



Cape Light Compact
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Overview of Cape Light Compact's Power Supply Procurement

Cape Light Compact selects its all-requirements electricity suppliers through a competitive Request for Proposal (RFP) process. The Compact's Chief Procurement Officer works with Compact staff, several Compact Board members, the Compact's energy market consultant, and Compact legal counsel to review each of the electric supplier responses. Each supplier proposes a price or pricing strategy that is unique to that company and responsive to the RFP. It is the responsibility of the Chief Procurement Officer's team to review these prices and/or pricing strategies and to select the supplier(s) proposing the best terms and conditions for residential, commercial, and industrial ratepayers of Cape Cod and Martha's Vineyard.

As a result of the Compact's competitive procurement process, the Compact and its suppliers will set your energy price, typically for a six month period (or three months for large commercial and industrial customers) to reflect pricing movements in the very volatile energy market. The term of the contract is usually one-year with options to extend to up to two to four years. Once the Compact's electricity rate has been published for the pricing period, your energy price will not change during that period. This is unlike the practice of many other competitive suppliers, whose terms of service include language giving them the ability to change their "fixed" price, for various reasons. The Compact and its suppliers are able to provide this pricing stability by procuring electricity in advance to meet anticipated usage, which insulates the Compact's customers from volatile changes in the real-time electricity market. The Compact will publish the rate for your next pricing period approximately one month before it goes into effect. The Compact cannot publish the rate any earlier than that because the price you pay depends on movements in energy market prices.

Working Together Toward A Smarter Energy Future