



Town of Reading Meeting Minutes

2018-09-22 LAG

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date:

Time: 5:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Session: Open Session

Purpose: General Business

Version: Final

Attendees: **Members - Present:**

Vivek Soni, Chair (Reading); George Hooper, Secretary (Wilmington); Jason Small (North Reading)

Members - Not Present:

Ken Welter, Vice Chair, (Lynnfield); Dennis Kelley (Wilmington)

Others Present:

RMLD Staff: Gregory Phipps, General Manager; Erica Morse, Executive Assistant, Bill Bullock, Director of Integrated Resources; Sarah Harrington, Director of People Operations; Benjamin Bloomenthal, Director of Finance & Accounting; Erin MacDonough. Operational Assistant

Board of Commissioners rep: Philip Pacino, Chair

Minutes Respectfully Submitted By: Vivek Soni, Chair


Vivek Soni (Dec 13, 2023 23:17 EST)

Topics of Discussion:

Documents and exhibits used at this meeting can be found on the RMLD website in the Board meeting packet and linked here: [Citizens' Advisory Board Meeting Agenda & Packet | Reading Municipal Light Dept \(rml.com\)](#)

Call Meeting to Order

Chair Soni called the Citizens' Advisory Board (CAB) meeting to order at 5:30 PM and announced that the meeting was being recorded.

There were no remote attendees.

Commissioner Vacancy - Interim Appointment Update

Mr. Phipps provided an update on the Commissioner vacancy to the CAB.

- Mentioned that former Commissioner John Stempeck, who had served since 2013, was unable to complete his term, scheduled to end in April 2024.
- Reported that the remaining four commissioners voted to fill the vacancy rather than leaving it open until the next election in April 2024.
- Detailed the procedure for filling the vacant position, noting that a formal announcement was made on the Town of Reading's website and through RMLD channels. The position was posted publicly, following the established protocol.
- Detailed the selection process, noting that a joint meeting was held between the Town of Reading Select Board and the RMLD Board of Commissioners.

- Stated that four candidates applied for the appointment.
- Reported that the joint meeting took place last Tuesday, resulting in the appointment of Pam Daskalakis to fill the vacancy.
- Ms. Daskalakis will serve as the fifth commissioner through April 2024 and at least one position will be open for the regular election in 2024.

Approval of Citizens' Advisory Board Meeting Minutes

Materials: Approval of Meeting Minutes (attachment 1)

The September 15, 2022, meeting minutes were approved as presented.

Mr. Hooper made a **motion**, seconded by Mr. Small, that the RMLD Citizens' Advisory Board approve the September 15, 2022, open session meeting minutes, as presented, on the recommendation of the General Manager and the Board Secretary. **Motion carried: 3:0:2** (3 in favor, 0 against, 2 absent) *Roll Call Vote: Chair Soni, Aye; Mr. Hopper, Aye; Mr. Small, Aye. Vice Chair Welter and Mr. Kelley were absent from the meeting.*

Reading Town Charter Review Committee Appointment

Materials: Charter Review Letter Dated June 22, 2023 (attachment 2)

Mr. Phipps provided an update on the Reading Town Charter Review Committee.

- Explained that the committee discusses the Reading Town Charter Review, which occurs every 10 years.
- Informed that the Board of Commissioners will appoint a representative for RMLD to participate in the review committee.
- Noted that RMLD operates under state Commonwealth law, which takes precedence.
- Mentioned that the current stage of the review is informational for the CAB members.
- A query was raised regarding the implications of the Town of Reading's involvement with green communities on RMLD.
- Clarified that the town charter review is unrelated to RMLD rate changes or the green community's updates.
- Informed that the Town of Reading intends to continue participating in green community initiatives.
- Emphasized that RMLD's role in this context is as a collection mechanism for funds, which are forwarded to the trust.
- Highlighted that the impact on individual bills is minimal and is specific to the town of Reading.
- Noted that modifications have been made in the RMLD billing system (Cogsdale) to accommodate charges across all meters in Reading.

Integrated Resources Report

Materials: Integrated Resources Report (attachment 3)

Mr. Bullock provided an Integrated Resources Report to the Board.

Rates

Materials: Industrial Coincident Peak + Economic Development Rates Presentation; MDPU Rate Sheet

- Discussed two rate proposals: industrial coincident peak/economic development rates.

Economic Development Rate (slides 2 and 3)

- Informed that the economic development rate aims to enhance business expansion, job creation, and increase the tax base in communities served by RMLD.
- Highlighted that the rate is also a tool to enhance the attractiveness of the community for new businesses and to encourage load growth for RMLD.
- Explained that the rate includes an introductory discount, targeting larger loads (300 kW or above) and offering a discount on the distribution charge.
- Stated the rate is intended to be temporary, focusing on new or expanding businesses.
- Noted the rate is designed to be simple to implement, distributing fixed costs over more megawatt-hours, benefiting all ratepayers.
- Mentioned that the rate involves an 80% discount on the distribution charge, leading to an overall bill reduction of 16% for qualifying customers.
- Clarified that the 16% discount applies for the first year. Afterward, businesses revert to standard rates, aligning with other ratepayers.
- Informed that the economic development rate is seen as a strategic tool for attracting new businesses, helping them stay financially viable in their initial operation year, and contributing to overall economic development in the territory.
- Reiterated that the rate is applicable to new industrial and commercial customers with an estimated bill demand of 300 kW or higher.
- Noted that the rate mirrors the standard industrial rate, with a discount on the distribution demand charge set at \$3.109756 per kWh.
- Highlighted that this represents an 80% discount for eligible customers.
- Added that 20% of the savings would benefit non-participating customers and RMLD.
- Clarified that the rate is available to new customers for one year.

Industrial Peak Rate (slide 4)

- Detailed the industrial coincident peak rate, which is aimed at enhancing the current voluntary peak demand reduction program.
- Emphasized that the rate intends to provide more tangible savings for customers who can reduce consumption during peak times.
- Explained that participants will be notified a few days in advance of a potential peak, with confirmation on the morning of the event.
- Noted that the rate targets customers with flexible operation schedules, making it self-selecting.

- Informed that the rate will increase the PPCT charge, offering significant savings for responsive customers.
- Discussed two scenarios: a PPCT set at \$12 (22% savings) and at \$18 (6% savings). The preference is to set a higher PPCT charge for greater impact.
- Clarified that while the program leads to a demand bill reduction for customers (and a corresponding revenue loss for RMLD), it aims to lower overall costs.
- Noted that ~ 80% of the benefit is passed to the customer, with RMLD retaining ~20%.
- Shared insights from Braintree's experience with a similar program, emphasizing the importance of manageable alert frequencies and effective customer communication.
- Explained that the program's success hinges on customer responsiveness and the ability to shift peak load times.
- Noted this approach is intended to flatten load and increase infrastructure utilization.
- Clarified that the rate is optional, targeting customers on industrial rates with coincident peak structures.
- Emphasized that the rate is designed to incentivize participation without being punitive.
- Noted that a 5% reduction during peak periods is expected to significantly impact RMLD's load, with potential savings ranging from 0.5%-1.5% of the overall load.
- Added that this equates to a considerable monetary value in terms of transmission costs.
- Explained that the rate is like the time of use rate, available to industrial, commercial, or municipal customers.
- Clarified that the rate requires an AMI meter.
- Explained that the PPCT charge, a key variable, will be set and published each month.
- Mentioned that the rate includes a customer charge, distribution demand charge, and PPCT charge.
- Emphasized that the recommended PPCT charge for the industrial rate is \$18.00.
- Clarified that the rate is variable and adjusted monthly.
- A question was raised about the reduction.
- Responded by confirming a 6% reduction.
- A request for clarification on specific numbers for both rates was raised.
- Responded by clarifying that for the economic development rate, the fixed number is 3.0976, and for the industrial coincident peak rate, a 6% savings is being proposed.

Mr. Small made a **motion**, seconded by Chair Soni that the Citizens' Advisory Board recommend that the Board of Commissioners vote to accept the General Manager's recommendation to create the following MDPU rates effective for billings on or after August 1, 2023

- 307 Economic Development Rate

- 308 Industrial Coincident Peak Rate

Motion carried: 3:0:2 (3 in favor, 0 against, 2 absent) *Roll Call Vote: Chair Soni, Aye; Mr. Hopper, Aye; Mr. Small, Aye. Vice Chair Welter and Mr. Kelley were absent from the meeting.*

Battery Storage

Materials: Battery Storage Presentation

- Presented the battery energy storage project, including the recent request for information (RFI) process to select a battery provider.
- Noted that the RFI focuses on providing the best overall value to RMLD and its ratepayers.
- Emphasized the economic justification for battery storage, noting that the battery storage is expected to reduce capacity and transmission charges.
- Detailed the current costs and expected increases in these charges due to grid expansions and new assets like offshore wind.
- Described the proposed battery storage system, which is a 5 MW lithium-ion battery with a 15 MW hour capacity.
- Mentioned that four locations are being considered, including Substation 3, with potential future interconnects at other substations.
- Informed that a 15-year contract with a renewal option was proposed, featuring a shared savings arrangement.
- Explained that RMLD would share approximately 50% of the transmission and capacity savings with the developer.
- Emphasized that the contract includes a low-risk clause where payment is contingent on actual savings generated.
- Highlighted that the net present value for each 5 MW project is ~\$8.3m over 15 years, resulting in a total value of \$33b and an approximate annual net saving of \$600k per battery, after the first year.

Citizen's Energy (slide 4)

- Stated that RMLD selected Citizens Energy as the vendor and highlighted their background, history, and experience in battery operation and renewable energy projects.
- Noted that the RFI received 10 responses, indicating a competitive market.
- Detailed future plans, including exploring alternate technologies for additional storage projects, potentially around 20 MW, around the 2024-2025 timeframe.
- Mentioned that the battery is expected to be operational by the end of 2024.
- Emphasized that RMLD will continue exploring other technologies and potential vendors for future storage projects, in line with RMLD's broader portfolio strategy.

Mr. Hooper made a **motion**, seconded by Mr. Small, that the Citizen's Advisory Board recommend that the Board of Commissioners vote to accept the General Manager's

recommendation to contract with Citizen's Energy under an Energy Services Agreement for battery storage services connected to RMLD distribution network, as part of RMLD's peak load reduction program. **Motion carried: 3:0:2** (3 in favor, 0 against, 2 absent) *Roll Call Vote: Chair Soni, Aye; Mr. Hopper, Aye; Mr. Small, Aye. Vice Chair Welter and Mr. Kelley were absent from the meeting.*

Approval of CY23 Capital Budget Increases

Materials: Approval of CY23 Capital Budget Increases (attachment 4)

Mr. Phipps presented CY23 Budget Increase Requests to the CAB.

- Introduced the topic of discussion: seeking approval for increasing the project budget for two key projects, without exceeding the 2023 calendar year budget.

Power Distribution Transformers (slide 3)

Taken out of order.

- Referenced the construction of a new substation in northern Wilmington.
- Noted that the project has been ongoing for over 8 years and is expected to be completed by the end of 2025.
- Emphasized that the substation is crucial for load management and will alleviate the burden on Station 5 (Wildwood station), which is nearing the end of its life.
- Highlighted that the original budget for Transformers was \$2.6m and the received bids were \$5.7m and \$7.1m, both much higher than the original budget.
- Stated that the recommendation is to choose the \$7.1m bid due to fixed price and shorter delivery time (under 20 months).
- Requested the CAB approve to increase the project budget by \$5 million.
- Noted that the potential increase in costs for switchgear and other substation equipment is estimated to be an additional \$2-3m on top of the original \$3.5 million budget for those components.
- Discussed funding strategies, including grants and external funding sources, to mitigate the impact on ratepayers.
- Emphasized the necessity of the project and the challenges in managing increased costs and extended lead times.
- Mentioned RMLD's exploration of creative funding solutions, such as asset owner tax credits due to IRA 22, to reduce costs.
- Discussed the impact on future budget and rates, noting the potential upward pressure on rates for 2024 and 2025 due to capital budget increases.
- Highlighted the importance of keeping rates low while addressing the need for infrastructure development to accommodate future load and decarbonization goals.
- Noted the ongoing review of the capital expenditure budget for the coming years, considering the significant increases in project costs.

- Discussed the timing and financial implications of future substations and other major projects.
- Confirmed that RMLD will continue to pursue grant applications and other external funding sources to alleviate the financial burden on ratepayers.
- Discussed the challenges posed by supply chain issues and the need for careful financial planning in light of significant project cost increases.
- Emphasized the importance of maintaining reliable and low-cost service while navigating these financial challenges was emphasized.

Mr. Hooper made a **motion**, seconded by, Chair Soni, that the RMLD Citizens' Advisory Board recommend that the RMLD Board of Commissioners vote to approve an additional five (5) million dollar increase for power distribution transformers for the new Wilmington Substation Project, originally approved as project 105 page 63-64 of the CY23 Capital Budget, on the recommendation of the General Manager. **Motion carried: 3:0:2** (3 in favor, 0 against, 2 absent) *Roll Call Vote: Chair Soni, Aye; Mr. Hopper, Aye; Mr. Small, Aye. Vice Chair Welter and Mr. Kelley were absent from the meeting.*

Two (2) Material Handler Trucks with Electric Drive PTO System (slide 2)

- Detailed the current analysis of truck stock, focusing on maintenance costs, replacement costs, lead times, and overall fleet efficiency.
- Stated the request to increase the capital budget by \$250K. This increase includes ~\$100K due to cost increases from initial plans and ~\$150K allocated for transitioning to a different type of truck.
- Noted that the previous budget included a material handler and a digger Derrick truck.
- Clarified that the suggestion is to replace a High Ranger truck with a material handler due to operational efficiency for this year's truck order.
- Highlighted that the material handler provides additional support to linemen, acting as a "second pair of hands."
- Explained that although the 2024 budget was not formally presented, it was noted that the 2023 budget includes elements of the 2024 plan.
- Detailed the cost analysis, confirming that the material handler is budgeted at ~\$500K compared to the digger Derrick at \$300K. The \$250K budget increase represents this difference.
- Highlighted plans to shift from traditional hydraulic systems powered by diesel engines to electric power takeoffs.
- Emphasized that the benefits include reduced noise, lower diesel consumption, and operational efficiency.
- Mr. Hooper acknowledged the time-saving potential of the new vehicle design.
- Detailed future plans for electrification, including the potential acquisition of electric light-duty trucks from manufacturers like Ford and Tesla.

- Noted a \$10K reduction in the budget due to these potential acquisitions.
- Clarification was requested on whether the new trucks will still be diesel-powered but with electric power takeoffs for the boom.
- Responded by affirming the current focus on electric power takeoffs, acknowledging that full electric motive power for trucks is currently expensive, but may be considered in the future.
- Committed to providing updates in September or October regarding further electrification efforts.

Mr. Small made a **motion**, seconded by Chair Soni, that the Citizens' Advisory Board recommend that the RMLD Board of Commissioners vote to approve an additional \$250,000 dollar increase to purchase two (2) materials handler trucks with electric drive PTO systems, instead of one (1) material handling truck and one (1) digger derrick, within the Rolling Stock Replacement Program, originally approved as Project 118, pages 27 and 28, of the CY23 Capital Budget upon the recommendation of the General Manager. **Motion carried: 3:0:2** (3 in favor, 0 against, 2 absent) *Roll Call Vote: Chair Soni, Aye; Mr. Hopper, Aye; Mr. Small, Aye. Vice Chair Welter and Mr. Kelley were absent from the meeting.*

Personnel Report

Materials: Personnel Update (attachment 5)

Sarah Harrington provided a Personnel Report to the Board.

The Last 6 Months – Wellness and Engagement (slide 3)

- Presented RMLD's wellness and employee engagement Initiatives.
- Emphasized the progress and effectiveness of the re-launched Wellness Committee, which has approximately 10 members.
- Mentioned the Abenity Discount Program for employees, which offers savings on items like movie tickets and clothing.
- Highlighted Fetch Pet Insurance, an employee-funded pet insurance program, offering discounts to employees.
- Mentioned RMLD's partnership with MIIA, highlighting the implementation of exercise classes, including a class focused on back care.
- Emphasized the success of recent People and Culture events, noting the celebration of Red Sox Opening Day and the Summer Soiree to commemorate the seventh year of receiving a reliability award.

The Last 6 Months – Education (slide 4)

- Emphasized RMLD's focus on employee education, noting the range of educational and developmental initiatives.
- Presented the tuition reimbursement program, highlighting its successful adoption by employees.
- Detailed the Light Learnings Initiative, a monthly departmental showcase where departments share updates and activities.
- Mentioned RMLD's development of SharePoint as a centralized resource for employees.

- Provided examples of essential documents hosted on SharePoint.
- Detailed the restructuring of the Safety Committee, noting that the General Safety Committee was combined with the Electrical Safety Committee to address the overlap and save time.
- Reported that the integration of both committees has been successful.
- Informed that the IRD team and Interns are taking fieldtrips to provide practical insights into field operations.
- Detailed the Day in a Life of program where employees spend time in the field observing line workers, learning about line work and safety procedures.

SHRM Conference Attendance (slides 5 and 6)

- Reported on attendance at the SHRM conference and shared insights.
- Noted the intention of Integrating key conference themes into RMLD's culture.
- Emphasized the importance of engaging employees effectively.

The Last 6 Months – College Collaboration (slide 7)

- Highlighted the collaboration established with several local colleges for intern and co-op programs.
- Detailed current internship and Co-Op participation, including two outstanding female engineers from Mass Maritime.

The Last 6 Months- Intern/Co-Op Projects (slide 8)

- Presented current projects the interns and Co-Ops are working on, outlined on slide 8.

The Last 6 Months- Recruiting (slide 9)

- Provided an update on recruiting and staffing.
- Emphasized employee growth, which has increased from 74 to 94 including interns and co-ops, with a focus on diversity and generation representation.
- Highlighted internal transfers, promotions, boomerang hires, and open positions.
- A question was raised relative to specific open positions and recruitment efforts.
- Responded by clarifying the current vacant positions: Director of Operations, Director of Engineering, AMI Tech, and Staff Accountant.
- Mentioned challenges with recruitment and the difficulty in filling Director-level positions.
- Added that recruitment efforts are happening in collaboration with recruiters.

The Last 6 Months- HCM (slide 10)

- Presented RMLD's Human Capital Metrics (HCM).

Workforce By Generation (slide 11)

- Highlighted the Workforce Generation breakdown, as outlined on slide 11.

DE&I (slide 12)

- Highlighted the Gender Demographics, as outlined on slide 12.

Headcount by Department (slide 13)

- Presented the headcount by department, as outlined on slide 13.

Turnover (slide 14)

- Detailed the turnover rate, mentioning four departures since January, spanning over various departments and one upcoming retirement.

Tenure (slide 15)

- Detailed employee tenure, as outlined on slide 15.

Human Resources Information System (HRIS) (slide 16 and slide 17)

- Emphasized that an HRIS system will assist in reaching RMLD's goal of streamlining processes and using technology for efficiency.

Zenefits (slide 18)

- Introduced Zenefits as the chosen Human Resource Information System.
- Cited examples of various Zenefits HR tasks, such as recruiting, onboarding, time & attendance, performance management, and compliance.

HR Goals 2023 (slide 19 and 20)

- Presented the 2023 HR goals as outlined on slide 20.

Budget Discussion

- A question was raised relative to the shift from one Director and two Assistant Directors to two Director positions, and if there is an impact on the budget.
- Responded by confirming the net reduction of one position, leading to less cost overall.

General Manager's Report

Personnel and Morale

- Reported on recent internal job postings, promotions, and natural progression within the company, indicating a healthy mix of tenure and age among employees.

Highland Bus Project

- Introduced a pilot program for electric buses, involving bidirectional DC fast chargers.
- Emphasized that the aim is to utilize electric buses as storage during peak hours, potentially reducing peak load.

Maple Meadows Project

- Provided an update on the development of the Maple Meadows site, including engagements with the Massachusetts DEP and EPA.
- Mentioned plans to propose property acquisition in the first quarter of next year.

Mystic Generation Plant Discussion

- Reported that the generation plant, located next to Everett Mating Terminal and adjacent to the Encore Casino, is set to be unplugged in less than 12 months.
- Discussed on the significant fees paid by ratepayers for the plant's standby mode, influencing the budget and monthly bills.
- Raised concerns about the impact on natural gas supply and energy prices due to the plant's closure, and how it might affect the region's energy reliability.
- Detailed plans to install batteries to aid in mandatory load reduction if required by ISO New England, without having to turn off power for customers.
- Emphasized the importance of these storage systems in maintaining reliability and managing costs.

Electric Vehicle Initiatives

- Detailed plans to incorporate electric pickups into the company's fleet, with both Level 2 charging and DC fast charging options being arranged.
- Discussed developing policies for vehicle-to-grid systems and engaging with state agencies for guidance and funding opportunities.
- Chair Soni suggested connecting with the Grid Modernization Advisory Committee.

Communications and Cybersecurity

- Highlighted initiatives to update the company's website and enhance external communications, including newsletters and social media presence.
- Mentioned ongoing efforts to ensure tight cybersecurity, especially in light of the company being a potential target for cyber threats.
- Questions were raised regarding the impact of the Mystic project on the energy supply and the company's involvement in state-level vehicle-to-grid policy development.
- Responded by clarifying the minimal market impact of Mystic's closure but potential pain points in winter regarding natural gas supply, and assurance of active engagement in policy development at the state level.

Scheduling

The next CAB meeting will be held on September 28th, 2023, at 5:30 PM.

Adjournment

Mr. Small made a **motion**, seconded by Mr. Hooper, that the RMLD Citizens' Advisory Board adjourn regular session. **Motion carried: 3:0:2** (3 in favor, 0 against, 2 absent) *Roll Call Vote: Chair Soni, Aye; Mr. Hopper, Aye; Mr. Small, Aye. Vice Chair Welter and Mr. Kelley were absent from the meeting.*

The meeting adjourned at 7:15 PM.

As approved on December 13, 2023.