



AN INVESTOR-OWNED
TAXPAYING UTILITY COMPANY

CAMBRIDGE ELECTRIC LIGHT COMPANY
46 BLACKSTONE STREET
CAMBRIDGE, MASSACHUSETTS 02139

RECEIVED BY
JUN 23 1 53 PM '73
OFFICE OF CITY CLERK

CAMBRIDGE, MASS.

June 22, 1973

Mr. Joseph E. Connarton
Assistant City Clerk
City Hall
Cambridge, Massachusetts 02139

Dear Joe:

Your letter of June 12, 1973, with a copy of a letter from John Halberstadt to the City Clerk dated June 7, 1973, has been received, reviewed and duly noted.

The following comments might be of some help to your office and to Mr. Halberstadt.

Cambridge Electric Light Company did file for a rate increase on May 16, 1973.

The Department of Public Utilities will hold a hearing on July 18, 1973.

Cambridge Electric Light Company has filed all of the preliminary testimony with the D.P.U.

This information may be reviewed by anyone at the D.P.U. office previous to the hearing.

It is not our intention to be present at the Council meeting on June 25 to speak on this matter. However, the enclosed fact sheet does give some information.

Very truly yours,

Ernest F. Graves
Director of Community Relations

CS
Enclosure

CAMBRIDGE ELECTRIC LIGHT COMPANY
FACT SHEET
OFFICE OF CITY CLERK
PROPOSED RATE INCREASE

JUN 25 1 53 PM '73

CAMBRIDGE, MASS.

Amount of filed increase: \$2,879,000

Percent of increase: 14.7%

Residential increase: Of the total amount filed, \$526,000 will be applied against residential accounts.

Impact on average residential customer: The proposed increase will cost the average residential customer about 4½¢ more per day for electricity.

NOTES:

1. The new proposed rates have been designed to produce approximately the same percentage increase to all customers across-the-board.
2. A hearing date will be set by the Department of Public Utilities on the proposed increase.
3. The company is facing debt financing and the rate increase is required to maintain financial integrity. Otherwise, higher financing costs will occur and will result in even higher charges to electric consumers in the future.
4. Inflationary increases in the costs of materials, supplies, labor, along with added expenditures to maintain and improve service to customers have combined to make the increase necessary. Local taxes, which increased by \$594,000 in 1972 and were \$394,000 more than anticipated, are another factor. Local taxes are now nearly \$4 million and account for 19¢ of every revenue dollar received by the Company.

5/14/73

5 Shepard Street
Cambridge, Massachusetts 02138
June 7, 1973

Mr. Paul Healey
City Clerk
City Hall
Cambridge, Massachusetts 02139

Dear Mr. Healey:

I am writing to you at this time to request a hearing at the meeting of the City Council to be held on either June 18 or June 25, 1973.

The hearing will be to inform the City Council in greater detail than what may currently be known about the proposed \$2,879,000. rate increase by the Cambridge Electric Light Company.

In order that the Cambridge Electric Light Company have an opportunity to speak before the Council, if they so desire, may I suggest that you confer with a representative of the Company relative to the availability of a spokesman for the hearing date.

Thank you for your attention to this matter.

Sincerely,



John Halberstadt

32.7

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Comm. from John Halberstadt requesting a
hearing at meeting of the City Council
Re: to proposed rate increase by the
Cambridge Electric Light Comp.

In City Council

June 25, 1973

Placed on File

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File