



A Community of MassDevelopment

March 18, 2010

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

To: All MassDevelopment / Devens Utility Customers

RE: Electric and Gas Rate Adjustments

To our valued customers,

Periodic cost-of-service studies help to ensure that all of our customer classes are being charged based on their cost of service. Our rate model allocates costs across customer segments resulting in fair and equitable rates for our customers.

Charging our customers accurately requires that we assign costs to customer classes based on the degree to which they are responsible for those costs. This is a challenging task for a utility when customer classes and usage change over time. And that certainly has happened at Devens over the course of the last few years.

When the rates become unbalanced, some customer classes could be subsidizing other classes if the rates are set on outdated information. The attached chart reflects the results of our recent rate study which resulted in the indicated adjustments to our gas and electric rates. You can easily compare your previous rates in your rate class to the adjusted rates.

While we are not immune to fluctuating fuel and energy market costs, it appears at this time that our energy costs for the coming year should be stable allowing the rates to remain fairly stable. We are not anticipating any significant increases or decreases in the rates that are currently being set at this time.

We are working hard to keep your overall cost of electric and gas competitive with the local New England energy market. We will continue to ensure that the utility services provided to the Devens community are among the best in the Commonwealth in terms of safe reliable energy delivered at the most reasonable economic cost possible.

The effective date for the enclosed rate adjustments will be for the current billing cycle which will be the gas and electric invoices mailed to you in April. If you have any questions or need any additional information, please contact the Devens Utilities office at (978) 978-2931 and ask to speak with Jim Moore.

A current rate sheet reflecting the adjusted rates is posted on the www.Devenscommunity.com website.

Sincerely,

Jim Moore
Supervisor of Devens Utilities

DEVAL PATRICK
Governor

TIMOTHY P. MURRAY
Lieutenant Governor

GREGORY P. BIALECKI
Chairman

ROBERT L. CULVER
President/CEO



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Previous Electric Rates	Residential	Retail	Sm Business	Lg Firm Comm	Super Lg Firm Comm
Base Monthly Charge	\$ 3.68	\$ 11.03	\$11.03	\$32.88	\$32.88
Energy Charge (Peak) / kwh	\$ 0.1100	\$ 0.1100	\$ 0.1100	\$ 0.1300	\$ 0.1300
Energy Charge (Off-Peak) / kwh	N/A	N/A	N/A	\$ 0.0900	\$ 0.0900
Distribution Charge / kwh	\$ 0.0240	\$ 0.0330	\$ 0.0330	\$ 0.0068	\$ 0.0056
Distribution Demand Charge / kw	N/A	N/A	N/A	\$ 4.0500	\$ 3.4000
Adjusted Electric Rates	Residential	Retail	Sm Business	Lg Firm Comm	Super Lg Firm Comm
Base Monthly Charge	\$ 3.68	\$ 11.03	\$ 11.03	\$ 32.88	\$ 32.88
Energy Charge (Peak) /kwh	\$ 0.0966	\$ 0.0966	\$ 0.0966	\$ 0.0761	\$ 0.0761
Energy Charge (Off-Peak) / kwh	N/A	N/A	N/A	\$ 0.0705	\$ 0.0705
Distribution Charge / kwh	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207
Capacity and Transportation Charge / kw	N/A	N/A	N/A	\$ 9.40	\$ 8.75

Net effect of changes per typical customer in each rate class stated in average cost per kwh:

	<u>Previous</u>	<u>Adjusted</u>
Residential	\$0.142	\$0.126
Retail	\$0.144	\$0.118
Sm Business	\$0.144	\$0.118
Lg Firm	\$0.124	\$0.116
Super Lg Firm	\$0.116	\$0.107

Previous Natural Gas Rates	Residential	Retail	Sm Business	Lg Firm Comm	Lg Firm Process
Base Monthly Charge	\$ 13.33	\$ 16.40	\$16.40	\$32.80	\$32.80
Gas Charge (\$/Therm)	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Distribution Charge (\$/Therm)	\$ 0.2047	\$ 0.2047	\$ 0.1494	\$ 0.0944	\$ 0.0752
Transportation Charge (\$/Therm)	\$ 0.3340	\$ 0.3340	\$ 0.3340	\$ 0.3340	\$ 0.3340
Adjusted Natural Gas Rates	Residential	Retail	Sm Business	Lg Firm Comm	Lg Firm Process
Base Monthly Charge	\$ 16.04	\$ 16.04	\$ 16.04	\$ 16.04	\$ 16.04
Gas Charge (\$/Therm)	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Distribution Charge (\$/Therm)	\$ 0.1500	\$ 0.2050	\$ 0.2050	\$ 0.0950	\$ 0.0900
Transportation Charge (\$/Therm)	\$ 0.3370	\$ 0.3370	\$ 0.3370	\$ 0.3370	\$ 0.3370

Net effect of changes per typical customer in each rate class stated in average cost per therm:

	<u>Previous</u>	<u>Adjusted</u>
Residential	\$1.652	\$1.624
Retail	\$1.485	\$1.558
Sm Business	\$1.485	\$1.558
Lg Firm	\$1.431	\$1.433
Lg Firm Process	\$1.410	\$1.427