

Merrimac Municipal Light Department

LOCAL CURRENTS



Your Electric Bill will be Higher in June

Last Fall, when National Grid (“NGrid”) made news regarding a 37% rate increase, a lot of customers of the Municipal Light Department (“MLD”) started asking if they were going to see an increase in their bills as well. After explaining to some of them that they were not NGrid customers, we indicated that the MLD’s electric rates were going to increase, but that we would be holding off on any increases until some time in 2015. The Winter 2015 edition of this newsletter, was mainly dedicated to explaining the different factors driving the need to implement rate adjustments in the power sector.

The MLD, as was shown in that edition, is facing a substantial increment in the cost of power for the coming years. Transmission and Capacity expenses alone are expected to incrementally go from \$1,040,853, in 2015, to \$2,054,909 by 2019. This is an enormous financial burden which the department would not be able to sustain based on the existing rates.

Over the next few years there will be a lot of talk about higher electricity prices in New England and nationally mainly due to major investments in the regional transmission system, the retirement of older power plants, and the construction of new facilities. (A lot of this information was covered in the MLD’s Winter 2015 newsletter.). All of these factors will put upward pressure on the electric bills of customers being served by both Investor Owned Utilities (“IOUs”), like NGrid, and in municipal owned utilities like the Merrimac Municipal Light Department.

The department understands, in this economy, how challenging it would be for our customers to cope with a sudden huge increase on their basic expenses, as seen by other communities served by NGrid and NStar, and for this reason the department will be spreading out any necessary adjustments on the electric rates. At the April 2015 MLD Board Meeting, the commissioners voted to adjust the PPA charge of the electric bill effective in June 2015. When this adjustment takes effect, a typical residential customer will see an electric bill that is about 8 percent higher than previous months for the same amount of electricity used.

A residential customer using 500 kilowatt hours (kWh) per month, equivalent to \$86.15, will see an increase of 8%, or about \$6.89 for a bill of \$93.04. Customers in surrounding communities, being served by NGrid, experienced an increase of about \$33 per month when NGrid’s rates went up and even though their rates will be moving down in May, they will remain with a 12% rate increase, compared to last year, and very likely increase for next winter.

The Board of Commissioners and the General Manager believe that small rate adjustments put in place overtime would be more manageable for our customers to handle. The department will very likely need to make other adjustments, however this will be determined by projections in the 5-Year Financial Forecast, revised annually.

It is important for all of our customers to know that even though the adjustment is not to cover expenses other than power supply, the MLD continues to look for ways to reduce expenses in every area of our operations. Customers are also encouraged to take advantage of the early payment discount, free energy audits and follow up on energy conservation tips to reduce monthly electric bills.

The MMLD’s system reaches its peak during the summer period and this peak is used to determine how much we need to pay for capacity charges. Conservative use of energy during the summer, by customers, would impact the system peak and have an effect on power costs. This along with future generation and transmission projects in the Northeast Massachusetts could bring some relief in energy prices a few years down the road.

A relief in power purchase costs would result in lower expenses to the department resulting in downward adjustments in electric rates.

The MLD will provide more information to customers as to how they can contribute in reducing power costs.



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For more information go to our website!

Department Hours of Operation:

Monday–Friday, 7:30 a.m.– 4:00 p.m.

Visit Us On the Web:

www.merrimac01860.info



IS FINALLY HERE... LET'S STAY SAFE!



With Spring finally here, after a tough winter, many of us have a lot of plans to make

ALWAYS CALL BEFORE YOU DIG

IT'S THE LAW!

ALL HOMEOWNERS ALL PROFESSIONALS GOVERNMENT AGENCIES



our properties look better. Some of those projects will require some sort of yard digging to plant small trees and shrubs. Before digging in, take a few minutes and call DigSafe to schedule the marking of the utilities in that area of your house. This service is free to you and it could save you from incurring a lot of expenses, injury, or even death. Calling Dig-

safe a few days in advance of the project may seem like a burden but it's the law and it is better to play it safe. Remember that a lot of people need you alive and well.

We, at the Municipal Light Department, wish you a safe and bright spring season. Enjoy the outdoors and make the best of this great season of the year!!!



From the Department of Energy, here are just a few simple things you can do to improve the energy efficiency and comfort of your home as warmer temperatures arrive:

1. **Service your air conditioner.** Easy maintenance such as routinely replacing or cleaning air filters can lower your cooling system's energy consumption by up to 15 percent. Also, the first day of spring could serve as a reminder to check your air conditioner's evaporator coil, which should be cleaned annually to ensure the system is performing at optimal levels.



2. **Open windows.** Opening windows creates a cross-wise breeze, allowing you to naturally cool your home without switching on air conditioners. This is an ideal tactic in spring when temperatures are mild.

3. **Use ceiling fans.** Cooling your home with ceiling fans will allow you to raise your thermostat four degrees. This can help lower your electricity bills without sacrificing overall comfort.

4. **Cook outside.** On warmer spring days, keep the heat out of your home by using an outdoor grill instead of indoor ovens.



5. **Install window treatments.** Energy efficient window treatments or covering such as blinds, shades and films can slash heat gain when temperatures rise. These devices not only improve the look of your home but also reduce energy costs.

6. **Caulk air leaks.** Using low-cost caulk to seal cracks and openings in your home keeps warm air out -- and cash in your wallet.

7. **Bring in sunlight.** During daylight hours, switch off artificial lights and use windows and skylights to brighten your home.

8. **Set the thermostat.** On warm days, setting a programmable thermostat to a higher setting when you are not at home can help reduce your energy costs by approximately 10 percent.

9. **Seal ducts.** Air loss through ducts can lead to high electricity costs, accounting for nearly 30 percent of a cooling system's energy consumption. Sealing and insulating ducts can go a long way toward lowering your electricity bills.

Municipal Light Department
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Merrimac, MA 01860
978-346-8311

Commission Meetings:

Meetings are usually held the second Tuesday of each month at 4:00 p.m. in the Administrative Offices at 10 West Main St., Merrimac. Please call 978-346-8311 to confirm dates and times.

Payment Options:

www.merrimac01860.info
Click on "Departments", then "Municipal Light Plant" and on the left click on "Pay Your Light & Water Bills Online" to pay your electric and water accounts using credit card or eCheck.

Remember that you can always contact our office to enroll in our secure ACH program, which automatically withdraws your monthly electric bill, taking one more thing off from your mind and allowing you to take advantage of our early payment discount.

Payment Locations:

10 West Main Street
Our office is open from 7:30 a.m. to 4:00 p.m., Monday through Friday. During off hours you can drop your payments in our drop box on the left front corner of our building.