

# WEST BOYLSTON MUNICIPAL LIGHTING PLANT

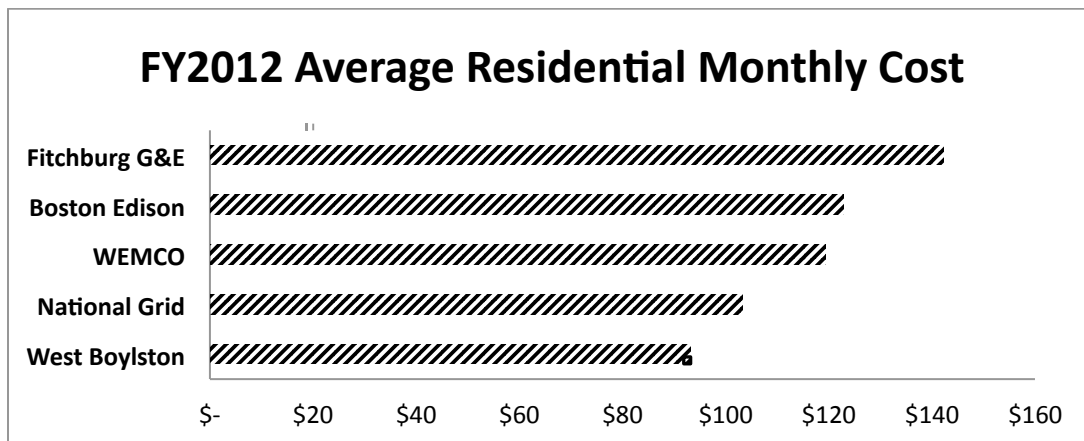
4 Crescent Street, West Boylston, Massachusetts 01583  
Telephone (508) 835-3681 Fax (508) 835-2952

## FY2012 Annual Report of the West Boylston Municipal Lighting Plant

Dear Customers,

The West Boylston Municipal Lighting Plant (WBMLP) provides low cost and reliable electricity to the residents and businesses in West Boylston. WBMLP provided electric service to 2,956 resident, 519 business, and 35 municipal customers in 2012. WBMLP operates as a not-for-profit public utility and is governed by an independent Board of Commissioners elected by the town residents.

**Electricity Rates:** Our average residential and business rates are lower than the electricity rates charged by the investor owned utilities (IOU's) in MA. The average homeowner in West Boylston consumed approximately 750 kWh's per month and spent approximately \$93 per month for that electricity in 2012. As you can see in the following chart, WBMLP's average 2012 residential rate was lower than all of the investor owned utility residential rates in Massachusetts.

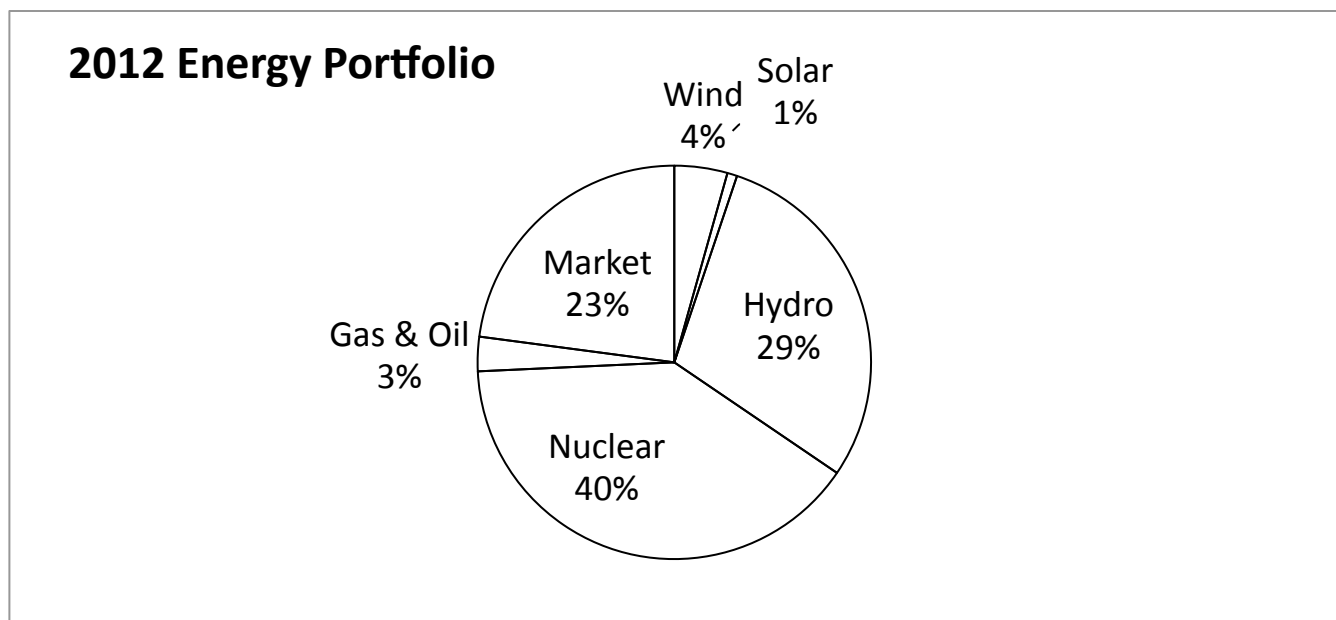


**Monthly Discount:** WBMLP returned through a monthly credit on all bills, approximately \$508,000 this year. This credit is called a purchased power adjustment and when our energy and transmission expenses decrease you automatically receive the credit. The next best way to receive a discount on your monthly bill is to pay your bill within 10 days of the invoice date. You will receive a 10% discount if you pay your bill on time each month.

As a community owned, not-for-profit utility company, WBMLP maintains the lowest possible electricity rates to meet our annual operating budgets. WBMLP usually operates with a break-even budget with electricity rates that achieve a minimal rate-of-return annually.

**Payment Options:** For your convenience, we accept various payment options. Please stop by our office to make a payment in person by check, cash, or money order, or you can drop off your payment in one of our drop-boxes anytime. We also offer a direct electronic payment method that debits your checking or savings account on the discount date each month. To sign up for this payment method, please call us or go online at [www.wbmlp.org](http://www.wbmlp.org) for the application form. You can also make payments yourself online using your checking account, debit card, or credit card. Visit our webpage and click on “Unipay Gold” to use this method. Online payments from your checking account are \$0.25 and there is a small fee for payments from your debit or credit card.

**Energy Portfolio:** WBMLP buys energy from numerous resources to diversify our energy portfolio and keep electricity rates as low as possible. WBMLP spent approximately \$5.75M on energy in 2012 and this expense represents approximately 75% of our annual budget. The pie chart below illustrates the diversity of our FY2012 energy portfolio:



**New Energy Resources:** WBMLP constantly seeks new sources of reliable and cost effective energy to add to our energy portfolio. The Clinton Dam generates hydroelectricity that is similar to the Oakdale hydroelectricity we purchase from the MWRA. WBMLP is interested in purchasing this renewable energy as soon as it's available from MWRA. The Princeton Municipal Light Department is considering selling wind energy, which could be more cost effective than pursuing a wind farm in West Boylston like various state agencies have proposed.

In 2013 we should begin purchasing new solar energy from a privately owned facility on Paul X. Tivnan Drive. This new source of renewable energy will be ten times larger than our existing solar energy facility and WBMLP will purchase 100% of the energy at a very favorable rate. Many of the surrounding municipal light plants are also considering

owning and operating a large natural gas fueled power plant in Ludlow MA. This project is fully permitted but on hold until the economy and economics improves.

**Energy Rebates and Conservation:** WBMLP helped our customers save energy by offering energy audits and appliance rebates. Energy audits identify various ways to reduce energy consumption and your monthly bill. In 2012 WBMLP provided (17) Residential and (3) commercial energy audits. WBMLP also performs energy audits for our town owned buildings as well. In fact, the Beaman Memorial Library received an energy audit this year and we hope the staff implement the energy and cost savings ideas presented to them. If you would like to schedule a free energy audit, please call 1-888-772-4242.

We also provide rebates to our customers if they purchase the most energy efficient home appliances. WBMLP provided 120 Energy Star appliance rebates for refrigerators, clothes washers, dishwashers, and air conditioning units in 2012. Check out our webpage at [www.wbmlp.org](http://www.wbmlp.org) for our latest rebate application. A total of \$13,745 in energy audits and appliance rebates was spent on customers participating in these programs in 2012.

**Upcoming Projects:** WBMLP continues to maintain and repair our office building at 4 Crescent Street. This location has served our operation and ratepayers well since originally constructed in 1936. In 2013 WBMLP will replace the truck garage with a new garage, designed for today's larger and heavier vehicles.

**Disaster Preparedness:** One of the lessons learned from the 2008 and 2011 Ice Storms, was to be prepared. WBMLP installed a new natural gas emergency generator in 2012 to provide backup power to our operations building. In the event of an emergency, we will be 100% functional so that we can provide and maintain reliable electric service to your home or business.

**115KV Substation Project:** Thank you for approving the \$2M substation project loan at the annual town meeting in 2012. The loan will be used to replace our aging 115kV substation. The total project cost is \$4.4M, which we will share with the Boylston Municipal Light Department. The project replaces and enlarges our substation transformer, metering equipment, and 13.8kV distribution circuit breakers. This project will significantly improve the reliability of our electrical distribution system and continue the sharing of common facilities between the Boylston and West Boylston light departments. We expect the new substation to be fully replaced and commissioned by September 2013.

Please call WBMLP at 508-835-3681 if you have any questions or concerns.

Sincerely, Chairman Board of Light Commissioner, Anthony Meola Jr.

**West Boylston Municipal Lighting Plant and Subsidiary**  
**Consolidated Statement of Revenues, Expenses, and Changes in Net Assets**  
**For the years ended December 31, 2011 and 2010**

OPERATING REVENUES:	<b>2011</b>	<b>2010</b>
Residential Sales	\$3,050,661	\$3,088,977
Commercial Sales	\$2,934,706	\$2,927,906
Industrial Sales	\$970,283	\$1,018,948
Private Lighting	\$69,534	\$68,715
Municipal Sales	\$297,046	\$308,917
Other Operating Revenues	\$389,727	\$146,760
TOTAL OPERATING REVENUES	\$7,711,957	\$7,560,223
OPERATING EXPENSES:		
Operations and Maintenance	\$7,113,140	\$7,051,457
Depreciation	\$406,904	\$336,553
TOTAL OPERATING EXPENSES	\$7,520,044	\$7,388,010
OPERATING INCOME	\$191,913	\$172,213
NONOPERATING REVENUES & EXPENSES:		
Investment Income	\$71,837	\$76,185
Dividend Income	\$1,978	\$1,786
Interest Expense	\$(22,790)	\$(7,593)
Disaster Recovery Income	\$57,705	\$40,540
Disaster Recovery Expenses	\$(16,634)	\$0
Interest Income	\$0	\$440
Amortization of Debt Expense	\$(4,619)	\$(2,341)
TOTAL NONOPERATING REV. & EXP.	\$87,477	\$109,017
Income Before Contributions and Transfers	\$279,390	\$281,230
NET ASSETS - JANUARY 1	\$6,415,840	\$6,134,610
NET ASSETS - DECEMBER 31	\$6,695,230	\$6,415,840