



**A Customer Owned Utility**  
*Serving Our Community Since 1894*

April 1, 2016

**PRESS RELEASES RE: DRONE, NAED RELIABILITY - KEEP INFO RE: PPA CREDIT/TERMINATION**

*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*

Dear Friends,

On behalf of the Board of Electric Commissioners, and the North Attleborough Electric Department, it is a pleasure to provide this month's update relative to NAED events and activities.

**I. BOARD OF ELECTRIC COMMISSIONERS UPDATE THE BOARD OF SELECTMEN**

On March 17, 2016 the Board of Electric Commissioners attended a meeting of the Board of Selectmen and updated the Board of Selectmen about NAED's recent activities and plans for the current calendar year.

Of particular note - the Board of Electric Commissioners noted to the Board of Selectmen that the March, 2016 PPA credit, recently approved by the Electric Commissioners was estimated to provide the following savings to the following North Attleborough governmental organizations (across all rates):

Town:	\$130,188
Schools:	\$105,612
NAHA:	\$ 49,105
NAED:	\$ 13,053

The Board noted that in 2016 NAED will focus on improving the current distribution system, conducting an engineering study for the upgrade of the Sherman Sub Station and continue with its efforts to create access areas for NAED vehicles to the poles along the former 69kV easement line which runs from the Sherman Sub Station to the Whitings Street Sub Station.

**II. NAED RECEIVES RECOGNITION FOR EXCEPTIONAL SYSTEM RELIABILITY IN 2015**

The North Attleborough Electric Department (NAED) has received national recognition for achieving exceptional electric reliability relative to its local distribution system in 2015. The recognition comes from the American Public Power Association (APPA)—a trade group in Washington, D.C., that represents more than 2,000 not-for-profit, community-owned electric utilities such as NAED. "This honor recognizes utilities that are statistically thriving when it comes to reliability," said APPA Senior Vice President, Engineering Services Michael Hyland. This award is issued to those utilities in the top 25% of all utilities nationwide.

APPA reviewed NAED's reliability data (which includes system outages, reason for outages and utility responses) as compiled through its eReliability Tracker Service. APPA then compared NAED's information to the top quarter of system outage duration from national reliability data collected by the Energy Information Administration—an independent agency that collects, analyzes and disseminates national energy data.

**As an illustration, one measure of a system's reliability is the calculation of the average numbers of minutes of electrical service interruption that occurs annually for each customer. The average APPA customer surveyed, nationwide, experienced 97 minutes of service interruption in 2015, whereas the average NAED customer experienced 13 minutes of service interruption in 2015.**

Charles Mottinger, Chairman of the Board of Electric Commissioners that NAED's annual capital improvement plan, which coupled with a motivated and trained work force, quality preventive maintenance programs and utilization of current technological tools, has contributed to limiting outages in North Attleborough. Mottinger stated said, "NAED works hard to keep the lights on day in and day out, so it is nice to see that hard work our employees and commitment to improving our services to our customers has resulted in NAED receiving this well-deserved national recognition."

### **III. NAED PILOT PROGRAM - MARCH, 2016 - TERMINATION NOTICES TO BE MAILED**

In March, 2016 NAED commenced a "pilot program" to mail, rather than "hand deliver" "Termination Notices" to customers who are billed on NAED's "Cycle 1". On average, the department has to deliver more than 550 "Termination Notices" to customers due to unpaid bills. NAED has projected that the hand delivery of "Termination Notices" necessitates approximately 68 "man days" in a single year.

Cycle 1 has 3,395 customers (as of the mailing dated December 10, 2016) - of which there were 111 "termination notices" delivered (3.27% of total bills for that cycle). NAED is allowed by Massachusetts regulations to mail the Termination Notices" and has reviewed the matter with Legal Counsel and assessed similar programs instituted by other municipal light departments.

A review by NAED staff in March, 2016 judged the initial pilot effort to be worthy of continuation. Accordingly, the mailing of the termination notices for this cycle (Cycle 1) will continue, at least through April, 2016.

### **IV. CUSTOMER "CREDIT FOR MARCH, 2016 CUSTOMER BILLS APPROVED**

We believe that many of our customers will receive a credit on their April, 2016 bills due to the PPA credit approved by the Board of Electric Commissioners on February 25, 2016. The PPA Credit went into effect commencing with the March, 2016 bills. The "credit" is for \$0.21532/Wh.

Chairman of the Board, Charles Mottinger stated that the total amount being directly returned to the residents in their March, 2016 bills is estimated to be \$4,195,046.66. The ultimate total dollar amount of the credit will not be known until the end of March, 2016, when all March, 2016 billings and sales are completed. An additional amount, estimated to be \$2,586,083.34 (from the PPA Credit & Power Revenue Surplus from October, 2015 - December, 2015, inclusive), will be utilized by the department for the purpose of providing the department with a "Rate Stabilization Fund" to both off set future increases in market costs (Transmission and the Forward Capacity Markets...) and allow the department to develop fiscal resources that can possibly be utilized in the future to assist ratepayers to stabilize local electric rates, as power costs rise and regulatory compliance costs increase.

Mr. Mottinger stated, "For the sixth time in seven years the Board of Electric Commissioners has an opportunity to provide a credit to our ratepayers. The Board of Electric Commissioners believes in providing our customers with stable rates. We also recognize that the funds NAED receives are "the people's money" – not NAED's - and it is only right that when the opportunity presents itself that funds are returned to our customers!"

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