



A Community of MassDevelopment

July 2008

Devens

33 Andrews Parkway
Devens, Massachusetts
01434

Tel: 978-784-2900

Fax: 978-772-8879

www.devenscommunity.com

Main Office:

160 Federal Street
Boston, Massachusetts
02110

Tel: 617-330-2000

Fax: 617-330-2001

www.massdevelopment.com

Dear Devens Utilities customers,

This correspondence is to communicate a restructuring of rates for our gas and electric customers at Devens. Historically, Devens Utilities has set rates for a twelve month period beginning on July 1st and ending on June 30th based on the expected future cost of purchased power for the twelve month period. These dates correspond with the beginning and end of our fiscal year. Recent months have seen unprecedented increases in the price of fossil fuels resulting in electric and gas rates that fail to cover expenses due to the difficulty in accurately projecting expected costs for a twelve month period in today's energy market. In anticipation of continuing volatility in purchased power energy costs we have restructured our rates.

Beginning on July 1, 2008, we will begin passing through the energy cost component of your bill on a quarterly basis. For the first quarter of fiscal year 2009 (July through September 2008) we will estimate our anticipated purchased power expenses and bill our customers accordingly. Near the end of each succeeding quarter we will review our total purchased power costs and adjust accordingly for the next quarter. Depending on current and anticipated energy expenses for each quarter the Energy Charge or Gas Charge component of your electric and gas bill may be adjusted up or down.

Rate sheets with the current quarter's energy rates will be posted on the Devenscommunity website at www.devenscommunity.com. The other rate components (Base Monthly Charge, Distribution Charge & Transportation Charge) will remain fixed for twelve months. Enclosed is the current rate sheet for the timeframe of July through September 2008 that reflects the rate restructuring and includes the FY09 rate increases of 4% for water and 4% for wastewater.

As always, our goal will be to remain competitive with the local New England energy market and we will work hard to maintain our rates at those levels. We will continue to ensure that the utility services provided to your community are among the best in the Commonwealth. Please contact our Utilities Department staff at (978) 784-2931 if you need any additional information.

Sincerely,

Richard Montuori
EVP Devens Operations
MassDevelopment