

Town of Danvers Electric Division

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 twelve month forecast period.

B = Base period cost of purchased power and fuel per kWh sold, amounting to \$.0245 per kWh sold for residential and \$.0265 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. 144

Canceling M.D.P.U. 142

Date issued – January 21, 2020

Date effective – February 1, 2020

Filed by: Town Manager: Steve Bartha

Municipal Light Board: Bill Hayes, Chairman
Mike Landers

Electric Utility Director: David Lane