

Mainlines

AUGUST/SEPTEMBER 2008

A newsletter for the customers of the Holyoke Gas & Electric Department

HG&E Reduces Natural Gas Rates

We have good news for HG&E natural gas customers! Effective with your August bills, the PGA (purchased gas adjustment) has been reduced from \$1.20/ccf to \$.95/ccf. This reduction will result in a savings of approximately 11% over existing rates for the average residential customer.

The recent drop in wholesale market prices has reduced the cost for HG&E to procure natural gas. The reasons for these changes in the markets are many, but are largely a product of falling oil prices and a relatively uneventful hurricane season in the Gulf of Mexico.

This decrease will save the average homeowner who uses natural gas 11% over existing rates on their August bill.

We don't know how long these favorable market conditions will last, but we are glad to be able to pass the benefits of these reduced expenses onto our customers through this rate reduction. As you can see from the charts below, HG&E continues to offer our customers some of the lowest natural gas rates in the region.

Despite these reduced rates, we know that many customers will still have trouble with heating costs this winter. HG&E has a number of programs that can help you save both energy and money through conservation efforts. In addition, there are several outreach programs designed to help qualifying individuals with utility expenses. You can find more information about these programs on the back page of this newsletter.

Help HG&E Celebrate Public Power Week 2008 on October 6th - 10th

Get your FREE compact fluorescent light bulb!

We'd like you to help join in celebrating over a century of Public Power in Holyoke by visiting our Main Office at 99 Suffolk St during the week of October 6th-10th.

Just pay your bill in person or show a copy of your most recent bill and we'll give you a free compact fluorescent light bulb.

Free light bulb details:

Limit 1 light bulb per customer for duration of promotion. Customers must show a copy of their most recent HG&E bill. Bulb is a 15W warm white compact spiral fluorescent. Offer begins at 8:30AM Monday October 6th and ends at 4:30PM on Friday October 10th 2008. Free light bulbs are only available in person at the lobby of our 99 Suffolk Street Main Office.

Low-cost, reliable, and community-owned. That describes your local public power utility. Across the country there are about 2,000 other public power systems like HG&E that provide energy to more than 40 Million Americans.

This year on the week of October 6th, we join with them to celebrate Public Power Week and the advantages of hometown ownership.



Electric Rate Comparison

August 2008 - Residential customer consuming 500 kwh per month. Amounts shown include all discounts and use the fixed default generation supply price.

HG&E	\$59.81	
National Grid	\$86.35	+44.4% serving Northampton
Western Mass Electric	\$94.28	+57.6% serving Springfield

Natural Gas Rate Comparison

Average Projected Annual Bill - November 2007-October 2008 Residential customer consuming 115 CCF/month. (1376 CCF Annual Consumption) Amounts shown include all discounts.

HG&E	\$172.23	
Baystate Gas	\$173.46	+1.0% serving Springfield
Berkshire Gas	\$191.71	+11.3% serving Pittsfield

FREE Energy Conservation Workshop

BRING YOUR QUESTIONS!

- ▶ **Tuesday October 7th**
- ▶ **HG&E Main Office** corner of Suffolk & Chestnut Streets
Downtown Holyoke (adjacent to Holyoke Post Office)
- ▶ **6:00pm - 8:00pm** free refreshments will be served

Join us for a presentation by our energy auditor about easy ways you can save both energy and money this winter. At the end of the presentation, our auditor will be available to answer your energy conversation questions. We look forward to seeing you there!



FREE!

Two free energy saving CFL lightbulbs for customers who attend the workshop.

Notice of Hydro Credit Adjustment

Effective with this billing, the hydroelectric credit, which is applied as an offset to the Purchased Power Adjustment for residential electric customers has changed.

The hydroelectric credit is now set at \$0.012/kWh, down from \$0.0136/kWh. This will result in an electric rate increase of approximately 0.2% for residential customers.

Save money convert to natural gas.

There's another option to the ever escalating costs for home heating oil...

Convert to clean-burning natural gas from HG&E. In most cases, installation of the gas main into your home is free; and HG&E offers 0% assistance towards the purchase of an efficient gas-fired boiler, furnace or water heater.

But hurry, our installation schedule is filling up fast, and as streets are re-paved this fall city ordinances will prevent us from trenching in many newly-paved locations.

Contact us at 536-9300 to learn more or download an application on-line at www.hged.com/getgas

We're working to improve your HG&E service.

Gas Distribution System Projects

System Expansion

- Work is continuing in the Rte 5 / Smith's Ferry area to the Delaney House. Gas service installations will begin in late September through October to residents who have requested gas service and filled out a new gas service application.
- A new 2" gas main will be installed this Fall on Glendale Woods Dr in Southampton, MA.

Preventive Maintenance

- Contractors will be performing leak surveys and inspecting our cathodic protection systems throughout the remainder of the year. This work checks that our distribution system is operating within desired parameters to ensure public safety. Contractors will have IDs and will be traveling in marked vehicles. If you have any questions, contact HG&E at 536-9300.

Electric Distribution System Projects

Crews will be active in sections of the following areas this fall as we work to upgrade facilities and replace aging distribution cable.

- Beech St (Northampton St - Cabot St)
- Steiger Rd
- Main St (Cabot St - Dwight St)
- Race St (Cabot St - Dwight St)
- Jarvis Ave (Cherry St. Ext - Easthampton Rd)
- Easthampton Rd (Bemis Rd - Southampton Rd)

Brief electric outages may be required in these areas as work progresses. Advanced notice will be provided to affected customers prior to any electrical outage.



Winter

is just around the corner...

Let HG&E help you prepare for the cold weather ahead.

In just weeks, the Winter heating season will be upon us. Here's what HG&E is doing to help you prepare:

Residential Energy Conservation Program

www.hged.com/conserve — (413)536-9300

HG&E customers can receive up to \$5,000 in interest-free assistance to insulate your walls or attic, install high-efficiency replacement windows or skylights, purchase an efficient new central air conditioning system, or install a new gas-fired water heater, boiler or furnace. The finance savings alone under this program is worth more than \$700 over the five-year repayment term, and the average homeowner can expect to save 10% or more on their monthly HG&E energy bill by taking these conservation measures.

Free Home Energy Audits / Conservation Advise

www.hged.com/energyaudit — (888)333-7525

Contact the MuniHELPS with any questions concerning energy conservation in your home. Also call the toll-free hotline to see if you qualify for a free energy audit. MuniHELPS operators have a wealth of information about all aspects of residential energy conservation.

Winter Payment Plans / Budget Billing Program

www.hged.com/budgetplan — (413)536-9300

If you think you will have trouble paying your utility bills this winter, we can help you set-up a payment plan now so that you won't fall behind on your bills during the cold weather season.

Energy Star Rebates

www.hged.com/energystar — (413)536-9300

HG&E offers rebates towards the purchase of Energy Star rated home appliances. Customers can receive a \$50 rebate towards the purchase of a new refrigerator, dishwasher or clothes washer. See rebate form for additional program terms and conditions.

Salvation Army Good Neighbor Energy Fund

www.magoodneighbor.org — (800)262-1320

This fund provides needy families with up to \$275 per heating season to homes that have a gross household income that falls within 200 and 275 percent of the Federal Poverty Income Guidelines. You may also make a contribution to this fund and help needy families.

Financial Assistance Programs

www.valleyopp.com — (413)552-1548

If your family is on a low or fixed income, contact the Valley Opportunity Council now to learn about fuel assistance programs. Millions of dollars are set aside by the federal government to help low-income individuals with heating and weatherization needs.

Winter Check-Up Program

An HG&E service technician will inspect your gas-fired heating system for just \$10 and have it ready for the winter ahead. The service includes a system safety check, relighting of the pilot, and lubrication of circulators. Contact us at (413) 536-9300 (option 1 on menu) to schedule an appointment.

Service is for natural gas fired boilers and furnaces only. For \$10 service, an appointment must be made and booked for a time during normal business hours (Monday-Friday 9AM-3PM). If the service appointment is booked outside of these time periods, then regular service pricing applies. Capacity under this special program is limited, please book early to secure your appointment. Any additional necessary work discovered at time of the inspection may be performed at the Customer's option and will be billed at standard HG&E labor & parts rates. Program is available to residential customers only, limit one specially-priced winter check-up per customer.