

LowellSTAT Report

April 2015

Subject: Department of Planning & Development



Lowell’s Community Choice Power Supply Program: The Department of Planning and Development has been working diligently to create a new power supply program for the City that is not only more energy efficient but that would save residents hundreds of dollars on their annual electricity bills. This new power supply program was established in October of 2014 and named “Lowell Community Choice”. The comparative advantage of this new program versus Lowell’s current default provider National Grid is highlighted in the table below which shows the new plan is **saving residents 5.473 cents per kWh (Figure 1)**. In November, this translated into a savings of **\$39 on average per resident** based on an average usage of **719 kWh**, yearly that would add up to a savings of **\$468. Commercial properties have saved \$56 on average and any Industrial companies would have saved \$2,216 on average.** This is great news for Lowell residents, particularly in light of how hard other communities are being hit by the increases in electricity rates. The Department of Planning and Development will continue to monitor this program with the help of its Energy Manager and LowellSTAT to further aid the City of Lowell in reducing high energy costs for its residents.

Figure 1

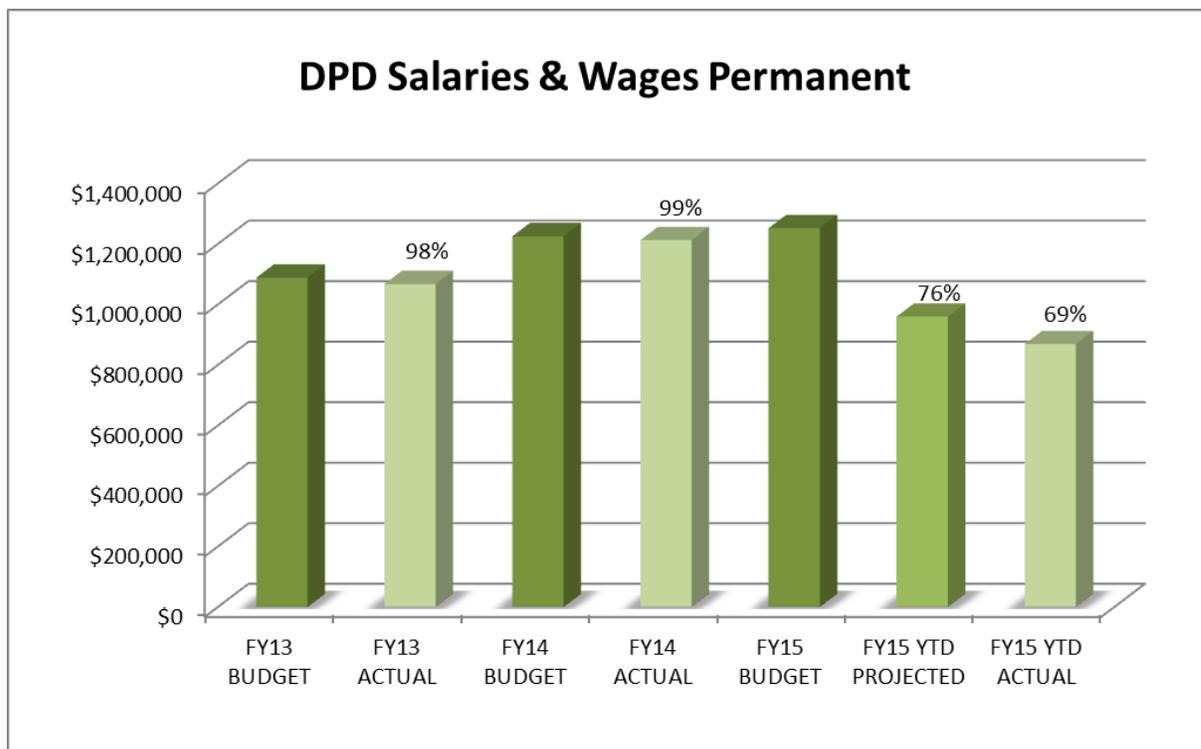
COMPARATIVE RATES AND TERMS		
Service Providers	Lowell Community Choice Power Supply Program (Supply Services Only)	National Grid Basic Service (Supply Services Only)
Rate: Residential	10.8¢ per kWh	16.273¢ per kWh
Commercial/Streetlight	10.8¢ per kWh	15.228¢ per kWh
Industrial	10.8¢ per kWh	17.488¢ per kWh
Duration	Oct. 2014 – Sept. 2017 (Rate may be adjusted semi-annually to reflect actual costs, change not to exceed ½¢ per kWh)	Nov. 1, 2014 – Apr. 31, 2015 (Residential and Small Commercial rates change every 6 months, Large Commercial and Industrial rates change every 3 months)
Exit Terms	NO PENALTY CHARGE	May receive a reconciliation charge or credit.
BENEFITS OF THE LOWELL COMMUNITY CHOICE		
Savings To Lowell Customers	PER kWh	Monthly Savings
Residential	5.473¢ per kWh (33.6% savings)	\$39
Commercial/Streetlight	4.428¢ per kWh (33.6% savings)	\$56
Industrial	6.688¢ per kWh (33.6% savings)	\$2,216

FY15 Budget: The DPD Budget for Fiscal Year 2015 (**Figure 2**) shows potential for a surplus in many accounts. As shown in **Figure 3**, Salaries & Wages Permanent is on track to run a substantial surplus for Fiscal Year 2015. Based on current projections, the Salaries & Wages Permanent account is on pace for **a surplus of approximately \$108,000**. Other accounts with irregularly low balances included Professional Services which is noted at only **41%** and the Traffic Improvement – Signalization at only **1%**. Professional Services has a projected surplus at this point due to the fact that NMCOG has yet to be paid in full for its services relative to the Regional Sealer; **nearly \$40,000 in total is to be paid**. The funds in the Traffic Improvement account are generally spent in the spring. Once the snow clears, the account will be utilized for a variety of activities such as line striping. All together the YTD percentage for the **DPD budget currently stands at 66% expended** as opposed to a **projected 76%** at this point in FY15.

Figure 2

LINE ITEM	FY13 ACTUAL	FY14 ACTUAL	FY15 BUDGET	FY15 YTD ACTUAL	FY15 YTD 76%
Salaries & Wages Perm.	\$ 1,067,380	\$ 1,212,571	\$ 1,254,395	\$ 868,849	69%
Overtime	\$ 4,897	\$ 6,238	\$ 7,500	\$ 7,803	78%
Longevity	\$ 652	\$ 652	\$ 652	\$ 652	100%
Repair & Maintenance Equipment	\$ 427	\$ 342	\$ 3,000	\$ 269	9%
Other Services	\$ 2,485	\$ -	\$ 2,500	\$ -	0%
Professional Services	\$ 84,027	\$ 52,658	\$ 60,000	\$ 24,522	41%
Advertising	\$ 6,523	\$ 6,566	\$ 7,500	\$ 3,697	49%
Printing & Binding	\$ 7,408	\$ 3,879	\$ 5,000	\$ 3,322	66%
Office Supplies	\$ 9,985	\$ 9,854	\$ 10,000	\$ 9,237	92%
Uniforms & Clothing/Protective Gear	\$ 2,402	\$ 1,000	\$ 1,000	\$ -	0%
Dues & Subscriptions	\$ 892	\$ 615	\$ 2,500	\$ 1,369	55%
Trans. - Monthly Allowance	\$ 43,800	\$ 47,250	\$ 50,400	\$ 34,650	69%
Trans. Reimbursement & Seminars	\$ 12,600	\$ 12,358	\$ 20,800	\$ 11,267	54%
Education Reimbursements	\$ 1,055	\$ 1,850	\$ 1,200	\$ -	0%
Miscellaneous Charges	\$ 6,442	\$ 2,888	\$ 10,000	\$ 3,086	31%
Traffic Improvement-Signalization	\$ 21,974	\$ 18,456	\$ 24,000	\$ 270	1%
Equipment - Other	\$ 360	\$ 417	\$ 2,000	\$ 500	25%
Office Furniture	\$ 2,397	\$ 2,718	\$ 3,000	\$ 247	8%
Capital Improvements	\$ 3,000	\$ 2,992	\$ 3,000	\$ -	0%
ACRE Urban Renewal	\$ 23,450	\$ -	\$ -	\$ -	0%
JAM Urban Renewal	\$ 24,915	\$ 37,968	\$ -	\$ -	0%
TOTAL	\$ 1,327,071	\$ 1,421,272	\$ 1,468,447	\$ 969,740	66%

Figure 3



April 2015: 76% through FY15