

**JOINT MEETING WITH THE CITIZENS' ADVISORY BOARD AND
THE RMLD BOARD POWER AND RATE COMMITTEE
MEETING MINUTES
Regular Session**

TIME: 7:30 P.M.
DATE: Wednesday, January 19, 2011
PLACE: Reading Municipal Light Department, AV/Spurr Room
PRESENT: CAB: A. Carakatsane, Chairman, (Lynnfield), J. Norton, Secretary, (North Reading),
G. Hooper (Wilmington), T. Ollila (Wilmington)
RMLD Board: M.E. O'Neill, R. Hahn, R. Soli, G. Snyder
RMLD Staff: V. Cameron, P. O'Leary, J. Parenteau, W. Seldon
Guest: Attorney Christopher Pollart, Rubin and Rudman
CAB Vacancy (Reading)

1. Call Meeting to Order – A. Carakatsane, Chairman

Chairman Carakatsane called the meeting to order at 7:37 P.M. and announced the meeting is being recorded.

2. Executive Session – Power Supply Contracts – V. Cameron, J. Parenteau

Mr. Norton made the following motion seconded by Mr. Hooper:

MOVE that the CAB go into Executive Session to discuss Concord Power and Steam, LLC and Swift River Trading Company, LLC, based on Chapter 164 §47D, exemption from public records and open meeting requirements in certain instances, and return to Regular Session.

Motion carried by a poll of the CAB: 4:0:0 - Mr. Norton – aye; Mr. Hooper – aye; Mr. Ollila – aye; and Mr. Carakatsane – aye.

3. Return to Regular Session

Regular session resumed at 8:15 P.M. Mr. Norton and the CAB members thanked the staff for its efforts in additional renewable energy to the RMLD's power supply portfolio.

4. Power Supply Contracts – V. Cameron, J. Parenteau

Mr. Norton made the following motions seconded by Mr. Hooper:

- Concord Power and Steam LLC

MOVE that the CAB recommend to the RMLD Board of Commissioners to authorize the General Manager of the Reading Municipal Light Department to finalize negotiations and execute a contract with Concord Power and Steam, LLC.

Motion carried 4:0:0.

- Swift River Trading Company, LLC

MOVE that the CAB recommend to the RMLD Board of Commissioners to authorize the General Manager of the Reading Municipal Light Department to finalize negotiations and execute a contract with Swift River Trading Company, LLC.

Motion carried 4:0:0.

5. Addendum to FY11 Cost of Service Study – V. Cameron

Mr. Cameron stated that both the CAB and the Board met in December to discuss the proposed addendum to the FY11 Cost of Service Study that was originally brought to the Boards in August 2010. In August Mr. Cameron had stated that he would take another look at the time-of-use rates and the streetlight rates. When he presented the proposed addendum to the Power and Rate Committee, they wanted two more items looked at: 1) the shortened hours - Mr. Cameron had proposed 12:00 P.M. to 8:00 P.M. and the Power and Rate Committee suggested 12:00 P.M. to 7:00 P.M. 2) slight decrease in rate – The Power and Rate

Committee wanted to see it revenue neutral. Mr. Cameron put together a new addendum, and the rates changed slightly. The new residential time-of-use rates is proposed to be 13.364 cents a kW hour for the on peak and 4.6 cents for the off peak at a 40%(on peak usage)/60%(off peak usage) split, because there are less on-peak hours. Mr. Cameron explained how he developed the numbers.

Discussion ensued.

Mr. Carakatsane commented that until the rates are in place and the program tested, the Department is unable measure the differences.

Discussion ensued.

Mr. Cameron explained how the proposed industrial time-of-use rate was developed. If a customer were to stay on the 40%/60% split, it made little difference whether the customer remained on the commercial rate or went to the time-of-use rate. If a customer changed to 25% on peak and 75% off peak, then a 5% savings would be realized on the total bill. When he took the proposed on-peak rate of 8.448 cents a kWh for the industrial time-of-use rate and 2.53 cents for the off-peak rate, and ran them through the revenue proof using the kWhs in the Cost-of-Service Study, he found that on a revenue requirement of \$11,411,826, the difference was \$6.00, which is revenue neutral. He added that the Department would do the requisite amount of advertising for the industrial time-of-use rate.

Discussion ensued.

Mr. Norton made the following motion seconded by Mr. Hooper:

MOVE that the CAB recommend to the RMLD Board of Commissioners to adopt the updated Addendum information for the FY2011 Cost of Service Study as presented by the General Manager.

Discussion on when the rates would go into effect took place.

Motion carried 4:0:0.

6. Adjournment

Mr. Norton made a motion to adjourn the CAB regular session meeting seconded by Mr. Hooper.

Motion carried 4:0:0.

Respectfully submitted,

John Norton, Secretary

Minutes approved on: _____

/pmo