

Reading Municipal Light Board of Commissioners

Regular Session

230 Ash Street
Reading, MA 01867
February 13, 2003

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Start Time of Regular Session: 7:45 p.m.
End Time of Regular Session: 10:05 p.m.

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Attendees:

Commissioners:

Hughes, Pacino, Ames, Soli and Herlihy

RMLD Staff:

Mr. Cameron, Acting General Manager, and Mr. Blomley
Mses. Antonio and Gottwald

CAB:

Mr. Carakatsane

This meeting of the Reading Municipal Light Department (RMLD) Board of Commissioners February 13, 2003 is being broadcast live at the RMLD's office at 230 Ash Street, Reading, MA. Live broadcasts are available only in Reading due to technology constraints.

This meeting is being video taped for distribution to the community television stations in North Reading, Wilmington and Lynnfield.

Chairman Hughes called the meeting to order at 7:45 p.m.

Selection of Reading Municipal Light Department General Manager

Chairman Hughes stated he, as Chairman of the RMLD Board, would like to inform the viewing public and all others concerned that in complying with Chapter 164, Massachusetts General Laws the Commission has selected a General Manager. Chairman Hughes continued stating he would like to recognize the Search Committee, the employees of the RMLD, the Citizen's Advisory Board (CAB) and the Reading Town Manager for a superior performance in evaluating and recommending the person selected by the Commission, nobody other than the former Acting General Manager, now the General Manager, Vincent Cameron. Chairman Hughes noted this was a very stressful decision, all things being equal, and he wanted to thank the ratepayers, especially the employees of RMLD who have performed during a very trying period. Chairman Hughes also stated input was solicited from many avenues but in the end the Board of Commissioners would like to present to you Mr. Vincent Cameron, General Manager of RMLD.

Mr. Cameron thanked Chairman Hughes for the welcome and introduction.

Minutes

January 9, 2003

Mr. Pacino made a motion seconded by Mr. Ames to approve the Regular Session minutes as presented.

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

General Manager Contract Subcommittee Meeting

Mr. Pacino confirmed that the GM Contract Subcommittee, which consists of Commissioner Soli and himself, met prior to this meeting and plan to meet a few more times within the next couple of weeks.

Mr. Ames asked Mr. Pacino to elaborate on the difference between Employment Agreement and Contract.

Mr. Pacino stated an Employment Agreement is what has always been awarded and has always been in place and it is an Employment Agreement we are working on, not a Contract.

Report of the Chairman of the Board

Chairman Hughes noted the 2003 RMLD Operating Budget was approved by the Citizen's Advisory Board (CAB) at its meeting on 12 February and stated he had a letter from Mr. Lessard, Chairman of the CAB, attesting to that fact.

Selectmen Liaison, Citizen's Advisory Board and Customer Comments

Mr. Carakatsane confirmed the 2003 Operating Budget was approved on February 12th; there were minor areas that he had concerns about and Mr. Cameron is addressing them. It was voted upon and now is passed onto the RMLD Board of Commissioners. Mr. Carakatsane noted the other issue that got quite a bit of attention was the presentation by the Board of Selectmen of the Town of Reading. Mr. Carakatsane stated the concern of the CAB was the timing and the deadline especially since the CAB is not meeting again until March 10th. The Reading Selectmen have a Special Meeting scheduled relative to this issue on March 3rd, which is essentially the deadline. Mr. Carakatsane stated the CAB members are in agreement that given the short notice and the thirty-day requirement being ignored, the CAB voted upon sending a letter expressing those concerns to the Reading Board of Selectmen. It is difficult for the CAB to direct this issue to their perspective Board of Selectmen due to the schedules and the time of year because they are involved with budgets, etc.

Action Item(s)

Reading Municipal Light Department 2003 Capital Budget

Mr. Pacino made a motion seconded by Mr. Ames that the Reading Municipal Light Department Board of Commissioners approve the 2003 Reading Municipal Department Capital Budget on the recommendations of the General Manager, the Citizen's Advisory Board, and the RMLD Board of Commissioners Operating and Capital Budget Subcommittee.

Motion carried by a show of hands: 5:0:0 unanimous.

Reading Municipal Light Department 2003 Operating Budget

Chairman Hughes stated as he and Commissioner Pacino earlier discussed, they will have an Operating Budget Subcommittee meeting at 6:45 p.m. prior to the next Board meeting on Thursday, February 27th.

Mr. Cameron confirmed the receipt of Mr. Lessard's letter noting the CAB recommended approving the 2003 Operating Budget last night. Mr. Cameron stated Mr. Fournier will send out Draft Two to all five members of the Commission which they should receive well before the next week meeting.

General Manager's Report

Mr. Cameron gave an update on the APPA Legislative Rally that he and Chairman Hughes attended in Washington, D.C. Mr. Cameron stated at the meeting on Monday morning there were twelve resolutions on the floor from different APPA members and most of these resolutions had to do with the Standard Market Design. Three of these resolutions were held back by the Los Angeles Department of Water and Power because of non-support prior to the meeting. The other amendments were passed for the most part. Mr. Cameron stated, in the afternoon there was a legislative luncheon and they had an opportunity to sit with the Massachusetts delegation as well as meeting with NEPPA to discuss the schedule for the next day while visiting Capital Hill. Mr. Cameron stated on Tuesday they met with both, Representatives Markey and Tierney's office. As Mr. Cameron noted they discussed several issues including the electricity Restructuring Bill that is coming to life again this year on the Hill and the Standard Market Design that will be going into effect on the local level in NEPOOL on March 1st. Mr. Cameron noted the New York Power Authority's push to take the RMLD's New York Power Authority allotment away explaining in the 1950's it was legislated that on the federal level anybody that is contiguous to New York State will get a portion, possibly ten percent, of the output of the Saint Lawrence and the Niagara Projects and now its fifty years later and they want to re-license those projects, however, want to take back the ten percent. The other Massachusetts utilities visited their own representatives and basically it's the same message. Mr. Cameron stated he and Chairman Hughes returned home Tuesday evening because they didn't feel the need to stay for the legislative breakfast on Wednesday. Mr. Cameron noted the trip was very worthwhile, it was the first time he ever attended this Rally so didn't know what to expect but came back with a good feeling about the effort that was put forth by both, himself and Chairman Hughes.

Mr. Hughes added to that as he stated it was a very eye opening experience and suggested the other Commissioners think about attending next year. Mr. Hughes complimented Mr. John Coyle from Duncan and Allen Law firm in D.C., noting Mr. Coyle is very comfortable to be with, he is well spoken, well versed and the representative offices adhered to Mr. Coyle's presentation. Again, Mr. Hughes encouraged the other Commissioners to attend next year in order to get exposure to the big picture, meet other folks from other municipalities, etc.

General Manager's Report

Mr. Ames made an observation about the Legislative Rally versus the Annual meeting noting the Legislative Rally has a much higher percentage of Commissioners and elected officials than the Annual meeting. Mr. Ames stated the Annual meeting tends to be dominated by professionals in the utility industry. If the Commissioners are interested in meeting other Commissioners and peers the Legislative Rally is the place.

Board Discussion

Recommendations of the Ad Hoc RMLD Governance Advisory Committee

Mr. Cameron stated this has been previously brought to the Commissioner, however, reiterated the fact that he and Mr. Fournier are of the same opinion that it is not a good idea to change the fiscal year for several reasons and that is what he recommends to the Commission.

Mr. Pacino noted the background includes an article for a Warrant for Town Meeting to approve the recommendations brought forth by the Ad Hoc RMLD Governance Advisory Committee as Mr. Carakatsane addressed early. Mr. Pacino stated his reservations of the Reading Board of Selectmen, in particular, one major change which has never been discussed at an Ad Hoc Committee which relates to making the General Manager's position an "at will" position, that was never discussed but is in the Warrant Article. Mr. Pacino noted this was not part of any Ad Hoc Committee discussions or recommendations and in the timetable they are using, there is a clear violation of the Twenty Year Agreement, there has to be a thirty day notice and a formal notice to the CAB and input must be received, it's a clear violation. Mr. Pacino noted he asked the Town of Reading Selectmen to pull this back because if it goes forward all the work the Ad Hoc Committee has done thus far will go down the drain. Mr. Pacino stated he is totally opposed to this, however, the By Law Committee which he is the Chairman, is meeting next week to discuss this and he will express his views at that Committee as well.

Chairman Hughes stated he frequents the Department quite often during the week and it seems as though we advance three and lose four steps. Chairman Hughes stated it seems at least once a week the Town throws an unfounded curve ball to us and it has to be settled once and for all. Chairman Hughes stated, the Town needs to let the Department go on operating in a professional manner without having to cover ambushes all the time.

Mr. Ames stated several weeks ago the Commission sent a letter to the Reading Selectmen suggesting the Light Board has an opportunity to review any suggestions by the Selectmen regarding the Light Department. As Mr. Ames noted, they have obviously gone on and proceeded down their own path without any request from this Commission or an analysis by the Department as to the impact of these recommendations. The Board and the Town need time to study the recommendations. Mr. Ames urge's the Commission take the position that Town Meeting and Selectmen should not vote for the any issues that have not been studied or considered by the Light Department and Light Board. This should be a recommendation at Town Meeting.

Mr. Pacino asked Chairman Hughes if Mr. Ames can write a letter expressing the view that we can get off to the selectmen as soon as possible.

Chairman Hughes asked if Commissioners Herlihy and Soli agreed with the recommendation that Mr. Ames write a letter.

Mr. Soli stated if somebody looked at the recommendations by the Ad Hoc Committee they would probably wonder why RMLD can't solve its own problems. Mr. Soli then gave a brief presentation with overhead slides of the recommendations by the Ad Hoc Committee and what he feels are different from the current practice and potential problem solving techniques.

Chairman Hughes thanked Mr. Soli for the very professional updates and ideas and asked for any other input from the Commission.

Mr. Herlihy stated he disagrees with the tone of the rest of the Commission. Mr. Herlihy noted he attended numerous Ad Hoc Committee meetings and watched them on television. By and large what they suggested is worth implementing and supporting. Mr. Herlihy noted they do have a root cause, the lack of oversight was the route cause of the problems that were uncovered by this Department. They spoke of Chapter 164 which left the Town powerless to do much anything about it. As Mr. Herlihy continued, he stated when he looks at the Ad Hoc Committee recommendations and while he agrees with what Commissioner Ames said, he does not think there are many things in the recommendations that weren't previously discussed at length.

Board Discussion

Also, Mr. Herlihy stated the length of the Contract that had to be brought out for the former General Manager. It was a real issue considering he would have to be paid two years salary if he were fired. That is the motivation behind the idea of an "at will" General Manager, not that he necessarily agrees with that but that was the motivation behind it. Mr. Herlihy stated, in terms of the timing, he does not think the timing is great but obviously they have to work around the election schedule since these matters have to be decided upon by the full Town. In an election that requires certain processes, otherwise they would have to wait another whole year. Mr. Herlihy continued, stating at one point he thought the Ad Hoc Committee got off the rails but they drew back, took some input from the CAB and came up with a set of sensible proposals that if the Commission opposes them, we will lose. Lastly, Mr. Herlihy stated, we should be trying to facilitate a better dialogue with the people in Town. They are not necessarily the "people on the Hill" or "the enemy", they are our neighbors, they are Town fathers, the Light Department is owned by the citizen's of Reading and they are our duly elected representatives and we ought to give them our respect. Mr. Herlihy also pointed out when the Ad Hoc Committee was first established, they were looking to abolish us completely, however, what they have come up with places a lot more responsibility on us.

Mr. Pacino noted the Ad Hoc Committee did an admirable job and came up with good recommendations and he fully supports them, he also shares of many Commissioner Herlihy's feelings, however, is just a little taken back that the Reading Board of Selectmen suddenly decides they were going to fact track this. Mr. Pacino again noted the Citizen's Advisory Board has thirty days to comment after they have received official notice. Mr. Pacino stated there was a lot of resentment from the outside Towns and it took two years to get that Twenty Year Agreement in place but people forget that if not for the Twenty Year Agreement, Reading residents could have received a twenty percent electric rate increase.

Commissioner Ames noted, while addressing Commissioner Herlihy, the Reading Selectmen and the Ad Hoc Committee put forth their view of what they would like to see and the Commissioner is suppose to review that to determine the impact of that implementation on the Department. Mr. Ames stated most of the recommendations should go from the Commission through the Department for a specific recommendation and questioned if we adopt this what is the impact of the department? Mr. Ames stated the Commission should be granted the time to analyze the recommendations and suggestions.

Commissioner Herlihy responded to both Commissioner Ames and Pacino by stating he understands their issues, he also stated when the Ad Hoc Committee did their work it was presented as suggestions to the Reading Board of Selectmen and it was obviously the Selectmen who had the right to accept, edit, or reject it. As Commissioner Herlihy pointed out technically the Commission is correct with the thirty-day notice but as a Board for us to ask for more time, even though it makes sense on the technical level, within the community I don't know how that appears.

Mr. Cameron stated the 30B issue with respect to what Special Counsel recommended is puzzling. Mr. Cameron elaborated with the fact that Municipal Light Boards have always had the power to vote 30B Electric Utility Municipal Light Boards. It puzzles him that the power has all of a sudden transferred to a change in the Town Charter. Mr. Cameron noted the big issue that also puzzles him is Town Charter changes can unilaterally change the law and the RMLD was created out of Special Legislation so although its owned by the Town of Reading, it wasn't developed as other Departments of the Town of Reading; it was developed by Special Legislation. Mr. Cameron continued, the RMLD was given the rules to run by Chapter 164, so he is puzzled that these special set of rules that we are told to operate by can be changed by just an amendment to the Town Charter. He doesn't know all the in's and out's or what the Attorney General looks at when you change Town Charter but it has a relationship to Massachusetts General Laws. Mr. Cameron stated he has been told its not suppose to have a big impact on the Massachusetts General laws but again it seems to him that if these changes can be done through Town Charter changes then he is very apprehensive about the future changes we can see coming down the road, this is not the end.

Mr. Carakatsane noted under Chapter 43B, Section 10 that although there are exceptions to this, by and large amendments to a Charter after they are voted by elected officials can only be at an annual election. That is why it has to be this time of year. Amendments cannot conflict with the constitution of the laws of the Commonwealth. Mr. Carakatsane stated he knows that the laws of the Commonwealth are interpreted very broadly, its basically public policy and public policy is very wide, it is statutes, case laws and regulations and a lot of these do conflict with the exact wording of Chapter 164.

Board Discussion

Mr. Carakastane also stated the other thing is interesting although they mentioned an "at will" issue in the cover letter, the actual charter changes they are looking for says the GM shall serve at the pleasure of the Board which is a whole lot different and the pleasure of the Board is legalese, actually the Board can do whatever they want, if they want to issue a contract they can do that. Mr. Carakatsane stated the Charter changes they are proposing is interesting, they may or may not be able to do it.

Mr. Ames asked Mr. Carakatsane if the CAB believes that some of the suggestions made in here override the twenty year agreement.

Mr. Carakatsane stated the CAB hasn't taken a formal position on that, however, the majority of the Board wants to study it more because it may very well impinge upon the Twenty Year Agreement. If the members, or the parties to the Twenty Year Agreement, don't have a problem with them then it is not as much an issue. Mr. Carakatsane stated in judging by the collections that were mentioned when the Reading Selectmen visited, they'll have serious questions.

Mr. Herlihy questioned that if a community had a problem and felt it did violate the Twenty Year Agreement would it have to seek legal action?

Mr. Pacino responded stating it could be a potential action by the fact that the Twenty Year Agreement has been broken and there is a breach in the Twenty Year Agreement it could make that entire Agreement null and void and they would have to take legal action.

Mr. Ames observed that the Twenty Year Agreement basically concedes much authority to the CAB and in turn for that concession they get an Agreement by the Towns to grant Reading a minimum of a twenty year notice of their departure and in absence of that agreement it's a once a year notice, Chapter 164, 30B. Mr. Ames noted if they took a vote tomorrow they would have to take another vote in three hundred sixty-five days and they are gone. Mr. Ames continued, the Twenty Year Agreement assures us they will be around long enough to make it worth in a long term contract, however, we gave up authority to the CAB in turn for those guarantees. Now, if the Town of Reading takes away the authority that we've given the CAB that would seem a violation to the very spirit of the Agreement and the Board would no longer be bound to the Town of Reading.

Mr. Pacino stated Mr. Carakatsane has pointed out that he may have misinterpreted the "at will" and although he read the memo, he does not actually see the words "at will" in the article itself so that may have been a misinterpretation on his part. Mr. Pacino stated that he thinks there needs to be more time given for a proper review, we have made a lot of changes operationally, we have a new General Manager, we're serving those despite what went on during the last year and in addition to instituting new parameters, procedures and policies in order to prevent those from happening again. Mr. Pacino stated he doesn't see a problem with this and if it needs to wait and if we miss the deadline of the election he does not see this as a major problem; its more important for all the parties to look at this and get the clock ticking.

Chairman Hughes asked for a sense of the Board.

Mr. Pacino recommended sending a letter to the Board of Selectmen asking them to first observe the thirty-day notice period to the CAB and ask as part of that thirty-day period we be allowed time to make final reviews and recommendations.

Mr. Soli suggested a Special Meeting be scheduled between the two Boards.

Mr. Herlihy noted in the memo there was a reference to the "apparent intent of the Committee" concerns the "at will" issues, the "apparent intent" refers to the Ad Hoc Committee and he wanted clarification. Mr. Herlihy stated he believes the Ad Hoc Committee made some very specific recommendations and to talk about their "apparent intent" which he didn't think was that apparent and didn't think the Commission would recommend their intentions as well as what they formally recommended, that might be a little bit of a leap so they need to clarify that. Mr. Herlihy also noted he was there when they made their final recommendations and they didn't mention this.

Mr. Pacino agreed with Mr. Herlihy stating it was never an issue that they recommended so he is not sure how that became part of the legal brief unless it was an interpretation of the lawyers from other discussions.

Board Discussion

Mr. Pacino made a motion seconded by Mr. Soli to move that the RMLD Board of Commissioners send a letter to the Reading Board of Selectmen asking them to observe the thirty-day CAB notice time period and as part of that thirty-day period the RMLD Board of Commission look into reviewing and making some sort suggestions relative to the Ad Hoc Committee recommendations and to request a joint meeting be held between the RMLD Board of Commission and the Reading Board of Selectmen.

Motion carried unanimously: 5:0:0.

Mr. Ames brought up a point which has two levels of issue: 1. How to implement the specific intentions, 2. The vehicle in which to accomplish that; do we go for a State law change, a home petition, do we go through a Charter modification, can we do it with contacts? Mr. Ames noted it seem to him that much of what is being suggested can be done at the contact level, it does not require Charter change, it does not require State law. Mr. Ames stated he would personally like to look toward the contract because that is the most possible way of getting the job done, if something goes into State law it is there until somebody tears it up.

Memo from Vin Cameron and Bob Fournier to not recommend a change in the RMLD's current fiscal year

Mr. Cameron stated this memo had previously been given to the Board and it hasn't changed its form. Mr. Cameron stated he and the Accounting Manager are on record as not recommending that this fiscal year change. Mr. Cameron noted there are a number of reasons but most importantly is the fact that the capital funds can be raised through the depreciation rate being increased. To have non-audited numbers go to the DTE that will be used to determined whether our depreciation rate will be able to be increased is very fundamental to that fiscal year change. As Mr. Cameron explained, it has been suggested that we could do a partial audit but that would cost the rate payers money, the best thing to do is keep it on a calendar year basis and we would certainly work with the Town to use the same auditor.

Chapter 30B, Purchasing memo from Craig Owen and Jim Blomley

Mr. Cameron noted this memo is from Craig Owen, the Purchasing Manager and Jim Blomley, the Facilities Manager who jointly put together a memo with respect to the effects of the RMLD coming under the 30B guidelines. Mr. Cameron explained that on the fourth page of this memo you will see a matrix that shows what 30B requires, what Chapter 164 requires and what the RMLD policies and procedures are, which is Policy 9. Mr. Cameron also explained the RMLD does follow the purchasing procedures under 164, however, we do follow the 30B guidelines when it relates to public works projects which would include the North Reading Substation and this building, etc., it is huge undertaking. Mr. Cameron noted the records kept for just the North Reading Substation is in thirty boxes, which had to do with bidding, selection process for the designer, etc., the Chief Procurement Officer in the Town of Reading is the Town Manager who can delegate that authority but that is not a permanent delegation. Mr. Cameron stated he does not feel comfortable with that concept because the delegation can be withdrawn at any time and Chapter 164 was developed so that gas and electric municipal utilities could sell their product and meet the responsibilities of the franchised areas in order to serve the customer in the most efficient and economic manner. Mr. Cameron continued stating the nature of the RMLD business is such that sometimes purchasing has to be done very quickly and sometimes on a "just in time basis." Mr. Cameron stated the RMLD has a large inventory, although when we need supplies we will go out and get three prices up to a certain amount; up to the \$25,000.00 amount we go out for sealed bids; we get solid bids over \$5,000.00 in writing and under \$5,000.00 we get three bids. Mr. Cameron noted there are some accounts that are open accounts that we can go and get very small things, nails, screws, etc., but we are very mindful of the fact that we are getting the lowest qualified price for the equipment or the services that we procure and part of the process that we do is to look at guidelines within Chapter 30B. Mr. Cameron reiterated that he doesn't know any municipal electric utilities that are operating under 30B. The ones he spoke to stated it would be deleterious to the operations of the Light Plant to operate under those rules strictly. Mr. Cameron also noted in the package that Jim and Craig put together, Attachment 9, shows that Mr. Sullivan, Inspector General, even stated that the bid laws in Massachusetts are probably some of the most tenuous bid laws in the United States. Mr. Sullivan stated he would like to see them loosened up.

Mr. Soli suggested during a meeting with the Reading Selectmen we should ask what is the problem that is attempted to be solved?

Mr. Cameron stated he does not know what the problem is and stated it may go back to the forensic audits last year which had nothing to do with our purchasing procedures and policies. It had to do with credit cards, travel and entertainment.

Board Discussion

Mr. Herlihy stated he wanted to make a statement for the record that his wife, Gina Herlihy, has recently taken a position with the Center for Business Intelligence in Woburn. They are an energy conference producer. She is a Conference Producer and produces conferences across the country in the energy services field. Mr. Herlihy noted he doesn't see any conflict but wanted it stated for the record.

On another note, Mr. Herlihy, stated his wife informed him that the New York Governor issued an order demanding that in New York, public power entities provide twenty percent of their power from renewable energy sources by the year 2008 or 2010. He was curious as to how much energy we produce from renewable energy sources and what is the possibility of us ever having to face that order here in Massachusetts.

Mr. Cameron stated the answer to the first question is none. The RMLD hydro if you consider that as renewable, however, he sees renewable types or wind, biomass, geothermal, etc. Mr. Cameron noted the Northeast is probably one of the lower producers of renewable energy. Mr. Cameron elaborated on his thoughts and experience with this issue.

Discussion ensued.

Mr. Herlihy questioned since the RMLD does not produce any electricity in this Department, if there were to be some sort of terrorist attack, what would we do, do we have a plan in place?

Mr. Blomley noted there are not any guidelines and as far as the transmission lines are concerned. He really doesn't we want to get into a deep discussion on that but we do have contingency plans.

Mr. Pacino questioned with the price of gas jumping up high and if that will effect the fuel charges on the customer's bills and if so, what kind of effect?

Mr. Cameron noted the fuel charge is at 3.75 cents per Kwh, but the biggest effect right now is the StonyBrook Intermediate Plant in which we own fifty megawatts. The gas price is so high StonyBrook is not running on gas its running on oil because oil is cheaper. Mr. Cameron stated it is running up our prices a bit, probably, one-half to three-quarters of a cent and we should probably be down around 3.25 cents per Kwh for the fuel but he looks at that as a winter effect right now and probably a little bit of a global effect if there is a war. Mr. Cameron continued stating when March 1st comes and the Standard Market Design is in place congestion management will add to the fuel cost congestion management occurs because at certain times in the Northeast Massachusetts area the load and will exceed the amount of transmission capability plus economic generation causes changes from costs. Mr. Cameron noted he has budgeted about three million dollars this year in our fuel charge just to take care of congestion management so those two things taken together will have an upward pressure on the fuel charge for 2003.

Mr. Pacino stated during Desert Shield and Desert Storm, the Board made a decision to move away from the formula during that period of time and wondered if we are looking at anything like that or whether there is some action that takes place around the world, either in North Korea or Iraq, whether or not that is something we need to look at and be aware.

Mr. Cameron stated as far as the fuel charge we look at a base line on a monthly basis going out for the year and noted we haven't forecast a disaster but what we haven't forecast prices coming down either. Mr. Cameron noted we have a rate stabilization fund and according to the ruling of 85-121 it can be used to defray fuel costs. Mr. Cameron stated using the rate stabilization fund to defer fuel charges is the future.

Mr. Cameron continued, stating he decided it may be prudent to go to the Commission and inform them that we should be using that fund to defray fuel costs during times that the fuel gets too high. Although Mr. Cameron stated he does not have anything hard set, we have been doing runs. He will come back to you at the next meeting to give you the idea of what the sensitivity, is although he doesn't think the Department should draw the fund completely down. Mr. Cameron stated he thinks it should be around nine to ten million dollars but it may be prudent to target some of that money for fuel.

Next Meeting Dates
Thursday, February 27th

Executive Session

At 9:20 p.m. Mr. Pacino made a motion seconded by Mr. Ames to enter into Executive Session to discuss strategy with respect to litigation, and to return to Regular Session for the sole purpose of adjournment.

Mr. Pacino called for a poll of the vote:

Mr. Soli Aye; Mr. Herlihy Aye; Mr. Ames Aye; Mr. Pacino Aye and Mr. Hughes Aye.

Motion to Adjourn

At 10:05 p.m. Mr. Ames made a motion seconded by Mr. Herlihy to adjourn the Regular Session.

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

Philip B. Pacino, Secretary
RMLD Board of Commissioners