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FOR IMMEDIATE RELEASE  
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# Press Release

## ***RMLD Rates to Increase Effective July 1st***

**Reading, MA** – At its regular Board meeting held on Thursday, June 15, 2017, Reading Municipal Light Department’s Board of Commissioners voted 4-0 to increase rates effective July 1, 2017. Specific rate increases depend on rate class and usage, and are estimated to be 3.5-7.7%.

As part of a formal cost of service study, the following long-term strategic objectives were used in the rate setting process: adjust subsidies between and within classes of customers to reflect the cost of providing service and statutory requirements; ensure that rates for large, high load factor customers can attract and retain such customers; make rates more reflective of the cost of providing service; provide price signals that encourage customers to reduce demand during peak periods and to increase usage during off-peak periods; phase-in changes over a period of time to permit customers time to respond and adjust; and protect use of distribution system revenues from erosion due to customer-owned generation of electricity.

“The rate increases are primarily due to the previously stated rise in transmission and capacity costs within the Northeastern Massachusetts wholesale energy market,” said Coleen O’Brien, General Manager of RMLD. “RMLD is taking steps to address the increase in wholesale capacity and transmission costs through our Shred the Peak educational program, our Solar Choice program which provides a minor offset to wholesale electricity needs, and the installation of a generator at one of RMLD’s substations which will be used during expensive peak demand times to reduce the amount of power purchased from the wholesale market. Flat electricity sales are also a factor.”

Rate adjustments based on the stated objectives are estimated at 3.5-4% for municipal, commercial, and industrial customers, 4.5-5% for schools, 6.6% for residential customers, 5-7% for industrial time-of-use customers, and 7.7% for residential time-of-use customers.

To achieve a rate structure that meets standard utility rate practices and statutory requirements, it is necessary to reduce subsidization within and between the rate classes. As mentioned, RMLD’s rate design reduces subsidies and

adjusts rates to more closely reflect the cost of providing service to each rate class. Residential rates are being adjusted to move from a negative cost of service to neutral.

Residential customers using an average of 750 kilowatt hours (kWh) monthly are expected to see an increase of approximately \$7.49/month. Monthly increases will vary based on the amount of electricity used.

RMLD's Shred the Peak educational program, which launched in 2016, seeks to address rising wholesale capacity costs through customer education. Capacity costs are set based on the level of electricity that is used during the peak demand hour, which is the one hour during the year when the highest amount of electricity is consumed. Peak demand typically occurs on a hot weekday afternoon between the hours of 2pm and 7pm. RMLD's Shred the Peak program seeks to educate customers about how peak demand impacts future costs, and encourages customers to conserve electricity when peak demand is predicted. RMLD communicates peak demand predictions through Shred the Peak Alerts sent out via email and Twitter. Shred the Peak Alerts are issued multiple times over the summer to ensure the actual peak demand is captured. To learn more about RMLD's Shred the Peak initiative and how to conserve electricity, please visit <http://www.rml.com/save-energy-money/pages/shred-the-peak>.

RMLD offers a number of programs to its customers to offset the cost of electricity including ENERGY STAR® Certified Appliance Rebates, Electric Vehicle Charger Rebates, Renewable Energy Rebates (including solar), a Commercial Lighting Retrofit Program, a no-cost home energy assessment for residential customers, savings of up to 50% off the retail price on an assortment of ENERGY STAR® certified LED light bulbs and advanced power strips through RMLD's online store for residential customers, a time-of-use rate, a prompt payment discount, and more.

RMLD continues to have competitive electric rates along with a proven record for reliability.

Reading Municipal Light Department serves Reading, North Reading, Wilmington, and Lynnfield Center and is locally owned and operated.

For more information or to learn about RMLD's Shred the Peak initiative and various rebate programs, please visit [www.rml.com](http://www.rml.com) or contact us at 781-942-6598.

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