



**NSTAR ELECTRIC COMPANY,
d/b/a Eversource Energy (“NSTAR”)**

**REQUEST FOR PROPOSALS
FOR POWER SUPPLY FOR BASIC SERVICE
FOR THE WCMA LOAD ZONE**

For the Delivery Term commencing

May 1, 2024

January 10, 2024

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d/b/a EVERSOURCE ENERGY (“NSTAR”)**

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FOR POWER SUPPLY
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**January 10, 2024
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FOR POWER SUPPLY FOR BASIC SERVICE**

January 10, 2024

I. Introduction and Background

NSTAR Electric Company d/b/a Eversource Energy (“NSTAR” or the “Company”) is requesting wholesale power supply bids to provide a portion of All-Requirements Service¹ to its Industrial Basic Service customers commencing May 1, 2024 and terminating July 31, 2024². The full terms of the procurements are detailed in this Request for Proposals (“RFP”). Final bids are due on Tuesday, February 6, 2024 by 10:00 A.M. EPT.

The Massachusetts Electric Industry Restructuring Act of 1997 (the “Act”) 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 Act provides access for all retail customers of NSTAR as of March 1, 1998. The Act requires an electric distribution company to provide Basic Service to those customers who are not receiving generation service from a competitive retail supplier. The Act further requires Basic Service to be competitively procured. In addition, the Massachusetts Department of Public Utilities (“DPU” or the “Department”) ordered all electric companies in Massachusetts to procure Basic Service through competitive solicitations by customer group (Residential, Commercial and Industrial) and to procure such power at fixed monthly prices. In subsequent proceedings, the DPU required electric companies in Massachusetts to procure Basic Service supply on a load zone-specific basis and to establish separate Basic Service prices for each load zone for Industrial customers and to procure Basic Service supply on a quarterly basis for Industrial customers.

NSTAR is a subsidiary of Eversource Energy, with a principal place of business in Boston, MA. NSTAR is hereby issuing this RFP for power supply offers from qualified power suppliers (“Suppliers”) to supply firm, load-following power to meet the Basic Service requirements (as defined below) for customer groups on a load zone-specific basis for the Delivery Term. Although Suppliers need not provide bids for each tranche of Basic Service, Suppliers must provide separate fixed monthly prices for each tranche bid. NSTAR plans to award the power supply for Basic Service based on the proposals that provide the best value and satisfy the needs of its customers.³

NSTAR has uniform Basic Service rates for Residential, Street Lighting, Commercial, and Industrial customers.

¹ See the attributes of “All Requirements Service” described in Section IV “Nature of Service.”

² Per the Order on Basic Service Fixed Rate and Procurement Periods, D.P.U. 23-50-A (Sept. 1, 2023) NSTAR transitioned to new three-month basic service rate periods for industrial customers in 2024. D.P.U. 23-50-A at 6, 16.

³ Default Service, D. T. E. 02-40-C (September 11, 2003).

II. Basic Service Requirement

NSTAR is soliciting offers for All-Requirements Service to supply NSTAR’s end-use customers in the Industrial customer group (the “Larger Customers”) who take service pursuant to the Company’s Basic Service Tariffs. “All Requirements Service” includes delivery, to the Pool Transmission Facilities (“PTF”) within the WCMA load zone, of the portion of the electric capacity, energy and ancillary services and all other ISO New England Inc. (“ISO-NE”) market products required to meet the needs of NSTAR’s Basic Service customers pursuant to the terms of ISO-NE Tariffs and the applicable Master Power Supply Agreement (“MPSA”). Basic Service is provided to retail customers who are not taking service from a competitive supplier. Basic Service to customers can be initiated by:

- (a) a customer notifying NSTAR that it wishes to terminate service from its competitive supplier and commence Basic Service;
- (b) a competitive supplier notifying NSTAR that it is terminating service to a customer;
- (c) a competitive supplier ceasing to provide service to a customer; or
- (d) a customer moving into NSTAR’s service territory, who has not affirmatively chosen a competitive supplier.

Industrial Customer Group

The All-Requirements Service period begins on hour ending 0100 Eastern Prevailing Time (EPT) on May 1, 2024 and terminates on hour ending 2400 EPT on July 31, 2024. There is one tranche totaling 100% of the Basic Service load for customers in the Industrial Customer Group, comprising the following load asset:

Zone	Asset Name	Asset ID #
WCMA:	WMECO LARGE_C&I_LOAD	10094

In total, NSTAR will purchase 100% of the Industrial Basic Service load for the May 1, 2024 – July 31, 2024 term. Bidders must offer to supply the entire load for the applicable Delivery Period. NSTAR will consider only fixed price bids that can be evaluated on a monthly \$/MWh basis.

III. Delivery

The All-Requirements Service supply for Basic Service is to be delivered to PTF within the WCMA load zone. NSTAR will make arrangements for NEPOOL Regional Network Service, which provides for transmission over PTF, and Local Network Service from any applicable local transmission provider(s), which provides for transmission over non-PTF. NSTAR will be billed by ISO-NE and the applicable local transmission provider(s) for these services. NSTAR will pay these bills and recover the costs, along with its distribution costs, from its customers through its retail distribution tariffs. Any other transmission or distribution costs will be the Supplier’s responsibility.

IV. Nature of Service

Each Supplier with an accepted proposal will be assigned a share of the appropriate NSTAR load asset in the ISO-NE settlement system, and will be required to satisfy all ISO-NE Tariff obligations associated with that load asset. The Supplier of Basic Service for each customer group and load zone shall be responsible for meeting the fixed percentage of the service requirements for NSTAR's customers in the customer group and load zone taking such service as specified above. The Supplier shall be responsible for all transmission and distribution losses associated with delivery of energy from the Delivery Points to the ultimate customers' meters.

The Supplier(s) of All-Requirements Service are not required to provide NSTAR's renewable energy obligations resulting from the Massachusetts Renewable Energy Portfolio Standards promulgated at 225 CMR 14.00 and 15.00 et seq., or the Alternative Energy Portfolio Standard promulgated at 225 CMR 16.00 et seq. These requirements will be managed separately by NSTAR.

V. Expected Loads

Recently there has been significant activity regarding municipal aggregation in the NSTAR service territory. The aggregation programs are designed to move customers from Basic Service to competitive supply and are administered independently. Some of these programs may receive approval during the term of this RFP. Please contact the MA DPU for updates on the status of municipal aggregation plans in the Commonwealth.

To help Suppliers determine the potential load requirements NSTAR is providing the following information electronically via Eversource's website at:

<https://www.eversource.com/content/residential/about/doing-business-with-us/energy-suppliers/western-massachusetts-wholesale-supply>

- A copy of this RFP
- A copy of the Form of Master Power Supply Agreement
- A Bid Form
- Aggregate historical hourly reconciled Basic Service load as measured at the low side of the PTF by customer group through July 2023, plus aggregate historical hourly preliminary Basic Service load (including losses) by customer group, by distribution company through October 2023.
- NSTAR (WCMA) Customer by Rate Class

NSTAR cautions Suppliers that historical load data is not a guarantee of future load volumes. It is understood and agreed that NSTAR shall have no liability or responsibility to any entity resulting from the use or reliance upon any such information. Suppliers are responsible for forecasting their obligations on an hourly, daily, and monthly basis. However, NSTAR will provide Suppliers with certain information to facilitate the projection of load requirements. Such data includes the history of energy and peak Basic Service load, with periodic updates to such information.

Suppliers may not limit the amount of supply that may or must be purchased by NSTAR in each tranche, but may elect to bid only specific tranches of the load if the Supplier is willing to serve only particular customer groups or load zone.

VI. Proposals

Each proposal must be approved by an authorized representative of the Supplier, containing the bid price information required in the Bid Form, and submitted electronically to NSTAR. Suppliers must have an executed MPSA and demonstrate an ability to comply with NSTAR's financial assurance requirements prior to submitting a proposal. In addition, proposals should contain explanatory, descriptive and/or supporting materials as necessary. Each proposal must conform to the requirements of Section "VII. Terms and Conditions" below, and must specify in the Bid Form the price at which the Supplier will provide Basic Service for each customer group and load zone. Proposals shall be stated on an "as-delivered" energy basis with prices stated on a fixed \$/MWH basis. Prices may vary by calendar month, but must be uniform for the entire calendar month and cover the entire Delivery Term of the tranche selected by the Supplier. In addition, prices may not contain demand components or vary by time-of-use within a calendar month. Proposals that contain restrictions on the amount of power supply in any tranche, or any other conditions other than as expressly permitted herein, shall be rejected.³ Suppliers shall specify a price for each customer group tranche on which it bids.

An authorized officer or other authorized representative of the Supplier certifies by its submission of its bid that: the Supplier has reviewed the RFP and all attachments and has investigated and informed itself with respect to all matters pertinent to the RFP and its proposal; the Supplier's proposal is submitted in compliance with all applicable federal, state and local laws and regulations, including antitrust and anti-corruption laws; and, the Supplier is bidding independently and that it has no knowledge of the substance of any proposal being submitted by another party in response to this RFP. Violation of any of the above requirements may be reported to the appropriate government authorities.

VII. Terms and Conditions

All proposals shall constitute an offer to sell NSTAR Basic Service supply to the applicable customer groups and load zones. All proposals shall be required to be received by NSTAR no later than 10:00 A.M. EPT on Tuesday, February 6, 2024 and must be held open until the earlier of 3:30 P.M. EPT on Tuesday, February 6, 2024 or the date and time at which such offer is either accepted or rejected by NSTAR. Pricing or other terms contained in a proposal may not be changed or withdrawn during this period. NSTAR is not required to consider submissions received after the 10:00 A.M. EPT deadline.

³ For example, a Supplier offering to supply the Industrial customer group must agree to supply a fixed percentage of the needs of that group. The Supplier may not offer to serve a fixed percentage of the Industrial customer group with the condition that the amount of service purchased does not exceed a specified MW level in any given hour.

Each winning Supplier selected by NSTAR will provide Basic Service to NSTAR in accordance with the terms and conditions of the MPSA. All Suppliers are required to have in place an executed MPSA and agreed form of Transaction Confirmation prior to submitting bids. Winning suppliers will be required to execute the applicable MPSA Transaction Confirmation documents within one (1) business day of being notified that it has been selected as a winning Supplier, and to provide any required financial assurance in accordance with the terms of the MPSA.

VIII. Right to Select or Reject Supplier

Although it is NSTAR's intention to select Suppliers as a result of this RFP, NSTAR shall have the exclusive right to select or reject any or all of the proposals submitted, at any time and for any reason. NSTAR may also disregard any bid submission not in accordance with the requirements contained in this RFP. Further, NSTAR expressly reserves the right, in its sole and absolute discretion, to seek clarifications of any submissions, to negotiate to seek modifications to any submissions, to unilaterally change the schedule described herein or modify any of the rules, requirements and procedures referenced herein, to seek additional information, to terminate the process described herein, and to invite any (or none) of the Suppliers to participate further in the process, all without prior notice to other potential parties.

IX: Supplier Requirements for Basic Service

Each Supplier must obtain all necessary regulatory and other approvals prior to submission of a proposal that are required to enable it to provide the applicable service. Each Supplier responding to this RFP must meet certain conditions, including but not limited to:

- A. Each Supplier must be a member of NEPOOL and have an accepted Market Participant Service Agreement and settlement account established with ISO-NE and be in good standing and in compliance with all ISO-NE Policies (including, without limitation, the Financial Assurance Policy) at the time of its proposal submission and throughout the term of the period covered by this RFP;
- B. Demonstrate that it has the financial resources to perform its obligations. Further, the Supplier must be prepared to provide financial assurances and instruments satisfactory to NSTAR to cover NSTAR's costs in the event of a Supplier default. NSTAR shall calculate the potential exposure associated with a Supplier default, and in the event such exposure exceeds the applicable unsecured credit rating limit, Supplier shall be required to provide an irrevocable letter of credit or other security in a form and amount and from an issuer acceptable to NSTAR. If Supplier requires a Guarantor to satisfy these credit requirements, Supplier shall deliver to Buyer prior to bid submission a guaranty in a form acceptable to Buyer for prompt payment by Guarantor when due of all present and future payment obligations of Supplier in an amount that is no less than \$5 million. NSTAR Electric will not provide financial assurances under any circumstances;
- C. Demonstrate its own experience and qualifications (not that of its affiliates or special purpose entities) to provide the Basic Service offered;

- D. Commit to assisting and cooperating with NSTAR in any regulatory or judicial process relating to the proposed purchase, at the Supplier’s expense;
- E. Demonstrate the ability to meet the labeling and disclosure requirements of the Massachusetts legislation for all resources bid;
- F. Each Supplier must be authorized by the Federal Energy Regulatory Commission to sell wholesale power; and
- G. Comply with the requirements set forth in this RFP.

X. Retail Customer Relationships

All customers taking Basic Service covered by this RFP remain retail customers of NSTAR. As the retail provider, NSTAR performs billing and customer service functions for all Basic Service customers.

XI. Regulatory Approval

Any agreement(s) entered into for the delivery of MA Basic Service pursuant to this solicitation will be subject to the DPU’s favorable review of the results of NSTAR’s solicitation for Basic Service. Section 1 of the NSTAR Master Power Supply Agreement Form of Confirmation reflects this review standard, which NSTAR will require to be adopted for all Transactions subject to this solicitation. The Supplier is responsible for obtaining any applicable regulatory approvals for its obligations as stated above, and for satisfying any reporting requirements of the Federal Energy Regulatory Commission.

XII. Process and Schedule

A. Schedule

NSTAR intends to adhere to the following schedule, although it reserves the right to modify the schedule at any time at its sole discretion.

Process Step	Date
Issue Request for Proposal	Wednesday, January 10, 2024
Submittal of Comments to MPSA Form if MPSA not in place	Tuesday, January 16, 2024
Fully executed MPSAs in place	Tuesday, January 30, 2024– 5:00 p.m. EPT
Final Bids due	<u>Tuesday, February 6, 2024– 10:00 am a.m. EPT</u>
Award Group selected	<u>Tuesday, February 6, 2024</u> no later than 3:30 p.m. EPT
Transaction Confirmation Documents Executed	<u>Wednesday, February 7, 2024</u> , no later than 5:00 p.m. EPT
Service Begins	May 1, 2024

B. Communications

All proposals must be made by e-mail, addressed to both the primary and alternate contact listed below.

All other communications regarding this RFP may be made by e-mail, or addressed to:

NSTAR Electric Company
107 Selden Street
Berlin, CT 06037
Attn: Tracey
Lengyel-Krechko
Attn: Noreen
Leopardi

E-mail:
[tracey.lengyel-
krechko@eversource.com](mailto:tracey.lengyel-krechko@eversource.com),
noreen.leopardi@eversource.com

If you have any questions, please call:

Contact: Tracey Lengyel-Krechko 860-665-4772

Noreen Leopardi (860) 665-4558

C. Confidentiality

NSTAR agrees that it shall use commercially reasonable efforts to treat the non-public information it receives from Suppliers in a confidential manner and will not, except as required by law or in a regulatory proceeding, disclose such information to any third party or use such information for any purpose other than in connection with this RFP; provided, that, in any regulatory, administrative or jurisdictional proceeding in which confidential information is sought, NSTAR shall take reasonable steps to limit disclosure and use of said confidential information through the use of non-disclosure agreements or orders seeking protective treatment, and shall inform the Supplier if confidential information is being sought. Notwithstanding the foregoing, in any regulatory proceeding in which such confidential information is sought and a request for confidential treatment is made to the DPU, NSTAR shall not be responsible in the event that it is determined that the request for treating information in a confidential manner is not warranted. The Supplier shall be required to use commercially reasonable efforts to treat all information received from NSTAR in a confidential manner and will not, except as required by law or in a regulatory proceeding, disclose such information to any third party.

D. Evaluation

Proposals will be evaluated on the following bases:

1. Lowest evaluated bid price by customer group;
2. Compliance with non-price bidding requirements; and
3. Risk relative to price and ability to serve the load.

In evaluating bid prices, NSTAR will weigh monthly bids using a forecast of the monthly Basic Service load.

Attachment 1

Table of Credit Exposure Limits

This table sets forth the maximum unsecured credit exposure that NSTAR may have to any individual entity based on its credit rating tier. The applicable credit rating tier is based on an entity's senior unsecured debt ratings, or in the absence of such ratings, the entity's Corporate Credit ratings. In the case of split credit ratings, the lower of such ratings shall apply unless such ratings differ by more than one tier, in which case, one tier above the lower of such ratings shall apply. For entities that are guarantors of counterparties, the maximum exposure is the lesser of the amount of the guaranty or the Rating Limit set forth in this table. Please note that the "Rating Limits" are subject to change in NSTAR's sole discretion.

Tier	S&P Rating	Moody's Rating	Rating Limit
1	AA- or Higher	Aa3 or Higher	\$10,000,000
2	A+, A	A1, A2	\$10,000,000
3	A-	A3	\$10,000,000
4	BBB+	Baa1	\$8,000,000
5	BBB	Baa2	\$7,000,000
6	BBB-	Baa3	\$5,000,000
7	Below BBB-	Below Baa3	Security Required