



A Customer Owned Utility
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April 1, 2017

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,

Happy Spring!! On behalf of the Board of Electric Commissioners, and the North Attleborough Electric Department, we look forward to an early spring season. It is a pleasure to provide this month's update relative to NAED events and activities.

I. UPDATE OF ACTIVITIES OF THE BOARD OF ELECTRIC COMMISSIONERS

The Board held its monthly meeting on March 23, 2017. The meeting included:

Peter Shiffman, System Engineer, updates on NAED projects such as the LED Street Light Upgrade - scheduled for 2017 & 2018 (utilizing a state grant awarded to NAED by the Commonwealth for approximately \$235,000).

Gene Allen, Operations Division Manager, updated the Board regarding the work involving the planned upgrade of the Sherman Substation. Mr. Allen advised that the proposed contracts for the new substation transformer and switchgear had been forwarded to the selected vendors. The department's solicitation of substation equipment is scheduled to be reviewed in early April, 2017. Mr. Allen also reviewed the status of the construction work involving the intersection of Route 1/1A/120.

The General Manager updated the Board regarding some reviews being done by a consultant regarding solar power. Mr. Moynihan also noted that the administration was reviewing NAED's current "Terms & Conditions", as well as the department's policies and procedures - for the purpose of possibly proposing some revisions to those documents to the Board of Electric Commissioners later in 2017.

II. INFORMATION REGARDING NAED & MUNICIPAL LIGHT PLANTS

At its March 23, 2017 meeting the Board also received an educational presentation about Municipal Light Plants, such as NAED, by NAED Legal Counsel Karla Doukas: Attorney Doukas also answered questions from both the Commissioners and those in the meeting audience. Among the information presented by Attorney Doukas in her written outline to the Board was the following:

- *Municipal light plants are public utilities which have the same service obligations as privately-owned utilities such as NStar, National Grid and others. They are authorized by law to provide electricity, gas, cable television and communications services to customers in their franchise areas. Cities and towns have no inherent powers to operate light plants. Specific legislation is required.*
- *Because municipal light plants provide services traditionally provided by private sector businesses, but also are municipally-owned, they are considered to be "quasi-commercial" entities.*

- *Municipal light plants generally are not governed by the same laws that govern cities and towns. Rather, General Laws Chapter 164 governs the management and operation of municipal light plants.*
- *Municipal light departments operate and are managed as commercial enterprises, separate and independent from general city or town governmental departments and subject to regulatory oversight by the Department of Public Utilities, also commonly referred to as the DPU.*
- *Early on, municipalities were divested of control over the management of the light plants and such authority was transferred to the municipal light board and Manager appointed in accordance with Chapter c. 164.*
- *This statutory scheme provides for the operation of a commercial business, insulated from the political concerns and activities of the municipality.*
- *Municipal light plants also are subject to different procurement requirements for goods and services than municipalities.*
- *While under Chapter 164, light plant funds are deposited into the town or city treasury, the municipality's role over the light plant's funds is strictly ministerial.*

III. COMMISSIONER VANDETTE ENDS HIS TENURE ON THE BOARD OF ELECTRIC COMMISSIONERS

At its meeting of March 23, 2017 the Board members expressed their best wishes and appreciation for the services of Commissioner Edward Vandette, whose tenure on the Board ends with the election of April 4, 2017.

Edward Vandette has served the Town of North Attleborough as a member of the North Attleborough Board of Electric Commissioners since April, 2002. Mr. Vandette has been elected to five (5) consecutive terms. Mr. Vandette, who is currently the Chairman of the Board of Electric Commissioners, has determined that he would not seek re-election, will complete his tenure as a Commissioner in April, 2017. In addition to serving as a member of the Board of Electric Commissioners Mr. Vandette has been an active participant with several community organizations. While a member of the Board of Electric Commissioners, NAED has been awarded five (5) consecutive national awards for excellence by the American Public Power Association (APPA), received national recognition for its system reliability, upgraded the department's distribution system (to improve reliability) from 4kV to 13.8kV, annually returned ratepayer funds not used for anticipated power costs to its customers, and received excellent annual fiscal audit reports from NAED's auditors.

Mr. Vandette thanked the members of the Board for their efforts and support. He also expressed appreciation for the efforts and dedication of the NAED employees.

IV. WINTER PROTECTION ENDS - PROTECTION FROM SHUT OFFS STILL AVAILABLE

As of April 1, 2017 "Winter Protection" ended. The department provides (per the provisions of 220 CMR 25.03(7), "protection" (no shut off of power) to customers unable to pay due to financial hardships during the winter months (November 15, 2016 - March 31, 2017, inclusive). Once "Winter Protection" ends, then those customers who have been "protected" are then responsible for paying NAED the total cost of the electricity used during the period of November 15, 2016 to March 31, 2017, inclusive. Such customers are then, as required, placed on "payment plans" designed to fully compensate NAED for the unpaid electricity costs prior to the commencement of the next "Winter Protection" period (November 15, 2017). Other forms of protection are available to customers during the year. Please contact NAED for further information.

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