



Town of Reading Meeting Minutes

2018-09-22 LAG

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2023-04-19

Time: 7:30 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:**

Philip Pacino, Chair; David Talbot, Vice Chair; John Stempeck, Commissioner; Robert Coulter, Commissioner;

Members - Not Present:

Others Present:

Citizens' Advisory Board Representative: Ken Welter (Lynnfield).

RMLD Staff: Gregory Phipps, General Manager; Erica Morse, Executive Assistant; Bill Bullock, Director of Integrated Resources; Julie Blackley, Communications Manager.

Minutes Respectfully Submitted By: Philip B. Pacino, Secretary Pro Tem

Topics of Discussion:

Call Meeting to Order

Chair Bitá called the RMLD Board of Commissioner's (BoC) meeting to order at 7:30 PM and announced that the meeting would be held in person, remotely on zoom, and streamed live on RCTV and YouTube.

Opening Remarks and Introductions

Chair Bitá read the RMLD BoC Code of Conduct and noted that there were no remote attendees. Vice Chair Pacino served as Secretary at the meeting.

Public Comment

There was no comment from the public at this meeting.

George Hooper, Wilmington, was the Citizens' Advisory Board (CAB) representative at the meeting and had no comment.

There was no comment from the Town liaisons to the RMLD at this meeting.

Reorganization of the RMLD Board of Commissioners

Discussion

Chair Bitá explained the process of the RMLD BoC reorganization.

Nomination and election of Chair

Chair Bitá opened nominations for Chair.

Commissioner Coulter nominated Vice Chair Philip Pacino for Chair. Commissioner Stempeck seconded the nomination.

There were no additional nominations, Chair Bitz closed the nominations for Chair.

Vice Chair Pacino made a **motion**, seconded by Commissioner Stempeck, to elect Philip B. Pacino as new Chair to the RMLD Board of Commissioners to be effective immediately after the vote. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Vice Chair Pacino, Aye; Commissioner Stempeck, Aye; Commissioner Talbot, Aye; Commissioner Coulter, Aye; Chair Bitz, Aye.*

At this point in the meeting, Commissioner Pacino was effective as Chair.

Nomination and election of Vice Chair

Chair Pacino opened nominations for Vice Chair.

Chair Pacino nominated Commissioner Talbot for Vice Chair. Commissioner Bitz seconded the nomination.

There were no additional nominations, Chair Pacino closed nominations.

Chair Pacino made a **motion**, seconded by Commissioner Bitz, to elect Commissioner Talbot as new Vice Chair to the RMLD Board of Commissioners to be effective immediately after the vote. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitz, Aye.*

Appointment of the RMLD Sub-Audit Committee Members

Chair Pacino explained the process of appointing the RMLD Sub-Audit Committee. One Commissioner will be appointed as the representative to the Town of Reading Audit Committee and two Commissioners will be appointed to the RMLD Sub-Audit Committee.

Chair Pacino appointed himself as the representative to the Town of Reading Audit Committee.

Chair Pacino appointed Commissioners Coulter and Bitz to the RMLD Sub-Audit Committee.

CAB Report

There was no CAB report at the meeting.

Approval of Meeting Minutes

Materials: Approval of Meeting Minutes (attachment 1).

It was noted that the suggested motion should be modified from "April 16, 2022" to "May 16, 2022."

Chair Pacino added that most of the minutes presented for approval covered interviews, and he did not make any changes to those minutes during review.

Commissioner Stempeck made a **motion**, seconded by Commissioner Coulter, that the RMLD Board of Commissioners approve the open session meeting minutes of the May 16, 2022, June 28, 2022, September 29, 2022, October 6, 2022, November 2, 2022, and November 3, 2022, meetings on the recommendation of the General Manager and the Board Secretary. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitz, Aye.*

Report on the RMLD Customer Survey

Materials: Customer Satisfaction Survey Presentation (attachment 2).

Catherine Veschi, Project Manager, Great Blue Research, joined the meeting remotely and presented the Customer Satisfaction Survey to the BoC.

Section One: About Great Blue: Harnessing the power of data to help clients achieve their goals (slide 3)

Ms. Veschi provided an overview of Great Blue Research. This is the second year Great Blue Research has conducted a customer satisfaction survey for RMLD, with the first one held in 2020. The recent survey was conducted during January and February 2023.

Great Blue Research specializes in various marketing research surveys, predominantly digital with some phone-based, focusing mainly on the quantitative side. Great Blue Research works with numerous Public Power utilities nationwide, many in Massachusetts.

Section Two: Project Overview (slide 5)

Ms. Veschi discussed the survey details as outlined in slide 5 and highlighted the primary goals and objectives of the research. Ms. Veschi noted that the customer satisfaction survey for RMLD included both residential and commercial customers.

Section Two: Project Overview: Areas of Investigation (slide 6)

Ms. Veschi reviewed the areas of investigation addressed, as outlined on slide 6.

Section Two: Project Overview: Research Methodology Snapshot Residential (slide 7)

Ms. Veschi provided a research methodology snapshot for residential customers, as outlined on slide 7. Ms. Veschi noted that phone and digital survey periods did not overlap to prevent dual participation. Digital surveys were conducted over three weeks.

Vice Chair Talbot inquired about the distinction between phone surveys and digital surveys, focusing on the randomness of the sample. Ms. Veschi responded that digital surveys were distributed in random buckets, similar to random phone calls, and are not sent to everyone.

Vice Chair Talbot sought clarity on the number of direct email solicitations versus website link participation.

Ms. Veschi responded that digital surveys include both direct email to customers and website clicks. More responses typically come from direct outreach than from clicks on the website. Exact numbers between the two digital methodologies can be made available.

Commissioner Stempeck raised a question on whether the 200 phone survey recipients were mutually exclusive from the over 1000 digital surveys. Ms. Veschi confirmed that those surveyed over the phone were excluded from the digital outreach to ensure no individual took the survey twice. Some individuals may have taken the survey from the open link on the website, but such instances are exceptions.

Mr. Phipps inquired about the distinction between the confidence level and the margin of error, which was brought up at the CAB meeting by Mr. Welter. Ms. Veschi explained that a 95% confidence level means 95 times out of 100, the results would fall within the defined margin of error. A 95% confidence level is standard for marketing research surveys.

Vice Chair Talbot expressed concerns about the reliability of the data, especially given that some respondents could take the survey multiple times or share the link with others. Ms. Veschi noted that there's an IP restriction in place to prevent the same person from completing the survey multiple times. However, if someone shares the link, others could theoretically participate.

Vice Chair Talbot questioned the 2.8% margin of error, given the potential for non-random participation. Ms. Veschi explained that it was calculated based on the total number of customers and completed surveys.

Vice Chair Talbot emphasized the importance of random distribution and noted that 400 phone surveys may have yielded more reliable results.

Ms. Veschi responded that 400 phone surveys would produce a higher margin of error (~4.8%). Obtaining a significant number of phone survey completions has become challenging due to the pandemic and rising phone scams, making people less likely to pick up unknown calls.

Section Two: Project Overview: Respondent Snapshot – Residential (slide 8)

Ms. Veschi presented demographic data of the respondents as outlined on slide 8.

Age: More participants aged 55 and older.

Income: Even distribution, but a significant number preferred not to reveal their income.

Home Ownership: 90% homeowners, 8.5% renters.

Town of Service: Even distribution across Reading, Wilmington, North Reading, and Lynnfield service areas.

Section Two: Project Overview: Research Methodology Snapshot Commercial (slide 9)

Ms. Veschi provided a research methodology snapshot for commercial customers, as outlined on slide 9.

Ms. Veschi stated that the number of completed surveys is consistent with the trends seen in commercial surveys with other utilities. It is more difficult to get businesses to take surveys online than by phone.

It was noted that both commercial and residential surveys were fielded concurrently.

Section Two: Project Overview: Respondent Snapshot Commercial (slide 10)

Ms. Veschi presented demographic data of the respondents as outlined on slide 10.

Ms. Veschi highlighted that the respondent snapshot indicated more small businesses participated, with an even spread of business locations within the RMLD service territory.

Section Three: Key Study Findings: Reliability Drives Service Ratings (slide 12)

Ms. Veschi presented key study findings relative to organizational characteristics as outlined on slide 12.

Ms. Veschi noted that areas where RMLD performed above national averages or received the highest ratings are circled in green on slide 12. Areas where RMLD received the lowest ratings are circled in red on slide 12.

Ms. Veschi emphasized that the questions have changed quite a bit since the last study, so the averages located on the bottom of the table aren't necessarily comparing the exact same set of questions.

Ms. Veschi highlighted areas where there were increases in ratings and characteristics that were measured year after year.

Section Three: Key Study Findings: Boost Awareness of Rebates and Program Offerings for Residents (slide 13).

Ms. Veschi presented key study findings relative to customer awareness of rebates and program offerings as outlined on slide 13.

Section Three: Key Study Findings: Offer Ability to Opt-in to Text Message Notifications (slide 14)

Ms. Veschi presented key study findings relative to communication preferences as outlined on slide 14.

Section Three: Key Study Findings: Further Educate Customers of Benefits of Air Source Heat Pumps (slide 15)

Ms. Veschi presented key study findings relative to Air Source Heat Pumps as outlined on slide 15.

Section Three: Key Study Findings: Of Those Who Provided Poor Ratings, Majority Cite High Cost as Reason (slide 16)

Ms. Veschi presented key study findings relative to the reasons for poor ratings as outlined on slide 16.

Ms. Veschi noted high rates and costs are consistently ranked as a top concern across various feedback channels no matter what.

Ms. Veschi highlighted that there is a perceived shortage of renewable energy options and a lack of awareness regarding available discounts and subsidies. Customers often are not aware of what their utility is offering, in terms of rebate programs and other benefits. This issue is predominantly due to a lack of information dissemination rather than the absence of such programs. There is a significant opportunity to improve customer education and awareness in this area.

Section Three: Key Study Findings: Increased Satisfaction with Customer Service (slide 17)

Ms. Veschi presented key study findings relative to customer interactions with customer service as outlined on slide 17.

Ms. Veschi highlighted that this survey was only targeted at customers who had a recent interaction with the RMLD. Results from the feedback show strong satisfaction ratings from customers regarding their interactions with RMLD employees. Both residential and commercial customer satisfaction ratings have seen an increase since the 2020 study.

Commissioner Stempeck asked whether the poor ratings on costs were related to the cost of the actual program or the cents per kilowatt hour rate that RMLD provides (slide 16). Ms. Veschi explained that the ratings referred to organizational characteristics, specifically the bills that customers pay for their electric service, not the cost of any particular program or service.

Mr. Phipps clarified that the discussed ratings were specifically from customers who expressed dissatisfaction. Ms. Veschi stressed the importance of considering the sample size and context. For example, out of the customer set who gave poor ratings for any of the organizational characteristics, 40% attributed their dissatisfaction to high rates.

Commissioner Stempeck expressed surprise and noted that RMLD's rates are low compared to other utilities.

Ms. Veschi agreed and shared that many Public Power utilities face similar feedback despite having lower rates than Investor-Owned Utilities (IOUs). Ms. Veschi identified customer education as a significant issue. Many customers aren't aware that they are part of a community-owned utility and don't understand the benefits that come with it. Thus, they lack a comparison with rates from other providers, like Eversource.

Ms. Veschi further emphasized that customers often don't have a broader perspective on their rates compared to other areas. Many focus solely on their current bills and wish for them to be even lower. An essential step forward would be educating customers about the benefits of being part of a community-owned utility and how their rates compare to other utilities.

In response to a question by Vice Chair Talbot, Ms. Veschi took the action item of providing a breakdown of the survey by residents of each town.

Chair Pacino clarified that RMLD is affiliated with the Town of Reading, not owned by them.

Section Three: Key Study Findings: Dissatisfied Due to Poor Communication and Customer Service (slide 18)

Ms. Veschi presented key study findings relative to specific feedback from customers dissatisfied with interactions with customer service, as outlined on slide 18.

Ms. Veschi noted that the survey contained a question targeting individuals who reported being either "somewhat" or "very" dissatisfied with their interaction with customer service. To capture the reasons for their dissatisfaction, respondents were given an open-ended format to provide their answers.

Instead of percentages, the results are displayed using "n equals" due to the small sample size. Specifically, only 32 individuals and two businesses provided feedback of dissatisfaction. To avoid misrepresentation, percentages were not used as they wouldn't accurately reflect the overall sentiment.

Ms. Veschi highlighted that the top reasons for dissatisfaction were poor communication and poor customer service followed by billing issues and poor rebate programs.

Ms. Veschi pointed out that for certain categories, "n equals 10" was the sample size. This represents about a third of the dissatisfied customers. This method of representation was chosen to clarify the actual number of individuals who felt a particular way.

Section Three: Key Study Findings: Find Email Newsletters and Website Valuable. (slide 19)

Ms. Veschi presented key study findings relative to the value of RMLD communication methods, as outlined on slide 19.

Ms. Veschi noted that webinars, Facebook, and Twitter received slightly lower ratings, which could be attributed to not all customers following RMLD on social media or attending the webinars. Webinars and Facebook were newly added questions, so no comparative data from 2020 is available.

Ms. Veschi said that in an open-ended format, respondents were asked for suggestions to enhance the value of RMLD's communication methods. Many responded with positive feedback, mentioning there are no issues, and that RMLD is doing a good job.

Some notable feedback included:

- Requests for more email communication.
- Less emphasis on social media.
- Requests for text message notifications.
- Requests for additional newsletters.

Section Three: Key Study Findings: Want to Receive More Outage Restoration Updates (slide 20)

Ms. Veschi presented key study findings relative to the frequency of information, as outlined on slide 20.

Ms. Veschi highlighted that 89.4% of residents and 92.5% of businesses stated the frequency is "about right." Comparatively, these are high ratings. On a national level among Public Power utilities, these numbers typically average around 70%.

Section Three: Key Study Findings: Residents More Interested in Text Messages from RMLD (slide 21)

Ms. Veschi presented key study findings relative to customer interest in receiving text messages, as outlined on slide 21.

Section Three: Key Study Findings: Email and Text Best for Peak Time Notifications (slide 22)

Ms. Veschi presented key study findings relative to Shred the Peak notifications, as outlined on slide 22.

Section Three: Key Study Findings: Some Aware of Payment Assistance Options (slide 23)

Ms. Veschi presented key study findings relative to payment assistant options, as outlined on slide 23.

Section Three: Key Study Findings: More Residents Receiving Rebates than Businesses (slide 24)

Ms. Veschi presented key study findings relative to rebates, as outlined on slide 24.

Chair Pacino asked if customers gave a reason for their satisfaction level with the rebate process? According to the chart, 3.3% stated they were not at all satisfied, is there any reason indicated as to why that is?

Ms. Veschi responded that the survey did not include an open-ended portion for that question to have any kind of insight as to why they were not at all satisfied. However, as the sample size was only 12 customers, the 3.3% likely represents only 1 customer.

Section Three: Key Study Findings: Find Time to Restore Power Acceptable (slide 25)

Ms. Veschi presented key study findings relative to the acceptability of power outage restoration times, as outlined on slide 25.

Ms. Veschi noted that customers who hadn't experienced a power outage in the past year were given an answer option to reflect this, but their answers were not included in the results presented.

Ms. Veschi highlighted that there was a 4% increase in residents who could not recall if the restoration time was acceptable or not. The assumption is that if the outage was not long or significant, it might not have been memorable for these customers. Generally, customers are more likely to remember negative experiences, suggesting that some of those who found the service less acceptable might not recall the exact details of their experience.

Section Three: Key Study Findings: Increase in Knowledge of Air Source Heat Pumps (slide 26)

Ms. Veschi presented key study findings relative to knowledge of air source heat pumps, as outlined on slide 26.

Ms. Veschi emphasized that both the residential and commercial increases in knowledge of air source heat pumps are deemed significant, especially considering the margin of error on the residential side was less than three percent.

Ms. Veschi said that while it's noted that the majority of customers aren't currently interested, a significant segment of customers showed interest in exploring air source heat pump options for the future.

Despite the evident increase in awareness and interest, many customers remain uninterested or unaware of the benefits of air source heat pumps. Educating customers about the advantages and potential benefits of air source heat pumps can further influence their decisions and increase their interest in the future.

Section Three: Key Study Findings: Majority Unlikely to Install Solar Panels (slide 27)

Ms. Veschi presented key study findings relative to the likelihood of respondents installing solar panels considering any time frame, as outlined on slide 27.

Ms. Veschi noted that compared to other technological alternatives (such as air source heat pumps, as previously discussed), solar panels seem to attract less interest among both residents and businesses.

Section Three: Key Study Findings: Unlikely to Participate in Renewable Choice Programs (slide 28)

Ms. Veschi presented key study findings relative to the likelihood of residential customers participating in renewable choice programs, as outlined on slide 28.

Section Three: Key Study Findings: Unlikely to Participate in Renewable Choice Programs (slide 29)

Ms. Veschi presented key study findings relative to the likelihood of commercial customers participating in renewable choice programs, as outlined on slide 29.

Chair Pacino inquired if there were specific reasons given for the lack of likelihood in enrolling in the Renewable Choice Program.

Ms. Veschi responded that while no specific reasons were provided by the participants, factors that generally affect enrollment include:

- Customers being hesitant about any program requiring opt-ins, bill increases, or extra efforts.
- A lack of motivation or interest, rather than issues with the program itself.
- Customers' hesitancy to invest without seeing a direct benefit.
- The perceived gap between verbal interest in renewable energy and the actual willingness to pay more on bills.

Chair Pacino asked if there is something RMLD can do to increase participation?

Ms. Veschi highlighted the importance of customer education:

- Simplify information for average customers unfamiliar with renewable energy.
- Break down benefits of the program and what customers' investments will look like.
- Emphasize direct benefits to customers.

Chair Pacino shared personal experience benefiting from enrollment, emphasizing the affordability and benefits he has received on his bill.

Section Three: Key Study Findings: Anticipate Future Use of Home Energy Assessment (slide 30)

Ms. Veschi presented key study findings relative to the participation and interest levels of residential rebate programs and energy efficiency offerings, as outlined on slide 30.

Ms. Veschi highlighted gaps in customer knowledge:

- Majority unaware of the electrical panel upgrade rebate.
- Significant lack of awareness for the EV charger rebate program, Online Energy Efficiency store, and air source heat pump rebate.

Section Three: Key Study Findings: Businesses Less Likely to Participate in Electric Vehicle and Solar Rebate Programs (slide 31)

Ms. Veschi presented key study findings relative to the participation and interest levels of commercial rebate programs and energy efficiency offerings, as outlined on slide 31.

The highest participation levels were observed in the energy assessment program and the energy initiative rebate.

Ms. Veschi pointed out lesser interest in the commercial solar rebate program and the EV charger rebate.

Commissioner Stempeck raised a concern about the term "heat pump" possibly being misleading and suggested emphasizing the dual functionality of heat pumps as both heaters and air conditioners.

Vice Chair Talbot agreed and added that the terminology might make customers think they do not need one when they already have a furnace, but they might be interested in an air conditioner.

Ms. Veschi emphasized the importance of messaging and packaging of information, acknowledging the potential misconception with the term "heat pump".

Section Three: Key Study Findings: Some Interested in Time of Use Rate (slide 32)

Ms. Veschi presented key study findings relative to the participation and interest levels of time-of-use rates, as outlined on slide 32.

Ms. Veschi stated that 49.4% of residents and 53.7% of businesses claimed to understand time-of-use rates.

Ms. Veschi noted that more businesses were disinterested due to operational limitations during peak energy usage.

Vice Chair Talbot highlighted a discrepancy in Mr. Veschi's representation. Ms. Veschi acknowledged the oversight, agreeing that it should be three-fifths instead of two-fifths.

Commissioner Coulter expressed doubts about participants' actual understanding of time-of-use rates and noted potential conflicts with other data. Vice Chair Talbot responded that he felt the survey question was clear.

Ms. Veschi noted that there is a lesser monetary investment required by time-of-use rates compared to other energy conservation methods.

Chair Pacino suggested a follow-up question to gauge actual participation.

Ms. Veschi highlighted the difference between showing interest and taking action.

Vice Chair Talbot noted potential hurdles to adoption and added that people hear about opportunities and do not always take them if heavy lifting is involved.

In response to a question relative to the need to switch meters, Mr. Phipps highlighted challenges and ongoing considerations regarding the meter switch and overall promotion.

Section Four: Considerations (slides 33-34)

Ms. Veschi presented key survey considerations as outlined on slides 33-34.

Vice Chair Talbot asked about the number of rental units in RMLD territory. Mr. Phipps approximated it to be approximately 3,000 out of 27,000 total residential meters

Chair Pacino asked Mr. Phipps about the next steps.

Mr. Phipps highlighted several action items including increasing awareness about various energy programs; continued focus on implementing text message communications; and increased work related to the renewable choice program.

Hydro Quebec Report

Materials: Hydro Quebec (non-carbon) (attachment 3)

Bill Bullock, Director of Integrated Resources, presented the Hydro Quebec (HQ) report to the BoC, as outlined on slide 2.

Mr. Bullock explained that RMLD has use rights for approximately 9 MW of transmission capacity from HQ. Typically, RMLD has sold these use rights for cash, which lowers fuel costs. The current contract expires in 2023. RMLD has received various offers for a new contract, with HQ coming in with the lowest cost for hydro.

The following points were clarified relative to the current HQ contract.

- RMLD is not buying energy from Canada.
- RMLD is simply selling use rights.
- Other parties purchase these rights from RMLD for use of the line.

RMLD has been working on creating a mechanism to source energy on the HQ transmission line. With this new deal, RMLD would be buying from HQ and using the energy on that transmission line.

Mr. Phipps emphasized that this is a great opportunity for RMLD as both a reliable and non-carbon energy source. The only drawback is that this first contract is only 5 years.

Vice Chair Talbot asked for clarification relative to where the transmission lines are located. Mr. Bullock confirmed that it is the High Voltage DC line which was built in the mid-80s. Mr. Phipps added that the RMLD was part of the original investment and has been monetizing that value.

Vice Chair Talbot asked if there is a way to upgrade the transmission line to get more across the existing lines.

Mr. Phipps said that the transmission cables years ago were just a bundle of round coils of conductor. To maximize load, you need to look at the cross section you maximize the electrons you can pass through them. This shape from a cross section looks like a solid piece. It would take a massive amount of investment to upgrade and maximize the capacity.

Commissioner Coulter noted that the HQ line is not going to come through Vermont, Maine, or New York. For a world that needs non-carbon power, it is very difficult to get the transmission to support it.

Mr. Phipps emphasized that this is why RMLD is focusing on figuring out creative ways for within territory generation where possible.

Commissioner Stempeck made a **motion**, seconded by Commissioner Bitá, that the RMLD Board of Commissioners, on the recommendation of the Citizens' Advisory Board, vote to accept the General Manager's recommendation to execute a new contract with Hydro Quebec, for energy and associated certificates under a five-year contract, starting January 2024. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitá, Aye.*

RMLD Procurement Requests for Board Approval

Materials: Procurement Requests for Board Approval (attachment 4).

Greg Phipps, General Manager, presented the procurement requests to the BoC.

IFP 2023-12 – Pole Mounted Transformers

This bid is a follow up discussion from the March meeting regarding MVA as a potential supplier for pole-mounted transformers.

Mr. Phipps emphasized that transformers, specifically pole-mounted, are hard to source in the current market.

Mr. Phipps stated that RMLD's goal is to procure equipment (transformers, wires, poles, tools) from reputable, established companies. Preferably, RMLD opts for companies manufacturing in North America. The aim is to ensure the charter of reliable, low-cost, and non-carbon is fulfilled.

Mr. Phipps provided company background on MVA:

- MVA is based in Montreal and was established in 1991.
- Primary operations are in Canada and the U.S.
- The company focuses on designing high and medium voltage equipment for transmission, distribution systems, and substations.
- MVA began manufacturing transformers in 2010.
- The transformers are designed by MVA in Canada, but contract manufactured in China.

Mr. Phipps provided a financial overview of MVA:

- In 2022 the annual revenue was around \$60m CAD; an increase from previous years.
- MVA holds ~\$10m CAD in assets, with \$7.7m in cash and retained earnings.
- Liabilities are around \$2m with long-term debts of \$300K CAD, showcasing financial strength.
- MVA has ISO 9001 registration since 2015.

Mr. Phipps stated that instead of purchasing several hundred 50 KVA transformers, RMLD aims to diversify their purchase between 50, 37.5, and 50 KV pole-mounted transformers.

This recommendation is not intended to be a long-term supply contract but rather performance-bound, considering the quality and reliability of MVA's products.

RMLD intends to procure larger transformers, specifically four of the 150 KVA and two of the 225 KVA variants from Power Sales. These transformers are more expensive and have a longer lead time but are of higher quality and are primarily for commercial use.

Mr. Phipps explained that MVA would supply the transformers as per RMLD's recommendation, which is a smaller order than originally planned. The team has put significant effort into finalizing this decision.

Commissioner Stempeck asked if MVA has any intention of relocating its manufacturing out of China. Mr. Phipps responded that RMLD did not explicitly ask MVA about this. MVA produces a wide range of products, and while they design the transformers, they are contract manufactured with their name on them.

Vice Chair Talbot mentioned concerns about tariffs and import challenges but highlighted the growth and opportunity MVA has seized in the market.

Commissioner Stempeck emphasized the importance of MVA as a stop-gap solution, while also inquiring about alternate suppliers. Mr. Phipps mentioned that RMLD took a delivery of 75 transformers in January but emphasized the long lead time.

Commissioner Bitá cited two different amounts related to transformer costs and Chair

Pacino pointed out there's a discrepancy between the motion in the meeting's agenda and the script motion.

Mr. Phipps clarified the difference between the original motion in the agenda and the final one. The final order total is approximately \$350,000, which is different from the original agenda amount of \$510,000. RMLD is working within a budget of \$1.3 million, making the current order a relatively small portion of that.

The final voted motion replaced the suggested motion on the posted agenda.

Commissioner Coulter made a **motion**, seconded by Commissioner Stempeck, that IFP 2023-12 for Pole Mounted Transformers be awarded to: MVA Power, Inc., for \$143,046.80 and Howard Industries, Inc. c/o Power Sales Group, for \$193,932, pursuant to M.G.L. c. 164 § 56D, on the recommendation of the General Manager. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitá, Aye.*

RFP 2023-04 - Home Weatherization Rebate Program Implementation and Support Services

Mr. Phipps noted that RMLD receives frequent customer requests regarding the weatherization program. This program is essentially an offshoot from the already-existing audit program.

The focus of this program will be base-level weatherization, predominantly insulation. However, it is noted that Mass state programs offer more comprehensive services, enabled by customer charges that are 4X higher than RMLD's EEC.

The intention is to offer this program as an option tied to customers who are installing Air Source Heat Pumps.

All work will be executed by a third-party contractor and not by RMLD. RMLD will subsequently provide a rebate to customers based on the weatherization.

Commissioner Bitá inquired about the costs associated with the program. Mr. Phipps clarified that currently, for the air source heat pump, the costs are already incorporated in the budget. Hence, there's no additional expenditure on RMLD's part. The weatherization program is not intended as a separate offering but is designed to be integrated with the air source heat pump program.

Commissioner Coulter expressed concerns about why RMLD is coupling the two programs. Commissioner Coulter pointed out that many people are specifically interested in the insulation program and argued that while integrating the programs might make the system super-efficient, the demand for the standalone weatherization program is significant.

Mr. Phipps responded that the majority of people are heating with oil or natural gas. The intention is to provide additional incentives to customers shifting to the air source heat pump system rather than those planning to remain on natural gas or oil.

Commissioner Stempeck made a **motion**, seconded by Commissioner Bitá that RFP 2023-04 for Home Weatherization Rebate Program Implementation and Support Services be awarded to: Abode Energy Management LLC as the responsive and responsible proposer offering the most advantageous proposal for the estimated average monthly cost of \$13,196.64 over the next three years or a total estimated 3-Year cost of \$475,079.20, on the recommendation of the General Manager. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitá, Aye.*

Policy Review

Materials: Policy Review (attachment 5)

Greg Phipps, General Manager, presented policies for review.

Policy 1: Community Relations

Mr. Phipps discussed the policy revision summary and highlights as outlined in attachment 5.

Mr. Phipps emphasized that the previous policy version was nine pages with content deemed more suitable for procedural guidelines.

Mr. Phipps highlighted that legal opinions dictate limited actions. The revised policy now adheres strictly to these legal guidelines (Section 3, Charitable Contributions).

While RMLD does not frequently advertise, the policy was adjusted to reflect occasional promotional actions (Section 4, Advertising).

Commissioner Stempeck asked a question relative to charitable contributions and sought clarity on RMLD's ability to contribute funds. Mr. Phipps clarified that RMLD strictly follows the policies and guidelines of the Department of Public Utilities (DPU) and the 20-year agreement for charitable contributions.

Commissioner Coulter noted previous occasions when RMLD's ability to contribute funds was questioned and emphasized the frequency of such requests and how RMLD usually has to decline.

Mr. Phipps acknowledged the regularity of these requests, especially during the holiday season. Mr. Phipps mentioned the possibility of updating the website to reflect these regulatory policies for public clarity, and to ensure RMLD's actions are understood within a broader regulatory framework.

Commissioner Stempeck **made** a motion, seconded by Commissioner Coulter, that the RMLD Board of Commissioners approve Policy 1: Community Relations (Revision 4), as presented, on the recommendation of the General Manager. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye.*

Policy 3: Safety Committee

Mr. Phipps discussed the policy revision summary and highlights as outlined in attachment 5.

Commissioner Stempeck made a **motion**, seconded by Vice Chair Talbot, that the RMLD Board of Commissioners approve Policy 3: Safety Committee (Revision 4), as presented, on the recommendation of the General Manager. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye.*

Scheduling

The next BoC Meeting will be held on Thursday May 25, 2023, 7:30 PM

Adjournment

Commissioner Stempeck made a motion, seconded by Commissioner Coulter, that the Board of Commissioners adjourn regular session. **Motion Passed: 5:0:0** (5 in favor; 0 against; 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Commissioner Stempeck, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye.*

The RMLD Board of Commissioners Regular Session meeting adjourned at 9:23 PM.

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

Philip B Pacino
Philip B Pacino (Oct 2, 2023 11:23 EDT)

Philip B. Pacino, Secretary Pro Tem
RMLD Board of Commissioners

As approved on September 28, 2023