelectric)	58.97%
Total	100.00%	Total Green Content	100.00%



Labor Information: ConEdison Solutions is unable to obtain information on how much of the electricity assigned to this electricity product came from power sources with union contracts with their employees. Additionally, ConEdison Solutions is unable to obtain information on how much of the electricity assigned to this electricity product came from power sources that used employees involving labor disputes during this period.

For further information contact:
Massachusetts Department of
Energy Resources • 617-626-7300

- DOER.Energy@State.MA.US
- <http://www.mass.gov/eea/grants-and-tech-assistance/guidance-technical-assistance/agencies-and-divisions/doer/>

Massachusetts Department of Public
Utilities: 1-877-886-5066

ConEdison Solutions
1-866-469-8361
www.conedisonsolutions.com

Air Emissions

Emissions for each of the following pollutants are based on System Mix data provided by the New England Power Pool (NEPOOL) and ISO New England for the most current data available at the time of filing.

System average emission rates are based on the most current annual data available at the time of filing and were prepared for New England Power Pool (NEPOOL) by ISO New England.

Emissions data:

ConEdison Solutions

Emission Type	Lbs. per MWh
Nitrogen Oxides (NO _x)	0.753
Sulfur Dioxide (SO ₂)	0.961
Carbon Dioxide (CO ₂)	824.717

New Unit emissions data for CO₂ is 895 lbs/MWh; for NO_x is 0.055 lbs/MWh; for SO₂ is 0.011 lbs/MWh

Sulfur Dioxide (SO₂) is formed when fuels containing sulfur are burned, primarily coal and oil. Major health effects associated with SO₂ include asthma, respiratory illness and aggravation of existing cardiovascular disease. SO₂ combines with water and oxygen in the atmosphere to form acid rain, which raises the acid level of lakes and streams, and accelerates the decay of buildings and monuments.

Nitrogen Oxide (NO_x) is formed when fossil fuels and biomass are burned at high temperatures. NO_x contributes to acid rain and ground-level ozone (or smog), and may cause respiratory illness in children with frequent high level exposure. NO_x also contribute to oxygen deprivation of lakes and coastal waters which is destructive to fish and other animal life.

Carbon Dioxide (CO₂) is released when fossil fuels (e.g., coal, oil and natural gas) are burned. Carbon dioxide, a greenhouse gas, is a major contributor to global warming.

Notes

The NEPOOL system mix represents all resources used for electricity generation in the region. ConEdison Solutions purchases power from the NEPOOL system.