

City Of NewCastle



Municipal Services Commission

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# New Castle Senior Center



**Natalie Kaplan**



# New Castle Senior Center

## Natalie Kaplan

“Best Kept Secret” that's how Natalie Kaplan and patrons of the New Castle Senior Center describe themselves. If you haven't visited the Senior Center to see what they offer you are doing yourself a disservice. Located in the totally renovated Booker T. Washington School across from the Good-Will Fire Station on South Street this center offers a multitude of services to not only City of New Castle residents but surrounding seniors. Seniors are fifty and older.

There is no excuse for someone to sit home isolated when a bus will pick you up 5 days a week and drop you off at the Center's door. If you just want to sit and read the paper by a window that overlooks the river or be drawn in to a game of cards or a pool game or an exercise class or have your taxes done its all available and it doesn't cost a penny unless you want to donate something to show your gratitude. If you're hungry stay for lunch and hear an informative lecture or take a trip and make a friend.

This exceptional facility is the hard work of mostly a local Board who worked very hard to make it a reality. It is a non-profit, private organization who receives grants from the State of Delaware and other local organizations such as the Mayor and Council and the Trustees of the New Castle Common. Even the MSC helps with contributions to electric and water. With its enthusiastic Director it would be a shame to keep it a secret. Its places like the Senior Center that make New Castle a special place to live. [www.newcastleseniorcenter.com](http://www.newcastleseniorcenter.com)



# Secretary Message

Sometimes you just can't win, you are stuck between two sets of critics who don't like the way you do business. On the local front we have two citizens who love to criticize the MSC for not contributing more money to fund the City. On the other hand we have Governor Jack Markell and his Economic Development Director, Alan Levin who say municipal utilities, like the MSC, are hurting their attempts to attract business to Delaware or may be the cause of business leaving the state because of high electric rates.

The MSC just completed a cost of service study in order to set new water and electric rates. The study showed that the MSC needed to raise water rates to cover the cost of service and to lower electric rates. The study also showed that for the most part the MSC was charging customer classes a fair rate for their contribution to the cost of service.

The MSC and City Officials met with a representative of the Governor's staff to explain the interrelationship between the City and the MSC. City officials explained what services the MSC's financial contribution fund. The Governor has asked his staff to meet with each of the nine municipalities that own their electric utility to find solutions to high C/I (Commercial/Industrial) rates.

Currently the MSC is the lowest cost municipal provider of electric to residential customers. It is also lower than Delmarva Power. That cannot be said about its Commercial rates which in some cases can be 40% higher than Delmarva. Why the disparity? The answer is the investment the MSC has made in its infrastructure and who benefits from that investment. The MSC upgraded its electric system in the late 1980's and early 1990's from 4 KV to 12 KV to be able to serve the business parks that were locating in town. As the MSC load grew Delmarva Power was no longer able to firm the City in an emergency so the MSC built the redundancy to meet future growth and firm itself. While redundancy benefits both residential customers and commercial customers the size of components to meet commercial demands are much more expensive than residential therefore the cost to serve is higher. Unfortunately the MSC's commercial base is small so you have fewer customers to spread the cost to serve over.

The debate as to whether municipal utilities should tax customers through their rates will undoubtedly continue. The Commissioners feel they have struck a fair balance between what they contribute to the City and their cost of service to each customer class.

Sincerely, *Chip Patterson* Secretary

## ***MSC Commissioners Approve New Water and Electric Rates***

Since October 2011 the Commissioners have been working on a study to determine what new water and electric rates should look like to cover the cost of service to customers. With the help of Utility Financial Services they were able to formulate a rate structure that lowers the cost of electric but raises the cost of water. For the average customer this will mean a reduction in their overall utility bill.

The MSC purchases its electric requirements from DEMEC (Delaware Municipal Electric Corporation). DEMEC buys power for eight out of the nine municipalities who own their own electric utility in Delaware. DEMEC has been able to lower its overall energy portfolio cost by investing in a second generation unit at Smyrna (Beasley Unit #2) and through energy contracts with entities such as American Municipal Power. Those cost savings are now being passed on to our electric customers.

Below we have an example of the MSC's new tariff rates in comparison to its old rates. This example is for a customer who uses 1,000 kWh (kilowatt hours) of electric in a month.

### ***Residential Electric***

Winter Rate based on 1,000 kWh used in a month (October through May)

Old Rate			New Rate		
Customer Change		\$ 7.75	Customer Change		\$ 8.75
Kilowatt Hour Change	0.1367	\$ 136.70	Kilowatt Hour Change	0.115	\$ 115.00
Environmental Change	0.000178	\$ 0.18	Environmental Change	0.000178	\$ 0.18
	Total	\$ 144.63		Total	\$ 123.93

Summer Rate based on 1,000 kWh used in a month (June through September)

Old Rate			New Rate		
Customer Change		\$ 7.75	Customer Change		\$ 8.75
Kilowatt Hour Change	0.1367	\$ 102.53	Kilowatt Hour Change	0.115	\$ 86.25
Excess 750 Kwh	0.1667	\$ 41.68	Excess 750 Kwh	0.1667	\$ 41.68
Environmental Change	0.000178	\$ 0.18	Environmental Change	0.000178	\$ 0.18
	Total	\$ 152.14		Total	\$ 136.86

The Commissioners approved an increase in water rates to recapture the cost of service. The new rates will show the cost of Public Fire Protection. This is the cost associated with maintaining fire hydrants and water facilities to provide public fire protection. It is a fixed monthly charge.

### **Residential Water**

Winter a Customer who uses 6,000 gallons of water a month

Old Rate			New Rate		
Customer Change		\$ 7.75	Customer Change		\$ 7.75
Water per/gal	0.0049	\$ 29.40	Water per/gal	0.0067	\$ 40.20
			Public Fire Protection		\$ 1.25
	Total	\$ 37.15		Total	\$ 49.20

Summer a Customer who uses 6,000 gallons of water a month

Old Rate			New Rate		
Customer Changer		\$ 7.75	Customer Changer		\$ 7.75
Water per/gal (first 4,000 gal)	0.0049	\$ 19.60	Water per/gal (first 4,000 gal)	0.0067	\$ 26.80
Excess of 4,000 per/gal	0.0054	\$ 10.80	Excess of 4,000 per/gal	0.00735	\$ 14.70
			Public Fire Protection		\$ 1.25
	Total	\$ 38.15		Total	\$ 50.50

### **Residential Comparison**

Delmarva Power Winter	MSC Winter	Delmarva Power Summer	MSC Summer
\$151.53	\$123.93	\$152.78	\$136.86

1,000 kWh in a month

Artesian Water Co.	MSC
\$190.42	\$161.00

20,000 gallons in a  
winter quarter

# New MSC Web Site

The MSC recently launched its newly designed Web Site. The site has a new look and contains much more information for our water and electric customers.

Visit our new site

[www.newcastlemsc.com](http://www.newcastlemsc.com) and

check out all of the new information and features available to better help you understand your Utility.

## Calendar

Friday, April 6th  
Good Friday  
MSC Closed

Saturday, May 5th  
May Market

Saturday, May 19th  
A Day In  
Old New Castle

Monday, May 28th  
Memorial Day  
MSC Closed,

Saturday, June 9th  
Separation Day



## Spring Hydrant Flushing

*Starts April 9th*



# Meet Our Employees



## Mary Jane Stubbs

This newsletter wants you to meet MaryJane Stubbs the MSC's bookkeeper. Mary Jane grew up in New Castle and attended the local schools. She has worked for the MSC since 1985 and for years was the face you saw at the front counter when you paid your bill. She took over the bookkeeping function shortly after Anita Banks retirement and is now the Comptroller's right hand woman. Mary Jane and her family have been active in the Good-Will Fire Company and in particular the Ladies Auxiliary.

Mary Jane is that quiet but dependable employee that you can always count on. That I am sure is the way she serves her community by her dedication to the Fire Company supporting all their activities.

