



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2019-2-13

Time: 07:30 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:

David Hennessy, Chair; David Talbot, Vice Chair; John Stempeck, Commissioner; Thomas O'Rourke, Commissioner; Philip B. Pacino, Commissioner

Members - Not Present:

Others Present:

RMLD Staff: Coleen O'Brien, General Manager, Hamid Jaffari, Director of Engineering and Operations; Charles Underhill, Director of Integrated Resources; Wendy Markiewicz, Director of Business, Finance, and Utility Technology; Tracy Schultz, Executive Assistant

Citizens' Advisory Board: Jason Small, Vice-Chair

Town of Reading: Mark Dockser, Finance Committee.

Minutes Respectfully Submitted By: John Stempeck, Secretary Pro Tem

Topics of Discussion:

Call Meeting to Order

Chair Hennessy called the meeting to order and read RMLD's Code of Conduct. Chair Hennessy announced that the meeting is being videotaped at the RMLD office at 230 Ash Street, for distribution to the community television stations in North Reading, Lynnfield, and Wilmington.

Public Comment

Chair Hennessy welcomed Mr. Small and Mr. Dockser and asked Mr. Stempeck to serve as Board Secretary. There was no public comment.

Report of the Citizens' Advisory Board Meeting on February 13, 2019

Mr. Stempeck stated that the CAB met prior to the Board. The CAB reviewed and commented on the Board's motion regarding the payment to the Town of Reading. The CAB had insightful questions and they passed the motion as stated.

Mr. Pacino stated that Frank Hadley, a long-time employee and General Line Foreman, passed away and expressed the Board's condolences to Frank's wife Claire, who was also an employee of RMLD.

General Manager's Report – Ms. O'Brien

a. Report on attendance at the NextEra Energy Marketing Public Power Summit on February 4 to February 6, 2019

Ms. O'Brien thanked the Board for allowing her to attend. NextEra did an excellent job presenting on a variety of topics. Solar issues in California were discussed. During the day the solar is taking on a large amount of the baseload, but solar is not dispatchable: generation alternatives need to be used at night. Gas prices were discussed. New England has a gas shortage during the winter due to limited piping capacity. Ms. O'Brien stated she has asked NextEra for the presentation slides, which she will pass on to the Commissioners. It was two and-a-half days of training. kWh sales dropping throughout nation was discussed.

Mr. Underhill stated that one of the issues with the more popular renewable resources are that they are non-dispatchable. Solar production occurs for about a 16 percent window over the course of the year. That's its production factor. The load profile of RMLD is about 70 percent efficiency during the course of any month, and about 55 percent over the course of the entire year. There is a significant mismatch when you produce 16 percent of the time and need to spread that over another 55 to 70 percent of the time. In order to do that, you have to have storage capability. The ISO in California and the ISO in New England have both introduced significant amounts of solar generation in the past ten years and California has reached its saturation limit. Any new solar is supposed to have storage capability. You need to fill the nighttime hours with generation; solar can't do that. RMLD has a battery storage project coming online this summer. It has 5 megawatts of battery capability at 10 megawatt hours. Chair Hennessy asked how much energy that is and what it will support. Mr. Underhill answered that the average home in RMLD's service territory uses 750 kWh a month. 10,000 megawatt hours would accommodate about 1,200. Mr. Talbot asked about peak reduction. Mr. Underhill stated it would be about three percent of RMLD's peak usage and will be used to reduce RMLD's net peak obligation. Mr. Talbot stated that he didn't think RMLD was close to its solar threshold. Ms. O'Brien stated that each feeder can only handle a certain amount of solar, but the reason she brought it up was because legislation in Massachusetts has been mirroring California. RMLD wants to stay ahead of the battery storage curve. RMLD will continue to look at community solar. The issue is solar development without storage capability. Mr. Underhill added that there are no plans to slow solar development at RMLD.

b. Organizational Study Report

Ms. O'Brien stated that there are four items remaining, which are employee surveys, customer surveys, HR support and the strategic plan revision. Community Relations is working on the surveys. For HR support, the HR Manager gave her notice. Ms. O'Brien stated that she has started interviewing and there are a number of vacancies posted on the website. Senior management had a second meeting to develop the strategic plan, which is being facilitated by Selectman Prisco from North Reading. Once it is in the draft stage it will be shown to the Commission.

Integrated Resources Division – Mr. Underhill

Power Supply Report – December 2018

Mr. Underhill stated that through the end of the year there was essentially zero differential between actual and budget. Energy costs were a little lower than budgeted. Capacity broke even. The transmission expense was higher. Mr. Underhill reviewed the resources by month. In September, November, and December RMLD sold resources into the market as opposed to purchasing. Mr. Underhill then discussed the 2018 resource portfolio and stated there was twelve percent market exposure. Mr. Underhill announced that the greenhouse gas report has been completed for 2017.

Mr. Dockser asked how much RMLD wants to be buying in the spot market. Mr. Underhill explained that some piece will be in the spot market. Day ahead and real time markets are the lowest priced energy. RMLD uses other resources because they accomplish other objectives. Purchasing wind, solar, and hydro help meet greenhouse gas emissions commitments. RMLD buys some power through NextEra because it stabilizes the price paid and eliminates volatility. RMLD looks for about 10 to 15 percent market exposure. RMLD tries to keep the exposure down

Integrated Resources Division – Mr. Underhill
Power Supply Report – December 2018

in the winter and summer months. Mr. Underhill stated that when the market price goes up RMLD has protection built into its portfolio. Exposure is capped. Ms. O'Brien asked Mr. Underhill to plan to give an update on the load following pilot. The agreement has been executed NextEra at less than September prices.

Reliability Study Report – Mr. Jaffari

Mr. Jaffari stated he would be reporting on items recommended in the Booth Study. Approximately 65 percent completed. RMLD is negotiating with National Grid for land for the Wilmington substation. Once the substation is built most of the items will be completed. Since the last report, the GIS upgrade program has been completed. An editing program has been built on top of the GIS. The Milsoft Windmill model and the SCADA software upgrade have been completed. The load was balanced with underground getaways at main feeder 4W28 at Analog. The timing delay on Station 3 transformers have been updated and rail gauges have been replaced. The cooling contactor of transformer 110D at Station 4 has been repaired.

General Discussion

Mr. Pacino asked about a pole on South Hopkins that keeps getting hit by vehicles. Mr. Jaffari replied that engineers have looked at it. The pole is in Wakefield. Mr. Jaffari stated he is talking to Reading DPW about installing a guardrail.

Mr. Pacino Green New Deal. Resolution at the federal level. Ten-year time table.

Mr. Stempeck stated that he had heard there are concerns from the Select Board that the Town would be included in any liability that RMLD faces. Mr. Stempeck stated that he asked legal counsel and RMLD is separate from Town. Mr. Stempeck invited the Select Board to provide clarification regarding what the concerns are.

Meeting dates were discussed.

Adjournment

At 8:43 p.m., Mr. Pacino made a motion, seconded by Mr. O'Rourke, that the Board go into Executive Session to consider the purchase of real property and to discuss confidential, competitively-sensitive and proprietary information in relation to making, selling, or distributing electric power and energy, and return to Regular Session for the sole purpose of adjournment.

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

John Stempeck, Secretary Pro Tem
RMLD Board of Commissioners

