

What are the unique power supply, energy efficiency and consumer advocacy services offered by Cape Light Compact?

Yes. First and foremost, Cape Light Compact is a public entity – not a private, for-profit company - and our mission is to serve the public interest. Through the Compact, over 200,000 Cape and Vineyard energy users have been able to band together to seek out the best terms and conditions in an electric supply contract, while representing regional interests as energy advocates for our customers on a local, regional, state, and federal level – most notably with the recently enacted Green Communities Act.

Additionally, the Compact's power supply is in full compliance with the Renewable Portfolio Standard (RPS), which mandates that a percentage of retail power sales come from renewable energy sources. The Compact complies with the RPS through the purchase of Renewable Energy Certificates (RECs) from renewable energy sources such as wind, solar, biomass and hydroelectric.

The price per kilowatt hour for electricity is one of many terms in an electric supply contract. The Compact's price is fixed for a specified time and does not allow any items that many suppliers prefer to "pass through" as an adder to their price. This "pass through" provision is in many electric contracts; however the Compact's electric supply contract does not allow any additional costs to be "passed on" to our customers. With our contract, the supplier takes on this risk, not the Compact's customers.

Timing of the energy purchase is also an integral component of the Compact's price. The point at which a power supply load is purchased for a contracted term reflects the price passed on to consumers. This is true for Cape Light Compact as well as other companies procuring power supply for the consumer market. The timing of energy purchase also explains why the Compact's price can either be higher or lower than other offers currently available on the market.

The Compact's current electric prices reflect energy purchases that were made for calendar year 2009 during the latter part of 2008, when market prices had decreased approximately 30% from the highs seen in mid-2008. The Compact's prices are not inflated for profit, or for any other reason. Electric prices in today's energy market are lower than they were in late 2008, when the Compact made its purchases, and contracts initiated in today's energy market will likely be lower than the Compact's present electric rates. The Compact's 2010 electric prices are projected to be lower than the current electric prices because the energy markets have remained significantly lower in 2009 than in 2008.

We also provide consumers an option to support renewable energy by joining *Cape Light Compact GreenSM*, where participants can match 50% or 100% of the electricity use each month with renewable energy sources. The centerpiece of *Cape Light Compact GreenSM* is the Solarize Our Schools program, where customers in all 21 towns on the

Cape & Vineyard increased the use of renewable energy by signing up to receive their power supply through *Cape Light Compact GreenSM*. In return, each community received a 2 kW Photovoltaic (PV) system on a school or public facility installed by Cape Light Compact at no cost to the town.

In addition to bringing competitive market prices for electricity to the Cape and Vineyard and providing a renewable power supply option through *Cape Light Compact GreenSM*, Cape Light Compact offers its customers the clear, factual information required to make informed decisions regarding offers made by competitive electricity suppliers. We welcome and encourage competition in the power supply market in order to ensure that residents have the opportunity to choose a supplier that best suits their needs.

Since July 2001, Cape Light Compact has administered energy efficiency programs for Cape Cod and Martha's Vineyard, offering a variety of activities and programs to support regional energy efficiency and renewable power development. Our distinctive programs include award-winning energy educational curriculum and outreach to Cape and Vineyard students and the community, free energy assessments, residential, business and municipal incentives for energy efficiency upgrades, advanced training courses for the local workforce in green energy practices, enhanced residential programs and green affordable homes for lower income residents, and the most advanced energy-saving technologies and programs like the Smart Home Energy Monitoring Pilot and the Governor's Clean Energy Challenge. We also have a dedicated customer service center with representatives who can answer your energy-related questions and are knowledgeable about the Cape Light Compact, its power supply options and energy efficiency programs.

Cape Light Compact has been recognized on a national level for their commitment to promoting energy efficiency programs in the region. The U.S. Environmental Protection Agency (EPA) honored Cape Light Compact with a 2009 ENERGY STAR® Partner of the Year Award for its outstanding contributions to reducing greenhouse gas emissions by delivering information and services to its customers to increase energy efficiency. The Compact also received the 2009 ENERGY STAR® Sustained Excellence Award in recognition of its continued leadership in protecting our environment through energy efficiency.

Another main objective of Cape Light Compact is to keep our program benefits local. From July 2001, when Cape Light Compact began to administer energy efficiency programs for the region, through December 2008, Cape Light Compact has returned over \$35.5 million in energy efficiency services to the residents and business of Cape Cod and Martha's Vineyard. These funds, with certainty, have been reinvested in our local economy instead of supporting energy efficiency projects in other utility service areas outside of our region.

The Compact provides customers with a comprehensive approach to energy services – power supply, energy efficiency programs, and consumer advocacy. The Compact believes in and supports competitive electric markets and customer choice, and encourages customers to make informed decisions that best serve their financial and personal needs in both the power supply and energy efficiency arena. In the long run, we believe Cape Cod and Martha’s Vineyard residents are overall better served by a grassroots public entity dedicated to bringing energy choice, quality green jobs, effective representation and proven energy efficiency programs to our region.