RESIDENTIAL DEFAULT SERVICE TOU/CPP PILOT PROGRAM AND C&I DEFAULT SERVICE CPP PILOT PROGRAM SCHEDULE DS-P

PURPOSE

This Schedule is for the purpose of implementing Time of Use and/or Critical Peak Period Default Service Rates through a Pilot Program for June 1, 2011 through August 31, 2011.

AVAILABILITY

Service is available under the Residential Default Service TOU/CPP Pilot Program for customers on rate Schedule D, Domestic Delivery Service who have central air conditioning and who choose to participate in this Pilot Program and are not receiving Generation Service from a Competitive Supplier. Service is available under the C&I Default Service CPP Pilot Program for customers on rate Schedule G, Regular General Service G2 who choose to participate in this Pilot Program and are not receiving Generation Service from a Competitive Supplier.

<u>RESIDENTIAL DEFAULT SERVICE TOU/CPP PILOT PROGRAM CHARGES – MONTHLY</u>

The Charges for Default Service under this Schedule are shown below:

Default Service Charges*:

Off-Peak kWh	\$0.05131 per kWh
On-Peak kWh	\$0.08487 per kWh
Critical Peak kWh	\$0.61494 per kWh

<u>C&I DEFAULT SERVICE CPP PILOT PROGRAM CHARGES – MONTHLY</u>

The Charges for Default Service under this Schedule are shown below:

Default Service Charges*:

All Non Critical Peak kWh	\$0.05983 per kWh
Critical Peak kWh	\$0.52490 per kWh

^{*} These charges are calculated based on the non-G1 Fixed Default Service Power Supply charge of \$0.07094 per kWh and also include the Fixed Renewable Portfolio Standard Charge of \$0.00180 per kWh, both of which were effective May 1, 2011.

For the purposes of billing under the DS-P rates, "On-Peak" is defined to be between the hours of 12:00 P.M. and 6:00 P.M. (local time) for all non-holiday weekdays, Monday through Friday. "Off-Peak" is defined to be between the hours of 6:00 P.M. and 12:00 A.M. (local time) and between the hours of 12:00 A.M. and 12:00 P.M. (local time) during non-holiday weekdays and all-day for weekends, Saturday and Sunday, and all-day for official Federal and New

Authorized by Secretarial Letter in Case No. DE 09-137 dated May 25, 2011.

Issued: April 27, 2011 Issued by: Mark H. Collin

Effective: June 1, 2011 Treasurer

RESIDENTIAL DEFAULT SERVICE TOU/CPP PILOT PROGRAM AND C&I DEFAULT SERVICE CPP PILOT PROGRAM SCHEDULE DS-P (continued)

Hampshire holidays that occur on a weekday. "Critical Peak" is defined to be between the hours of 12:00 P.M. and 6:00 P.M. (local time) for non-holiday weekdays, Monday through Friday, on those dates which are initiated by the Company. A minimum of 2 and a maximum of 8 critical peak day events will be called during the term of this Pilot.

CRITICAL PEAK DAY NOTIFICATION

Customers will be notified of when a Critical Peak Day will occur through a variety of methods which may include the internet notification, voice messages, or text messages. Notification will be given by 3:00 P.M. of the day preceding the event.

TERM OF CONTRACT

The term of contract under this Schedule shall be for the three month period June 1, 2011 to August 31, 2011. Upon completion of the program, Customers will return to the appropriate Fixed or Variable Default Service Charges, whichever the Customer received prior to participation in the Pilot.

DEFAULT SERVICE TERMS AND CONDITIONS

The Company's Default Service Tariff, Schedule DS, in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

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 Schedule.

COST RECOVERY

The incremental costs of the design, implementation, and analysis and reporting of the Residential Default Service TOU/CPP Pilot Program and the C&I Default Service CPP Pilot Program shall be recovered in the Company's Non-G1 Default Service Charge over one year, commencing with the Default Service rate period beginning on November 1, 2011. Cost information will be filed 60 days in advance. Incremental costs shall include such items as consultant costs, contractor costs, external programmer costs and equipment costs that are directly related to the Residential Default Service TOU/CPP Pilot Program and the C&I Default Service CPP Pilot Program. Costs associated with existing internal resources shall not be considered incremental.

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Treasurer