



**OFFICE OF THE MAYOR**  
WOONSOCKET, RHODE ISLAND

**Mayor Lisa Baldelli-Hunt**

**Press Release**

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**MAYOR ANNOUNCES 3 YEAR ELECTRICITY AGREEMENT WITH DIRECT ENERGY**

**Direct Energy of Houston, Texas, founded in Toronto, Canada in 1986, is the largest energy and home services retailer in North America.**

Mayor Baldelli-Hunt announced today that the City of Woonsocket and Direct Energy have entered into a 3 year contract to secure electricity for the City at a favorable and stable rate. The Mayor pointed out that such an agreement would not have been possible without The League of Cities and Towns, and specifically, Dan Beardsley. "This agreement was contingent upon the City returning to membership in the League of Cities and Towns, which I am pleased to accomplish as well" stated the Mayor.

Upon taking office, the Mayor was confronted with the potential of escalating electricity prices and a prior administration that deemed a long term agreement was not possible due to the City's fiscal instability. A former provider had refused to renew the electricity contract and no other provider offered to participate. As electricity rates started to increase, the Mayor, in conjunction with the Director of Finance and the League of Cities of Towns, who has negotiated favorable rates for member communities, went to work to resolve this problem.

The City's electricity contract covers water and wastewater facilities, street lighting and most City buildings. The School Department has a separate contract. Of note, the water and wastewater plants utilize 54% of the City's electricity while street lighting accounts for 30%.

As electricity rates started to reflect increases in the 25% to 200% range, the City, utilizing the League's relationship with Direct Energy, negotiated a 3 year contract at 8.700 cents kilowatt/hour. This fixed cost has the potential to save from thousands of dollars a month to significantly higher amounts on an annual basis.

The agreement, signed March 3, 2015, included escrow holdings from an Enterprise Account and membership fee of \$15,800 per year for League membership, which will be collected as part of the electricity rate at .00142 kilowatt/hour.

The Mayor thanked Christine Chamberland for her diligence and Erik Everton of Direct Energy and Dan Beardsley for their desire to help the City. "My Administration does not readily accept the statement that an objective cannot be accomplished" stated Mayor Baldelli-Hunt, "and this is proof."

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