Article 5: Municipal Electric Utilities

MOTION: That the following resolution be adopted:

RESOLVED

That the Lexington Town Meeting:

- Supports passage of Bill H3319
- Asks the Lexington Selectmen and representatives in the Great and General Court to support passage of Bill H3319, and that a report on its status be offered at the 2008 annual Town Meeting
- Requests the Town Clerk to transmit this resolution to each of Lexington's representatives in the Great and General Court, to the Governor, the Lieutenant Governor, the Commonwealth's Undersecretary of Energy, and the House and Senate Chairs of the Legislature's Joint Committee on Telecommunications, Utilities and Energy.

Forming a new municipal electric utility (“muni”)

Present State law:

- 100 years old
- **de-facto veto power** by NStar, National Grid
- no muni formed since 1926 (except Devens)
- **monopoly**

Forming a new municipal electric utility (“muni”)

- 41 munis
- Bill H3319:
  - **option**
  - up to 3/year
  - DPU review
  - utility’s assets
    - value set by DPU
  - no veto

Why new munis?

- Local control
  - “green” electricity
  - underground
- Better service
- Lower rates
- “Competition”

Munis provide local control

“Green” electricity

The Hull Muni generates wind power

A muni can develop or purchase “green” power

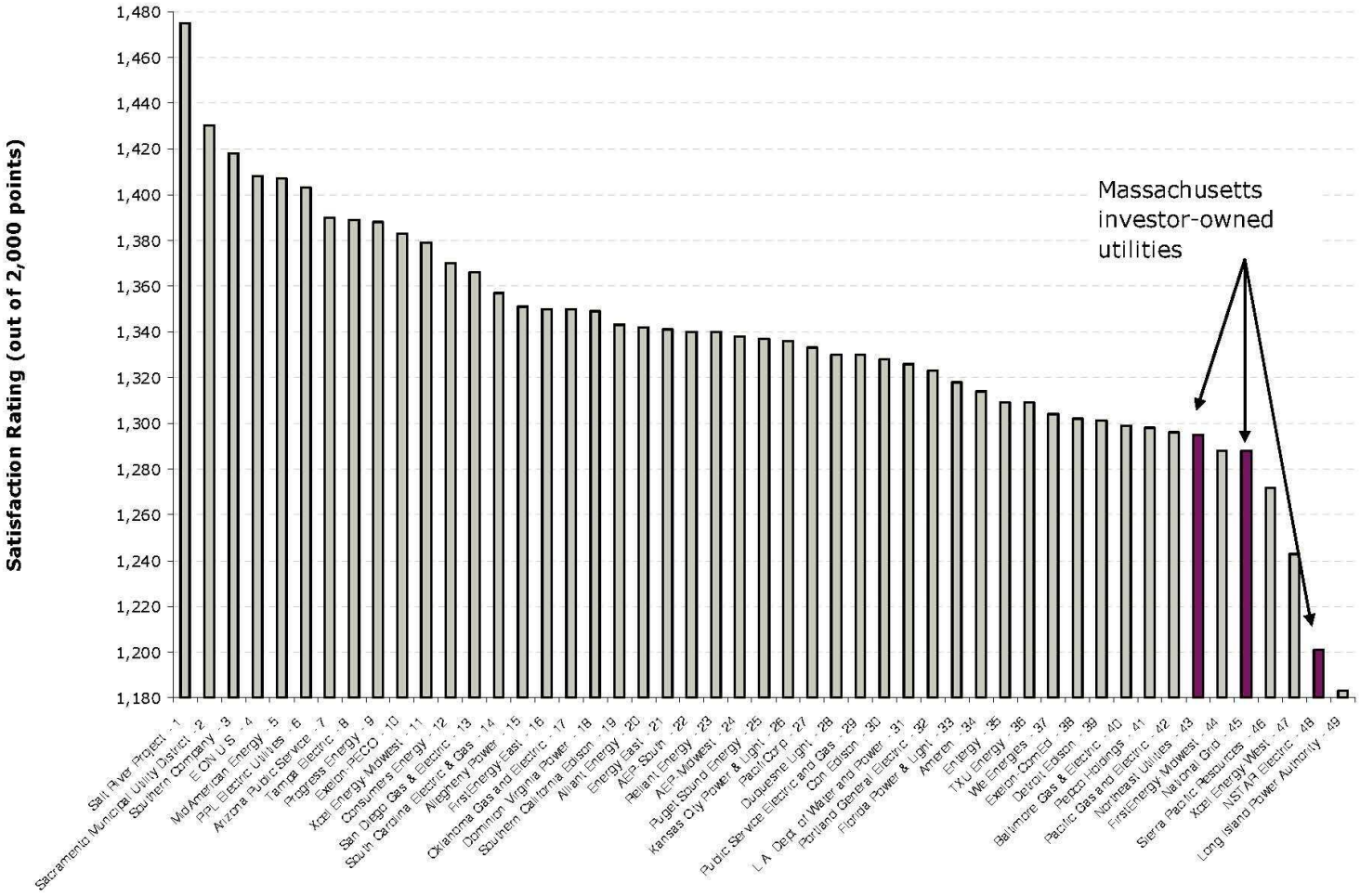
Undergrounding

before Marblehead Muni after

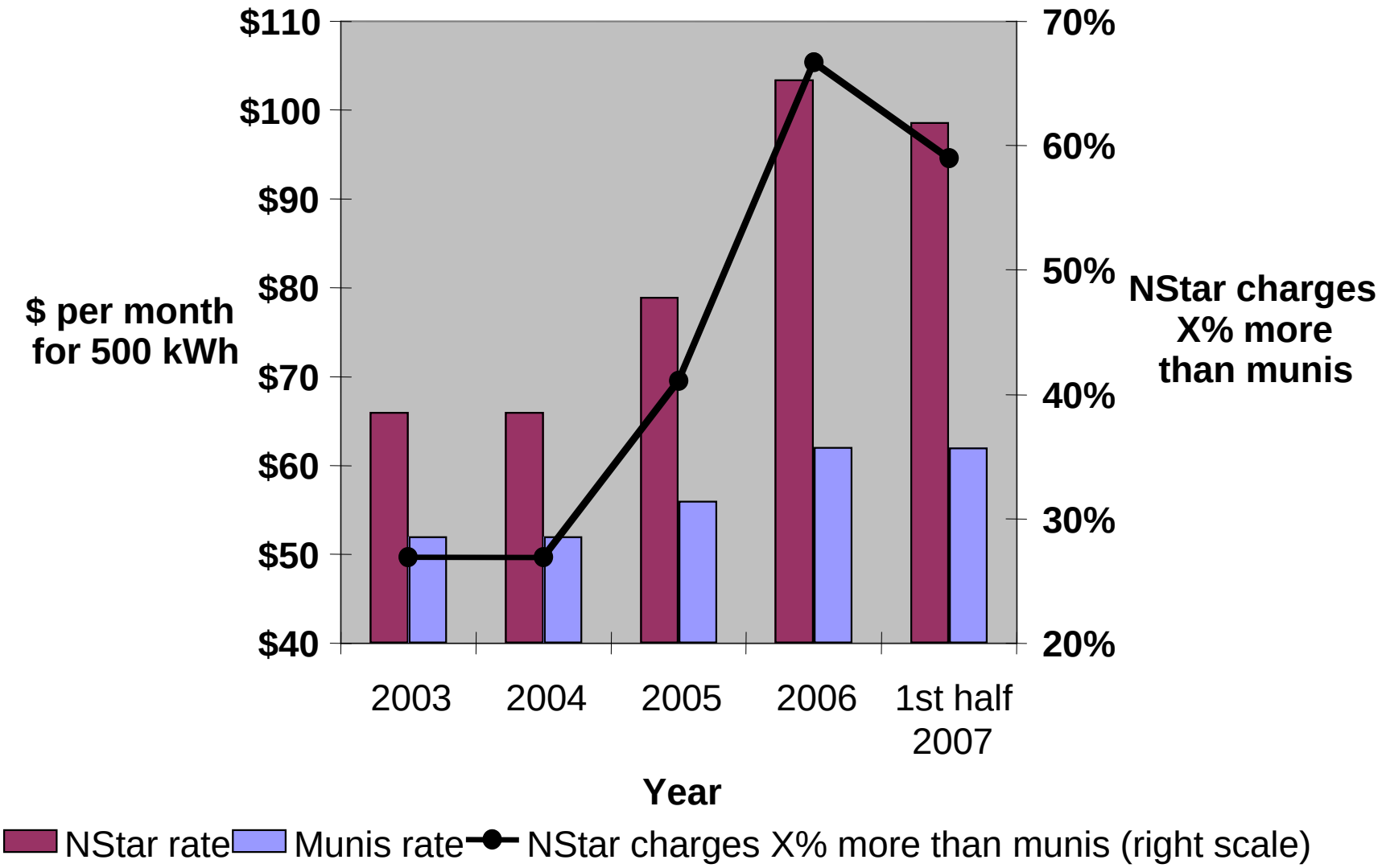
Lexington, NStar
Double pole on Muzzey St since 2005

Customer satisfaction: NStar next-to-last nationwide

JD Power 2006 customer satisfaction survey:
total ratings by residential & business customers
of 49 utilities



Munis charge less than NStar



Possible Savings

- Household: $250-300 per year
- Schools: $150,000 per year
- Shire: $3-400,000 per year

Support for H3319

- Rep. Jay Kaufman, lead sponsor
- 2 years ago: 40 co-sponsors
- Now: 53 co-sponsors
- Over 100 cities and towns
- Lexington 2004 Town Meeting
- MMA, MASSPIRG, Mass Climate Action Network, Mass Energy Consumers Alliance, Cape Light Compact
- *Boston Globe*: "A promising bill [...that] would restore some power to the consumer"
- Governor Deval Patrick: "I see [...] municipal electric utility companies adding competition and lowering consumer prices."