

**Town of Reading, Massachusetts
Municipal Light Department**

**MDPU # 219 supersedes
and cancels MDPU # 210**

Purchase Power Adjustment

Applicability:

The Purchase Power Adjustment (PPA), or the annual average base power supply base costs, shall be applied to all customers receiving service under any rate schedule of the Department.

Power Cost Amount:

The PPA amount shall be the total amount of all power and transmission charges incurred by the Department, exclusive of fuel, for electric service to all customers. Such cost shall be computed monthly on actual or estimated power billings and divided by the total kilowatt-hour sales to all customers for that month. The resultant cost shall be rounded to the nearest \$.00001/kilowatt-hour.

Calculation of the Purchase Power Adjustment:

The PPA charge shall equal the power cost amount less an amount of \$0.03984/kilowatt-hour. The resultant charge or credit shall be applied to all bills in the following month.

Other Charges and Credits:

By order of the Reading Municipal Light Board, the PPA charge may reflect additional one-time or irregular credits resulting from power refunds, out of period adjustments or reduced power reserve needs.

Application of the Adjustment:

The adjustment amount shall be added to the energy charge of each rate schedule of the Department for the following month billing.

Rate Filed: July 30, 2010

Effective: On Billings on or After September 1, 2010

Filed By: Vincent F. Cameron Jr., General Manager