



A Customer Owned Utility
Serving Our Community Since 1894

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April 1, 2009

Dear Friends,

It is a pleasure to provide you with a brief update of our current and future activities.

I. EXTENSION OF "WINTER PROTECTION"

At its meeting of March 19, 2009, the Board announced that the North Attleborough Electric Department would extend the period for providing "Winter Protection" to its customers to April 15, 2009, from the original date of March 15, 2009.

The department provides, "Winter Protection" (no shut off of power) to certain protected classes of individuals (see next page of this release) during the winter months (November 15 - March 15). The dates are established by state regulation.

Thomas Corrigan, Chairman of the Board of Electric Commissioners, noted that the decision to extend "Winter Protection" was due to the dismal state of the national economy. Mr. Corrigan stated, "We know that this is a difficult time for many of our customers and we believe that by extending the "Winter Protection" program another 30 days that we will be helping our fellow residents and neighbors."

Mr. Corrigan also noted that the decision to extend the period of "Winter Protection" was in addition to the decision reached by the Commissioners on September 30, 2008 that NAED would become the only reported local utility to use income levels set by the "Good Neighbor Energy Fund" (administered by the Salvation Army), rather than state guidelines.

The decision to use the GNEF guidelines has resulted in 27 more NAED customers receiving "Winter Protection" in February, 2009 than would if state income guidelines had been followed."

Mr. Corrigan said, "We know that the citizens we serve in this community are challenged by the cost of utilities and the uncertainties in the economy. The Board of Electric Commissioners wants to help our citizens and be of service to the community. By extending the date of Winter Protection for another 30 days and using the income criteria of the Good Neighbor Energy Fund as the basis for affording protection, NAED is "stretching our umbrella of protection," and making a positive impact on our community.

Protection is afforded during this period of time to customers unable to pay due to financial hardships, who also have one of the following situations:

- Serious Illness
- Child in the house under the age of 12 months and the customer's service has not been shut off for nonpayment before the birth of the child
- Power provides the heat or operates the heating system and that the service has not been shut off for nonpayment before November 15

II. NAED TO REQUIRE DEVELOPERS TO PROVIDE BONDS TO PROTECT NAED'S DISTRIBUTION INFRASTRUCTURE

At their meeting of March 19, 2009, following a public hearing the Board of Electric Commissioners voted (3-0) to amend the department's "Construction Requirements," by authorizing the department's administration to require developers of residential or commercial subdivisions to post with the North Attleborough Electric Department (NAED) a financial bond before the commencement of any construction work involving electric infrastructure.

Thomas Corrigan, Chairman of the Board of Electric Commissioners, stated that the Board took the action to ensure that the interests of NAED and the ratepayers were protected. Mr. Corrigan stated, "Subdivision construction projects benefit developers, not the ratepayers. Before NAED accepts electric infrastructure that NAED will ultimately be required to maintain, we need to be assured that our department and Town have the financial protection required to ensure that the workmanship and construction activities involving the infrastructure are of the highest quality." Corrigan also pointed out that NAED often is providing power to residents in residential subdivisions literally years before the streets in those subdivisions are accepted by the Town as "public ways."

III. NAED's ENERGY EFFICIENCY PROGRAMS

Remember that NAED has two important NAED programs that encourage energy efficiency.

The first program is our "Appliance Rebate Program" - where NAED will provide its customers with a cash rebate for specific appliances which have an "Energy Star Energy Guide Label." The other program is our "Home Improvement Incentive Program" - in which NAED provides rebates on insulation upgrades, based upon an NAED sponsored home energy audit. Information is also on NAED's web site: www.naelectric.com.

IV. CAPITAL AND OPERATIONAL SYSTEM UPGRADES

The department is now in the process of planning its FY 2009 capital effort to improve our distribution system. We are now reviewing an engineering report which identifies the work remaining to be done for NAED to convert all of the distribution system to 13.8kV. Believe it or not, the effort to convert the distribution system from 4kV to 13.8kv has, to date, lasted almost forty (yes, 40) years. Based on our initial review of the report, we now believe that we are within just a few years of completing this important capital project.

Our efforts during the past weeks have included the clearing of brush within the easement for our 69kV line (which is the connection between the Whittings Street Sub-Station and the Sherman Sub-Station). It has been several years since any effort was made to clear the area under the power lines and the amount of growth that had occurred since the last clearing created very real difficulties for NAED personnel who needed to address problems on that circuit.

We have also commenced our annual tree/brush cutting program. Each year one-fifth of the Town is addressed. Through the efforts of our Operations Division Manager, Gene Allen, and the utilization of the public bidding statute, this year's low bidder was \$93,000 lower than the contract awarded last year. We are also in the process of preparing finalization of our new vehicle maintenance program, improving the system through the use of our new technology (i.e. the "Field Assessment Tool" and infra red scanning). Our two new bucket trucks and underground vehicle have all now been put in service. Work is continuing on the new E-15 circuit with trench work being done along Wolcott Road.

Chris Mitchell, our IT Director, has completed an upgrade of the Muni-Net (fiber connection between 22 Town buildings and facilities) that will greatly enhance the speed and capacity of data flow.

Please continue to remember our fellow citizens who are defending our country throughout the world.

As always, should you have any questions at any time, please feel free to contact me at 508.643.6300.

Sincerely,

James C. Moynihan
General Manager