



## Town of Reading Meeting Minutes

### Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2020-04-16

Time: 6:30 PM

Building:

Location:

Address:

Session: Open Session

Purpose: General Business

Version: Final

#### Attendees: **Members - Present:**

Mr. Dennis Kelley, Chair (Wilmington Representative); Mr. Jason Small, Vice Chair (North Reading Representative); Mr. George Hooper, Secretary (Wilmington Representative); Mr. Joseph Markey (Lynnfield Representative); Mr. Vivek Soni (Reading Representative)

#### **Members - Not Present:**

#### **Others Present:**

Mr. David Hennessy, Board of Commissioners  
Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Wendy Markiewicz, Mr. John McDonagh, Ms. Kathleen Rybak, Mr. Charles Underhill

**Minutes Respectfully Submitted By:** Mr. George Hooper, Secretary

#### **Topics of Discussion:**

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20 THIS MEETING WAS HELD REMOTELY VIA ZOOM.

1. Call Meeting to Order and Introductions – D. Kelly, Chair

Chair Kelley called the meeting to order at 6:30 PM and noted the meeting was being audio recorded.

2. General Manager's Update – C. O'Brien, General Manager  
*Materials: COVID-19 Emergency Plan of Operations & Major Emergency Plan of Operation (Presentation Slides)*

Ms. O'Brien welcomed Mr. Joseph Markey the Lynnfield Representative. Mr. Markey provided a brief overview of his background.

**COVID-19 Update:** Ms. O'Brien reported that in response to the COVID-19 crisis, the RMLD immediately organized an emergency response team consisting of eight senior staff (Directors and Assistant Directors); this group meets daily at 10:00 AM. Ms. O'Brien noted that the DPU extended the moratorium for residential shutoffs. The RMLD has an obligation to serve and to maintain certain levels of construction and reliability to the electric system. Staff are working with local and national peer groups, and continually reviewing federal, state, and local guidelines to determine

best practices. The RMLD has developed EOP 20-03 Emergency Infectious Disease Plan, a living procedure with linked updates from the Governor, Board of Health, and local Incident Command. Ms. O'Brien reviewed the presentation slides, noting RMLD is currently in Phase II of the Emergency Plan of Operations.

Ms. O'Brien asked Mr. McDonagh to update the CAB on the response to the recent storm (on April 13) and to provide an overview of restoration operations. RMLD had roughly 3,900 customers interrupted during the storm and responded to over 40 calls. Most services were restored within the first 24 hours, with restoration for damage to single electric services continuing thereafter. All service has now been restored.

Ms. O'Brien reported that the Wilmington Board of Selectmen voted to approve the extension of the 20-Year Agreement, and thanked Mr. Hooper and Mr. Kelley for their assistance with the process. Ms. O'Brien noted that letters went out to each town regarding the extension and responses are due back to RMLD by May 31<sup>st</sup>.

3. Integrated Resources Report – C. Underhill, Director of Integrated Resources  
*Materials: RMLD COVID-19 Virus Impact Assessment (Presentation Slides)*

**COVID-19 Load Impact Discussion:** Mr. Underhill reported that staff is working to identify what the impacts of COVID-19 might be on RMLD's financial situation and what appropriate responses that would engender. Mr. Underhill noted staff is assessing changes both externally and internally (as outlined on Slide 2), looking at load changes, fixed operating expenses and how the capital budget may evolve over time.

Mr. Underhill then reviewed the COVID-19 Load Impacts on RMLD (Slide 3) noting that staff used estimates of what other utilities within high COVID-19 risk areas are/have experiencing/ed; RMLD does not have enough data to generate RMLD estimates at this time; collections remain steady to date. Mr. Underhill noted that staff has looked at the COVID-19 load impact on the power supply budget, and projected (with the lower load and our contractual commitments) through the end of 2020. The RMLD is (currently) assuming a straight 8% load reduction for the remainder of 2020 and a straight reduction in peak values for transmission savings. RMLD will not see an impact to capacity for another year. Mr. Underhill reviewed the RMLD Monthly kWh Load Comparison (Slide 4), which shows historic values from 2018, 2019, and the 2020 budgeted value. Mr. Underhill noted 2020 actual year-to-date (through March) is below budget due primarily to the warmer than expected winter that significantly reduced the wholesale load. Mr. Underhill then reviewed the Assumptions (Slide 5) used (with the 2020 budget as a baseline) to understand cash reserves and how much revenue erosion RMLD could support over time. Staff has been in touch with Nextera (one of our larger energy suppliers) as one of the phase contingencies to discuss the potential of a deferment of some power supply expenses.

Mr. Underhill continued with a review of Slide 6 (Assess Impacts). Mr. Underhill noted the RMLD has suspended some programs related to appropriate social distancing and in-home inspections and will be modifying some programs, i.e., the residential audit program, inspections on efficiency installations at commercial and industrial sites; distributed generation has slowed dramatically. Mr. Underhill stated that staff will monitor programs so that RMLD can continue to deliver programs and services.

Slide 7 (COVID-19 2020 Power Supply Impacts) reflects an ~\$2.1 reduction in power supply expense. Mr. Underhill noted the rate goes up rather than down because the kilowatt hours in the load dropped faster than the price. Mr. Underhill pointed out a typo (on "Power Supply Budget Q2-Q4 2020); the 1.035 is the 3.5% distribution losses that RMLD experienced, so it converts it from a

wholesale load to anticipated retail sales. At retail, the power supply portfolio cost would be at \$0.8560; with the COVID-19 adjusted budget it is at \$0.08876. For the remainder of the year we had anticipated a reduction in the purchase power, and capacity, transmission, fuel components on the bill. Instead (due to COVID-19), we are looking at a slightly higher fuel adjustment, with an impact of approximately \$674K; there are currently funds in the fuel reserves to cover that through the end of the year. Mr. Underhill then reviewed COVID-19 2020 Operating Budget Impacts (Slide 8). If the assumed 8% reduction holds, the RMLD should be alright financially going forward. Mr. Underhill concluded his presentation stating staff will continue to monitor the COVID-19 impact on rate and revenue stability, as outlined on Slide 9 (Develop COVID-19 Response Options).

Mr. Hooper asked if there was any state assistance anticipated to relieve the COVID-19 impact to the RMLD. Ms. O'Brien responded that there is no indication that there would be any kind of reimbursement to the electric company for the electric usage rate; there may be stimulus packages to customers to help them pay their bills. Ms. O'Brien noted that staff is tracking all data on expenses (material and labor) related to COVID-19 should any state or federal programs become available through MEMA, FEMA, etc.

**Home Information Sessions:** Mr. Underhill reported that successful sessions were held in Lynnfield and Wilmington prior to COVID-19 restrictions. Staff is looking at various options to continue hosting the sessions virtually.

**New Rebate Programs:** Mr. Underhill reported that Integrated Resources (IR) has launched the heat pump program and will soon be offering incentive rebates for consumer purchase of electric yard maintenance equipment (mowers, trimmers, etc.). IR is also working to modify the audit program to a virtual mechanism.

4. Engineering & Operations Report – H. Jaffari, Director of Engineering & Operations  
*Materials: Engineering & Operations Report: IVR/OMS Update (Presentation Slides)*

**Metering Project/Customer Notification System: Phase I & II Implementation:** Mr. Jaffari updated the CAB on the status of the Integrated Voice Response/Outage Management System (IVR/OMS), and the Customer Notification System (CNS), which are being rolled out in two phases. Phase 1 includes IVR/OMS rollout, which will be used for unplanned outages; Phase II includes the CNS for planned outages. Mr. Jaffari reviewed the Slides 2-5, which outline each phase and how the systems will work. RMLD will conduct a "Customer Opt-in Campaign" for customers to enroll in the notification programs as outlined on the timeline (Slide 6). Mr. Jaffari then reviewed Slide 7, which shows the RMLD system map (SCADA/OMS) for outages and the customer portal map for outages, which will be available on personal devices and through the RMLD website. Mr. Jaffari completed his presentation with a review of system communication mapping as outlined on Slide 8.

5. CAB Input on Town of Reading Payment – D. Kelley, Chair  
*Materials: RMLD Payment Scenarios to the Town of Reading*

Ms. O'Brien reported that Ms. Markiewicz had reformatted the outline of current recommendations for the Town payment (provided with the Agenda packet) so that it is easier to read. The information contained in this document has already been presented to the Board and has been posted on the RMLD website. Ms. Markiewicz then provided a brief overview of the current recommendations included on the document, noting the second page shows the rolling average for three years based on the five scenarios. Ms. Markiewicz stated, as we said before, the RMLD is not trying to cause a burden to the Town of Reading, but also wants to safeguard the below the line funds for capital improvements and to keep rates competitive; it all must be balanced. Ms. Markiewicz noted, the Town has provided alternate scenarios, but RMLD wants to remain true to

the original idea of going based off the health of the industry, which is kilowatt hour sales. Ms. Markiewicz noted that five scenarios have been presented with 3.75 mil per kilowatt hour sales or 4.0 mil per kilowatt hour sales.

Mr. Soni asked about the impact of COVID-19 on both the above the line and below the line payments this year and possibly next year; should RMLD consider whether the \$2.4m would be appropriate in such a setting? If RMLD is not doing certain capital investments, would the net plant change in the next couple of years, and how would that impact the above the line and below the line payments? Ms. Markiewicz responded that if there is a serious impact from COVID-19, the RMLD would move to supplement with the rate stabilization funds; this is a crisis situation, outside of the norm. The RMLD can shift priorities and look at different options. Mr. Soni summarized: because of the rate stabilization and the fuel stabilization fund you are able to accommodate the loss of revenue without increasing rates and honor the payments to all the towns at the same level, approximately. Ms. Markiewicz responded that at this particular moment (for 2020) she would say yes.

Ms. O'Brien noted that the recommendations were developed prior to COVID-19 and represent a recommendation for a long-term formula. The COVID-19 impact (a catastrophe/crisis event) would need to be addressed separately. Ms. O'Brien stated that she would like to have a discussion at the next Board of Commissioners meeting regarding the COVID-19 impact on the budget, both above the line and below, and the payments to the towns. If the Board of Commissioners were to determine that the payments needed to be adjusted due to any catastrophe, that would have to come from the Board.

Chair Kelley asked if there were any other comments or concerns.

Mr. Small stated that (based on the options presented) he would be inclined to go with a three-year average. If there were minor fluctuations in sales in some years, it averages out and minimizes the overall financial impact to RMLD and the Town. The three-year average may be a good way to ride out some intermittent bumps. Chair Kelley agreed. Mr. Hooper agreed and stated that he would prefer the 3.75 option. Mr. Small agreed the 3.75 would be better for the health of the RMLD.

Ms. O'Brien agreed to summarize the discussion for Mr. Hennessey to present to the Board.

6. Scheduling: CAB Meetings & Commissioners Meetings Coverage – D. Kelley, Chair  
Mr. Soni agreed to cover the April 21<sup>st</sup> Board of Commissioners meeting.

The May meeting was tentatively scheduled for May 21<sup>st</sup> (pending confirmation of May Board of Commissioners meeting). Mr. Hooper agreed to cover the May Board of Commissioners meeting.

7. Adjournment – D. Kelley, Chair  
Mr. Hooper made a motion to adjourn the Citizens' Advisory Board meeting, seconded by Mr. Small.  
Motion carried 5:0:0 (5 in favor, 0 opposed, 0 absent).

The CAB meeting adjourned 8:16 PM.

As approved September 16, 2020