



A Customer Owned Utility
Serving Our Community Since 1894

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December 1, 2009

Monthly Update of North Attleborough Electric Department's Activities

Dear Friends,

On behalf of the Board of Electric Commissioners (Chairman Charles Mottinger, Edward Vandette and Thomas Corrigan) and members of the North Attleborough Electric Department I wish to express our very best to all of you during the holiday season. In this holiday season we ask that you keep in mind our servicemen who are serving our nation throughout the world.

NAED ACTIVITIES DURING CALENDAR YEAR 2009 (TO DATE)

The past year has been a very busy and important year for NAED. We believe, that as an organization, we have continued to make great strides during the past year, consistent with the policy directions for the department, as established by the Board of Electric Commissioners. I am pleased to report that the commissioners, our managers and employees have continued to work together to restore the community's trust in our fiscal and management practices and activities.

For your information, NAED's efforts, activities and accomplishments have included:

Completed much of the work involved with the conversion of our distribution system from 4kV to 13.8kV through the efforts of our Line Crew and contract laborers. The remainder of this work effort, which commenced in 2007, is scheduled to be completed in calendar year 2010. The upgrades are designed to improve the overall reliability and reduce outages on those circuits.

Provided "energy efficiency" programs that assist our ratepayers. Our programs include rebates for "energy star" appliances, commercial lighting audits and reimbursements for installing "energy efficient" measures at home.

We also have continued to seek and maintain customer rates that were below those of many neighboring communities. Reduced the "Purchased Power Adjustment" (PPA) charge, effective with the November, 2009 bills.

Provided employee safety, operational emergency planning, software, strategic planning and governance training throughout the year. Our efforts to plan have resulted in the training, throughout the year, of staff relative to the new Cogsdale financial management software purchased earlier this year. It is anticipated that the NAED will take the software "live" early in 2010.

We received an outstanding financial audit by our system's auditors, Powers & Sullivan. Implemented departmental obligations relating to retiree health and life insurance costs (GASB 45).

Maintained an "A" credit rating from Standard & Poors.

Again this year, NAED instituted income guidelines that allow "protection" to a greater number of our citizens in our "Winter Protection Program" than would otherwise be protected.

Continued to work to ensure that the department's "Terms & Conditions", "Construction Requirements" and other documentation is current and up to date and responsive to the needs of the community and the challenges of "growth". Began developing a template agreement relative to "growth" type projects (such as planned residential subdivisions) which establish the responsibilities of both a project developer and NAED.

Continued to utilize the "Field Assessment Tool", which NAED personnel developed. Though the efforts of our Line personnel the "Tool" is now being used to update the department's infrastructure records – with the entire system expected to be surveyed by the first quarter of 2010. We are also committed to utilizing technology to improve our efforts and have integrated Geographic Information System (GIS) software into our planning efforts.

We upgraded our department's capital equipment by adding the department's second hybrid vehicle – which will be used by the Meter Division. This year we implemented a new vehicle maintenance program – which should allow NAED to more effectively maintain its vehicles and reduce departmental repair costs.

Continued to explore opportunities for stabilizing the cost of power and our rates by participating in plans involving possible new power facilities in Taunton, Lowell and Ludlow. We integrated additional "green power" into our power portfolio by agreeing to purchase some hydro power from a hydro electric facility in Maine. We also considered the viability of the former municipal landfill in North Attleborough as a site for solar power panels and a proposal to place a wind turbine at WWI Park.

Instituted administrative policies and training relative to new administrative and possibly future costly requirements involving the North American Reliability Council (NERC).

We sought to improve customer communication by continuing our local CATV show. The show is designed to update the community about NAED activities and plans. Further, in 2009 the department instituted a survey of our North Attleborough's residential customers.

Supported the Town by providing \$300,000 via a Payment In Lieu of Taxes. NAED also supports the Town by providing the Muni-Net internet connections for all public buildings, various community service activities and fiscal support for Town efforts such as the CTY program.

Sincerely,

James C. Moynihan
General Manager