



A Customer Owned Utility
Serving Our Community Since 1894

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NAED is one of only forty (40) municipal electric departments within the Commonwealth of Massachusetts. We are committed to promoting the interests of "Public Power" on behalf of the citizens of this community

August 1, 2007

Monthly Update of North Attleborough Electric Department's Activities

Dear Friends,

I. PERSONNEL UPDATE

We are pleased to announce that Thomas Whalen, a twenty nine year member of the department has been selected as the NAED's new Assistant Distribution Foreman, replacing Robert Bukin, who earlier in the year became the department's new Distribution Foreman. Tom has been a Lineman since 1979 and a Crew Leader since 1988. We are sure that Tom will do an outstanding job in his new position.

II. BOARD OF ELECTRIC COMMISSIONERS – UPDATE

a. Operational Overview

Last month the department underwent an "operational overview" by Hometown Connections (HCI), a subsidiary of the American Public Power Association". The three day review included a governance and planning session with the Board of Electric Commissioners and review of the activities and plans of the department, generally, and NAED's individual divisions, specifically.

The final report is now being prepared, but we were advised that although there are many challenges that the Board and NAED administration/staff must address, that progress is being made. The reviews from Hometown stated, "HCI is extremely impressed with the improvements at NAED in the last 18 months. HCI noted improvements in nearly all aspects of the utility and feels the current management team should be commended for not only their efforts, but also the results of their efforts. HIC was also impressed with the NAED management commitment to continue to improve."

b. Curtailment of the Hot Water Heater Program

As I noted last month, the department curtailed, as of August 1, 2007 the department's "Hot Water Heater Rental Program" The Commissioners took the action for several reasons including the fact that there was little evidence that the program was achieving its initial purpose of enhancing the efficient use of energy. In addition, the program's total cost generally exceeded the program's total income.

We will continue to evaluate ideas/efforts that NAED might be able to implement that will enhance our system's efficient utilization of energy.

c. Energy Conservation - Rebates

The Board has asked me to again remind the residents that NAED offers programs that can assess and reduce our customers' energy consumption and costs. The program can also offer rebates to offset the cost of implementing recommended products.

Please contact Janine Newman at 508-643-6310 for further details.

III. DEPARTMENTAL WORK PROJECTS

a. Operations

The department is now proceeding to implement the ambitious capital plan (CIP), approved by the Commissioners on January 3, 2007, which should greatly benefit the reliability and viability of the department's distribution system.

The department's efforts have resulted in the near completion, at the time of this letter, of upgrading the wiring along Fisher Street/North Washington Street (Circuit E8) and extending our E2 & E3 circuits (located along Old Post Road and Allen Avenue) through the efforts of Halpin Line Construction.

In August, the department will commence an upgrade of the E7 circuit (Toner Blvd. and Toner Blvd. area) – approximately dozens of poles will be replaced and wiring will be upgraded. It is currently projected that the work will take approximately 17 weeks to complete.

b. Special Projects

The department has commissioned a customer survey to provide the department and Commissioners with feedback from our ratepayers. We are now in the process of finalizing the survey questions and anticipate that the survey will commence by mid-September, 2007.

The department's web page is now being reviewed and upgraded. Geoff Morton, NAED's Projects Manager, is overseeing the effort.

IV. POWER/ENERGY PROJECTS UPDATE

We continue to review and pursue opportunities that may afford stability in the department's future rate charges and fuel diversity. At this time we continue to participate in the planning for a combined cycle plant in Ludlow, MA being planned by MMWEC. We are also examining a couple of possibilities involving "locking in" future energy capacity costs for the years 2010 – 2015.

V. WRITTEN POLICIES AND TERMS & CONDITIONS

The Board, at its April 26, 2007 meeting, received an update on the department's efforts to implement NAED's newly approved "Terms & Conditions" and "Construction Regulations". Copies of both documents are now available on the department's web site, www.naelectric.com.

On behalf of the Electric Light Commissioners and members of the North Attleborough Electric Department, we ask that you keep in mind our servicemen who are serving our nation throughout the world. One of our own employees, and a resident of the town, Brenton Dimock, is serving in Iraq. We think often of Brenton and look forward to his safe return to NAED later this year.

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