

# RMLD Minimizes 2024 Rate Increase Due to Diligent Power Supply Management and Lower Wholesale Energy Costs

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*RMLD monthly bills forecasted 3.4% higher than 2023*

**Reading, MA** – The Reading Municipal Light Department’s (RMLD’s) Citizens’ Advisory Board (CAB) and Board of Commissioners (Board) approved rate increases that will result in average monthly bills increasing by 3.4 percent across all rate classes effective March 1, 2024. As a not-for-profit entity, rates support the increased operating cost of the utility as well as increased distribution costs.

Average monthly bills beginning in March 2024 are estimated to increase by the following percentages for each rate class: 2.5% for residential customers, 3.3% for residential time-of-use customers 3.2% for commercial customers, 4.8% for industrial time-of-use customers, 3.3% for municipal customers, and 1.6% for schools. Rates are calculated on the cost of service to serve each rate class based on rate studies.

As an example, an average residential customer uses approximately 800 kilowatt hours (kWh) per month and can expect their monthly bill to increase by approximately \$3.65 each month.

The bill adjustment incorporates a higher customer charge and an increased electrification charge. A customer charge is a fixed fee on a utility bill covering infrastructure maintenance and essential services, independent of electricity consumption. An electrification charge funds the incentive program available to all RMLD customers. Incentives, including rebates for Air Source Heat Pumps (ASHP), encouraging the transition to electric technologies and energy efficiency programs, promoting sustainability and carbon emission reduction.

Customer bills from RMLD remain significantly lower—approximately 47-60%—compared to those of Investor-Owned Utilities in Massachusetts.

"Recognizing the challenge posed by any price increase for our customers, we have proactively managed our power supply to keep RMLD's monthly electric bills low," stated RMLD General Manager Greg Phipps. "In addition, striving to keep electric bills low, the RMLD team is focused on reliability (keeping the lights on) and making the infrastructure upgrades to prepare for the forthcoming decarbonization initiatives prompted by the 2021 Massachusetts Climate Bill."

The RMLD 2024 rate increases enable compliance with the 2021 Massachusetts Climate Bill goal to reduce emissions in the utility, building, and transportation sectors by shifting from fossil fuels and towards non-carbon electricity, prompting faster electrification and decarbonization. The Climate Bill established first-time compliance mandates for Municipal Light Plants (MLPs), requiring that the power sold by MLPs be sourced from resources that are 50% non-carbon by 2030, 75% non-carbon by 2040, and net-zero carbon by 2050.

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***About Reading Municipal Light Department:*** Established in 1894, Reading Municipal Light Department (RMLD) is a municipal electric utility serving over 70,000 residents in the towns of Lynnfield Center, North Reading, Reading, and Wilmington. RMLD has over 30,000-meter connections within its service territory.