



A Customer Owned Utility
Serving Our Community Since 1894

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February 1, 2015

NAED is one of only forty-one (41) municipal electric departments within the Commonwealth of Massachusetts. We are committed to promoting the interests of "Public Power" on behalf of the citizens of this community.

Monthly Update of North Attleborough Electric Department's Activities

Dear Friends,

On behalf of the Board of Electric Commissioners, and the North Attleborough Electric Department, we wish you a warm and safe winter season. It is a pleasure to provide this month's update relative to NAED events and activities.

I. BOARD OF ELECTRIC COMMISSIONERS FOR THE FORTHCOMING YEAR

For the forthcoming year the Board of Electric Commissioners is constituted as follows:

Thomas Corrigan	Chairman
Charles Mottinger	Secretary
Edward Vandette	Member

II. COMMISSIONERS' MEETING

The Board of Electric Commissioners met on January 15, 2015. During the meeting the Board met with Town Treasurer Chris Sweet and the Town's fiscal consultant, Louis Ricciardi, to review the department's investments.

The Board also approved the amounts that will be provided for NAED's FY 2015 appliance rebate programs, and awarded the "Tree Bid" to Tree Tech of Foxboro, MA for the years 2015 - 2017.

III. COMMISSIONERS APPROVE THE FY 2015 BUDGET & CAPITAL IMPROVEMENT PLAN

At its January 15, 2015 meeting the North Attleborough Board of Electric Commissioners ("Board") approved the department's FY 2015 operating budget and Capital Improvement Plan (CIP).

North Attleborough Electric Department's fiscal year is the calendar year (January 1 – December 31, inclusive).

The FY 2015 budget approved by the Board of Electric Commissioners is a total revenue of \$35,836,272.26 with operating expenses of \$33,183,014.58 of which \$24,201,780 (73%) are "power expenses".

The FY 2015 budget reflects a decline of budgeted "Power Expenses" from FY 2014 by \$1,221,134.

The "Total Administrative & General Expenses" are increased to \$3,704,832.59 from the FY 2014 amount of \$3,593,505.86 or 3.1%.

The FY 2015 Capital Improvement Plan (CIP) previously approved by the Board of Electric Commissioners totals \$1,452,909 compared to the FY 2014 CIP of \$1,341,950. In FY 2015 the CIP will be funded by \$1,046,198 in FY 2015 monies and \$406,711 from prior year CIP authorizations.

The budget was approved by the Board with no increase in either NAED's "base rate" or the current Purchase Power Adjustment (PPA) paid by NAED ratepayers (which will continue at \$.0475/kWh). The Board members noted that the PPA would be reviewed following the 2015 winter months,, and reduced, if possible.

Board members noted that although energy costs have come down in recent weeks there was still a great concern in the industry that there were still a "long way to go" relative to winter - with a corresponding uncertainty about the impact of the weather upon energy prices in New England. The Board noted that the forthcoming winter months could have a negative impact upon the department's power budget. Board members recalled that during winter months in the past two years the New England area endured historically high energy costs due to transmission issues, a limitation on the availability of natural gas and system wide capacity concerns. By way of reference, the Board noted that January, 2014 energy costs were more than \$1.53 million higher than compared to the month of January, 2013.

Chairman of the Board of Electric Commissioners, Thomas Corrigan stated that, "The FY 2015 budget reflects consistency in our rates while maintaining NAED's fiscal integrity and resources. We are pleased that this year's budget presents a reasonable, responsible and forward looking budget plan for FY 2015. The budget offers a plan of action that will protect our ratepayers, while allowing NAED to improve its service quality to our customers. The budget and Capital Improvement Plan will allow NAED to continue to improve the reliability our system, while making every effort to improve the training, protection and safety of our valued employees.

IV. PERSONNEL CHANGES

William E. McDowell recently joined the department as a new System Engineer. Mr. McDowell is a Registered Professional Engineer who, since 2007, served as the "Project Manager/Civil Engineer" for the North Attleborough Department of Public Works (DPW). In his position at the DPW Mr. McDowell was responsible for engineering design and construction of public projects in town. He also served as the Project Manager for the \$22 million upgrade of the Wastewater Treatment Facility as well as overseeing the DPW's "Geographic Information System (GIS).

V. NAED AND ENERGY EFFICIENCY PROGRAMS

NAED supports energy conservation and has "energy efficiency programs" that can benefit customers by helping to lower energy consumption and costs. Call NAED, 508-643-6310 for information.

The FY 2015 rebate amounts for Energy Star appliances are as follows:

Clothes Washer:	\$ 75
Refrigerator:	\$ 75
Room Air Conditioner:	\$ 50
Dishwasher:	\$ 30
Dehumidifier:	\$ 30
Clothes Dryer:	\$200

VI. "WINTER PROTECTION HARDSHIP" INFORMATION

NAED's "Winter Protection" period began on November 15, 2014 and will continue until April 1, 2015, inclusive. "Winter Protection" is afforded during this period of time to NAED customers unable to pay due to financial hardships and whose current service is not currently shut off for nonpayment.

Applicants for "Winter Protection" must provide appropriate information to NAED prior to being "protected".

Any questions may be directed to the NAED main number (508-643-6300)

Please continue to remember our fellow citizens who are defending our country throughout the world. As always, should you have any questions at any time, please feel free to contact me at 508.643.6300.

Sincerely,

James C. Moynihan
General Manager