



A Customer Owned Utility
Serving Our Community Since 1894

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OCTOBER 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 (Edward Vandette, Charles Mottinger and Brett Langille) it is a pleasure to provide this month's update relative to NAED events and activities.

I. NAED'S NEW RATES BEGIN ON OCTOBER 1, 2015

The new customer rates for the North Attleborough Electric Department will commence on October 1, 2015.

A. BACKGROUND

At its meeting of July 14, 2015 the Board of Electric Commissioners approved revised tariffs & rates for North Attleborough Electric Department customers, effective October 1, 2015. The department's rates have not been modified since February, 2004.

The rate revisions are based upon the department's future operating and power costs, as well as its capital obligations for the next three fiscal/calendar years (2016 - 2018). A key purpose of the revised rates is to ensure that the department will have sufficient cash resources to address the needs of our customers and the distribution system.

B. OVERVIEW OF RATES - NO RATE CLASS WILL BE INCREASED

Per the presentation of Utility Financial Services (UFS) the firm that performed the "Cost of Service" study which provided the basis for the new rates, **while there will be changes in individual rate charges, to better reflect NAED's "true" current and projected future operating and power costs no NAED rate class will see an increase.**

The rates have been revised in order to appropriately allocate fiscal resources generated from rates to the following NAED charges:

Energy Charge
Transmission Charge
Generation Charge
Capacity Charge
Distribution Charge
Customer Charge

C. THE RATES DO NOT CURRENTLY ASSUME ANY PPA CHARGE

Of particular note relative to the new rates is that the revised rates, do not, because of the present cost of power, assume that there will be "Purchased Power Adjustment" (PPA) - which is currently \$.0475/kWh.

D. SOME CHANGES IN THE RATES OF INTEREST TO THE CUSTOMERS

Some changes that might be noted by our customers include:

A. Customer Charges have been revised; (for example the Residential Rate (A-1) will see an increase in the Customer Charge from \$5.00 to \$9.50), however, as noted above, even with the changes in the Customer Charge, because of revisions to other current charges, no NAED rate class will see an increase.

B. The department has updated its tariffs to incorporate the department's current policies, practices and "Terms of Conditions".

C. The eligibility requirements related to Rate A-5 ("Residential - Low Income") have been modified to allow for a better administration and oversight of that rate.

D. The tariff for Rate 14 ("Leased Lighting") has been modified to reflect both "Street Lights" and "Leased Lights". The rate for "Leased Lights" has now been named, "Rate 15". The rate for "Leased Lights - Metered" has now been named "Rate 16".

The template reference in "Monthly Minimum Charge (Customer Charge): has been eliminated in NAED's so-called "lighting rates": Rates 14, 15 & 16.

E. A rate for a "Power Cost Adjustment" has been established to provide, if required by future rising energy prices, the basis for the Board, to utilize a "Power Cost Adjustment" which will impact our Energy Costs - Energy Rate, Transmission Rate & Generation Charge and Capacity.

E. ANY QUESTIONS?

The revised rates are presented, and available for public review, on the NAED web site, www.naelectric.com, and at NAED's administrative office at 275 Landry Avenue, North Attleborough, MA. Should you have any questions please feel free to contact NAED @ 508-643-6300.

II. RATE 5 - NAED's "LOW INCOME RESIDENTIAL RATE" - CHANGES AS OF OCTOBER 1, 2015

As you may be aware, NAED offers a "Low Income Residential Rate". We want to bring to your attention that, effective October 1, 2015, that Rate 5 will be available, "...to customers based upon notification from Self Help, Inc. of eligibility for the "Low Income Home Energy Assistance Program (LIHEAP), or its successor program."

LIHEAP eligibility is based upon the "Fiscal Year 2016 LIHEAP income eligibility requirements. Also, please note that rate eligibility must be renewed annually.

Please be advised that NAED will keep all current Rate 5 customers on Rate 5 until December 31, 2015.

However, to remain as a Rate 5 customer after December 31, 2015, customers will need to provide NAED with documentation that you meet the Rate 5 eligibility income requirement listed above.

By December 31, 2015, inclusive, a Rate 5 customer will need to have contacted Self Help, Inc., and secured the appropriate documentation, that verifies the customer's eligibility for the "Low Income Home Energy Assistance Program" (LIHEAP). If the required documentation is not provided to NAED by December 31, 2015 then the customer will become a "Residential Rate A1" (Rate 1) customer, effective January 1, 2016.

For your information, Self Help, Inc - a community action organization - has an office in Attleboro, Ma.

Self Help, Inc.
95 Pine Street, #6
Attleboro, MA 02703
508-226-4192
www.selfhelpinc.org

Should you have any questions please feel to contact NAED's customer service personnel at 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