

**Reading Municipal Light Board of Commissioners**

**Regular Session**  
230 Ash Street  
Reading, MA 01867  
July 13, 2005

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**Start Time of Regular Session: 7:35 p.m.**

**End Time of Regular Session: 8:45 p.m.**

**Attendees:**

**Commissioners: Soli, Herlihy, Kearns and Hahn**

**RMLD Staff: Mr. Cameron and Ms. Antonio**

**Liaison: Mr. Duffy**

**Chairman Herlihy called the meeting to order at 7:35 p.m. He stated this meeting of the Reading Municipal Light Department (RMLD) Board of Commissioners on July 13, 2005, is not being broadcast because it is an abbreviated meeting.**

**Minutes**

**May 18**

Mr. Soli made a motion seconded by Mr. Hahn to approve the Regular Session meeting minutes of May 18, 2005 as presented.

**Motion carried 4:0:0.**

**June 1**

Mr. Soli made a motion seconded by Mr. Hahn to approve the Regular Session meeting minutes of June 1, 2005 as presented.

**Motion carried 3:0:1. Secretary Kearns abstained.**

**Report of the Chairman of the Board**

**Northeast Public Power Association (NEPPA) 2005 Annual Conference August 14 to August 17**

Chairman Herlihy asked if Commissioners were interested in attending the NEPPA Conference.

Mr. Cameron pointed out that a Citizens' Advisory Board member will be attending as well.

Mr. Hahn stated he is not planning on attending.

Ms. Foti stated currently there are three Commissioners registered based on Board vote at a prior meeting. If any Commissioners are interested in attending, the vote should be made this evening because the cut off date for the lower registration rate is July 15.

Chairman Herlihy said he would like to attend but could not due to a conflict.

Mr. Cameron explained this was only put on the agenda because the sense of the Board was there might be more than the three Commissioners interested in attending the Northeast Public Power Association 2005 Annual Conference.

**American Public Power Association National Conference June 18 to June 22**

Chairman Herlihy stated he attended the American Public Power Association National Conference in Anaheim, California with the General Manager from June 18 to June 22. Chairman Herlihy stated per RMLD Policy No. 19, Board of Commissioners who attend public information meetings must make a report at the next RMLD Board meeting. Chairman Herlihy said that in the interest of brevity, he is going to make a more detailed report at the next meeting when there is a full agenda. Chairman Herlihy learned a lot and has given information to the Board from the APPA Conference.

### **Report of the Chairman of the Board**

#### **American Public Power Association RP<sub>3</sub> Reliable Public Power Provider**

Chairman Herlihy stated that at the American Public Power Association National Conference RP<sub>3</sub> was discussed. Chairman Herlihy pointed out that the number one measure of public utilities was not the price of electricity; rather it was the reliability of electricity. Reliability is not a buzzword, but also the most important element that public power can provide. Chairman Herlihy is happy to report that American Public Power Association has come with a nationwide designation that shows some real metric that gages reliability. It is called RP<sub>3</sub>. It is based on a number of metrics including safety, training, reliability and system improvement. Chairman Herlihy stated this is a real guide to help us to see where we need to invest our capital funds. Chairman Herlihy added it will help coordinate our training efforts. It is something that the Department should be able to sell to the commercial and industrial customers that the RMLD is serious about reliability. It is not just spin; when we are reliable it is because there is national metric the Department is striving to reach.

Mr. Cameron stated he spoke to Mike Hyland who is the Director of Technical Operations at American Public Power Association. Mr. Cameron pointed out that Mike Hyland put this program together. Mr. Cameron explained that Mr. Hyland received a call from Electric Power Research Institute (EPRI) located in Palo Alto, California to get more information on this. Mr. Cameron commented EPRI is the leader in electricity research development. Mr. Cameron mentioned that Mr. Hyland said this program is beneficial because it teaches utilities to take the information they have, realize how much information they truly have and put it into some form that will show how reliable they are as an energy provider. Mr. Cameron added when you look at the training component, in order to get a high score you need to be networking with other utilities at conferences. Mr. Cameron stated this translates into attending APPA conferences. Mr. Cameron pointed out the Department did this in the past and at a certain point it was questioned as to whether the travel and training were really necessary. Mr. Cameron stated in order to get a good rating on this; it will cost a little bit of money in training. Mr. Cameron mentioned the Department does training now; however, APPA considers networking and education as part of the training effort. Mr. Cameron pointed out on page eighteen conferences and workshops are worth ten points and this component will cost some money. Mr. Cameron stated the Department does have the APPA Safety Manual. Mr. Cameron has been involved with APPA in the past; he was Chairperson of the System Planning Committee and was chosen to be the Chairperson of the Engineering and Operations Section. Mr. Cameron added he and other employees attended the Energy & Operations, Human Resource Conference, and Customer Service and Communication Conference. It was beneficial for the employees to attend these conferences, it would also fall under the RP<sub>3</sub>. Mr. Cameron said trainings that have been cut out in the past would be beneficial to start up again. The bridge to do that would be getting into the RP<sub>3</sub> program.

Mr. Hahn asked does it cost to participate in RP<sub>3</sub>? Is there an annual fee as opposed to the cost of it being done internally?

Mr. Cameron replied "yes". The cost of the RP<sub>3</sub> program is \$250 for two years.

Mr. Hahn inquired will the Department have access to the underlying statistical data submitted by the utilities if the submission is blind?

Mr. Cameron replied yes.

Mr. Hahn stated he would like to see the Department agree on calculating some kind of reliability statistic whether it is SAIDI or CAIDI or whatever you want to call it. Mr. Hahn added since there is a monthly comparison of the bills he would like to see a quarterly comparison on how the Department's reliability stacks up against other municipals.

Mr. Hahn suggested that RMLD poll one hundred municipal systems and if the Department is tenth from the bottom or tenth from the top that will tell you something. Mr. Hahn added there are useful metrics here but the overall score does not mean that much. Mr. Hahn used as an example the fact that a system gets points if they have an emergency plan. Mr. Hahn pointed out that it does not address how good that plan is. It is a very subjective measure whereas if you measure by SAIDI, CAIDI or statistics that everyone will know; there will be no subjectivity as to what the actual outages are. Mr. Hahn commented those are the statistics that would be valuable here as long there is access to all of them.

**Report of the Chairman of the Board**

**American Public Power Association RP<sub>3</sub> Reliable Public Power Provider**

Mr. Cameron stated the Department has a pretty comprehensive database of the Department's trouble reports. Mr. Cameron explained that every trouble report is put into this database. The Department can get this data very quickly. Mr. Cameron further explained that the Department can calculate the reliability index, which in the past has been 99.9%. With respect to safety, the Department has safety programs in place. Mr. Cameron stated Ms. Antonio has quarterly safety meetings with a walk around of all of RMLD's facilities. Northeast Public Power Association comes onsite to provide safety training. The Department has purchased defibrillators. The Department also has CPR training. Mr. Cameron believes the RMLD does a lot of good things as far as safety training. Mr. Cameron added by becoming part of this program it gives you a good analysis of where you are and where you need to go. Mr. Cameron cautioned whenever benchmarking is performed you run the risk of looking bad.

Mr. Hahn responded that it may show where we would hypothetically need to improve.

Mr. Cameron added the cost would be \$250 for the application, for the RP<sub>3</sub> program plus the Department's manpower to put the required information together.

Ms. Kearns addressed Mr. Hahn by stating that it sounded like an electrical equivalent of ISO 9000.

Mr. Hahn agreed that was a good analogy.

Ms. Kearns said that a company she represented asked her "What happens if we come out looking bad?" Ms. Kearns' reply was then you could get better.

Mr. Cameron stated he thinks this is a good thing to do. Mr. Cameron added Chairman Herlihy wanted to talk to the Board about this program. Mr. Cameron is going to proceed with this endeavor. Mr. Cameron did point out to the Board that sometime next year they will find out how good or bad the Department is doing.

Chairman Herlihy said he wanted to make a couple of additional points. Chairman Herlihy is a Work Force Development professional and he assists companies achieve higher-level certifications, and that he found that it's great to have a metric to go to. Chairman Herlihy added this program provides a more objective way to measure reliability. Chairman Herlihy pointed out that no one has been more outspoken about previous travel than himself. Chairman Herlihy stated he wanted to explain himself. The Department is in a post reform stage. Previous travel, in his mind, got off the rails, was not justified and there was some abuse. Chairman Herlihy stated policies have been changed and we are now in a new time. Chairman Herlihy stated that employees will go to training and conferences, but it will be relevant to their jobs. Chairman Herlihy added it is not about sticking your head in the sand and not learning anything new. Coupled with the new General Manager, and new policies, he has every confidence that if certain employees need to go to learn it will not be an issue. Chairman Herlihy said that he needed to explain this because of his past comments three years ago about this. Chairman Herlihy was impressed with the RP<sub>3</sub> program. Chairman Herlihy stated the Department has the opportunity to be the first in New England or in the country to be so designated. Chairman Herlihy wants this to be marketed to its ratepayers. The RP<sub>3</sub> program will be an aid to the Commissioners in terms of what needs to be spent on system improvements.

Ms. Kearns made a motion seconded by Mr. Soli that the RMLD Board directs the General Manager to have the RMLD participate in APPA program RP<sub>3</sub> and have the necessary data to APPA before September 30, 2005. No formal vote was taken.

Chairman Herlihy explained that September 30, 2005 is the first deadline for the first round of this certification process. Chairman Herlihy thinks it is important that the Board send the message that it is serious about reliability and about the issues described.

Mr. Cameron stated no formal vote is required; it is only a sense of the Board. Mr. Cameron added that it is his decision to get into this but it is good to get the Board's backing because it has ramifications that have been enumerated. Mr. Cameron stated the Board has to be aware of and behind this because in order to meet the requirements of RP<sub>3</sub>, spending money is necessary.

**Report of the Chairman of the Board**

**American Public Power Association RP, Reliable Public Power Provider**

Mr. Hahn stated he had one more question, that is: "When the Department submits the information with other municipal systems, will APPA publish it with actual names of the systems? Or will it be listed as Company A, Company B or Company C?"

Mr. Cameron replied he believes it will be the latter because it is confidential information.

Mr. Cameron replied that once municipals are in the program they will receive descriptions. The municipal would know where it would stand numerically.

**2005 RMLD Board of Commissioners Subcommittees**

**Legal Services, Telecommunications (Broad Band Over Power Lines) and Green Power Subcommittee**

Chairman Herlihy stated the Board has to vote participants on Legal Services, Telecommunications (Broad Band Over Power Lines) and Green Power Subcommittee.

Mr. Cameron stated this is simply a housekeeping matter. Mr. Cameron explained that Commissioners Pacino and former Commissioner Ensminger volunteered for the Legal Services Subcommittee in December.

Chairman Herlihy replied that Secretary Kearns is interested in being on this Subcommittee.

Mr. Cameron replied that this may create a bit of a conflict.

Ms. Kearns stated she will make no conflict will be created.

Mr. Cameron stated that is his opinion a lawyer working in Boston picking a law firm for the RMLD could create a conflict.

Ms. Kearns replied that the Board will choose the lawyer, she is on the Subcommittee to recommend the lawyer, and she would do what is best for the RMLD.

Mr. Cameron wanted to table this to the next meeting because he is not comfortable with this.

Ms. Kearns stated it does not matter whether the General Manager is comfortable or not. It is the responsibility of the Board to determine, Committees and Subcommittees as well as who is on them. Ms. Kearns pointed out that Mr. Cameron's role is that of General Manager.

Mr. Hahn inquired is there any way to get an opinion on this?

Mr. Cameron replied that he has no problem with Secretary Kearns being on the Legal Services Subcommittee. Mr. Cameron said that he has all the faith in the world that Ms. Kearns would make the right decisions on everything. It is the outward appearance, which concerns him.

Ms. Kearns responded the outward appearance would look like an attorney from Boston using her best information based on what she does every single day, in the best interest of the RMLD. Ms. Kearns stated she was not adverse to tabling this or getting an opinion from the Attorney General's office.

Chairman Herlihy suggested tabling this to the next meeting. However, he does believe that Secretary Kearns would have the sense to recuse herself if there were an issue. He said this matter was brought up because there was a vacancy on the Subcommittee.

Chairman Herlihy said he reviewed Telecommunications (Broad Band Over Power Lines) and Green Power as Working Groups under the purview of the Open Meeting Law but not necessarily being voted upon. Chairman Herlihy sees the Working Groups working off line, making recommendations then dissolving once their useful purpose has been attained.

**Report of the Chairman of the Board**

**2005 RMLD Board of Commissioners Subcommittees**

**Legal Services, Telecommunications (Broad Band Over Power Lines) and Green Power Subcommittee**

Ms. Foti pointed out to Chairman Herlihy that when the Working Groups meet they need a name. Ms. Foti said these Working Groups can be named once they are created and the issue can be tabled at this time.

Chairman Herlihy reiterated that he envisions these Working Groups to perform their task, make a recommendation and then dissolve.

Mr. Soli pointed out there have been Subcommittees in the past that dissolved.

Ms. Kearns made a motion seconded by Mr. Soli to establish a Telecommunications, Broadband Over Power Lines and Green Power Subcommittee.

**Motion carried 4:0:0.**

Mr. Soli made the motion seconded by Mr. Hahn to appoint Chairman Herlihy and Mr. Hahn to be members of the Broadband Over Power Lines Subcommittee.

**Motion carried 4:0:0.**

Chairman Herlihy and Mr. Hahn will be the members of the Telecommunications, Broadband Over Power Lines Subcommittee.

**Motion carried 4:0:0.**

Mr. Soli made the motion seconded by Mr. Hahn to appoint Chairman Herlihy and Mr. Pacino to be members of the Green Power Subcommittee.

Chairman Herlihy and Mr. Pacino will be the members of the Green Power Subcommittee.

**Motion carried 4:0:0.**

**Selectmen Liaison, Citizens' Advisory Board and Customer Comments**

Chairman Herlihy asked those in attendance if they had any comments.

Mr. Duffy stated he had nothing to report at this time.

Mr. Soli inquired of Mr. Duffy if the Town of Reading Selectmen has chosen a Citizens' Advisory Board member to replace Mr. Van Magness?

Mr. Duffy replied no.

**Selectmen Liaison, Citizens' Advisory Board and Customer Comments**

Mr. Cameron stated that neither the Town of Wilmington nor Town of Reading has appointed a Citizens' Advisory Board member.

**Report of RMLD Board Subcommittees**

**Meeting with the Town of Reading, Town Accountant (Vice Chair Soli)**

Mr. Soli stated that he met with the Town Accountant in late June. Mr. Soli stated that Mr. Foley, Town of Reading Accountant and RMLD Accounting/Business Manager Mr. Fournier were both busy seeing if the year-end closings were good. Mr. Soli pointed out that if anyone read last night's *Reading Times Chronicle* the Town of Reading is reporting that it has to deal with unfunded pension and health care issue. In the future, the Government Standard Accounting Standards Board (GASB) will make the RMLD deal with unfunded health care.

Mr. Cameron stated the Department is looking into the unfunded health care issue. Mr. Cameron pointed out the health care issue is contingent on the result of the actuarial study and what the numbers look like as a result of that. Mr. Cameron stated the Department's pension is fully funded.

### **Report of RMLD Board Subcommittees**

#### **Community Relations Subcommittee (Secretary Kearns)**

Ms. Kearns stated the Community Relations Subcommittee met on July 12 with Ms. Gottwald, RMLD Community Relations Manager regarding the customer survey. Ms. Kearns explained this survey will be done in conjunction with the Municipal Electric Association of Massachusetts (MEAM) and the RMLD will show the cost of the survey of \$9,100. Ms. Kearns pointed out one disadvantage of a group survey done with other MEAM members. It is too long; it needs to be shorter and concise. Ms. Kearns asked if a customer is going to give a half hour of their time to answer a survey should they receive a stipend or gift certificate? The timeline regarding the surveys end of August, the questions will be completed, the survey will be conducted in late September and the survey results will be available November 1.

Chairman Herlihy pointed out that the last customer survey was performed in March 2001. He said that information from the customer survey will provide the Department with an opportunity to see what it may need to address.

#### **General Manager Agreement Subcommittee Meeting (Commissioner Hahn)**

Mr. Hahn stated he and Vice Chair Soli met earlier this evening and had a very good discussion. Under the current General Manager's Agreement either party can give a six months notice and the deadline for this is August 6 in order to act. The sense of the Subcommittee is proactive to continue with the General Manager contract, and not let it lapse.

Ms. Kearns inquired does the contract contain multiplier clauses?

Mr. Hahn replied it contains a list of performance items, which have a complete ranking system that is used to determine a salary adjustment for the General Manager. In January or February the Subcommittee establishes a performance plan for the next year. It is a system of metrics that demonstrate if there is any need for improvement in performance.

Mr. Hahn made a motion seconded by Mr. Soli to renew the General Manager's contract for an additional year.

**Motion carried 4:0:0.**

#### **Next Meeting Dates**

**Wednesday, August 24, 2005**

**Wednesday, September 21, 2005**

#### **Executive Session (General Manager's Conference Room)**

At 8:12 p.m. Ms. Kearns made a motion seconded by Mr. Soli that the Board go into Executive Session, to discuss IBEW Local 103 RMLD Vehicle Fringe Benefit Tax Issue, the General Manager's Agreement and strategy with respect to litigation and to return to Regular Session for the sole purpose of adjournment.

#### **Motion to Adjourn**

**Chairman Herlihy called for a poll of the vote:**

Mr. Hahn, Aye; Mr. Soli, Aye; Ms. Kearns, Aye; and Mr. Herlihy, Aye.

At 8:45 p.m. Mr. Soli made a motion seconded by Mr. Pacino to adjourn the Regular Session.

**Motion carried by show of hands 5:0:0.**

A true copy of the RMLD Board of Commissioners minutes as  
approved by a majority of the Commission.

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Ellen C. Kearns, Secretary  
RMLD Board of Commissioners