



Customer Newsline

Tax Exemptions

Small Businesses with less than five full-time employees and a gross income of less than \$1 million are exempt from the 6.25% Massachusetts Sales Use Tax IF they file an annual ST-13 Tax exemption certificate with their utility.

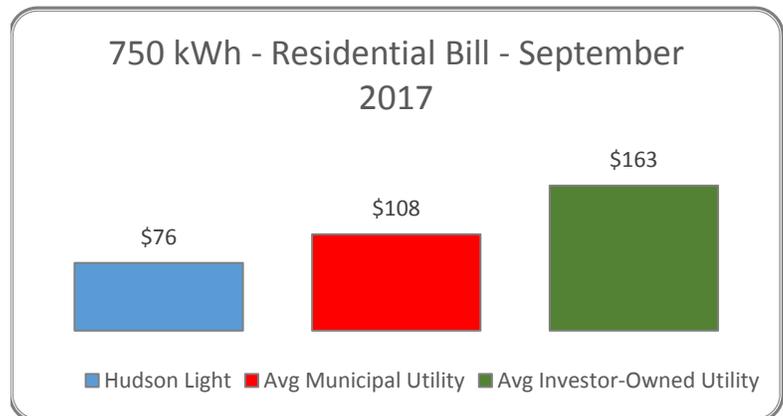
Hudson Light will mail ST-13 renewal forms this month to those who filed with us in 2017. If you believe you are exempt for this purposes, forms can be found on our website www.hudsonlight.com and from the State's website: www.mass.gov/dor/forms/trustee/sales-and-use-tax

Other exemptions such as non-profit status and manufacturing entity (ST-12) may also apply to your business.

Residential accounts are automatically tax exempt and no filings are necessary.

STILL THE BEST BUY AROUND!

You know our service is great! A new study by the Massachusetts Municipal Wholesale Electric Company (MMWEC) shows we have maintained that coveted position of lowest bills in the State.



NEW ENGLAND'S WHOLESALE ELECTRIC MARKETS

New England's Power Grid operates as an island. As your agents in the Wholesale Market, our aim is consistent reliability and rates. (Pages 2-3)

HAPPY HOLIDAYS FROM HUDSON LIGHT!

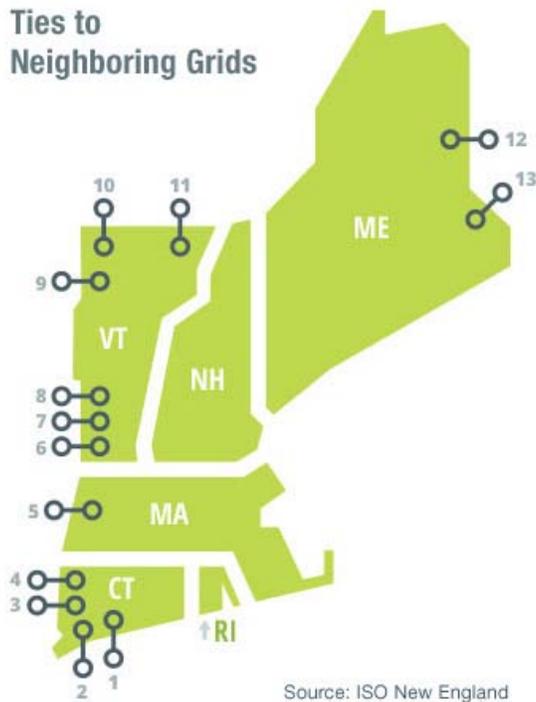
Hudson Light wishes you the safest, healthiest and happiest of Holiday Seasons! We offer gift certificates and free shipping at our residential store. (Page 4)

REPORT ELECTRIC CAR BATTERY CHARGERS & GENERATORS

Installation of these devices should be reported. (Page 4)

A WORD ON NEW ENGLAND WHOLESALE ELECTRIC MARKETS

The New England Power grid operates as an island. While there are import/export connections, as shown in the diagram below, these provide only about 1,376 MW compared to the summer peak requirement of 26,482¹ MW. This means that almost all of the energy we use in New England must be generated in New England.



The amount of generation capacity required is dependent upon the single peak hour of the year. If the load exceeds the generating capacity for even one hour, the entire grid would be in jeopardy of experiencing an outage or a “black-out”. Therefore, generators must be available to meet the needs during the peak hour.

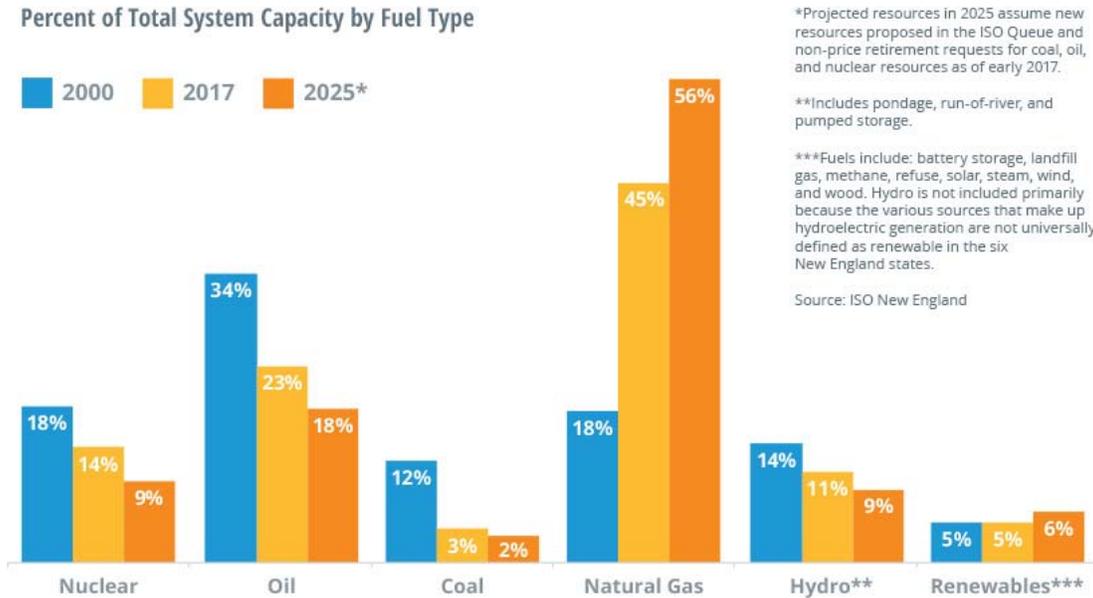
Generators make their profits by bidding their generation into the wholesale market. Those that bid lowest are accepted into the market first and actually produce and sell electricity. Very costly electrical generators wouldn’t be “dispatched” for enough hours to make a profit. This could cause generator retirements and result in outages or black-outs during high load periods. The wholesale markets address this problem by providing a separate revenue stream based on capacity called the Forward Capacity Market. A generator can generate a profit not only by producing electricity, but by also being ready to produce electricity on a moment’s notice.

The portfolio of generation by fuel type in New England is shown in the chart on page 3. Note that HLP has ownership interests in all of the listed fuel types except coal. It is important to also note the declining usage of nuclear, oil, coal and hydro. Most new generation is being built using natural gas as the desired fuel, which is why there is demand for new natural gas pipelines in our area.

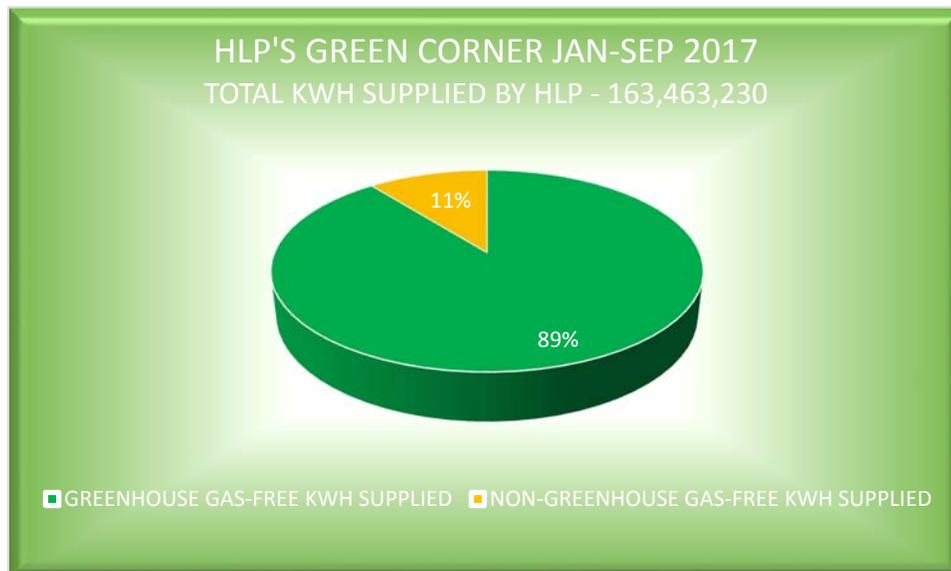
Being able to produce the electricity solves only part of the problem. Transporting the electricity from the generators to load pockets, like urban areas, is essential in order to limit the risk of overloading local circuits and substations. The wholesale market addresses this problem through the Transmission Markets. Large investments have recently been made to increase and modernize the transmission system in New England, including the proposed Sudbury to Hudson 115KV transmission project. In some cases, the development of a new transmission line negates the need to build new generation in a specific area. (Continued on page 3).

¹ 2017 data provided from ISO-NE 2017 CELT Report

. . . NEW ENGLAND WHOLESALE ELECTRIC MARKETS



HLP is your agent in these wholesale markets. We predict our load on an hourly basis and continuously purchase energy from the wholesale market. We hedge against rising fuel costs by entering long term contracts with generators. We hedge against seasonal variations with short term contracts. We utilize our transmission ownership to hedge against rising transmission costs, and we hope to see a new transmission line to our substation which will increase our local reliability and further reduce costs. If we maintain our success in these wholesale markets, our customers will continue to see the reliable delivery of energy to their homes and consistent rates that remain the lowest in the State.



REPORT ELECTRIC CAR BATTERY CHARGERS, GENERATORS

Electric car battery chargers use a substantial amount of electricity. Customers who install a charger without notifying Hudson Light could change the load profile of the circuit on which they are served. To help us meet the electric needs of your neighborhood, report the installation of such devices to Hudson Light by calling 978-568-8736 or email info@hudsonlight.com.

Back-up **generators** can be dangerous to residents and our employees in the field if they are not installed properly. Power to your home or business should be disconnected via a transfer switch before the generator is operated in order to prevent back feed to the utility lines and potential harm to our workers. Back-up generators should be reported to us by calling 978-568-8736 or emailing info@hudsonlight.com.

GIFT CERTIFICATES, FREE SHIPPING AVAILABLE

With the gift-giving season almost upon us, what better way to wish that hard-to-gift person a Happy Hanukkah, Merry Christmas or Happy Kwanzaa than with a gift certificate for electricity or free shipping in our residential store?

Gift Certificates: If you can provide us with a name and address, we can credit any customer's account with your gift of light. You'll receive a handsomely-designed acknowledgement on fine linen paper to give to your recipient.

Free Shipping: To show our appreciation during this Holiday Season, Hudson Light is offering free shipping during December and January on energy saving light bulbs and Advanced Power Strips through our residential EFI store: www.energyfederation.org/hudson/. Don't miss out!



Stay up to date. Follow us on twitter:

www.twitter.com/HudsonLightMA

ABOUT US

hudsonlight.com

Payment Locations:

PO Box 844568, Boston, MA 02284

For fast, efficient payment processing, please use the envelope enclosed with your bill. Do not submit post-dated checks. Do not use payment envelopes for correspondence.

49 Forest Ave., Hudson
Monday through Friday,
8 am to 4:30 pm.
24-Hour Drop Box.

Hudson Town Hall
Monday through Friday,
8 am to 4 pm; 24-Hour Drop Box.

Contacting Us:

Office: 978-568-8736
After-Hour Hotline: 978-562-2368
Fax: 978-562-1389
Email: info@hudsonlight.com
Conservation Hotline: 888-772-4242

Winter Holiday Closings

*December 25th Christmas
January 1st New Years
Jan 15th Martin Luther King Day
February 19th Presidents Day*

Light Board Meetings

Third Wednesday of the month at 7 pm, 49 Forest Ave., Hudson. Open to the Public. Agendas are posted online 48 hours prior to meeting.