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FOR IMMEDIATE RELEASE
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Press Release

RMLD Rates to Increase 0.5-2.4% Effective July 1st

Reading, MA – At its regular Board meeting held on Thursday, May 9, 2018, Reading Municipal Light Department’s Board of Commissioners voted 4-0-1 to increase rates effective July 1, 2018. Specific rate increases depend on rate class and usage, and are estimated to be 0.5-2.4%.

Last year, RMLD performed a formal cost of service study as part of its rate setting process. One of the main objectives resulting from the study was to adjust subsidies between and within classes of customers to reflect the true cost of providing service, and to phase these adjustments in over a five-year period to minimize impact on customers. The current rate increases consist of a nominal base rate increase across the rate classes, plus adjustments for only some of the rate classes for said subsidies. The process to adjust rates to reflect cost of service began in 2017 and will continue through 2021.

Rate adjustments for medium sized customers are estimated at 1.75% for municipal, commercial, and industrial customers, 2.1% for schools, 2.3% for residential customers, 1.9% for industrial time-of-use customers, and 1.8% for residential time-of-use customers.

Residential customers using an average of 750 kilowatt hours (kWh) monthly are expected to see an increase of approximately \$2.82/month. Monthly increases will vary based on the amount of electricity used.

“Other than said subsidies, the base rate portion of the increases are primarily due to wholesale purchased power costs. While capacity costs have begun to level out for now, transmission costs continue to increase in the Northeastern Massachusetts wholesale energy market,” said Coleen O’Brien, General Manager of RMLD. “RMLD continues to address these costs through our Shred the Peak educational program as well as our Solar Choice program, which provides a minor offset to wholesale electricity needs. RMLD is also planning the installation of a battery storage unit to be co-located at an RMLD substation with our new peak shaving generator. Both units will be used during expensive peak

demand times to reduce the amount of power purchased from the wholesale market. Declining electricity sales and needed improvements to RMLD's system are also a factor in the rate increases."

RMLD's Shred the Peak educational program, which launched in 2016, seeks to address rising wholesale capacity and transmission costs through customer education. These costs are set based on how much electricity RMLD's system uses during expensive peak times when demand for electricity is at its highest. RMLD's system has an annual peak, which typically occurs on a hot weekday afternoon from June to August between the hours of 2pm and 7pm, and monthly peaks. 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 to ensure the monthly and annual peaks are captured. To learn more about RMLD's Shred the Peak initiative and how to conserve electricity, please visit <https://www.rml.com/home/pages/shred-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 or contact us at 781-942-6598.

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