



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

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Press Release

RMLD rates to increase by approximately 5%-7% July 1

Reading, MA, June 1, 2016 - Reading Municipal Light Department's (RMLD) Board of Commissioners voted 4-0 at its regular board meeting on May 26 to increase rates by approximately 5-7%.

RMLD analyzes its Cost of Service on an annual basis and its projections and reconciliations on a monthly basis. A revised six-year plan is produced. RMLD and the Town Managers/Selectmen meet biannually to enable RMLD to present and summarize any key components that would contribute to a rate increase affecting the subsequent budget process. A preliminary estimate of 7-9% was presented at the fall meetings. This provides preliminary data for town budget preparation.

As the spring rolls around, RMLD has more actual data available with respect to New England projected transmission and capacity costs, along with a completed review of RMLD expenses. This new information reduced the preliminary estimate to 5-7%.

“The bulk of the 5-7 percent increase comes with the rising costs of capacity and transmission costs in the New England area. Specifically for NEMA (Boston) Zone, the re-building of Salem Harbor Station capacity is shared amongst the utilities,” said General Manager Coleen O’Brien. “A lesser percentage of the increase is attributed to a flat/decrease in sales and RMLD’s ability to uphold its fiduciary duty to recover its production costs and to continue to ensure solid financial standings through best business utility practices on operating ratios and meeting its below-the-line fiduciary obligations. The increase varies slightly by rate class and usage, and will be effective July 1.”

The customer using a monthly average of 500 kWh will see a \$4.81 (6.64%) monthly increase and the customer using 750 kWh will see a \$7.03 increase (6.57%). RMLD will continue to have one of the lowest electric rates in the state along with proven reliability and safety records.

For further information, visit www.rmlld.com or call Customer Service at 781-944-1340.

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