

NANTUCKET ELECTRIC COMPANY

RESIDENTIAL-LOW INCOME R-2
RETAIL DELIVERY SERVICE

AVAILABILITY

Service under this rate is available upon verification of a low-income Customer's receipt of any means-tested public benefit, or verification of eligibility for the low-income home energy assistance program, or its successor program, for which eligibility does not exceed 200 percent of the federal poverty level based on a household's gross income. In a program year in which maximum eligibility for LIHEAP exceeds 200 percent of the federal poverty level, a household that is income eligible under LIHEAP shall be eligible for the low-income electric discount.

It is the responsibility of the customer to annually certify, by forms provided by the utility, the continued compliance with the foregoing qualifications.

The Company will guarantee the Customer's payment to its designated supplier up to the prices that the Company charges to Customers for Basic Service in accordance with regulations established by the Department.

The Company may under unusual circumstances permit more than one set of living quarters to be served through one meter under this rate, but if so, the Customer Charge shall be multiplied by the number of separate living quarters so served.

Customers receiving delivery service under this rate shall be charged the applicable charges contained in the Summary of Electric Service Rates Tariff as in effect from time to time.

MONTHLY CHARGE

The Monthly Charge will be the sum of the applicable Customer and kWh Charges.

MINIMUM CHARGE

The monthly minimum charge shall be the monthly Customer Charge.

RATE ADJUSTMENT PROVISIONS

The charges for delivery service under this rate shall be subject to adjustments pursuant to the following provisions:

- Attorney General Consultant Expenses Provision
- Basic Service Adjustment Provision
- Capital Investment Recovery Provision
- Electric Vehicle Program Provision
- Energy Efficiency Provision
- Net Metering Provision
- Pension/Post-retirement Benefits Other than Pension Mechanism Provision
- Performance-Based Ratemaking Provision
- Renewable Provision
- Renewable Energy Recovery Provision
- Residential Assistance Adjustment Provision
- Revenue Decoupling Mechanism Provision
- Smart Grid Adjustment Provision

NANTUCKET ELECTRIC COMPANY

RESIDENTIAL-LOW INCOME R-2
RETAIL DELIVERY SERVICE

SMART Provision
Solar Cost Adjustment Provision
Storm Fund Replenishment Provision
Tax Credit Provision
Transition Cost Adjustment Provision
Vegetation Management Pilot Provision

TRANSMISSION SERVICE COST ADJUSTMENT

Transmission service is available to all retail customers taking service under this rate. For those customers, the transmission charge under this rate shall be calculated in accordance with the Company's Transmission Service Cost Adjustment Provision.

BASIC SERVICE

Any Customer who does not have a supplier other than the Company will receive and pay the Company for Basic Service in accordance with the terms and price for Basic Service established by the Department of Public Utilities.

FARM DISCOUNT

Customers who meet the eligibility requirements for being engaged in the business of agriculture or farming as defined in M.G.L. Chapter 128 Section 1a at their service location are eligible for an additional discount from their distribution service rates. The discount will be calculated as 10% of the Customer's total bill for service provided by the Company before application of this discount. Customers who meet the requirements of this section must provide the Company with appropriate documentation of their eligibility under this provision.

LOW INCOME DISCOUNT

The Customer's total bill for service as determined based upon the provisions above, in addition to charges for generation service billed under the Standard Complete Billing Service option pursuant to §8B of the Company's Terms and Conditions for Competitive Suppliers in effect from time to time, will be discounted by 32%.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.