

February 1st, 2013

Ms. Lynn Holzer
Commonwealth of
Massachusetts
Department of Public Utilities
Rates and Revenue
One South Station, 3rd Floor
Boston, MA 02110



Town of Danvers
Department of Public Works
2 Burroughs Street
Danvers, MA 01923
Business (978) 774-0005
Engineering (978) 777-2668
Fax # (978) 774-3878

Dear Ms. Holzer:

Enclosed please find a copy of a new electric tariff for Danvers Electric, as issued by the Town of Danvers (under its Town Manager, Municipal Light Board, and the Electric Utility Director) on February 1st, 2013.

The following change becomes effective on and after February 1st, 2013:

<u>DESCRIPTION</u>	<u>NEW RATE</u>	<u>OLD RATE</u>
Purchased Power and Fuel Adjustment Clause	M.D.P.U. 137	M.D.T.E. 136

The embedded Purchased Power and Fuel Adjustment charge has been adjusted in the base rates for residential, general, and municipal Customers. The PP&FA modification reflects a revision to the Operations and Maintenance budget for Danvers Electric.

Having adopted this tariff on behalf of the Danvers Electric Division, we hereby submit the attached updated tariff for filing at the Massachusetts Department of Public Utilities.

Town Manager

Date

Municipal Light Board Chairman

Date

Municipal Light Board Member

Date

Municipal Light Board Member

Date

Electric Utility Director

Date

PURCHASED POWER AND FUEL ADJUSTMENT CLAUSE

APPLICABLE

To all kWh sold.

MONTHLY RATE

There shall be added to or subtracted from each monthly bill, for each schedule, an amount equal to the total kWh billed during the month multiplied by the Purchased Power and fuel Adjustment factor determined as follows:

$$\text{PPFA} = \text{A} - \text{B} + \text{C} - \text{D}$$

PPFA = Purchased Power and Fuel Adjustment Factor

A = Estimated Average Purchased Power Cost (Account 555) per kWh including NEPOOL interchange (charges and credits) as determined from a six month forecast period.

B = Base period cost of purchased power and fuel per kWh sold, amounting to \$.0325 per kWh sold for residential and \$.0345 per kWh sold for general service and municipal.

C = Adjustment for past differentials between purchased power and fuel costs incurred and purchased power and fuel revenues collected.

D = NYPA credit (Residential Class Only) for the forecast will include projected savings due to the purchase of energy from NYPA which will be credited against the residential class, including adjustments for past differentials between actual and forecasted NYPA savings.

Prior to the start of each month, the Electric Division will reconcile its experienced purchased power and fuel costs, as defined above, with purchased power and fuel revenues collected under this adjustment clause, for the preceding two billing months. The "Adjustment for Past Differentials" is the difference between such costs (plus or minus any prior period reconciling adjustments) for such revenues. Where actual costs differ substantially from estimated costs, an adjustment for past differentials may be added to or subtracted from the next month's purchased power and fuel adjustment charge. In the above calculation, costs and revenues shall be estimated for those months for which actual costs and revenues are not available. Any such estimated figures shall be immediately adjusted during the next monthly calculation by replacing the estimated figures with actual data.

TOWN OF DANVERS ELECTRIC DIVISION

M.D.P.U. 137

Canceling M.D.T.E. 136

Date issued – January 15th, 2013

Date effective – February 1st, 2013

Filed by: Town Manager

Wayne P. Marquis

Municipal Light Board

Walter Milano, Chairman

Peter Lovell

Joseph Younger

Electric Utility Director

Coleen O'Brien-Pitts