

Contact: Sandy Richter
Middleborough Gas and Electric
Department
Phone 508-946-3702
Fax 508-946-3706

32 S. Main Street
Middleborough, MA 02346
Phone 508-947-1371



Press Release

MG&E Raises Purchase Power Adjustment 1 cent

Forward Capacity Market charges mean another electric cost increase.

Middleborough, MA, September 3, 2007: Middleborough Gas & Electric Department officials announced today that the fuel charge on all electric customer bills will increase effective immediately. The electric fuel charge which appears as the Purchase Power Adjustment (formerly the Electric Adjustment Factor on the old bills) will increase by one cent to 8.65 cents per kilowatt hour. The residential customer using the low average of 500 kilowatt hours per month will pay \$5.00 more for a new average bill of about \$75. The customer using the more typical average of 750 kilowatt hours per month will pay \$7.50 more with a new bill of about \$110.

The fuel charge was raised in May when Department realized the full impact of increased surcharges on power supplies. The Purchase Power Adjustment reflects a pass-through to customers of the wholesale cost of electricity purchased by the Department. These costs have gone up dramatically since the assessment of Forward Capacity Market (FCM) charges added to spur the growth of generation in New England. Utilities in the region are also being charged for the support of the Canal generating station on Cape Cod to keep power levels stable in that area.

While fuel charges are higher, electric customers' typical bills still average 15 to 20 percent lower than surrounding investor-owned utilities. Customers can see the difference by going to the Department's website: MGandEonline.com and clicking on [For Your Home>Compare Your Bill To Others](#). MG&E serves over 14,000 electric customers in Middleborough and Lakeville.

-30-

For Release 9 a.m. EDT, September 3, 2007