

A newsletter for customers of the Mansfield Municipal Electric Department

mansfieldelectric.com
Spring - Summer 2022

# MANSFIELD ELECTRIC Announces Rate Changes, Renewable Energy Power Projects



Joe Sollecito

Some might say that delivering bad news is never a good way to start a conversation. So with my apologies, I have the unenviable task of letting you know that Mansfield Electric is implementing a rate increase beginning on July 1st. I thought I would first get this out of the way by explaining the reasons for the rate changes and then give you some optimistic news going forward.

Starting July 1st, Mansfield Electric will be raising the cost to purchase and deliver power to all customers. There are several

driving forces that require us to raise rates. The most obvious and significant reasons are rising costs for energy and skyrocketing costs for equipment, supplies, and services. We are not immune to the same market forces that we are all currently experiencing when purchasing groceries at the market, or fuel at the pumps. Since last fall, we have seen market speculation drive 'spot' and 'forward' energy market prices exponentially higher. Additionally, news of war also contributes significantly to the rising increase for the same amount of energy in the open market.

In April, Mansfield Electric made a (12%) rate adjustment for all customers to offset the under collection of purchase power costs. Beginning July 1st, there will be another smaller increase (6%-8%) in the 'Purchase Power Charge' as well as some small adjustments to the other rate components to capture the rising costs incurred by Mansfield Electric to purchase and deliver electricity to our customer base.

Based upon typical residential energy consumption patterns, the chart below shows the total economic impact for Mansfield residential customers over the past few months for the same electric consumption:

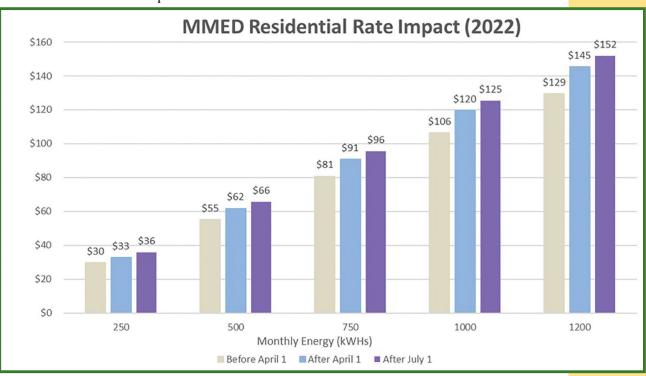


#### **COMMUNITY OWNED**

Mansfield Municipal Electric Department is owned by the people of Mansfield and governed by an elected Board of Commissioners who oversee our local utility.

#### MMED Board of Commissioners:

Jess Aptowitz - Chair Frank Delvecchio - Vice Chair Diana Bren - Clerk Neil Rhein - Commissioner Mike Trowbridge - Commissioner



Continued on page 4

### As promised, here is some really good news!

### Good News #1:

MANSFIELD signs on to OFFSHORE WIND project



(Public domain photo: newsroom.posco.com)

In April, Mansfield Electric signed a participation agreement to purchase several MW's of energy from a large offshore renewable energy project. While the details of this very significant development project cannot be disclosed at the time of this publication, this agreement is a result of the Commonwealth of Massachusetts' public solicitation award and negotiated through our joint-action partners at Massachusetts Municipal Wholesale Electric Company (MMWEC). As a member of MMWEC, Mansfield Electric and 19 other municipal utilities will purchase the power output along with renewable energy attributes at a very affordable price for multiple years in the future.

This is an outstanding opportunity for MMED to add to its already significant 'non-carbon' emitting power supply and will go towards meeting our clean energy goals of 100% 'net-zero' carbon emissions by 2050.

### Good News #2:

MANSFIELD Electric will soon receive solar renewable power from the LARGEST publicly owned SOLAR PROJECT in the Commonwealth of Massachusetts



(MMWEC Solar farm images - April 2022)

At just under 7MW, the solar array is located on the MMWEC campus in Ludow, Massachusetts. Mansfield is joined by five other municipal utilities who have also signed on as participants in the project. When the Mansfield Electric Board of Commissioners voted to approve this project in November 2020, we knew this was a great unique opportunity for us to

not only own a renewable power generating resource, but to also increase our renewable portfolio at a reasonable cost. Mansfield's share (7.25%) in this large solar array (6.9MW) will add to our already existing non-carbon emitting power portfolio (>50%).

### Good News #3:



(Public domain image: Farmers weekly)

### MANSFIELD ELECTRIC investigating BATTERY STORAGE project

Mansfield Electric is actively pursuing an ownership interest in a large Battery Storage project (100MW) which would add a significant renewable 'hedge' against future increases in capacity prices. Although details are not yet finalized, we expect this project to be announced early next year. If this proceeds as planned, it will be the largest publicly owned battery storage project in New England.

### And more good news!

Many Mansfield Electric customers are saving money each month by participating in the Connected Homes program. It works by pre-registering your end user device (e.g. Thermostat, Hot Water Heater, Electric car charger) to be controlled to reduce power during peak energy hours. As always, you have the choice to allow or reject the controlling of your device to reduce or eliminate electrical consumption during those peak usage hours each month. However, if you 'opt-in' to the adjustments, you will receive an incentive according to the chart below:

Smart Device	Eligible Brands	Monthly Incentive
Battery	Sonnen	\$15
Electric Vehicle Charger	ChargePoint	\$10
Electric Vehicle Charger	Enel X JuiceBox	\$10
Electric Hot Water Heater	GE	\$5
Electric Hot Water Heater	Rheem	\$5
Mini-Split Controller	Flair	\$5
Mini-Split Controller	Sensibo	\$5
*WiFi Thermostat	Visit NextZero.org	\$5

What better way to save money and the environment then by participating in the Connected Homes program? For more information, including how to register for these incentives, go to: https://nextzero.org/mansfield/connected-homes/

\*See www.NextZero.org/Mansfield for more information about winter thermostat adjustments.

## **Understanding Your Residential Electric Bill**

The following is an explanation of the charges and credits that appear on 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 July 01, 2022, the residential customers monthly customer charge will be \$6.00.

**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 July 01, 2022, the distribution charge is calculated by taking your kilowatt-hours and multiplying them by \$.0377 for the first 1,000 kilowatt-hours and by \$.0543 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. Since July 01, 2020, the purchase power charge is calculated by taking your kilowatt-hours and multiplying them by \$.0770.

**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 July 01, 2022, the purchase power cost adjustment is calculated by taking your kilowatt-hours and multiplying them by \$.0163.

**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) for first 1,000 kilowatt-hours of usage.

**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.

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### Continued from page 1

Unfortunately, these rate changes are necessary to capture our incurred costs for energy, capacity, and delivery charges. However, I want you to know that we understand the economic pressures everyone is under as this only adds to the challenges people are facing. We are very much aware of these challenges and have always taken great pride in being both a reliable and affordable electric service provider. In fact, we still remain one of the lowest cost providers in the entire Commonwealth of Massachusetts. You can be assured that, both now and in the future, we will make the necessary adjustments to keep electric service both affordable and reliable for many years to come.

Hopefully some of the good news items give you optimism for the future.

Joe Sollecito

General Manager

# Is your contact information up to date?

Please make sure that we have your current contact information on file in the event that we need to reach you about service or business-related matters.

To update your information, send an email to mmedmlc@mansfieldma.com and include your name, account number, and service address along with your current cell phone number and email address. You can also call our office at 508-261-7361 and one of our Customer Service Representatives will gladly update your information via phone. *The information is for MMED and town use only. We never sell this information.* 

# **IT'S FREE TO PAY ONLINE**

Shorten your monthly TO DO List by setting up AUTO PAY with NO FEES



MasterCard, Visa, Discover, or Checking/Savings Automatically receive early payment discount Confirmations and Notifications via e-mail or Text

GO Green and eliminate paper bills

GO TO: www.mansfieldelectric.com or call us at (508) 261-7361





Mansfield Municipal Electric Department

125 High St., Unit 2 Mansfield, MA 02048 Phone 508-261-7361 Fax 508-261-7391

#### Directory

Customer Service & Billing.....508-261-7361 Emergency......508-261-7395 Off-hours Emergency......508-261-7300 Payment Boxes:

Town Hall parking lot Six Park Row, Mansfield

Front of Billing Office 125 High St., Unit 2, Mansfield

#### **Payment Location:**

Town Hall, Treasurer's Office: Six Park Row, Mansfield

Monday, Tuesday & Thursday, 8 a.m. to 4 p.m. Wednesday, 8 a.m. to 8 p.m. Friday 8 a.m. to noon

#### Payment, New Service & Customer Inquiries

125 High St., Unit 2, Mansfield Monday, Tuesday & Thursday, 8 a.m. to 4 p.m. Wednesday, 8 a.m. to 8 p.m. Friday 8 a.m. to noon