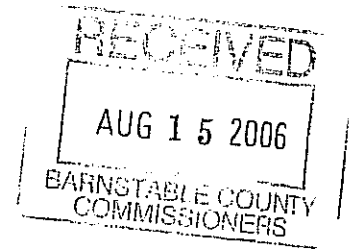


August 14, 2006

**VIA FIRST CLASS MAIL**

Ms. Margaret Downey, Administrator  
Cape Light Compact  
P.O. Box 427  
Superior Court House  
Barnstable, Massachusetts 02630



**Re: Extension of Competitive Electric Supply Agreement (the "Agreement")**

Dear Ms. Downey:

The purpose of this letter is to document that the Cape Light Compact (the "Compact") and Consolidated Edison *Solutions*, Inc. ("Con Edison Solutions") have agreed to extend the term of the Agreement pursuant to Section 4.4 of the Agreement which states as follows:

*4.4 Extension - This Agreement may be extended beyond January 31, 2007, by mutual, written agreement of the Parties. Any new pricing terms shall be added to and replace Exhibit A as Exhibit A-2. Upon any such extension, this Agreement shall continue to be in effect, and all provisions of the Agreement shall retain the same force and effect as before the extension, unless it is terminated by either Party pursuant to the provisions of Article 4.2 or until the date stated in such extension.*

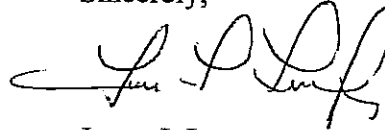
New pricing terms have been agreed to in accordance with the above-stated clause. The final version of Exhibit A-2 is enclosed.

I understand that a copy of this letter and the enclosed exhibit will be made part of an appropriate informational filing with the Massachusetts Department of Telecommunications and Energy ("DTE"). As set forth in Exhibit A-2, the parties intend to give the exhibit confidential treatment, but Con Edison Solutions understands that the Compact cannot guarantee that DTE will treat the exhibit and the information contained therein as confidential.

Ms. Margaret Downey  
August xx, 2006  
Page 2 of 2

Please countersign this letter in duplicate and return one-fully executed original to me to affirm the Compact's assent to extension of the term of the Agreement and the new pricing terms set forth in the enclosed Exhibit A-2. Thank you.

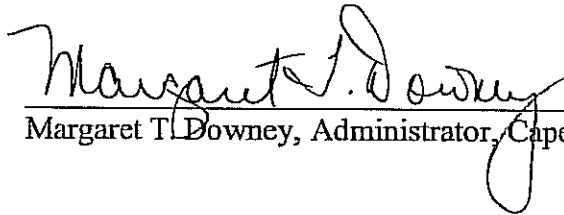
Sincerely,



Jorge J. Lopez  
President & Chief Executive Officer

:jjd  
Enclosure

**ACCEPTED AND AGREED:**



Margaret T. Downey, Administrator, Cape Light Compact

*(insertion of historical pricing)*

The Table below shows actual historical pricing for each pricing period during the duration of the contract, separated by rate class. All rates are shown in cents per kilowatt hour.

<b><u>Term Start</u></b>	<b><u>Term End</u></b>	<b><u>Residential</u></b>	<b><u>Commercial</u></b>	<b><u>Industrial</u></b>
January 2007	April 2007	11.652	11.671	12.871
April 2007	July 2007	11.652	11.671	10.099
July 2007	October 2007	10.99	11.469	11.491
October 2007	January 2008	10.99	11.469	9.53
January 2008	April 2008	11.1	11.45	11.685
April 2008	July 2008	11.1	11.45	11.343
July 2008	October 2008	12.706	13.976	14.776
October 2008	January 2009	12.706	13.976	11.643
January 2009	April 2009	12.7	13.28	12
April 2009	July 2009	12.7	13.28	8
July 2009	October 2009	12.7	13.28	7.99
October 2009	January 2010	12.49	12.49	7.49

**Definitions:**

**Term Start** is the month of the first meter read of the pricing term

**Term End** is the month of the last meter read of the pricing term

**Residential** rate includes rate codes R-1, R-2, R-3, R-4, R-5, R-6

**Commercial** rate includes rate codes G-1, G-4, G-5, G-6, G-7, S-1

**Industrial** rate includes rate codes G-2 and G-3

*(end of insertion)*

*Exempt from public records disclosure pursuant to G.L. c. 4, §7, cl. 26(d) (development of agency policy) and 26(g) (trade secrets or proprietary commercial or financial information)*

**EXHIBIT A-2  
PRICES AND TERMS**

RECEIVED

AUG 15 2006

BARNSTABLE COUNTY  
COMMISSIONERS

- Start Date: All-Requirements Power Supply delivered in accordance with the prices and terms set forth in this Exhibit A-2 will commence on Consumer meter read dates in January 2007.
  
  - Term: The initial term for All-Requirements Power Supply was fourteen months, from the first Consumer meter read dates in December 2005 through the last Consumer meter read dates in January 2007. The extended term shall commence on the first Consumer meter read date in January 2007 through the last Consumer meter read dates in January 2010 (the "Extended Term"), unless this Agreement is sooner terminated in accordance with Section 4.2 of this Agreement or the Closing Period clause below.
  
  - Price: As indicated below and subject to the additional pricing parameters set forth further below, Consolidated Edison *Solutions*, Inc. ("Con Edison Solutions") is providing the price for each of the indicated classes of customers for All-Requirements Power Supply for the Initial Period (as that term is defined below):
    - All price offers are stated in dollars per megawatt-hour of metered retail sales.
    - These prices do not include any applicable taxes.
    - Price by customer class:
      - \$ \_\_\_\_\_ / MWh ( \_\_\_\_\_ /kWh) for Residential Customers (Rate Codes R-1, R-2, R-3, R-4, R-5, R-6)
      - \$ \_\_\_\_\_ / MWh ( \_\_\_\_\_ /kWh) for Small Commercial Customers (Rate Codes G-1, G-4, G-5, G-6, G-7, S-1)
      - \$ \_\_\_\_\_ / MWh ( \_\_\_\_\_ /kWh) for Industrial Customers (Rate Codes G-2 and G-3)
      - \$ \_\_\_\_\_ / MWh ( \_\_\_\_\_ /kWh) for Municipal Consumers
- [Final prices will be inserted into the blanks above in December of 2006]*
- The prices indicated above shall be reduced on a *pro-rata* basis to reflect Renewable Portfolio Standard Renewable Energy Certificates ("RECs") supplied by the Compact to Con Edison Solutions at a price per REC less than the Alternative Compliance Payment price established by the Massachusetts Division of Energy Resources and for all RECs required by the Renewable Portfolio Standard for the Compact's Consumers.

*Exempt from public records disclosure pursuant to G.L. c. 4, §7, cl. 26(d) (development of agency policy) and 26(g) (trade secrets or proprietary commercial or financial information)*

- Additional Pricing Parameters for Residential and Small Commercial Customers: Every six-month period during the Extended Term, Con Edison Solutions will provide pricing for Residential and Small Commercial Customers for All-Requirements Power Supply that will be within a band based on NSTAR's Basic Service Price. The floor of this band is any price that is below NSTAR's Basic Service Price and the ceiling is NSTAR's Basic Service Price plus \$.005/kWh which includes any adder that may be collected by Con Edison Solutions pursuant to Section 15.3 of this Agreement (the "Target Band").

Initial Pricing: The initial pricing for All-Requirements Power Supply is six months, from the first Consumer meter read dates in January 2007 through the last Consumer meter read dates in July 2007 and shall be as set forth above (the "Initial Pricing Period").

Pricing for Remainder of Extended Term: For each six-month period following the Initial Pricing Period, Con Edison Solutions will provide new pricing for the next six-month period of the Extended Term based on the Target Band for that six-month period, such pricing to be provided to the Compact no later than fourteen (14) days before the first day of the first month of each six-month period of the Extended Term. Con Edison Solutions will continue to provide All-Requirements Power Supply for the Initial Pricing Period and each subsequent six-month period during the Extended Term if pricing is within the Target Band or if a Special Adjustment Factor is applied to the price, as set forth below.

Special Adjustment Factor: Con Edison Solutions may increase its pricing above the Target Band only if Con Edison Solutions and the Compact agree that NSTAR's Basic Service Price has either excluded an extraordinary cost(s), or is underestimating an extraordinary cost(s), that Con Edison Solutions must include in its price to provide All-Requirements Power Supply. If Con Edison Solutions and the Compact cannot agree as provided in the preceding sentence, the price will be published with a statement that such price may be subject to adjustment. For the purposes of this Agreement, "Extraordinary Costs" are costs that NSTAR shifts to its Default Service Adjustment factor that Con Edison Solutions must bear and cannot shift to the regulated portion of the Residential and Small Commercial Customers' electric bill or that are the result of the action of a legislative or regulatory body such that the actual cost of providing all-requirements supply for any six-month period is not being reflected in NSTAR's Basic Service Rate (e.g., rate capping or deferred recovery). The Special Adjustment Factor can only be invoked if these Extraordinary Cost(s) are estimated to be above a minimum threshold of \$.001/kWh. Upon NSTAR's filing of its Default Service Adjustment Factor at the end of each year, a review will be made by the Compact and Con Edison Solutions to determine the actual cost(s) for such Extraordinary Costs. If actual costs are less than the costs used by Con Edison Solutions to determine the Special Adjustment Factor, a credit will be provided by Con Edison Solutions via a price reduction for the subsequent six-month period or if there is no subsequent six-month period as a lump sum payment to the Compact. By

way of example and for illustrative purposes only, if there are agreed upon Extraordinary Costs of \$.009/kWh, Con Edison Solutions may adjust its pricing by \$.009/kWh. If it is subsequently determined that there were only \$.004/kWh of such Extraordinary Costs in fact, Con Edison Solutions will provide a credit of \$.005/kWh for the subsequent period.

Closing Period: If providing All-Requirement Power Supply based on pricing within the Target Band leads Con Edison Solutions to provide All-Requirements Power Supply at a loss for the Initial Pricing Period or for any subsequent six-month period, Con Edison Solutions will notify the Compact at least fourteen days prior to the start of the applicable period. Upon notification by Con Edison Solutions, Con Edison Solutions will continue to provide All-Requirements Power Supply at a price of up to \$.015/kWh above NSTAR's Basic Service Price for the succeeding six-month period ("Closing Period"). Except as specifically provided below, at the conclusion of the Closing Period, Con Edison Solutions will have no further obligation or right to provide All-Requirements Power Supply to any Consumer for any subsequent six-month period and the Compact may renegotiate this Agreement with Con Edison Solutions, contract with a new supplier, provide supply itself, or discontinue its Aggregation Program, in the Compact's sole discretion.

- Additional Pricing Parameters for Industrial Customers: Pricing for Industrial Consumers (Rate Codes G-2 and G-3) will be provided by Con Edison Solutions every three months based on market pricing and such pricing is not required to be maintained within the Target Band.

- Additional Pricing Parameters for Municipal Consumers: To the extent any Municipal Consumer waives its opt-out rights for all or any portion of the Extended Term, such waiver (including price terms) shall be memorialized in a side letter or amendment to this Exhibit A-2, which, among other things, addresses the rights of such Municipal Consumer in the event that Con Edison Solutions invokes its rights pursuant to Closing Period clause above or is terminated under this Agreement pursuant to Section 4.2.

- Pricing Disputes: Pricing disputes shall be resolved in accordance with Section 12.2 (Dispute Resolution) of this Agreement. The Parties agree that the dispute resolution procedures in such Section will be implemented on an expedited basis if the dispute concerns the Special Adjustment Factor.

*Exempt from public records disclosure pursuant to G.L. c. 4, §7, cl. 26(d) (development of agency policy) and 26(g) (trade secrets or proprietary commercial or financial information)*

- Confidential Treatment of this Exhibit A-2: The terms set forth in this Exhibit A-2 are being voluntarily provided, subject to the Compact's promise that it be provided confidential treatment until December 15, 2009, pursuant to M.G.L. c. 4, §7, cl. 26(g) which provides an exemption to the definition of "Public Records" that allows withholding from public disclosure of "trade secrets or commercial or financial information voluntarily provided to an agency for use in developing governmental policy and upon a promise of confidentiality... ." Con Edison has requested that Exhibit A-2 be withheld from public disclosure since the most efficacious and cost-effective arrangement by Con Edison Solutions and the Compact of the power supply and RECs set forth herein might be compromised by premature disclosure of this Exhibit A-2.