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Boston Globe
6/16/03

GENERATING LOCAL POWER

SHOCKED BY the high cost of electricity and erratic service, municipal officials are looking to the Legislature for help in acquiring the assets of investor-owned utilities such as NStar. A promising bill sponsored by Representative Daniel Bosley of North Adams would smooth the way for communities to run their own municipal light systems, often a cheaper and better way to deliver electricity.

Forty-one municipal light departments operate in Massachusetts. But the law related to their establishment is so vague and weighted toward existing utilities that not a single new "muni" has formed in decades. Bosley's bill would compel utilities to sell assets, such as poles, wires, and substations, for fair value. If the parties can't agree on a price, the state Department of Telecommunications and Energy would determine the value of the assets.

The electricity battle burns brightest in Lexington. The town's Electric Utility Ad-hoc Committee has reviewed the costs of providing electricity in 15 communities of similar size and found that "munis" charged residential customers on average 24 percent less than NStar. Commercial customers saved an average of 10 percent. A June 13 letter to legislators from Leo McSweeney, chairman of the Lexington Board of Selectmen, also cites "frequent power outages" and "lack of responsiveness to customer inquiries" as motivating factors to break away. It is in essence a decla-

ration of independence from NStar. Many NStar customers are still smarting from the summer of 2001, remembered bitterly for its combination of sharp rate increases and widespread outages. The municipal systems, however, seemed to ride it out. Daniel Sack, superintendent of Concord Municipal Light Plant, recalls the sweltering summer almost nostalgically.

"Our load went up 25 percent from May to August, and we carried it with no significant outages," said Sack.

An NStar spokesman, Michael Monahan, says the company has not taken an official position on the bill. But he said it feels to him like a "government takeover."

Towns shouldn't rush to create municipal light departments out of spite. A careful analysis must be made of acquisition and operating costs as well as the effects on the tax base. But Lexington officials believe that such concerns are offset by management efficiencies and the ability to purchase equipment with 20-year tax-exempt bonds. And some municipal light companies make payments in lieu of taxes. The Belmont Municipal Light Department pays 5 percent of gross revenues to the town.

Utility restructuring in 1997 seemed to stimulate competition in the bulk purchase of electricity. But average customers aren't seeing the benefits. The Bosley bill would restore some power to the consumer.



City of Cambridge

O-1
ORIGINAL ORDER
IN CITY COUNCIL
June 16, 2003

COUNCILLOR MAHER
COUNCILLOR MURPHY

ORDERED: That the City Manager be and hereby is requested to confer with the City Electrician and any other necessary entities to ensure that malfunctioning streetlights on Blanchard Road are repaired as soon as possible, such repair to include the streetlight between 2 and 3 Blanchard Road and any other malfunctioning streetlights on Blanchard Road or in the vicinity.



City of Cambridge

O-1
AMENDED ORDER
IN CITY COUNCIL
June 16, 2003

COUNCILLOR MAHER
COUNCILLOR MURPHY
VICE MAYOR DAVIS
COUNCILLOR DECKER
COUNCILLOR GALBUCCIO
COUNCILLOR REEVES
COUNCILLOR SIMMONS
MAYOR SULLIVAN
COUNCILLOR TOOMEY

ORDERED: That the City Manager be and hereby is requested to confer with the City Electrician and any other necessary entities to ensure that malfunctioning streetlights on Blanchard Road are repaired as soon as possible, such repair to include the streetlight between 2 and 3 Blanchard Road and any other malfunctioning streetlights on Blanchard Road or in the vicinity; and be it further

ORDERED: That the City Manager be and hereby is requested to review the attached copy of the June 16, 2003 Boston Globe editorial "Generating Local Power", and to provide a progress report on development of a municipal lighting company.

In City Council June 16, 2003

Adopted as amended by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk

A true copy;

A handwritten signature in cursive script that reads "D. Margaret Drury".

ATTEST:-

D. Margaret Drury, City Clerk

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ORDER#1

Requesting the City Manager to confer with the City Electrician and any other necessary entities to ensure that malfunctioning streetlights on Blanchard Road are repaired as soon as possible.

Councillor Maher, Councillor Murphy and entire membership

In City Council June 16, 2003

**ORDER ADOPTED AS
AMENDED**