



A Customer Owned Utility
Serving Our Community Since 1894

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American Public Power Association

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NAED is one of only forty (40) municipal electric departments within the Commonwealth of Massachusetts established under the provisions of M.G.L.c. 164. 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 Board of Electric Commissioners and NAED, I hope that you are having a good start to the new year. Remember, spring is (supposedly... and, hopefully) just around the corner...

I. Board of Electric Commissioners Approve FY 2018 Operating Budget and Capital Improvement Plan (CIP)

At its January 24, 2018 meeting the North Attleborough Board of Electric Commissioners ("Board") approved the department's FY 2018 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 2018 budget approved by the Board of Electric Commissioners is a total revenue amount of \$33,297,984; with operating expenses of \$32,226,373 of which \$22,288,505 (67%) are "power expenses". The FY 2018 budget reflects a decline of budgeted "Power Expenses" from FY 2017 by \$539,943. The "Total Administrative & General Expenses" are increased from \$3,621,931 in FY 2017 to \$3,839,895 in FY 2018, or 6.0%

The FY 2018 Capital Improvement Plan (CIP) totals \$1,911,200. Notable projects in this year's capital effort will be engineering work related to the reenergizing of the former 69kVsub-transmission line and creation of a new Distribution Circuit (E-16) (\$350,000) expansion of NAED's "Fiber Network" to allow NAED to have fiber connections of its field devices (\$424,000) and upgrades of the NAED Distribution System to improve system reliability and redundancy.

The approval of the FY 2018 Budget and CIP by the Board of Electric Commissioners is the culmination of a four (4) month process. The NAED budget process includes the preparation by NAED Divisional Managers of "Three Year Strategic Plans" and development, with documentation, of budget and CIP requests which are reviewed by both NAED's administration and Board of Electric Commissioners. The Board of Electric Commissioners devoted time at its five (5) meetings between the months of November, 2017 to January, 2018 to meet with Divisional Managers to discuss the Managers' proposed projects and funding requests.

James C. Moynihan, General Manager noted that, "The approved FY 2018 Budget and CIP reflects a commitment by the Board of Electric Commissioners and management of NAED to ensure that NAED continues its efforts and focus to provide quality customer services, responsible consumer rates, and effective emergency services in a fiscally sound, well planned and visionary manner."

WHAT DOES THIS BUDGET & CIP PROVIDE?

Our efforts in FY 2018 will include being focused on developing organizational cohesiveness and responsiveness while continuing to focus on developing and maintaining quality customer relations and services.

Of particular note are the following:

NAED will be adding two new positions in 2018; a Lineman and GIS Technician.

NAED will complete two major undertakings which commenced in CY 2017:

- A. The upgrade of the Sherman Substation by installing a new Transformer and Switchgear
- B. The conversion of all Town Street Lights from High Pressure Sodium to LED

NAED will move forward in 2018 to complete most of the improvements to our distribution circuit system required to power up our new Circuit E-16, including the re-energizing of the former 69kV sub-transmission line.

NAED will expand its "Fiber Network" in FY 2018 for the purpose of expanding fiber connections to NAED distribution field devices (capacitors, reclosers and the Mall switches).

NAED will complete a "Cost of Service Study" and work to implement new consumer rates as part of its ongoing effort to maintain appropriate and accurate rates for its customers.

NAED will assess potential local generation projects and study potential impact of projects upon our distribution system (Community Solar, Solar Park, Behind the Meter Generation, and Landfill Solar).

NAED will be moving forward to institute a mobile and improved Service Order system to more effectively respond to customer concerns and needs while improving departmental records and asset management.

NAED will continue to improve its physical security efforts to comply with utility industry standards and expectations by instituting a "Safety Review". NAED will also continue the efforts which to improve our cyber security policies and training.

NAED will prepare for industry requirements related to documentation, and potential audit, in 2018 by ensuring that its operations and documentation meet standards established by ISO-NE and North American Reliability Council (NERC).

For a third year NAED will be continuing both a review of its Underground assets and an assessment of our underground cable. NAED will continue with its regular, ongoing maintenance programs, including infrared testing of distribution lines and transformers.

Employee safety will continue to be a cornerstone "focus" for NAED as it continues to provide monthly safety meetings for our line and meter personnel and revise, as appropriate, the department's Safety Manual.

NAED will continue our efforts to enhance daily and storm responses.

NAED will continue the efforts that began in FY 2015 of looking to the future to consider the future of NAED - by "looking 10 years out" - "NAED 2028"

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