



## Town of Reading Meeting Minutes

### Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2022-01-20

Time: 6:30 PM

Building:

Location:

Address:

Session: Open Session

Purpose: General Business

Version:

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

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

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

Lynnfield Position Vacant

#### **Others Present:**

Staff: Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Wendy Markiewicz, Mr. Gregory Phipps, Ms. Kathleen Rybak

Ms. Marlena Bitz, RMLD Board of Commissioners  
Ms. Karen Herrick, Reading Select Board

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

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### Topics of Discussion:

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20 AND THE JUNE 16, 2021, ACT EXTENDING CERTAIN COVID-19 MEASURES, THIS MEETING WAS HELD REMOTELY VIA ZOOM.

#### 1. Call Meeting to Order – J. Small, Chair

Chair Small called the meeting of the Citizens' Advisory Board to order at 6:33 PM and noted the meeting was being audio recorded. Chair Small asked all members present to state their names.

#### 2. Approval of Minutes – J. Small, Chair

**Materials:** Draft Minutes from September 23, 2021, and October 20, 2021.

Mr. Hooper made a motion that the Citizens' Advisory Board approve the minutes of the September 23, 2021, and October 20, 2021, meeting as written, seconded by Mr. Kelley. **Motion carried** 4:0:0 (4 in favor, 0 opposed, 0 absent) by roll call vote of those present: Mr. Kelley, aye; Mr. Hooper, aye; Mr. Soni, aye; Chair Small, aye.

#### 3. General Manager's Update – C. O'Brien, General Manager

**General/Community Update:** Ms. O'Brien reported that staff will be planning Board training sessions (FERC accounting, legal issues, open meeting law, etc.). Notices will be sent to CAB members for anyone interested in attending. Ms. O'Brien provided an update on the following upcoming events: Electric Vehicle Charging Strategies

Webinar and the Elementary School Art Contest Awards ceremony. The High School Art Contest will kick-off at the end of January; this year's theme is "versatility" which will tie into the theme of the Annual Report. The AV room is being updated to accommodate hybrid in-person meetings as allowed by the Board of Health.

**Green Communities:** Ms. O'Brien provided an update on the status of Green Communities. RMLD staff along with ENE (Energy New England) have been working hard with legislators on this initiative. RMLD is asking that each community be able to join on their own at their own pace. Residents of towns that would like to participate will pay a fee into the renewable trust and RMLD would be the billing agent for such fee. This bill should be passed before the end of the next legislative session. Mr. Ragucci from ENE will be meeting with Lynnfield to bring them up to date on this initiative.

Ms. O'Brien noted the last item to be completed from the Organizational Study is the employee survey. Staff is working with a cultural consultant who specializes in utilities to get this completed. A presentation will be scheduled for either February or March.

Ms. O'Brien noted a draft warrant article for potential procurement of land for the Wilmington substation has been submitted to the Town of Reading.

4. Integrated Resources Report – G. Phipps, Director of Integrated Resources  
*Materials:* Rates, Power, Hydro Quebec I/II Presentation Slides

*Rates – Status of 2022 Rates:* Mr. Phipps provided an update on the roll-out of the recently approved rates (Slide 3: 2022 Rates – Update). The rate adjustment for basic rates went into effect January 1, and staff anticipates a 4.7 to 5% increase on average monthly residential bills during 2022 (January to December). However, the January bills are closer to 10% higher (than December), and in certain cases 13-14% higher. The reasons behind that include: (1) higher customer usage, and (2) the PPCT and the fuel rates were higher in January than expected. Mr. Phipps noted the monthly PPCT and fuel adjustment rates are pass-throughs at cost to the customer. Another factor is that during September through December, the RMLD used rate stabilization funds to reduce customer billing. The RMLD did not use rate stabilization funds in January.

The Renewable Choice rates will be effective February 1. Starting January 24, residential customers can sign up on the website or by calling Customer Services. The Renewable Choice rate for commercial and industrial customers will be rolled out later in the spring as that billing is a bit more complicated. Staff are continuing to do some testing for the A3 (EV) rate, which is a residential rate scheduled to roll out March 1.

Mr. Phipps noted communication efforts to educate customers on the rates include the RMLD website, press releases, the RMLD newsletter, email blasts, and billing/envelope notes. Staff has developed a rate calculator (for the A3 and Renewable Choice rates), which will be put onto the website.

*Power Supply – Status of New Supply Contracts:* Mr. Phipps then reviewed *Slide 4 - Power Supply Update*, which outlines accomplishments for 2021 relative to power supply. Transaction Facility Agreements (TFAs) provide an opportunity for RMLD to execute agreements when the pricing is optimal based on IRD's monthly analysis and the forward price curve for energy. Because open market prices are trending up, the TFA model provides fewer opportunities that are advantageous.

The bottom block (of the slide) shows agreements that were approved in 2021. The average of all these agreements is 200,000 MWHs annually, which represents a quarter of the total annual purchase (700, 000 MWHs). The focus with these agreements is to be non-carbon and reduce risk and manage costs. Non-carbon energy is more expensive than natural gas generated energy. Mr. Phipps provided a brief update on each of the items listed. Mr. Phipps noted the forward price curve remains elevated, but a dip is expected over a five-year window; RMLD will take

advantage of that to fill some open positions coming up in August and November of this year.

*Hydro Quebec I/II Rights Extension:* Mr. Phipps provided an update on the existing Hydro Quebec I/II contracts. These contracts were initiated 20 years ago. The RMLD participates in two ways: (1) transmission rights, and (2) a very small equity portion as part of a consortium of seven MLPs. Over the next four years, RMLD will pay ~\$230k as part of the equity contributions to this transmission line. A consortium of MLPs (including RMLD) does not currently take power from this project and the minimum commitment to take power is 100 megawatts and collectively the MLP consortium is at ~90 (megawatts). The Consortium is actively pursuing another 10% of rights to bring it over that 100-megawatt limit. This is primarily hydro power and not run of the river like some smaller plants, so it is very stable. Over the next 20 years it will be a very important and valuable part of the RMLD power supply portfolio. In the interim (as illustrated in the table), RMLD participates with Eversource and National Grid (the primary users) and receives use rights dividends of \$550,000 annually, which more than offsets costs of \$150,000 annually for a net annual gain of \$400,000 per year. Mr. Phipps noted RMLD did not go into this as an investment vehicle; we want access to the transmission facility, and we are going to try and participate in using the access as soon as possible. In the meantime, it is still net positive to our rate payers. This project is financially net positive for RMLD customers, and this transmission line is already built and transmitting electricity.

Mr. Phipps concluded his presentation by noting staff is finalizing a proposal to be presented at the February meeting on battery storage systems to be installed within the network over the next four years.

Mr. Soni asked, relative to the transmission line, what it will take to get above that 100 megawatts commitment. Mr. Phipps responded that someone else would have to sell their equity rights. Mr. Phipps noted the RMLD is currently making money on the contracts, but as we get further out, its valuable from a supply stability perspective; they are both hydro. The one drawback is that currently the Canadian hydro plants do not provide non-carbon certificates of any form. Hopefully by 2050, we'll have figured out a way to have it have non-carbon certificates. This is a commitment to a 20-year block. The next block will renew in 2041, so we want to make sure RMLD can continue to use it, but also get credit for it from a compliance perspective. Mr. Soni asked, what RMLD's share would be at the 100-megawatt limit. Mr. Phipps responded ~10 megawatts.

5. Engineering and Operations Report – H. Jaffari, Director of Engineering & Operations  
*Materials:* Engineering & Operations Report Presentation Slides

Mr. Jaffari presented a review of the CY2021 Engineering & Operations Accomplishments (Slides 3-16). *CY2021 Reliability Indices* (slide 3) were all well below the national and regional averages. *Causes of Outages* (slide 4) shows that RMLD went over the five-year average for Equipment Failure. This was due (in part) to premature failure of transformers. The rest of the categories, with the exception of the weather, show a downward trend.

*RMLD Maintenance Programs* are outlined on Slide 5. Mr. Jaffari noted the *CY2021 13.8 kV Conversions* (Slide 6) and the *CY2021 Underground Subdivision Upgrades* (Slide 7). These areas are prioritized based on the age and condition; they go through a major overhaul replacing poles, transformers, primary and secondary wire, terminations, elbows, etc. The benefits include reduction of line losses, improved reliability, and supporting better voltage in those areas.

Progress on the *Aged Transformer Replacement* program (Slide 8 and 9) was reviewed. Mr. Jaffari noted some (newer) transformers needed to be replaced because of premature failure due to environmental conditions and manufacturer issues. Therefore, the transformer inspection threshold was dropped from 25 years to 10 years to identify any pending issues. However, the Aged Transformer Replacement

Program will continue to target transformers 25 years and up. Mr. Jaffari reviewed the criteria used to evaluate transformers. Mr. Jaffari then reviewed the 2021 progress with *Miscellaneous Construction Projects* (Slide 10), which include the Switchgear Upgrade Program and New Developments.

*CY2021 Smart Grid Automation* (Slide 11) outlines the progress made on the Smart Grid Roadmap. Mr. Jaffari reviewed some of the functions and benefits of the smart-grid technology (switches). Additional related *Smart Grid Projects* are shown on Slide 12. Mr. Jaffari noted smart grid devices rely on robust communications. In order to make sure that the right communication method or equipment (radio or fiber) is used, RMLD had a study completed; once the report is received, staff will begin to roll out the recommendations.

The AMI/MDM study is complete, and the recommendation is that the AMI system needs to be upgraded – it is at the end of the technology life. RMLD will also need a meter data management (MDM) system to host the meter data collected throughout the system. This will allow staff to do better data analysis (for transformer load management, demand response, and demand side management programs) and data integration (with Cogsdale and GreatPlains).

The OMS/IVR integration is completed and tested. The GIS model is being updated and the OMS should be ready sometime in April/May. Once completed, staff will start another customer registration campaign. Registered customers will receive a notification (text, email or phone) when RMLD detects an outage.

The Customer Notification System (CNS) is in progress and will allow RMLD to send customer notification for such things as peak shaving or customer alerts.

Volt Var Optimization (VVO) was installed on the SCADA and is being testing. This allows RMLD to improve the power factor automatically on all feeders. This will cut down on system losses.

Mr. Jaffari reported that Smart Grid training was done for SCADA-mate and IntelliRupters for engineers, technicians and line crews. They are all familiar with the safe installation and proper construction for these switches.

Mr. Jaffari then reviewed *CY2021 Substation Equipment Testing and Maintenance* (Slide 13). Mr. Jaffari noted the RMLD has an aggressive inspection program for all substation equipment; NERC and NPCC require testing every five years; RMLD does it every three years. Mr. Jaffari noted Station 5 has been put on an annual inspection and testing schedule; the substation is almost at the end of its useful life, and staff wants to be sure the equipment is working properly. Mr. Jaffari then highlighted *CY21 Accomplishments* (Slide 14) specific to the substations.

Mr. Jaffari then reviewed Slide 15 and 16: *CY21-Accomplishments (Engineering & Operations Special Projects, and Facilities and Purchasing/Materials Management)* and provided a brief overview of each of the projects.

Mr. Jaffari provided an update on the tasks related to the building and commissioning of the *New Wilmington Substation (CY21-CY24)* (Slide 17). *Massachusetts Grant EV-Chargers* (Slide 18) outlines the details of this project which is being completed in collaboration with IRD. Mr. Jaffari concluded with a review of *Double Poles* (Slide 19).

Mr. Jaffari provided clarification to a few questions raised by CAB members. Chair Small thanked Mr. Jaffari for his presentation.

## 6. Scheduling – J. Small Chair

The next CAB meeting was scheduled for February 24<sup>th</sup> at 6:00 PM. Mr. Kelley agreed to cover the February Commissioners meeting.

7. Executive Session – J. Small, Chair

Mr. Hooper made a motion that the Citizens' Advisory Board go into Executive Session pursuant to Massachusetts G.L. c.164 section 47D, exemption from public records and open meeting requirements in certain instances, to discuss trade secrets or confidential, competitively sensitive, or other proprietary information and return to regular session, for the sole purpose of adjournment, seconded by Mr. Soni. Roll Call: Mr. Hooper, aye; Mr. Kelley, aye; Mr. Soni, aye; Chair Small, aye.

8. Adjournment – J. Small, Chair

Mr. Hooper made a motion to adjourn regular session, seconded by Mr. Kelley. Roll Call: Chair Small, aye; Mr. Hooper, aye, Mr. Soni, aye, Mr. Kelley, aye.

The CAB meeting adjourned at 7:47 pm.

As approved on September 15, 2022.