



# Mansfield Municipal Electric Department

125 High Street, Unit 2; Mansfield, Massachusetts 02048

## Understanding Your Residential Electric Bill

The following is an explanation of the charges and credits that appear on our residential customers' electric bills.

**CUSTOMER CHARGE** – This portion of your bill covers the basic costs of maintaining your account on a monthly basis, regardless of the amount of electricity you use. Such services include metering equipment, meter reading, and billing. *Effective June 01, 2023, the residential customers monthly customer charge will be \$8.00.*

**DISTRIBUTION CHARGE** – For residential customers, this charge reflects MMED's cost to deliver energy through our utility's electric distribution system, including the cost to build and maintain local power lines and equipment, and other distribution service factors. *Effective June 01, 2023, the distribution charge is calculated by taking your kilowatt-hours and multiplying them by \$.0477 for the first 1,000 kilowatt-hours and by \$.0643 for all additional kilowatt-hours.*

**PURCHASE POWER CHARGE** – This charge is a combination of both 'Power Production' and 'Transmission' charges attributed to Mansfield Electric. Power Production costs are a combination of ownership interests, direct purchase power contracts, and open position market commitments in the electric power supply. Transmission costs are instituted by transmission line providers by the regulatory guidelines set by the ISO New England – the entity that controls the regional powers grid – in order to maintain reliable power delivery throughout New England. *Effective June 01, 2023, the purchase power charge is calculated by taking your kilowatt-hours and multiplying them by \$.0946.*

**PURCHASE POWER COST ADJUSTMENT** – Occasionally, a market event can occur which requires an adjustment for the charges to electric power or fuel costs. When these events do occur, MMED will implement a Purchase Power Cost Adjustment factor to adjust these costs. *Effective June 01, 2023, the purchase power cost adjustment is \$0.00.*

**RESIDENTIAL CREDIT FACTOR** - Prior to the beginning of each Fiscal Year the Department may establish a credit, in \$/kWh, to return to its customers any revenues that the Department determines are surplus to the needs of the Department. There will be separate credit calculated for Residential and non-residential customers. The credit to Residential customers will include, at a minimum, the savings that the Department receives through its purchase of hydropower from the New York Power Authority. *Since July 1, 2020, the Residential Credit Factor is calculated by taking your kilowatt-hours and multiplying them by (\$.0040).*

**EARLY PAYMENT DISCOUNT** – A twenty percent (20%) discount is allowed on the Distribution Charge if payment is received at the Department's office not later than 15 days from the billing date. No discount is allowed when arrears are due. Such discounts do not apply to the Purchase Power Charge or the Customer Charge.

**DEPOSIT INTEREST** – Interest earned on your deposit is calculated daily and applied as a credit on your monthly bill. Pursuant to G.L. c. 164 Section 58A (11/16/2004), the rate of interest shall be revised annually and shall be equal to yields on Treasury securities at constant, fixed maturity one year rate as published by the Federal Reserve System and as established 12 months ending December of the prior year. Current and historical interest rates can be found on the State's website, <https://www.mass.gov/info-details/interest-rates-for-security-deposits-for-mlps>

*Specific charges and descriptions for each rate category can be found on the 'Rate Sheets' tab on the Mansfield Electric website: [www.mansfieldelectric.com](http://www.mansfieldelectric.com).*