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MMWEC Offering Municipalities New Electricity Conservation Service Aimed at Saving Customers' Money

Ludlow, Mass. -- September 4, 2015 -- Municipal utility members of the Massachusetts Municipal Wholesale Electric Company (MMWEC) have another tool to contain their costs and pass on the savings to consumers.

Under an agreement between MMWEC and Tangent Energy Solutions, MMWEC members can reduce their capacity and transmission costs – the fastest growing power cost components – while individual customers also save money and conserve energy.

“The Tangent program is a win-win for municipal utilities and their customers,” said MMWEC Chief Executive Officer Ronald C. DeCurzio. “It’s an important addition to the suite of MMWEC services that complements our other initiatives to deliver stable and competitive power prices for our member utilities,” he said.

Tangent’s Peak Management Program and related “Demand Design” services will enable MMWEC’s municipal utility members to contain their transmission and capacity costs, both of which are based upon the peak hour usage for a given municipal utility.

Tangent’s Distributed Energy Resource Management System (DERMS) technology anticipates peak electricity usage times and signals customers to reduce usage during those times. Instrumentation is installed at customer meters so that customers can see their “load profile” in real time. Customers will be provided with load reduction strategies during periods of alert. Conserving energy during these hours will reduce costs for individual customers while also reducing the utility’s peak hour usage, which helps mitigate rising capacity and transmission charges.

Tangent’s technology targets transmission and capacity charges that can represent 20 percent or more of customers’ annual energy bills. Utilities will pass along a portion of the transmission and capacity savings to customers as an incentive for participation. Customers will see the savings applied as credits on subsequent utility bills. Customer participation is voluntary. MMWEC will monitor and verify Tangent’s data and savings calculations on behalf of participating members.

Tangent’s Peak Management Program and “Demand Design” services augment the array of programs and services offered by MMWEC to control electricity costs. MMWEC’s Power Portfolio Management program provides structured analyses of each member’s current and future resource mix, including generation, power contracts and other resources. Through this program, MMWEC identifies, quantifies and mitigates risk, and promotes resource diversification and portfolio optimization. Fuel input prices, forward power markets and resource utilization rates are also monitored in order to stabilize and/or reduce power supply costs.

In addition, MMWEC employs regulatory and legal strategies for the benefit of municipal utilities and their customers, such as the ongoing litigation that is reducing the amount of profit transmission owners are allowed to earn on their investments in New England transmission facilities.

MMWEC also leverages its unique ability to finance and own energy assets, including power plants and transmission facilities, offsetting capacity and transmission expenses to the benefit of its members.

MMWEC is a non-profit, public corporation and political subdivision of the Commonwealth of Massachusetts that provides a variety of power supply, financial, risk management and other services to the state’s consumer-owned, municipal utilities.