South Hadley Electric Light DEPARTMENT

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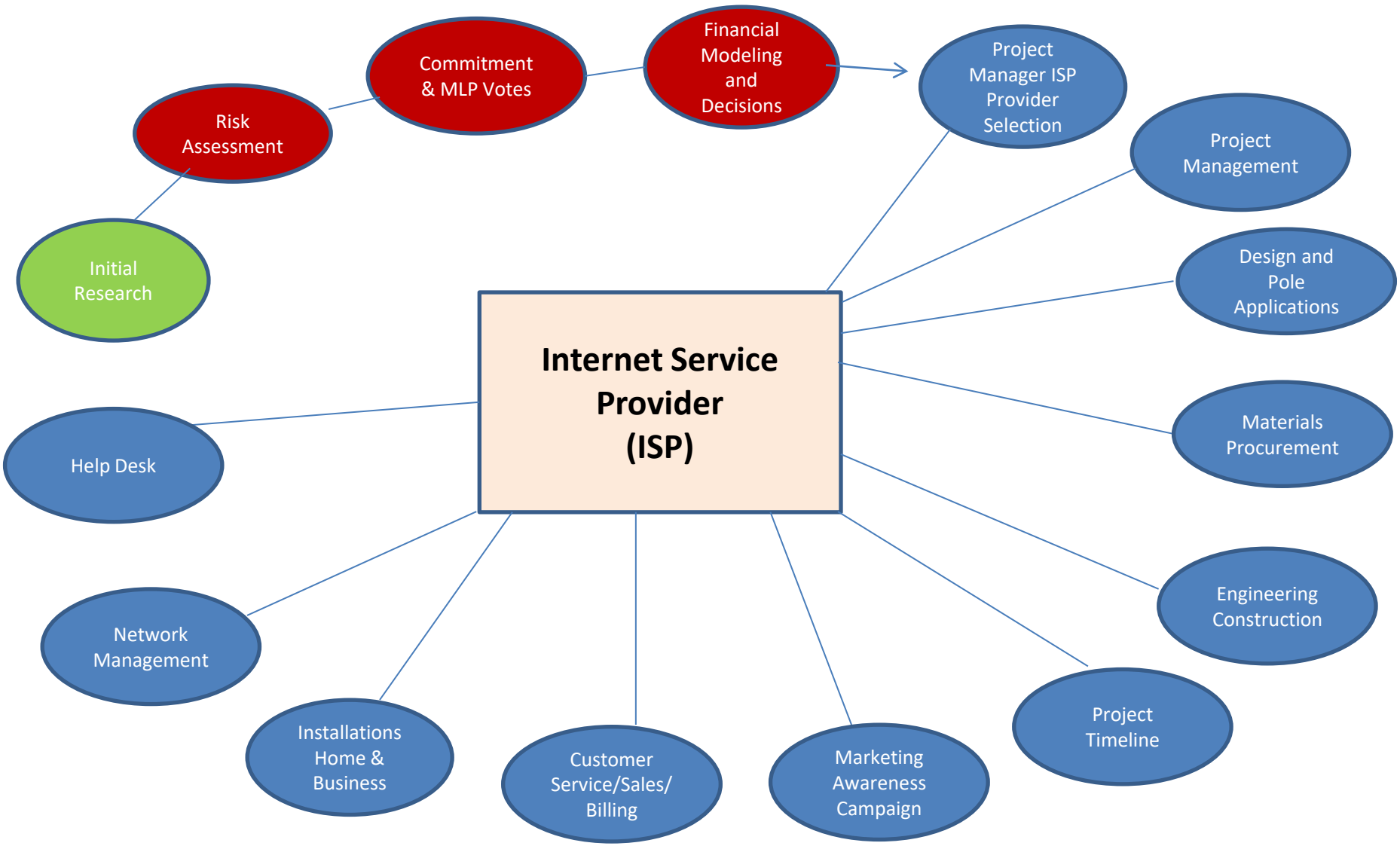
Home Grown GIG Speed Internet
SHELD's FIBERSONIC/HG&E Solution

- HG&E has been providing fiber internet services since 1996 and SHELD since 2006
- Offer 1 GIG symmetrical to all customers in South Hadley and several towns
- HG&E offers "Border Town" fiber connectivity as an extension of services with minimal up-front investment
- HG&E has been providing Southampton residents natural gas utilities since 1986

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MLP Internet Service Provider PROCESS



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Municipal Light Plants (MLPs)

- A legal publically owned structure under MGL that allows municipalities to operate utilities
- May build, operate, hire, or partner with other MLPs to provide services such as broadband internet over fiber optic networks
- Established by a 2/3 majority ballot vote at two town meetings no more than 13 months apart

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MLP Fiber Benefits

- Allows ownership and control of your town's Broadband future, quality of service; attract, retain your business, residential tax base, and raise property values
- Fiber is the "gold standard" of broadband internet and the average family of four will need 2 GIGs symmetrical by 2030 according to Broadband Communities
- Can provide self supporting revenues which can ensure long term stability for Southampton

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Intergovernmental Agreement (IGA)

- Municipal IGA model empowers ISP MLP to navigate complex bidding requirements and fast track projects
- Local Services from MLPs with top rated industry reliability & service
- Cost Savings for MLPs by optimizing shared MLP resources
- Leverage Operational Expertise (114 years) and millions of dollars in pre-existing network operations resources and investments
- Has become a proven business practice which reduces cost and results in superior service

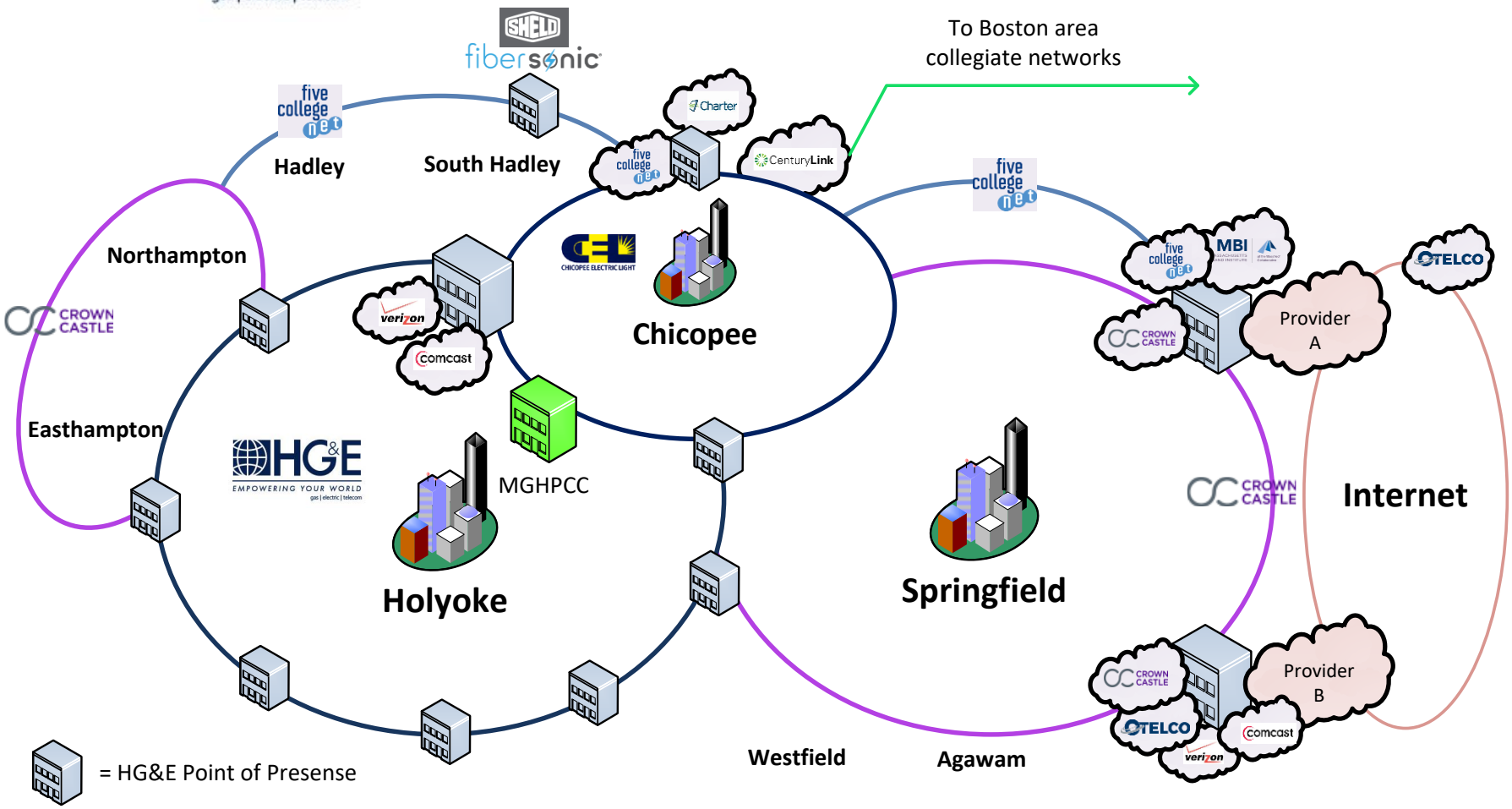
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The HG&E/SHELD Advantage

- Serving 1,100 Southampton residential, municipal, and business customers since 1986
- Current operator of Southampton “underground” (natural gas plant) utilities, easements, and rights of way (one of the highest construction expenses is underground)
- Expertise in the process to become a Municipal Light Plant (MLP)
- HG&E and SHELD have been judicious in expansion efforts so that we can provide personalized attention focused on ***quality*** versus ***quantity***
- Extensive experience in Fiber Optic launches at SHELD & HG&E

Fiber Optic Network



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HG&E Residential Broadband Experience

- Project Manager for 2 towns FTTH builds
  - Shutesbury, 2018-19
  - Leverett, 2013-15
- Network Operator for 5 towns
  - South Hadley - SHELD FiberSonic, 2018
  - Chicopee – CEL Crossroads Fiber, 2018
  - Egremont, Monterrey – FiberConnect, 2017
  - Leverett – LMLP, 2015
- Wholesale ISP for 9 towns
  - Florida, Hawley, Monroe, Savoy – WiValley, 2019
  - South Hadley - SHELD FiberSonic, 2018
  - Chicopee - CEL Crossroads Fiber, 2018
  - Egremont, Monterey – FiberConnect, 2017
  - Leverett – OTELCO, 2017

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Conclusion

- We understand the difficult decisions you face and have been through the entire process
- SHELD / HG&E MLP model helps reduce all of our customer's (neighbors) costs versus increasing shareholders earnings
- **TWO** local and reputable MLP utilities with significant ISP project management experience and the largest regional MLP internet transport ring available
- HG&E has decades of utility service for Southampton