

RESIDENTIAL SPACE HEATING

RATE R-3

AVAILABILITY

This rate is available for all domestic uses in a single private dwelling, in an individual apartment or in a residential condominium where the principal means of heating the premises is provided by permanently installed electric space heating equipment. Service under this rate to residential condominiums is available to the extent permitted by applicable regulations of the Massachusetts Department of Public Utilities. Service under this rate to any Customer is subject to both the Company's printed requirements and the Company's Terms and Conditions – Distribution Service, each as in effect from time to time.

Customers in Western Massachusetts where residential use of electricity constitutes more than 50% of customers' energy use in an outbuilding or farm and such customers initiated service under this rate prior to February 1, 2018 may continue service under this rate.

RATE PER MONTH

| Delivery Services: | | Eastern Massachusetts | Western Massachusetts |
|--------------------|--------|-----------------------|-----------------------|
| Customer Charge: | As per | M.D.P.U. No. 1 | M.D.P.U. No. 2 |
| Distribution: | As per | M.D.P.U. No. 1 | M.D.P.U. No. 2 |
| Transition: | As per | M.D.P.U. No. 1 | M.D.P.U. No. 2 |
| Transmission | As per | M.D.P.U. No. 1 | M.D.P.U. No. 2 |

Delivery services shall be subject to the M.D.P.U. rates listed above as such rates are in effect from time to time.

Supplier Services: (Optional)

Basic Service: As in effect per Tariff

Minimum Charge:

The minimum charge per month shall be the Customer Charge.

A Customer requesting a reconnection of service at a location where service to such Customer was terminated at the Customer's request during the prior 12 months shall pay a minimum charge for the first billing month after reconnection equal to the charges for regular service provided above plus: (1) the sum of the monthly Customer charges for each month during which service was not taken, and (2) the applicable reconnection charge per Appendix A of the Terms and Conditions - Distribution Service.

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RATE ADJUSTMENTS

The charges for delivery service shall be subject to the following provisions:

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| Revenue Decoupling Adjustment Mechanism | Pension Adjustment Mechanism |
| Residential Assistance Adjustment Clause | Net Metering Recovery Surcharge |
| Attorney General Consultant Expense | Long Term Renewable Contract Adjustment |
| Storm Reserve Adjustment Mechanism | Storm Cost Recovery Adjustment |
| Basic Service Cost Adjustment | Solar Program Cost Adjustment |
| Transmission Service Cost Adjustment | Transition Cost Adjustment |
| Renewable Energy Charge | Energy Efficiency Charge |
| Performance Based Revenue Adjustment | Solar Expansion Cost Recovery Mechanism |
| Vegetation Management | Miscellaneous Charges |
| Solar Massachusetts Renewable Target | 2017 Tax Act Credit |
| Grid Modernization Factor | |

FARM DISCOUNT

A Customer taking service under this rate may be eligible for the Company's Farm Discount Rider, as in effect from time to time.

TERMS OF PAYMENT

Charges are net and are payable upon presentation of the Company's bill.

TERM

Service shall continue until terminated on 3 business days' notice by the Customer.