



TOWN OF HUDSON

MASSACHUSETTS

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FOR IMMEDIATE RELEASE
December 21, 2016

HUDSON LIGHT REDUCES ELECTRIC RATES

Average Residential Customers Will See at Least 14% Reduction

Hudson, MA, December 21, 2016– Average Hudson Light and Power residential customers will pay less for electricity next year thanks to a rate reduction that will go into effect February 1, 2017.

The overall rate reduction is made possible by the retirement of long term debt associated with HLPD's participation in the Massachusetts Wholesale Electric Company's (MMWEC) generation projects.

"As a proud member of the Public Power community, we are pleased to be able to pass expected savings back to the customer in the form of lower bills," said General Manager Brian R. Choquette.

In 2016, Hudson Light and Power hired an independent third party consultant to perform a cost-of-service study. The study results were presented to the HLPD Municipal Light Board, who voted to implement the study's recommendations effective February 1, 2017.

The average residential customer's net bill will be reduced by about 14%. The new rates are approximately 45% lower than National Grid's current rates. The average residential customer on Rate 1 using 750 kilowatt-hours per month will see the net bill drop from \$91 to \$78. According to a September 2016 rate comparison study performed by the Massachusetts Municipal Wholesale Electric Company (MMWEC), the new rates put Hudson Light's customer bills among the lowest in the State.

Additional recommendations from the rate study included: an upward adjustment to the base residential customer charge to reflect the true cost of administering an account (reading the meter, and processing, printing and mailing the bill), an increase in the yard lighting rate to more accurately reflect the cost of service, and an increase in the Power Adjustment Charge to reflect the higher costs of wholesale capacity, transmission and energy.

The new rate details will be available on the HLPD web site and will be filed with the Massachusetts Department of Public Utilities.

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