

Your Energy Disclosure Label and New Basic Service Prices

IMPORTANT NOTICE

October 2008



Western Massachusetts Electric

The Northeast Utilities System

This information is available from each registered competitive power supplier.

Electric power suppliers are required by the Department of Public Utilities (DPU) to provide consumers with a disclosure label. The disclosure label is updated quarterly and provides information on the pricing, power sources, and air emissions for the electricity you are buying.

The energy disclosure label can be compared to the nutrition label that appears on food packaging. Important information about the food content is provided so that the consumer can make an informed choice. Similarly, the disclosure label contains pertinent, factual information that a consumer may use to guide his or her decision in the purchase of electricity generation. Since all licensed electricity suppliers in Massachusetts are required to develop and provide this information, you can compare: prices, the length of the electricity supplier's contract, the sources of power which make the electricity, air emissions, and labor information.

Supplier Service Prices

The Basic Service variable price options fluctuate by month and remain in effect until the last day of each month. The Basic Service fixed price options will be in effect through December 31, 2008 unless noted. You are on Basic Service if you became a WMECO customer after March 1, 1998, selected a competitive supplier and returned to WMECO service, or were on Standard Offer as of February 28, 2005 and have not selected a competitive supplier.

Please note that the Electric Restructuring Act of 1997 provides you with the opportunity to choose a competitive supplier for the generation portion of your electric bill. However, if you have not chosen a competitive supplier WMECO will continue to provide your electricity through Basic Service. The Basic Service price is based on market prices and is selected by a competitive bidding process. WMECO makes no profit on Basic Service.

Monthly Variable Price (cents per kilowatt-hour — kWh)

| Month | Residential | Small Commercial & Industrial | Large Industrial* |
|-----------|-------------|-------------------------------|-------------------|
| July | 12.349 | 13.286 | 14.874 |
| August | 12.889 | 13.414 | 15.074 |
| September | 11.502 | 12.154 | 13.640 |
| October | 11.877 | 12.621 | 10.839 |
| November | 11.814 | 12.306 | 10.639 |
| December | 12.051 | 12.961 | 11.763 |

* Competitively bid on a quarterly basis.

For more information on basic service, visit our Web site at www.wmeco.com or call WMECO at 1-800-286-2000 (781-4300 in Springfield calling area)

For additional information, visit the **Division of Energy Resources** Web site: www.state.ma.us/thepower

or call the **Massachusetts Department of Public Utilities Consumer Division:** 1-800-392-6066 Web site: www.state.ma.us/dpu/

Western Massachusetts Electric Company

Electricity Facts for Basic Service

| Fixed Price | Residential | Small Commercial and Industrial | Medium and Large Commercial and Industrial | | | | | | | | | | | | |
|---|---|---------------------------------|--|-----------|----------------|------------------|-----------------|-----------------|--------|-----------------|-----------------|--------|-----------------|-----------------|--------|
| July - December 2008 *October - December 2008 | 12.114 cents per kWh | 12.832 cents per kWh | 11.083 cents per kWh* | | | | | | | | | | | | |
| Prices do not include regulated charges for customer service and delivery. | Price shown is the fixed price in effect through December 2008 (unless noted above). For variable price information, see the front of this insert. | | | | | | | | | | | | | | |
| Contract | The prices and terms for Basic Service are regulated by the Massachusetts Department of Public Utilities (DPU). The price is fixed through December 2008* (unless noted above). Customers may leave this service on their meter read date, provided the Company receives a minimum of two days notice. *Prices subject to change by the DPU. | | | | | | | | | | | | | | |
| Power Sources | Power Source | Known Resources | System Power | Total | | | | | | | | | | | |
| Demand for this electricity product in the period January through December 2007 was assigned generation from the following sources: | Biomass | 1.93% | 0.80% | 2.73% | | | | | | | | | | | |
| | Coal | 0.00% | 14.23% | 14.23% | | | | | | | | | | | |
| | Hydro: Large (>30 MW) | 0.00% | 0.00% | 0.00% | | | | | | | | | | | |
| | Hydro: Small (<30 MW) | 0.00% | 1.82% | 1.82% | | | | | | | | | | | |
| | Imported Power | 0.00% | 0.00% | 0.00% | | | | | | | | | | | |
| | Municipal Trash | 0.00% | 1.56% | 1.56% | | | | | | | | | | | |
| | Natural Gas | 0.00% | 36.75% | 36.75% | | | | | | | | | | | |
| | Nuclear | 0.00% | 31.44% | 31.44% | | | | | | | | | | | |
| | Oil | 0.00% | 10.75% | 10.75% | | | | | | | | | | | |
| | Other Renewable | 0.00% | 0.01% | 0.01% | | | | | | | | | | | |
| | Solar | 0.00% | 0.00% | 0.00% | | | | | | | | | | | |
| | Wind | 0.70% | 0.01% | 0.71% | | | | | | | | | | | |
| | Total | 2.63% | 97.37% | 100.00% | | | | | | | | | | | |
| Air Emissions | <p>Carbon dioxide (CO₂), nitrogen oxide (NO_x), and sulfur dioxide (SO₂) emission rates from these sources, relative to the regional average, and to the emission rates of a new generating unit.</p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>New Unit Rates</th> <th>Regional Average</th> </tr> </thead> <tbody> <tr> <td>CO₂</td> <td>Lower emissions</td> <td>90.66%</td> </tr> <tr> <td>NO_x</td> <td>Lower emissions</td> <td>73.95%</td> </tr> <tr> <td>SO₂</td> <td>Lower emissions</td> <td>80.43%</td> </tr> </tbody> </table> | | | Pollutant | New Unit Rates | Regional Average | CO ₂ | Lower emissions | 90.66% | NO _x | Lower emissions | 73.95% | SO ₂ | Lower emissions | 80.43% |
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| SO ₂ | Lower emissions | 80.43% | | | | | | | | | | | | | |
| Labor Information | 45.56% of the generating capacity associated with the regional power supply came from power sources with union contracts with their employees. There were no labor disputes involving replacement workers during the period January through December 2007. | | | | | | | | | | | | | | |
| NOTES | <ol style="list-style-type: none"> Electricity customers in New England are served by an integrated power grid, not particular generating units. The above information is on the mix of generating units in New England. Western Massachusetts Electric Company procures its electricity supply for Default Service from system power contracts, not from specific generating units. You may call the Massachusetts Division of Energy Resources at 1(617)727-4732. | | | | | | | | | | | | | | |

Definitions

Generation Price and Contract

Generation Prices displayed are fixed prices for Basic Service electricity. Contract items displayed present the length of your contract for generation service, and the price terms included in your contract. See your recent bills to determine average monthly use, and your Terms of Service for additional information.

Power Sources

The electricity you consume comes from the New England power grid, which receives power from a variety of power plants and transmits the power throughout the region as needed to meet the requirements of all customers in New England. When you choose a power supplier, that supplier is responsible for generating and/or purchasing power that is added to the power grid in an amount equivalent to your electricity use. Known Resources include resources that are owned by, or under contract to, the supplier. System Power represents power purchased in the regional electricity market. Biomass refers to power plants that are fueled by wood or other plant matter. Hydro resources of greater than 30 megawatts in size are deemed "large hydro." All other hydro resources are deemed "small hydro." Other Renewables include fuel cells utilizing renewable fuel sources, landfill gas, and ocean thermal.

Emissions

Emissions for each of the following pollutants are presented as a percent of the regional average emission rate. Arrows represent, for each pollutant, the emission rate from a hypothetical new generation facility.

Carbon Dioxide (CO₂) is released when fossil fuels (e.g., coal, oil and natural gas) are burned. Carbon dioxide, a greenhouse gas, is a major contributor to global warming.

Nitrogen Oxides (NO_x) form when fossil fuels and biomass are burned at high temperatures. They contribute to acid rain and ground-level ozone (or smog), and may cause respiratory illness. NO_x also contribute to oxygen deprivation of lakes and coastal waters, which is destructive to fish and other animal life.

Sulfur Dioxide (SO₂) is formed when fuels containing sulfur are burned, primarily coal and oil. Health effects associated with SO₂ include asthma, respiratory illness and aggravation of existing cardiovascular disease. SO₂ combines with water and oxygen in the atmosphere to form acid rain, which raises the acid level of lakes and streams, and accelerates the decay of buildings and monuments.

Labor Information

The information on this label regarding whether generators or suppliers operate under collective bargaining agreements is provided to inform you about whether the energy was produced in plants where employee wages and working conditions are mutually determined by employees and management, and protected by union contracts. The information on this label regarding the use of replacement employees during a labor dispute is provided to inform you of whether or not a generator or supplier during a strike by or lock-out of its employees has replaced them with other workers.