

Reading Municipal Light Board of Commissioners

Regular Session

230 Ash Street

Reading, MA 01867

March 31, 2010

Start Time of Regular Session: 7:34 p.m.

End Time of Regular Session: 9:38 p.m.

Attendees:

Commissioners:

Mary Ellen O'Neill, Chairman

Philip B. Pacino, Secretary

Ellen Kearns, Commissioner

Richard Hahn, Vice Chair

Robert Soli, Commissioner

Staff:

Vinnie Cameron, General Manager

Jared Carpenter, Energy Efficiency Engineer

Robert Fournier, Accounting/Business Manager

Beth Ellen Antonio, Human Resources Manager

Jeanne Foti, Executive Assistant

Jane Parenteau, Energy Services Manager

Citizens' Advisory Board:

George Hooper, CAB Member

Opening Remarks/Approval of Meeting Agenda

Chairman O'Neill commented that the Citizens' Advisory Board has not met since the last RMLD Board meeting. Mr. Hooper replied that the CAB will be meeting on Wednesday, April 7, however at this time the location has not been determined.

Chairman O'Neill explained that she is moving up agenda item number 12, Presentation to Outgoing Commissioner Ellen Kearns. It is with great admiration and gratitude that Chairman O'Neill and the Commission wanted to thank Commissioner Kearns for her six plus years of service. Commissioner Kearns was the first woman elected to the RMLD Board and also was the first woman who held the position of Chair. Chairman O'Neill said that Ms. Kearns was instrumental in initiating and seeing through the present strategic plan of the department and was instrumental in the last revision of the General Manager evaluation. Chairman O'Neill commented how faithful Ms. Kearns was in the weekly payables.

Mr. Hahn pointed out that Ms. Kearns did an outstanding job at the T-Shirt award ceremony. Mr. Cameron said that he wanted to thank Ms. Kearns for her service. Mr. Pacino added that he appreciated Ms. Kearns' legal expertise.

Ms. Kearns commented that she was asked by the man she replaced to consider running for the RMLD Board. Upon his death she decided to run for the RMLD Board. Ms. Kearns stated that she has thoroughly enjoyed being on the Board.

Chairman O'Neill presented Commissioner Kearns with an RMLD meter lamp, residential meter lamp circa 1920 by Westinghouse.

Quarterly Conservation Program Update – Mr. Carpenter (Attachment 1)

Mr. Carpenter provided a quarterly Conservation Program Update that included updates on residential energy conservation programs, commercial energy conservation programs, the GDS summary report demonstrating cost effective potential savings, residential smart grid and electric car.

Ms. Kearns expressed her dissatisfaction with River Energy who performs the residential energy audits for the RMLD.

Discussion ensued.

Quarterly Conservation Program Update – Mr. Carpenter (Attachment 1)

Mr. Hahn asked if the commercial programs are more cost effective than the residential programs largely because commercial customers peak at the same time as the system whereas the residential customers do not. Mr. Carpenter replied, "yes", however a commercial building can fall behind if one of its settings is off such as a thermostat.

Chairman O'Neill asked what the priorities would be for the next fiscal year. Mr. Carpenter replied that in fiscal year 2011, he will be working on projects that are in the commercial sector primarily.

Chairman O'Neill asked about the renewable energy rebates for such items as solar installations. Mr. Carpenter said that a solar installation was completed in North Reading a week ago that is photovoltaic which includes solar heat and hot water. It is a five kilowatt system and there will be net metering on this. Mr. Carpenter stated that he currently has three customers that have similar projects under consideration.

Mr. Carpenter described the database he is creating for the residential customers.

Mr. Soli asked for information during the next update by Mr. Carpenter about what other electric utilities around the nation are doing for rebates and what if any adjustments Reading should make to this program.

Approval of February 24, 2010 Board Minutes

Mr. Hahn made a motion seconded by Ms. Kearns to approve the Regular Session meeting minutes of February 24, 2010 with the corrections presented by Ms. Kearns.

Motion carried 4:0:1. Mr. Pacino was not present at the meeting.

On another matter, Chairman O'Neill reported that there will be a Policy Committee meeting on Monday, April 5, 2010 at 10:00 a.m.

Report of Board Committee

Power Contracts, Rate Setting, Green Power Committee

Mr. Hahn reported that the Power Contracts, Rate Setting, Green Power Committee met on March 22 and in attendance were Chairman O'Neill, Commissioner Soli and himself. Also in attendance were the General Manager and staff. There were both regular and executive sessions for this meeting.

Mr. Hahn explained that the meeting included such items as a presentation on Smart Grid, discussion on the cost of service study, Massachusetts Renewable Energy Trust Fund, certain public aspects of power supply, and an update on the Concord Steam project.

Mr. Hahn explained that the following motion was approved at this meeting:

The Power Contracts, Rate Setting, Green Power Committee recommends that the Reading Municipal Light Department Board of Commissioners accept the Novation of Power Supply Agreement among Integrys Energy Services Inc. ("Transferor") and McQuarie Energy LLC ("Transferee") and Reading Municipal Light Department ("Remaining Party") and authorize the General Manager to sign an executable agreement.

Mr. Hahn said that what needs to be changed in this motion at the Board level is that it be made subject to the acceptance of the Citizens' Advisory Board.

Mr. Hahn made a motion seconded by Mr. Soli that the Reading Municipal Light Department Board of Commissioners authorize the General Manager to sign an executable agreement subject to acceptance and approval of the Citizens' Advisory Board for the Novation of Power Supply Agreement among Integrys Energy Services Inc. ("Transferor") and McQuarie Energy LLC ("Transferee") and Reading Municipal Light Department ("Remaining Party").

Motion carried 5:0:0.

Report of Board Committee

Power Contracts, Rate Setting, Green Power Committee

Ms. Parenteau explained that it is an assignment of the current contract that the RMLD has with Integrlys. Ms. Parenteau said that both Integrlys and McQuarie have agreed to cover all legal fees associated with RMLD's legal counsel reviewing of this contract to ensure RMLD's interests are protected.

Mr. Hahn asked Mr. Hooper if it was satisfactory that the RMLD approve this and then have the CAB address this. Mr. Hooper responded that it was fine.

Ms. Kearns asked if this has happened before for a transferee. Ms. Parenteau answered affirmatively but stated that it does not happen that often.

General Manager's Report – Mr. Cameron – (Attachment 2)

Other Post Employment Benefits

Mr. Cameron explained that the state passed a law over a year ago that stated municipalities should be creating Other Post Employment Liabilities Trust Funds to fund future liabilities of retirees' health costs. The municipal light departments needed to be included in this statute. Mr. Cameron used another municipal electric utility that has enacted the OPEB Liability Trust Fund in place as a benchmark on how to proceed with this at the RMLD. An actuarial study performed by the Town of Reading in 2008 determined the RMLD's liability. The RMLD funded a portion of this study. RMLD's auditors Melanson Heath also looked at the study and at what RMLD's payment into the fund should be.

Discussion ensued.

Mr. Pacino asked what the indemnification of the trustees is. Mr. Cameron replied that it is the same demnification as in the pension trust, but will have to get back to Mr. Pacino.

Mr. Soli made a motion seconded by Mr. Hahn to defer any action on the Other Post Employment Benefits Liability Trust Fund until the April meeting.

Motion carried 5:0:0.

Chairman O'Neill polled the Board on what additional information on this matter the Board would like to be provided with. Ms. Kearns suggested looking at what the current liability on the medical premium is so the RMLD knows its actual liability. Mr. Cameron explained that the funding schedule takes into consideration age and gender.

Mr. Hahn said that the Board would like to know:

1. The description of the indemnification and
2. The impact of transferring the funds now in the Operating Fund on the rates, the options for a less aggressive funding schedule and the pros and cons of a less aggressive funding schedule.

On another matter, Mr. Soli said that he would like all policies and presentations to have the word "ratepayers" replaced with the word "customers." Chairman O'Neill stated that the policy changes can be brought up Policy Committee meeting on Monday.

Ms. Kearns said that she has learned this evening that the RMLD Board are the trustees of the current pension trust and the Town Treasurer makes the investment with the advice of paid consultants. Ms. Kearns stated that she is concerned that if investments turn bad those employees could go after the trustees. She would like policies to protect the Board.

General Manager's Report – Mr. Cameron – (Attachment 2)

MEAM Meeting - April 16, 2010 - Plymouth, MA

Mr. Cameron stated that he will be attending the MEAM meeting on April 16 and 17 which consists of a day and a half retreat. Mr. Cameron said that at this meeting, the main speaker will be Michael Morrissey, with presentations on Smart Grid, OPEB, and succession planning.

Mr. Hahn made a motion seconded by Ms. Kearns to authorize the General Manager to attend the MEAM meeting April 16 and 17, 2010 in Plymouth, MA.

Motion carried 5:0:0.

Mr. Cameron reported that this is the fourth year the RMLD is sponsoring an Earth Day Fair and it will be held on April 10 between the hours of 11-3.

Financial Report February 2010 – Mr. Fournier (Attachment 3)

Mr. Fournier reported on the Financial Report for February 2010. The first eight months year to date has not manifested the full impact of the clean up at Gaw. Net income or the positive change in net assets was \$525,000 increasing the year to date net income for the first eight months to \$2.3 million.

Mr. Fournier said that it was brought to his attention that the employee pension benefits may be high. Mr. Fournier explained that he will provide a full accounting next month; one of the entries may have been double counted such as the health accrual. Mr. Pacino asked Mr. Fournier if this was overstated. Mr. Fournier replied that it was overstated and will get back to the Board by the next meeting. Mr. Pacino said that he would like this answered sooner than that timeframe.

Mr. Soli asked relative to the fuel charge where gas prices have dropped down below \$4 will the fuel charge reflect this change. Ms. Parenteau replied that the fuel charge has decreased 1¢ and is projected to fall below 5.5¢ by the end of the calendar year.

Ms. Kearns noted the energy conservation, purchase power expense year to date is \$243,000 and the budgeted amount is \$179,000 which is off by \$63,000 and represents a 100% variance per the report. Mr. Fournier said that the report reflects a bad formula. Mr. Fournier explained that on the revenue side this reflects what the RMLD has collected on the energy conservation whereas the on the expense side this reflects the projects the RMLD has many rebates on.

Mr. Pacino asked on the E&O budget if the transformer maintenance amount is over due to the PCB situation at the Gaw substation and is this being made up somewhere else in the budget. Mr. Cameron said that he is preparing a forecast for the year end balances.

Mr. Pacino asked if the General Manager would be recommending a rate increase for FY2011. Mr. Cameron replied, "yes". Mr. Cameron went on to say that transmission costs have increased \$5 million over the last two years. Mr. Pacino stated that Mr. Cameron needs to look at the budget and see if there is any way that spending can be cut as part of this process before raising rates. Mr. Cameron stated that the FY2011 budget is a very lean budget.

Chairman O'Neill stated that the draft FY2011 budgets have been distributed today. Chairman O'Neill pointed out that the CAB has two budget meetings scheduled and the RMLD Board's review at the committee level will begin in early May.

Discussion ensued.

Power Supply Report February 2010 – Ms. Parenteau (Attachment 4)

Ms. Parenteau reported on the Power Supply Report for February 2010.

Engineering and Operations Report February 2010 – Mr. Cameron (Attachment 5)

Gaw Update

Mr. Cameron reported on the Engineering and Operations Report for February 2010 in Mr. Sullivan's absence.

Mr. Cameron reported that at the end of February the Gaw costs were at \$6.2 million. The budgeted amount for the entire project is \$8.2 million.

Chairman O'Neill asked when this will be completed. Mr. Cameron replied in June when the last of the three new transformers is expected to be installed. This is contingent on when the RMLD is allowed to remove the remainder of the contaminated soil.

Causeway Road

Mr. Cameron explained that on Friday, March 26 he met with the residents of Causeway Road who invited him, Representative Brad Jones, Peter Hechenbleikner, and two members of the Board of Selectmen. The purpose of the meeting was to discuss the soil contamination and remediation at the Gaw substation and the condition of the private road shared by the residents, RMLD, and Mass. Highway.

Mr. Cameron stated that the RMLD did deliver a report to the MA Department of Environmental Protection on Monday. Copies of the report will be available to the Board and the residents of Causeway Road.

Discussion ensued.

Chairman O'Neill would like a copy of the report to be available in the General Manager's Conference Room. Mr. Hahn said that he would like a CD of the report.

Discussion ensued.

Mr. Cameron reported on the capital projects for February, CAIDI statistics and SAIDI statistics.

M.G.L. Chapter 30B Bids

2010-8 Underground Construction

Mr. Pacino made a motion seconded by Mr. Hahn that bid 2010-8 for Hourly Rates for Professional Manpower, Vehicles, Trade Tools and Equipment for Underground Electrical Distribution Construction be awarded to Fischbach & Moore Electrical Group, LLC for \$904,800.00 as the lowest qualified bidder on the recommendation of the General Manager. (Motion made but no vote taken.)

Mr. Cameron explained that this is bid every three years. Mr. Cameron said that currently Fischbach & Moore is the current vendor RMLD uses for its underground work. Ms. Kearns said that she could not figure out how Fischbach & Moore is the lowest bidder when you follow the regular rate, the overtime, and double rates which were higher as well as the typical crew being higher than other bidders.

Mr. Cameron explained that the RMLD takes the typical year's straight time work, truck and typical number of hours work into consideration. Ms. Kearns agreed that Fischbach & Moore do not work overtime because she does not see that in the payables when she reviews them. Ms. Kearns said that the regular rates of other bidders are less and this does not make sense to her.

Mr. Pacino asked that when does the new contract begin. Mr. Cameron stated that the prior contract has been extended and the new one will be put in place as soon as it is approved. Mr. Pacino said that these amounts will appear in the budget.

Chairman O'Neill asked for the sense of the Board. Mr. Hahn said that he has no problem voting on this now. Ms. Kearns and Mr. Soli wanted to defer. Mr. Pacino said that he would defer to the Board.

Discussion followed.

M.G.L. Chapter 30B Bids

2010-8 Underground Construction

Mr. Soli made a motion seconded by Mr. Pacino that 2010-8 for Hourly Rates for Professional, Manpower, Vehicles, Trade Tools and Equipment for Underground Construction be tabled to the next RMLD Board meeting, April 28.

Motion carried 4:1:0. Mr. Hahn voted against the motion to table.

2010-10 Pad Mounted Switchgear

Mr. Cameron explained that that the RMLD had to take a switch out of inventory and put it in Riverpark because the switch failed. The RMLD needs to keep one in inventory.

Mr. Pacino made a motion seconded by Mr. Hahn that bid 2010-10 for Pad-Mounted Switchgear be awarded to WESCO for a total cost not to exceed of \$36,997.00 as the lowest qualified bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

2010-11 15KV 1200 amp 500 MVA Circuit Breakers

Mr. Cameron explained that this bid is for replacement of circuit breakers at the Wildwood substation because there is a need to change out the circuit breakers there. The tie breakers for the bus and transformer breakers have been replaced.

Discussion ensued.

Mr. Pacino made a motion seconded by Mr. Hahn that bid 2010-11 for Replacement Circuit Breakers be awarded to Square D Corp. for a total cost of \$120,900.00 as the lowest qualified bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

General Discussion

Mr. Cameron said that the 2009 DPU Report is available for signature. The Commissioners and the General Manager need to sign the report and the signatures have to be witnessed.

Chairman O'Neill pointed out that at the next meeting there will be committee assignments and Board members are asked to think about what committees they would like to serve on.

Mr. Cameron recommended that the Board meetings be held on the last Wednesday of the month in order to receive the financial information and power supply report in a timely fashion. Chairman O'Neill said that the Board would do its best.

Chairman O'Neill would like to have a no-idling policy to the Board in April after the Policy Committee review. Chairman O'Neill said that there will be a presentation by the RMLD Key Accounts Managers at the next meeting. Messrs. Pacino and Cameron will be attending meetings on the Twenty Year Extension.

BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED

Rate Comparisons, March 2010

E-Mail responses to Account Payable/Payroll Questions

Executive Session

At 9:30 p.m. Mr. Pacino made a motion which was seconded by Mr. Hahn that the Board go into Executive Session to discuss strategy with respect to collective bargaining and litigation, Chapter 164 Section 47D, exemption from public records and open meeting requirements in certain instances, and return to Regular Session for the release of Executive Session minutes and adjournment. The motion was approved by a poll of the Board: Mr. Pacino, Aye; Mr. Hahn, Aye; Ms. Kearns, Aye; Mr. Soli, Aye; and Ms. O'Neill, Aye.

Motion carried 5:0:0.

Release of Executive Session Minutes

Mr. Pacino made a motion seconded by Mr. Hahn that the Reading Municipal Light Department Board of Commissioners approve the release of the Executive Session meeting minutes for January 17, 2007, February 27, 2007, March 9, 2007, March 28, 2007, April 25, 2007, June 27, 2007, July 25, 2007, August 29, 2007, October 24, 2007.

Motion carried 5:0:0.

Adjournment

At 9:38 p.m. Ms. Kearns made a motion seconded by Mr. Hahn to adjourn the Regular Session.

Motion carried 5:0:0.

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

Reading Municipal Light Department Energy Conservation Program

2010 First Quarter Update

Energy Conservation Programs

- Residential Energy Conservation Programs
- Commercial Energy Efficiency Programs
- 230 Ash Street Building Energy Audit
- GDS report
- Residential Smart Grid
- Electric cars

Residential Energy Conservation Program

- Tier 1
- Tier 2
- Residential Audits Total = 207
- Energy Efficiency Engineer Energy Consultations = 55
- 60+ Reviewed
 - The average customer immediately used **5% less energy** after my visit (short term study).
 - The average customer used **.04% more energy** during 2008 vs. 2009 after a River Energy Audit (long term study)
- Quite simply, customer service works to exceed our rate payers expectations.

Commercial Energy Conservation Programs

- Commercial Energy Audits
- Energy Initiative Program
- Commercial Lighting Rebate Program
- Municipal Energy Conservation Program
- Renewable Energy Program

Estimated Commercial Energy Efficiency Rebates by June 30th

| Location | Type of Work | kW Saved | Rebate |
|---------------------|--|--------------|----------------------|
| USPS | Lighting and HVAC Controls | 270 | \$ 50,000.00 |
| Town of Reading | Multiple | 75 | \$ 50,000.00 |
| United Tool and Die | Compressed Air | 11 | \$ 8,500.00 |
| MKS | VFD on Pumping System | 24.4 | \$ 10,500.00 |
| Teradyne | Chiller, VFD's, Controls, Plate and Frame HX | 280 | \$ 90,000.00 |
| YMCA | Pool Lights and Controls | 28 | \$ 11,511.00 |
| 55 Walkers Brook | Roof Top Unit | 70 | \$ 15,000.00 |
| Warner Babcock | Chiller, VFD's, Controls | 85 | \$ 50,000.00 |
| | Total | 843.4 | \$ 285,511.00 |

(3 different accounts)

| Lighting Rebates | | | |
|------------------|-------------------|---------------------|-------------------|
| Year | Number of Rebates | kWh Saved Annually | kW Demand Avoided |
| 2005 | 5 | 290,398.00 | 63.07 |
| 2006 | 4 | 1,154,510.00 | 331.91 |
| 2007 | 6 | 346,048.00 | 67.5 |
| 2008 | 15 | 531,952.00 | 154.73 |
| 2009 | 34 | 2,371,594.00 | 695.22 |
| 2010 | 6 | 178,066.00 | 44.513 |
| Total | 70 | 4,872,568.00 | 1,357 |

230 Ash Street Energy Audit

- USA Average kBTU/ft² = 97
- 230 Ash St = 237
- Energy Star rating = 4 out of 100 (75 is needed to be an “Energy Star Rated Building”)
- Actions to be taken: Building Automation System (BAS) review, Variable Frequency Drives (VFD) on pumping systems (4), Air Balance, etc.

GDS Summary

Cost Effective Potential Savings

Residential

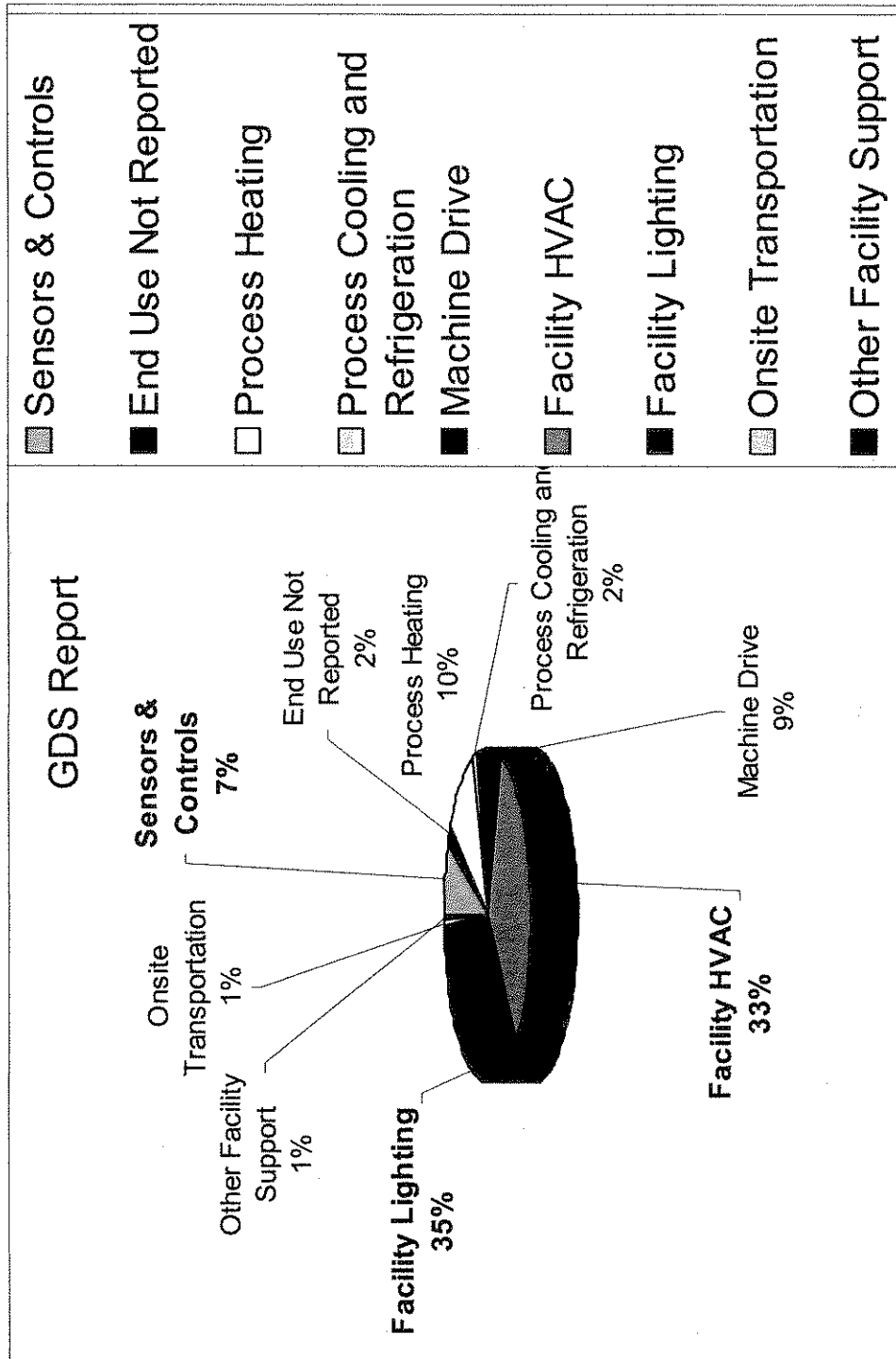
- 1.6 MW (.09%) Demand savings potential by (2007-2017)
- Estimated Cost = \$35.2 Million/yr (2007-2017)
- According to GDS our goal should be to reduce .16 MW of Demand/Year at a cost of \$3.52 Million/yr (2007-2017)
- What has been done?
 - 250+ Audits with ~5% energy savings
 - River energy has done 207 audits at an RMLD cost of \$28,220
 - 2,367 rebated appliances at an RMLD cost of \$151,750.

Commercial/Industrial

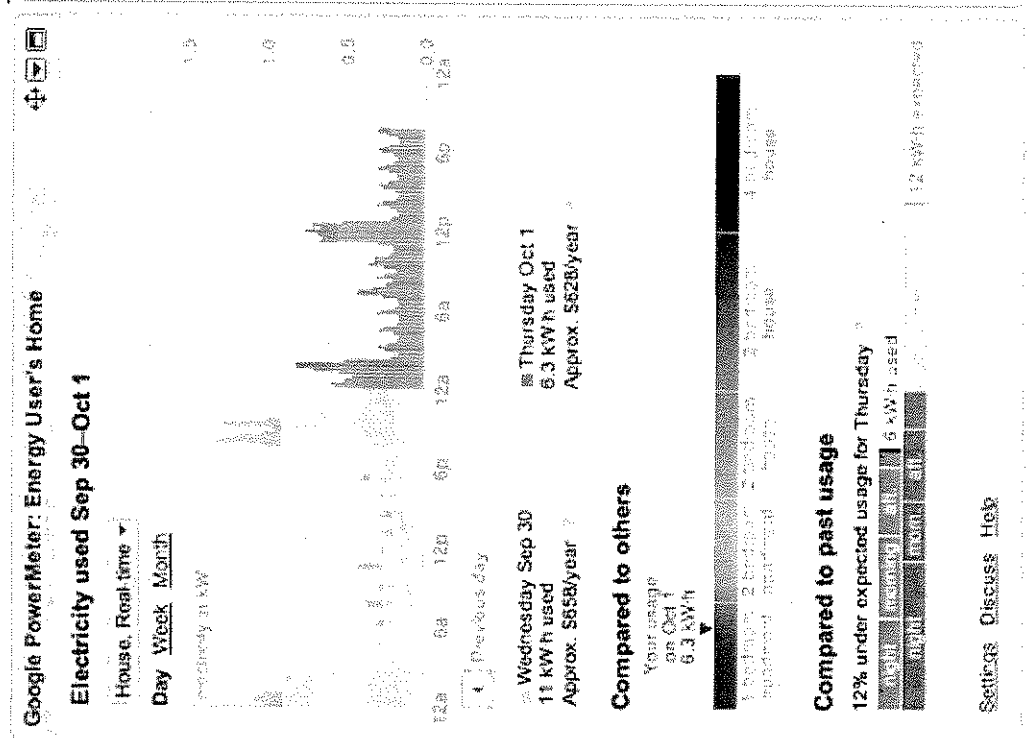
- 23.6 MW (12.8%) Demand savings potential (2007-2017)
- Estimated Cost = \$33 Million (2007-2017)
- According to GDS our goal should be to reduce 2.36 MW of Demand/Year at a cost of \$3.3 Million (2007-2017)
- What has been done?
 - ~20 Audits
 - Energy Initiative Program = 843.4 kW at \$285,511
 - Commercial Lighting Rebate = 1,357 kW at \$239,050
 - **Total is a Demand reduction of 2.2 MW for \$.525 Million**

GDS Report

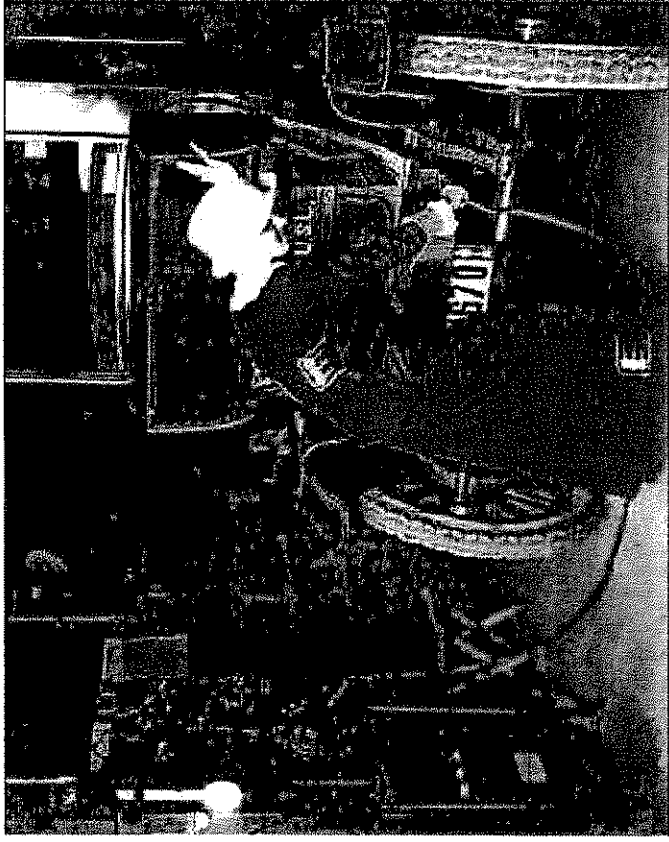
Where to focus our time and money



*Pilot Home Automation Network (HAN) program
on its way!*



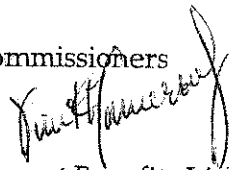
Electric Car



Electric Cars – Chevy Volt

- First 40 miles all electric (4 cyl – 300 total miles)
- Need 25kWh (\$3.50) to go 100mi
- 16 kWh to “full charge” (\$2.24 w/ RMLD)
- 1.9kW(120v@16amps)
- 7.7kW(240v@32amps)
- 7 Year Battery Life (Lithium Ion \$10k replacement)
- 50,000 mi/yr
- 120v/240v 15A-80A charging stations
- Cost = \$40k (minus a \$3.7k tax credit)

READING MUNICIPAL LIGHT DEPARTMENT

To: RMLD Board of Commissioners
From: Vinnie Cameron 
Subject: Other Post Employment Benefits Liability Trust Fund

Date: March 8, 2010

On January 10, 2009, section 20, Chapter 32 B of the Massachusetts General Laws was amended by c. 479 of the Acts of 2008. This legislation allows Municipal Light Boards the authority to an establish Other Post Employment Benefits Liability Trust Fund (Attachment 1). This legislation requires that statutory requirements be met prior to the fund's establishment.

The Town of Reading had The Segal Group, Inc. perform an Actuarial Valuation and Review of Other Post Employment Benefits as of June 30, 2008 which reflects the RMLD's liability in fiscal year 2009 and in fiscal year 2010. (Attachment 2) The RMLD has allocated in fiscal year 2009, \$436,402 and in fiscal year 2010, \$377,059 which is based on the Melanson Heath review of the funding schedule. (Attachment 3)

Besides the statutory requirements that must be met, the RMLD Board of Commissioners should set up an Other Post Employment Benefits Liability Trust Fund Policy similar to RMLD Policy Number 22, Pension Trust Investments. By creating this new policy, Draft RMLD Policy 8 Other Post Employment Benefits Liability Trust (OPEB) Fund (Attachment 4), RMLD Policy Number 19, Board of Commissioners will also need be changed to add in the language for the Other Post Employment Benefits Liability Trust Fund. (Attachment 5).

In order to be in compliance with the statutory requirements to set up the Other Post Employment Benefits Liability Trust Fund the following steps must be taken:

1. An affirmative vote by the Reading Municipal Light Board to establish the Other Post Employment Benefits Liability Trust Fund.
2. Appointment of a custodian for the Other Post Employment Benefits Liability Trust Fund.
3. A Public Employee Retirement Administration Commission (PERAC) approved funding schedule.

In order to establish the Other Post Employment Benefits (OPEB) Liability Trust Fund the RMLD Board is required to make the following motions:

To conform with Item 1:

Motion:

The Reading Municipal Light Department Board of Commissioners votes to establish a separate fund to be known as the RMLD Other Post Employment Benefits Liability Trust Fund pursuant to the amended Section 20 of Chapter 32B of the Massachusetts General Laws.

To conform with Item 1:

Motion:

The Reading Municipal Light Department Board of Commissioners moves to transfer \$813,461 currently held in the Operating Fund to the newly created RMLD Other Post Employment Benefits Liability Trust Fund.

To conform with Item 2:

The Reading Municipal Light Department Board of Commissioners moves to assign the Town Treasurer of the Town of Reading as the custodian of the RMLD Other Post Employment Benefits Liability Trust Fund to invest and reinvest the funds consistent with prudent investor rule set forth in Chapter 203c.

To conform with Item 3:

A letter will be sent to PERAC demonstrating that the motions have been made and approved by the RMLD Board of Commissioners along with the Actuarial and RMLD's funding schedule.

c: Bob Fournier
 Peter Hechenbleikner
 Nancy Heffernan
 Gail LaPointe

Attachments: 5

THE COMMONWEALTH OF MASSACHUSETTS

In the Year Two Thousand and Eight

AN ACT PROVIDING FOR THE ESTABLISHMENT OF OTHER POST EMPLOYMENT BENEFITS
LIABILITY TRUST FUNDS IN MUNICIPALITIES AND CERTAIN OTHER GOVERNMENTAL UNITS.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to establish forthwith a local option for municipalities and certain other governmental units to establish certain trust funds, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Chapter 32B of the General Laws is hereby amended by adding the following section:-

Section 20. A city, town, district, county or municipal lighting plant that accepts this section, may establish a separate fund, to be known as an Other Post Employment Benefits Liability Trust Fund, and a funding schedule for the fund. The schedule and any future updates shall be designed, consistent with standards issued by the Governmental Accounting Standards Board, to reduce the unfunded actuarial liability of health care and other post-employment benefits to zero as of an actuarially acceptable period of years and to meet the normal cost of all such future benefits for which the governmental unit is obligated. The schedule and any future updates shall be:

- (i) developed by an actuary retained by a municipal lighting plant or any other governmental unit and triennially reviewed by the board for a municipal lighting plant or by the chief executive officer of a governmental unit; and
- (ii) reviewed and approved by the actuary in the public employee retirement administration commission.

The board of a municipal lighting plant or the legislative body of any other governmental unit may appropriate amounts recommended by the schedule to be credited to the fund. Any interest or other income generated by the fund shall be added to and become part of the fund. Amounts that a governmental unit receives as a sponsor of a qualified retiree prescription drug plan under 42 U.S.C. 1395w-132 may be added to and become part of the fund.

The custodian of the fund shall be: (i) a designee appointed by the board of a municipal lighting plant; or (ii) the treasurer of any other governmental

unit. Funds shall be invested and reinvested by the custodian consistent with the prudent investor rule set forth in chapter 203C.

This section may be accepted in a city having a Plan D or Plan E charter by vote of the city council; in any other city by vote of the city council and approval of the mayor; in a town by vote of the town at a town meeting; in a district by vote of the governing board; in a municipal lighting plant by vote of the board; and in a county by vote of the county commissioners.

House of Representatives, January 6, 2009.

Preamble adopted,

Linda Darcena Lopez, Speaker.

In Senate, January 6, 2009.

Preamble adopted,

Karen Spiller, President.

House of Representatives, January 6, 2009.

Bill passed to be re-enacted,

Linda Darcena Lopez, Speaker.

In Senate, January 6, 2009.

Bill passed to be re-enacted,

Karen Spiller, President.

10 January, 2009.

Approved,

at *7* o'clock and *50* minutes, *A* .M.

Seval
Governor.

SECTION 2: Valuation Results for the Town of Reading June 30, 2008 Measurement under GASB

20 Years Closed (7.75% discount rate), payments increasing at 2.5%
Projected Unit Credit cost method

| (1) Fiscal Year Ended June 30 | (2) Projected Benefit Payments | (3) Normal Cost with Interest | (4) Amortization of UAAL | (5) Total Funding Requirement: (3) + (4) | (6) Additional Funding: (5) - (2) | (7) Assets at End of Year | (8) AAL at End of Year | (9) UAAL at End of Year: (8) - (7) |
|--|---|-------------------------------------|--------------------------------|---|--|---------------------------------|---------------------------------|--|
| 2009 | \$3,368,385 | \$1,521,449 | \$4,805,252 | \$6,326,701 | \$2,958,316 | \$3,070,812 | \$62,757,534 | \$59,686,723 |
| 2010 | 3,723,762 | 1,597,521 | 4,925,383 | 6,522,905 | 2,799,143 | 6,214,385 | 65,414,148 | 59,199,763 |
| 2011 | 4,110,186 | 1,677,398 | 5,048,518 | 6,725,915 | 2,615,729 | 9,411,198 | 67,958,445 | 58,547,247 |
| 2012 | 4,492,609 | 1,761,267 | 5,174,731 | 6,935,998 | 2,443,389 | 12,676,870 | 70,390,018 | 57,713,148 |
| 2013 | 4,698,778 | 1,849,331 | 5,304,099 | 7,153,430 | 2,454,652 | 16,207,322 | 72,887,441 | 56,680,119 |
| 2014 | 4,923,244 | 1,941,797 | 5,436,702 | 7,378,499 | 2,455,255 | 20,012,010 | 75,441,396 | 55,429,386 |
| 2015 | 5,174,149 | 2,038,887 | 5,572,619 | 7,611,506 | 2,437,357 | 24,092,984 | 78,033,618 | 53,940,634 |
| 2016 | 5,335,851 | 2,140,832 | 5,711,935 | 7,852,766 | 2,516,915 | 28,572,816 | 80,764,707 | 52,191,891 |
| 2017 | 5,485,274 | 2,247,873 | 5,854,733 | 8,102,606 | 2,617,332 | 33,504,070 | 83,663,462 | 50,159,392 |
| 2018 | 5,714,910 | 2,360,267 | 6,001,101 | 8,361,368 | 2,646,458 | 38,847,730 | 86,665,170 | 47,817,440 |
| 2019 | 5,862,234 | 2,478,280 | 6,151,129 | 8,629,409 | 2,767,175 | 44,730,832 | 89,869,085 | 45,138,254 |
| 2020 | 6,155,346 | 2,602,194 | 6,304,907 | 8,907,101 | 2,751,755 | 51,053,868 | 93,145,672 | 42,091,805 |
| 2021 | 6,463,113 | 2,732,304 | 6,462,530 | 9,194,834 | 2,731,721 | 57,846,142 | 96,491,781 | 38,645,639 |
| 2022 | 6,786,269 | 2,868,919 | 6,624,093 | 9,493,012 | 2,706,743 | 65,138,891 | 99,903,580 | 34,764,689 |
| 2023 | 7,125,582 | 3,012,365 | 6,789,695 | 9,802,060 | 2,676,478 | 72,965,411 | 103,376,477 | 30,411,066 |
| 2024 | 7,481,861 | 3,162,983 | 6,959,438 | 10,122,421 | 2,640,560 | 81,361,203 | 106,905,042 | 25,543,839 |
| 2025 | 7,855,954 | 3,321,132 | 7,133,424 | 10,454,556 | 2,598,602 | 90,364,115 | 110,482,915 | 20,118,801 |
| 2026 | 8,248,752 | 3,487,189 | 7,311,759 | 10,798,948 | 2,550,196 | 100,014,506 | 114,102,711 | 14,088,205 |
| 2027 | 8,661,190 | 3,661,548 | 7,494,553 | 11,156,102 | 2,494,912 | 110,355,416 | 117,755,908 | 7,400,492 |
| 2028 | 9,094,249 | 3,844,626 | 7,681,917 | 11,526,543 | 2,432,294 | 121,432,747 | 121,432,747 | - |

Note: Adjustment for timing assumes payment in the middle of the fiscal year.

Attachment 2

SECTION 2: Valuation Results for the Town of Reading June 30, 2008 Measurement under GASB

DEPARTMENT RESULTS

| Actuarial Accrued Liability (AAL) and Annual Required Contribution -- Projected Unit Credit, Pre-Funded (7.75%) | | | | |
|---|------------------|-------------------|-------------------|--|
| | Municipal Light | All Other | Total | |
| Actuarial Accrued Liability by Participant Category | | | | |
| 1. Current retirees, beneficiaries and dependents | \$4,435,671 | \$33,783,823 | \$38,219,494 | |
| 2. Current active employees | <u>3,649,717</u> | <u>18,153,716</u> | <u>21,803,433</u> | |
| 3. Total as of July 1, 2008: (1) + (2) | \$8,085,388 | \$51,937,539 | \$60,022,927 | |
| Annual Required Contribution for Fiscal Year Ending June 30, 2009 | | | | |
| 4. Normal Cost as of July 1, 2008 | \$233,952 | \$1,231,761 | \$1,465,713 | |
| 5. Adjustment for timing | <u>8,896</u> | <u>46,840</u> | <u>55,736</u> | |
| 6. Normal Cost adjusted for timing: (4) + (5) | \$242,848 | \$1,278,601 | \$1,521,449 | |
| 30-year amortization payments increasing at 2.50% | | | | |
| 7. 30-year amortization of the unfunded actuarial accrued liability (UAAL) as of July 1, 2008 | \$507,316 | \$3,258,809 | \$3,766,125 | |
| 8. Adjustment for timing | <u>19,292</u> | <u>123,923</u> | <u>143,215</u> | |
| 9. Amortization payment adjusted for timing: (7) + (8) | \$526,608 | \$3,382,732 | \$3,909,340 | |
| 10. Total Annual Required Contribution (ARC): (6) + (9) | \$769,456 | \$4,661,333 | \$5,430,789 | |
| 20-year amortization payments increasing at 2.50% | | | | |
| 11. 20-year amortization of the unfunded actuarial accrued liability (UAAL) as of July 1, 2008 | \$623,579 | \$4,005,638 | \$4,629,217 | |
| 12. Adjustment for timing | <u>23,713</u> | <u>152,322</u> | <u>176,035</u> | |
| 13. Amortization payment adjusted for timing: (11) + (12) | \$647,292 | \$4,157,960 | \$4,805,252 | |
| 14. Total Annual Required Contribution (ARC): (6) + (13) | \$890,140 | \$5,436,561 | \$6,326,701 | |

Note: Adjustment for timing assumes payment in the middle of the fiscal year.

RMLD
GASB45 - OPEB Liability
6/30/2009

| | RMLD | All Other | Total |
|-----------------------------|--------------|---------------|---------------|
| Actuarial Accrued Liability | \$ 8,065,388 | \$ 51,937,539 | \$ 60,022,927 |
| Percentage | 13.47% | 86.53% | |

FY2009

| | | | | |
|----------|------------------------------|------------|--------------|--------------|
| A | Annual required contribution | \$ 890,140 | \$ 5,436,561 | \$ 6,326,701 |
| B | Actual contribution amount | 453,738 | 2,914,647 | 3,368,385 |
| | Increase in net obligation | 436,402 | 2,521,914 | 2,958,316 |
| 07/01/08 | Net OPEB obligation, begin | | | |
| 06/30/09 | Net OPEB obligation, end | \$ 436,402 | \$ 2,521,914 | \$ 2,958,316 |

FY2010

| | | | | |
|----------|------------------------------|------------|--------------|--------------|
| A | Annual required contribution | \$ 878,668 | \$ 5,644,237 | \$ 6,522,905 |
| B | Actual contribution amount | 501,609 | 3,222,153 | 3,723,762 |
| | Increase in net obligation | 377,059 | 2,422,084 | 2,799,143 |
| 07/01/09 | Net OPEB obligation, begin | | | |
| 06/30/10 | Net OPEB obligation, end | \$ 377,059 | \$ 2,422,084 | \$ 2,799,143 |

Other Post Employment Benefits Liability (OPEB) Trust Fund_____
General Manager/Date_____
Chairman/Date**I. PURPOSE**

- A. To establish a prospective process for investment of RMLD Other Post Employment Benefits Liability Trust Fund. These funds are under control of the RMLD Commissioners acting as Trustees of the RMLD Other Post Employment Benefits Liability Trust Fund.

II. RESPONSIBILITIES

A. Trustees of the RMLD OPEB Trust Fund

1. Responsible for periodically reviewing this policy to ensure its continuing adequacy to meet the purpose of the OPEB Trust. This review should be conducted triennially by the Board with the actuarial study of the OPEB.

B. Treasurer of the Town of Reading

1. Will be the custodian of the RMLD OPEB Trust Fund based on assignment by the Board of Commissioners. The custodian will ensure that the funds be invested and reinvested by the custodian consistent with the prudent investor rule set forth in Chapter 203c. Responsible, along with RMLD General Manager, for implementing this policy, selection of professional investment advisors and recommending to the Trustees any suggested policy changes.

C. RMLD General Manager

1. Responsible, along with Treasurer of Town of Reading, for implementing this policy, selection of professional investment advisors and recommending to the Trustees any suggested policy changes.
2. Responsible for informing the Board of Commissioners, at the next available Board meeting, of any investments made under this policy.

III. GENERAL GUIDELINES

A. Funds for the OPEB

1. Shall be invested and reinvested by the custodian consistent with the Prudent Investment Rule set forth in Chapter 203C of the General Laws of Massachusetts. The schedule and future updates shall be designed consistent with the standards issued by the Governmental Accounting Standards Board, to reduce the unfunded actuarial liability of health care and other post-employment benefits to zero as of an actuarially acceptable period of years to meet normal cost of all such future benefits for which the governmental unit is obligated.

B. Investment Philosophy

1. To maintain the principal of the Other Post Employment Benefits Liability Trust Fund.
2. To provide a consistent investment yield.

III. GENERAL GUIDELINES

C. Investment Criteria

1. OPEB Trust Funds may be invested in high quality stocks and bonds, rated at least "A" or equivalent.
2. OPEB Trust Funds may be invested in Bank(s) used by the Treasurer of the Town of Reading for town financial purposes in CD's collateralized by government securities held at a third party bank.
3. Bonds purchased shall be medium to short term (not to exceed 10 years) and be held to maturity.
4. Stocks shall comprise no more than 20% of the total Pension Trust fund.
5. Equities shall be purchased primarily for yield.

D. Investment Process

1. The Treasurer of the Town of Reading and the General Manager shall confer, by phone or in person, from time to time as to investments. The Treasurer of the Town of Reading and the RMLD General Manager shall use professional investment advisors for advice, consultation, and purchase and sale. The Treasurer and the General Manager are authorized to decide and transact any purchases to replace securities which mature, to replace bonds which are called or mature, or to make prudent trading of equities to meet market conditions, and any other actions to ensure the investment philosophy and criteria are satisfied.

E. Exceptions

1. Investments which do not clearly meet the investment philosophy and criteria will be brought, by the General Manager, to the attention of the RMLD Board of Commissioners acting as the Trustees of the RMLD Pension Trust, if time permits. If an investment decision is required prior to the next regularly scheduled meeting, the General Manager will consult by phone or in person with the Chairman or Secretary to determine an appropriate course of action.

BOARD OF COMMISSIONERS

General Manager _____

Per Board Vote Date
Chairman/Date _____

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1. PURPOSE

- A. To establish the role of the RMLD Board and Commissioners.
- B. To establish administrative controls for certain Commissioner activities.
- C. This policy may not be changed unless it is advertised in the local newspapers in the four-town service territory once a week for two consecutive weeks. These newspapers are Reading Daily Times Chronicle, The Wilmington Town Crier, The North Reading Transcript and The Lynnfield Villager. The notice of this change will also be posted in the Town Halls in the four-town service territory. Any changes that involve grammar or minor content needed for clarification need not be advertised.

2. GOVERNING LAWS

M.G.L., Chapter 164 and other applicable federal and state statutes and regulations.

3. RESPONSIBILITIES**A. Board Chairman and Vice Chairman:**

- 1. Chairman is responsible for calling regular, emergency, and Executive Session meetings of the RMLD Board as needed.
- 2. Chairman presides over RMLD Board meetings, approves the agenda and recognizes all speakers, including other Commissioners.
- 3. Chairman nominates Board members to represent the Commission at appropriate functions, events and meetings. Final decision is by a majority of the Board members. A majority of the Board is at least three of the five members.
- 4. Chairman nominates Board members to Board Committees. Final appointment is by a majority vote of the Board members.
- 5. If the Chairman is unable to attend a Board meeting, then the Vice Chairman will serve as the Chairman of the Board Meeting. If the Chairman and Vice Chairman are unable to attend a Board meeting, then the Secretary of the Board will assume the duties of the Chairman and will appoint a Commissioner to serve as Secretary for that meeting.
- 6. The Board will not address a new issue past 10:45 PM and ends all Board meetings by 11:15 PM.

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B. Board Secretary:

- 1. Final review of Board minutes.
- 2. Certifies, as required by law, votes of the Board.
- 3. Signs, upon direction of a majority of the Board members, power supply contracts and legal settlements on behalf of the Board. Alternatively, the General Manager or any Commissioner may be authorized by a majority vote of the Board to perform this function.

3. RESPONSIBILITIES (Continued)

C. Commission as a whole, by majority vote:

1. Responsible for approving overall goals, objectives and policy setting for the Department to be discharged by the General Manager within the constraints of M.G.L., Chapter 164 and other applicable federal and state statutes and regulations.

The Commission is elected by the voters of the Town of Reading, accountable to the Town of Reading and responsible to the ratepayers of the entire RMLD service area.

2. Selects the General Manager and establishes the rate and manner of compensation.

The General Manager serves as the equivalent of the Chief Executive Officer and the Chief Operating Officer for the Board with the ultimate authority and responsibility for the operation and the management of the RMLD, under the direction and control of the Commissioners and subject to M.G.L., Chapter 164.

Before the end of the General Manager's contract year, the Board will give the General Manager a written performance appraisal based on the General Manager's performance during the previous fiscal year and adjust the General Manager's salary based on that appraisal. During this process, the Board will set the General Manager's goals and expectations, in writing, for the next fiscal year, upon which the General Manager will be evaluated.

Except for actions contrary to decisions or written policies made by the Board as a whole, the General Manager is authorized to take whatever actions are required to operate and manage the utility.

The General Manager is the only designated representative for the Board regarding collective bargaining negotiations. The General Manager may utilize other RMLD management personnel as needed to carry out these responsibilities.

3. The Accounting/Business Manager is appointed by the Board.
4. The Board will appoint counsel.
5. The Commissioners will meet quarterly with the Accounting Manager to discuss the quarterly budget variances report on the Operating Budget. This meeting will be held during a Board meeting in Open Session. If any issues to be discussed are being considered in Executive Session, then the discussion will proceed during the next Executive Session.

The Accounting/Business Manager will also meet with a member of the RMLD's Audit Committee and the Town Accountant quarterly to discuss the RMLD's financial issues. These meetings may be held more frequently if the RMLD Accounting/Business Manager believes that necessary.

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Also on a quarterly basis, coinciding with the Accounting/Business Manager's presentation in Open Session to the Commissioners, the General Manager will give an update on the expenditures on Outside Services, which includes the legal, engineering, audit, and other consulting services. The General Manager is required to give the Commissioners a full report on the expenditures for each of the outside services including the dollars expended, cost to complete, and a projected end date. If any legal issues are being considered in Executive Session then the explanation of that legal issue will be given in closed session.

When the Accounting/Business Manager questions a payment on an invoice, the Accounting/Business Manager shall bring his concerns to the Commissioners for discussion and resolution at the next available Board meeting. The issue will be discussed in Open Session unless there is a need to go into Executive Session (i.e., invoices concerning legal matters, etc.).

3. RESPONSIBILITIES (Continued)

6. Serves as an appeal body for ratepayers on matters arising from the RMLD's operations.
7. The RMLD Board will appoint one Commissioner to serve on the Town of Reading Audit Committee. Reappointment of this position will be done annually and coincide with the Board restructuring, which occurs at the first meeting after the annual Town of Reading election. The Commissioner on the Town of Reading's Audit Committee will ensure that the selected auditing firm is qualified to perform a financial audit of a municipal electric utility. The RMLD Board of Commissioners accepts the audited financial statements and management letter and shall require the General Manager to submit a written action report on any item commented on by the auditor's Management Letter.
8. Annually selects Commissioners to serve as Board Chairman, Vice Chairman and Secretary. The Chairman, Vice Chairman, and Secretary will be elected by a majority vote of the Board. A special restructuring of the Board may be held with a vote of four members.
9. Approves, after allowing a 30-day period for input from the Citizen's Advisory Board, as provided for in the Twenty-Year Agreement, on the following topics:
 - a. Annual Capital and Operating Budgets_- Upon approval of an annual operating budget, the RMLB will make a presentation to the Reading Finance Committee and Reading Town meeting. Upon request, the RMLB shall make a presentation of the annual operating budget to the Finance Committee and/or Town Meeting of any of the other towns serviced by the RMLD.
 - b. Significant Expansion or Retirement of the RMLD's Transmission, Distribution, General Plant, or Generation;
 - c. Power Contracts and Agreements and their Mix;
 - d. Cost-of-Service and Rate Making Practices and;
 - e. Other issues that may come before the Board.
10. Approves:
 - a. The annual report (including audited financial statements) of the RMLD.
 - b. All correspondence on RMLD letterhead that is written by any Commissioner to other elected Boards, Committees or ratepayers.
 - c. All collective bargaining agreements. Also establishes the goals and objectives for the General Manager to meet in bargaining new or amended collective bargaining agreements.
 - d. All presentations made by the RMLD to other elected Boards or Committees.
 - e. Settlement of litigation.
 - f. The appointment of Commissioners to Board Committees.
 - g. Electric rates.
11. Approves, in conjunction with the General Manager, the payroll and weekly accounts payable warrants.
12. Commissioners may attend (consistent with approved RMLD budgets) meetings, conferences, training sessions and similar functions as appropriate for enhancing policy-making skills. Attendance at APPA's national conferences and NEPPA's annual conference and annual business meetings are presumed to be appropriate.

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3. RESPONSIBILITIES (Continued)

12. Attendance of similar functions sponsored by the Town of Reading or the Commonwealth of Massachusetts for elected officials are also presumed to be appropriate.

Attendance for all other meetings, conferences, training sessions and similar functions shall be administered in the same manner as for RMLD management employees, as outlined in Policy 5, Employee, RMLD Board of Commissioners, Citizens' Advisory Board Overnight/Day Travel Policy. In the event a Commissioner disagrees with the resultant decision(s), he/she may request the Board as a whole, by a majority vote, to approve attendance (subject to any conditions deemed appropriate by the Board). Any Commissioner attending meetings, conferences, training sessions and similar functions as appropriate for enhancing policy-making skills are required to make a full report at the next available Commissioner's meeting.

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It is the policy of the Board that no Commissioner will have a personal or economic interest or benefit, directly or indirectly, from attendance in meetings, conferences, training sessions and similar functions. Further, it is the responsibility of each Commissioner to make a full public disclosure of any personal interest or benefit in advance.

- D. Commissioners serve as Trustees of the RMLD Pension Trust with all rights and obligations conferred upon them by the Trust, as amended by the Trust from time to time. Commission, as a whole and by majority vote, as Pension Trustees:

1. Acknowledges that the Town of Reading Audit Committee will select the firm that performs the annual financial audit of the RMLD Pension Trust. The RMLD Board of Commissioners accepts the audited financial statements based on the recommendation of the RMLD's Audit Committee.
2. Selects the firm that performs actuarial study of the RMLD Pension Trust.
3. Selects all professional services associated with the Pension Trust other than the annual audit.
4. Performs any other responsibilities as specified in RMLD Policy #22, Pension Trust Investments.

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- E. Commissioners serve as Trustees of the RMLD OPEB Fund Trust with all rights and obligations conferred upon them by the Trust Fund.

1. Selects the firm that performs the actuarial study of the OPEB Trust Fund.
2. Selects all professional services associated with the Other Post Employment Benefits Trust Fund.
3. Performs any other responsibilities as specified in RMLD Policy #8, Other Post Employment Benefits Trust Fund.

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- E. Board Committees:

1. Serve as a mechanism for the Board to review and consider specific issues. Committees can recommend, but not approve unless specifically delegated, a course of action to the Board.

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RMLD Board of Commissioners Committees

Responsibilities

General Manager Committee

Review GM evaluation process.

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Audit (Including Town of Reading Audit)

Recommend audit findings to the Board. One member of Audit Committee meets at least quarterly with the Accounting Manager, on RMLD financial issues.

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Town of Reading Audit Committee - Sit on the Town of Reading Audit Subcommittee. Select the firm that performs

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annual financial audit of RMLD pension trust and triennially reviews OPEB trust fund.

Power Contracts, Rate Setting,
Green Power

Recommend power contracts to Board.
Recommend rate changes to the Board.

Working group that looks at green power

Operating and Capital Budget/Pension/Legal Services

Recommend Operating and Capital Budgets to Board.
Recommend actuaries and actuary findings to the Board.
Make recommendation to the RMLD Board for legal counsel.

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RMLD Board of Commissioners, Committees

Responsibilities

Payables
Account Payables

Review and approve payables on a weekly basis. This position is rotational. It requires three primary signers and one back up. No Commissioner may serve more than three consecutive years on this Committee and must take a year leave before returning to this Committee.

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Payroll

Review and approve payroll. This position is rotational. It requires primary signer and one back up. No Commissioner may serve more than three consecutive years on this Committee and must take a year leave before returning to this Committee.

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Joint Committee – Payment to the Town of Reading
Two Citizens' Advisory Board Members
One Reading Selectmen

Recommend payment to the Town.

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Policy Committee

Recommend changes of Board policies to RMLB.

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4. POLICY ELEMENTS

A. It is the policy of the RMLD Board:

1. To operate in accordance with the spirit, as well as the letter of all laws affecting its business and its employees.
2. All Commissioners and employees are required to act with the highest level of integrity, business ethics and objectivity in any RMLD transaction or where a Commissioner or employee represents the Board or the RMLD. No Commissioner or employee is allowed to misuse the authority or influence of his or her RMLD position.
3. To operate in a businesslike and efficient manner in all aspects of operating and managing the RMLD.
4. To be supportive of a good working relationship between Management and Unions as detailed in the Labor Relations Objective section of the Labor Relations Guide for Managers; to initiate communication and interaction with respect to RMLD business with all RMLD employees only through the General Manager; to provide union employees separate access to the Board as constrained within the collective bargaining agreements.
5. To hold regular open and public meetings to allow ratepayers to provide direct input on any open session matter before the Board.
6. To affirmatively and courteously respond to all requests for public information, subject to the constraints of Policy 12, Board Document Dissemination and the Massachusetts Public Records Law. All requests will be arranged through the General Manager.
7. Not to contribute, in any form, to civic, charitable, benevolent or other similar

Deleted: Green Power

Deleted: Working group that looks at green power.

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organizations.

8. To maintain "cost of service" electricity rates; to manage the RMLD with the goal that its residential rates are lower than any investor owned electric utility in Massachusetts and lower than any electric utility whose service area is contiguous with the RMLD's.
9. To utilize technology, training, personnel, and flexible work and administrative processes to maintain a competitive and municipally owned electric utility serving the best interests of all ratepayers, to direct and manage the RMLD in the best interests of the RMLD, the Town of Reading, and its ratepayers.

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6

Dt: March 25, 2010

To: RMLB, Vincent F. Cameron, Jr., Jeanne Foti

Fr: Bob Fournier

*RF 3/25/10
1051*

Sj: February 28, 2010 Report

The results for the first eight months ending February 28, 2010, for the fiscal year 2010 will be summarized in the following paragraphs. Overall, the year to date results are positive. The full financial impact of the GAW Substation incident is ongoing.

1) Change in Net Assets or Net Income: (Page 3A)

For the month of February, net income or the positive change in net assets was \$525,420 increasing the year to date net income for the first eight months to \$2,311,324. The budgeted net income for this period was \$2,054,905, resulting in net income being over budget by \$256,420, or 12.48%. Fuel revenues exceeded fuel expenses by \$2,192,372. In addition, year to date energy conservation revenues exceeded energy conservation expenses by \$131,228. The budget variance reports reflect the reforecasted amounts of using six month actual figures (July thru December) and budgeted amounts (January thru June) except for the revised revenue projections for January thru June.

2) Revenues: (Page 11B)

Base revenues were under budget by \$18,733 or .07%. Actual base revenues were \$26.6 million compared to the reforecasted amount \$26.6.

Expenses: (Page 12A)

*Purchased power base expense was \$179,055 or .98% over budget. Actual purchased power base costs were \$18.5 million compared to the budgeted amount of \$18.3 million.

*Operating and Maintenance (O&M) expenses combined were over budget by \$641,039 or 9.28%. Actual O&M expenses were \$7.5 million compared to the budgeted amount of \$6.9 million. The major expenses that were over budget are maintenance of line transformers (\$436,000) and employee pension and benefits (\$301,400).

*Depreciation expense and voluntary payments to the Towns were on budget.

4) Cash: (Page 9)

*Operating Fund balance was at \$6,403,103.

*Capital Funds balance was at \$5,444,492.

*Rate Stabilization Fund balance was at \$5,300,691.

*Deferred Fuel Fund balance was at \$3,618,132.

*Energy Conservation balance was at \$321,942.

5) General Information:

Kwh sales (Page 5) lag behind last year's figure by 21.8 million kwh or 4.45%.

6) Budget Variance:

Cumulatively, the five divisions were over budget by \$636,249 or 5.55%.

7) Trends:

The fuel charge remained unchanged in February at \$.0665.

FINANCIAL REPORT

FEBRUARY 28, 2010

ISSUE DATE: MARCH 25, 2010

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF NET ASSETS
2/28/10

| | | PREVIOUS YEAR | CURRENT YEAR |
|---|--------------|-----------------------|-----------------------|
| ASSETS | | | |
| CURRENT | | | |
| UNRESTRICTED CASH | (SCH A P.9) | 6,146,414.40 | 6,406,103.01 |
| RESTRICTED CASH | (SCH A P.9) | 15,620,895.15 | 14,469,172.69 |
| RESTRICTED INVESTMENTS | (SCH A P.9) | 2,900,000.00 | 4,400,000.00 |
| RECEIVABLES, NET | (SCH B P.10) | 11,154,986.77 | 9,402,416.09 |
| PREPAID EXPENSES | (SCH B P.10) | 1,951,398.89 | 2,089,095.56 |
| INVENTORY | | 1,397,332.46 | 1,415,580.57 |
| TOTAL CURRENT ASSETS | | <u>39,171,027.67</u> | <u>38,182,367.92</u> |
| NONCURRENT | | | |
| INVESTMENT IN ASSOCIATED CO | (SCH C P.2) | 122,391.17 | 108,967.43 |
| CAPITAL ASSETS, NET | (SCH C P.2) | 64,106,106.57 | 65,673,905.48 |
| OTHER ASSETS | (SCH C P.2) | 17,183.90 | 14,523.70 |
| TOTAL NONCURRENT ASSETS | | <u>64,245,681.64</u> | <u>65,797,396.61</u> |
| TOTAL ASSETS | | <u>103,416,709.31</u> | <u>103,979,764.53</u> |
| LIABILITIES | | | |
| CURRENT | | | |
| ACCOUNTS PAYABLE | | 6,631,243.41 | 8,540,272.53 |
| CUSTOMER DEPOSITS | | 492,135.01 | 491,712.86 |
| CUSTOMER ADVANCES FOR CONSTRUCTION | | 681,839.92 | 590,040.02 |
| ACCRUED LIABILITIES | | 641,705.05 | 1,133,584.35 |
| CURRENT PORTION OF BONDS PAYABLE | | 550,000.00 | 0.00 |
| TOTAL CURRENT LIABILITIES | | <u>8,996,923.39</u> | <u>10,755,609.76</u> |
| NONCURRENT | | | |
| BONDS PAYABLE, NET OF CURRENT PORTION | | 0.00 | 0.00 |
| ACCRUED EMPLOYEE COMPENSATED ABSENCES | | 2,682,217.58 | 2,873,114.33 |
| TOTAL NONCURRENT LIABILITIES | | <u>2,682,217.58</u> | <u>2,873,114.33</u> |
| TOTAL LIABILITIES | | <u>11,679,140.97</u> | <u>13,628,724.09</u> |
| NET ASSETS | | | |
| INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT | | 63,556,106.57 | 65,673,905.48 |
| RESTRICTED FOR DEPRECIATION FUND (P.9) | | 4,906,707.10 | 5,444,492.83 |
| UNRESTRICTED | | 23,274,754.67 | 19,232,642.13 |
| TOTAL NET ASSETS | (P.3) | <u>91,737,568.34</u> | <u>90,351,040.44</u> |
| TOTAL LIABILITIES AND NET ASSETS | | <u>103,416,709.31</u> | <u>103,979,764.53</u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
NONCURRENT ASSET SCHEDULE
2/28/10

SCHEDULE C

| | PREVIOUS YEAR | CURRENT YEAR |
|---|----------------------|----------------------|
| SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES | | |
| NEW ENGLAND HYDRO ELECTRIC | 46,153.24 | 41,937.50 |
| NEW ENGLAND HYDRO TRANSMISSION | 76,237.93 | 67,029.93 |
| TOTAL INVESTMENTS IN ASSOCIATED COMPANIES | <u>122,391.17</u> | <u>108,967.43</u> |
| | | |
| SCHEDULE OF CAPITAL ASSETS | | |
| LAND | 1,265,842.23 | 1,265,842.23 |
| STRUCTURES AND IMPROVEMENTS | 7,288,907.18 | 6,997,417.80 |
| EQUIPMENT AND FURNISHINGS | 11,774,491.18 | 12,983,462.83 |
| INFRASTRUCTURE | <u>43,776,865.98</u> | <u>44,427,182.62</u> |
| TOTAL UTILITY PLANT | <u>64,106,106.57</u> | <u>65,673,905.48</u> |
| | | |
| SCHEDULE OF OTHER ASSETS | | |
| PURCHASED POWER WORKING CAPITAL | 14,523.70 | 14,523.70 |
| UNAMORTIZED DEBT EXPENSE | 2,660.20 | 0.00 |
| TOTAL OTHER ASSETS | <u>17,183.90</u> | <u>14,523.70</u> |
| | | |
| TOTAL NONCURRENT ASSETS | <u>64,245,681.64</u> | <u>65,797,396.61</u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
2/28/10

| | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|----------------------------------|--------------------|-----------------------|----------------------|-------------------------|-----------------|
| OPERATING REVENUES: (SCH D P.11) | | | | | |
| BASE REVENUE | 3,373,485.14 | 3,068,196.35 | 26,930,766.29 | 26,618,605.23 | -1.16% |
| FUEL REVENUE | 4,045,284.33 | 3,510,280.41 | 41,272,013.48 | 30,261,119.30 | -26.68% |
| PURCHASED POWER CAPACITY | (1,759.95) | 298,270.62 | 1,486,344.63 | 2,572,058.90 | 73.05% |
| FORFEITED DISCOUNTS | 77,594.80 | 70,516.67 | 582,373.98 | 580,351.48 | -0.35% |
| ENERGY CONSERVATION REVENUE | 47,109.49 | 42,204.30 | 230,142.44 | 374,836.84 | 62.87% |
| PASNY CREDIT | 0.00 | (80,545.44) | 0.00 | (313,633.84) | 100.00% |
| TOTAL OPERATING REVENUES | 7,541,713.81 | 6,908,922.91 | 70,501,640.82 | 60,093,337.91 | -14.76% |
| OPERATING EXPENSES: (SCH E P.12) | | | | | |
| PURCHASED POWER BASE | 1,955,245.48 | 2,066,054.50 | 16,797,005.21 | 18,514,414.16 | 10.22% |
| PURCHASED POWER FUEL | 3,599,640.06 | 3,106,761.88 | 39,164,074.76 | 28,068,747.42 | -28.33% |
| OPERATING | 597,073.91 | 657,480.05 | 5,203,571.19 | 5,625,284.59 | 8.10% |
| MAINTENANCE | 153,473.06 | 207,048.90 | 1,534,355.33 | 1,920,464.37 | 25.16% |
| DEPRECIATION | 261,200.00 | 280,105.78 | 2,089,600.00 | 2,240,846.24 | 7.24% |
| VOLUNTARY PAYMENTS TO TOWNS | 100,750.00 | 104,500.00 | 782,731.00 | 835,746.00 | 6.77% |
| TOTAL OPERATING EXPENSES | 6,667,382.51 | 6,421,951.11 | 65,571,337.49 | 57,205,502.78 | -12.76% |
| OPERATING INCOME | 874,331.30 | 486,971.80 | 4,930,303.33 | 2,887,835.13 | -41.43% |
| OPERATING REVENUES (EXPENSES) | | | | | |
| CONTRIBUTIONS IN AID OF CONST | 12,022.00 | 135,000.00 | 239,303.51 | 556,240.71 | 132.44% |
| RETURN ON INVESTMENT TO READING | (176,060.33) | (182,222.50) | (1,408,483.66) | (1,457,780.00) | 3.50% |
| INTEREST INCOME | 11,245.91 | 2,631.18 | 277,675.79 | 138,649.76 | -50.07% |
| INTEREST EXPENSE | (3,835.04) | (1,250.82) | (31,466.44) | (15,796.40) | -49.80% |
| OTHER (MDSE AND AMORT) | 3,662.00 | 84,290.16 | 107,207.12 | 202,175.12 | 88.58% |
| TOTAL NONOPERATING REV (EXP) | (152,965.46) | 38,448.02 | (815,763.68) | (576,510.81) | -29.33% |
| CHANGE IN NET ASSETS | 721,365.84 | 525,419.82 | 4,114,539.65 | 2,311,324.32 | -43.83% |
| NET ASSETS AT BEGINNING OF YEAR | | | 87,623,028.69 | 88,039,716.12 | 0.48% |
| NET ASSETS AT END OF FEBRUARY | | | 91,737,568.34 | 90,351,040.44 | -1.51% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
2/28/10

| | ACTUAL ** YEAR TO DATE | BUDGET YEAR TO DATE | VARIANCE* | % CHANGE |
|-----------------------------------|---------------------------|------------------------|--------------|-------------|
| OPERATING REVENUES: (SCH F P.11B) | | | | |
| BASE REVENUE ** | 26,618,605.23 | 26,637,338.00 | (18,732.77) | -0.07% |
| FUEL REVENUE | 30,261,119.30 | 29,602,779.00 | 658,340.30 | 2.22% |
| PURCHASED POWER CAPACITY | 2,572,058.90 | 2,643,921.00 | (71,862.10) | -2.72% |
| FORFEITED DISCOUNTS | 580,351.48 | 577,949.00 | 2,402.48 | 0.42% |
| ENERGY CONSERVATION REVENUE | 374,836.84 | 379,547.00 | (4,710.16) | -1.24% |
| PASNY CREDIT | (313,633.84) | (210,225.00) | (103,408.84) | 100.00% |
| TOTAL OPERATING REVENUES | 60,093,337.91 | 59,631,309.00 | 462,028.91 | 0.77% |
| OPERATING EXPENSES: (SCH G P.12A) | | | | |
| PURCHASED POWER BASE | 18,514,414.16 | 18,335,359.00 | 179,055.16 | 0.98% |
| PURCHASED POWER FUEL | 28,068,747.42 | 28,582,668.68 | (513,921.26) | -1.80% |
| OPERATING | 5,625,284.59 | 5,452,993.44 | 172,291.15 | 3.16% |
| MAINTENANCE | 1,920,464.37 | 1,451,716.64 | 468,747.73 | 32.29% |
| DEPRECIATION | 2,240,846.24 | 2,245,634.68 | (4,788.44) | -0.21% |
| VOLUNTARY PAYMENTS TO TOWNS | 835,746.00 | 835,746.00 | 0.00 | 0.00% |
| TOTAL OPERATING EXPENSES | 57,205,502.78 | 56,904,118.44 | 301,384.34 | 0.53% |
| OPERATING INCOME | 2,887,835.13 | 2,727,190.56 | 160,644.57 | 5.89% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| CONTRIBUTIONS IN AID OF CONST | 556,240.71 | 510,356.00 | 45,884.71 | 8.99% |
| RETURN ON INVESTMENT TO READING | (1,457,780.00) | (1,457,785.00) | 5.00 | 0.00% |
| INTEREST INCOME | 138,649.76 | 161,575.00 | (22,925.24) | -14.19% |
| INTEREST EXPENSE | (15,796.40) | (15,790.00) | (6.40) | 0.04% |
| OTHER (MDSE AND AMORT) | 202,175.12 | 129,358.00 | 72,817.12 | 56.29% |
| TOTAL NONOPERATING REV (EXP) | (576,510.81) | (672,286.00) | 95,775.19 | -14.25% |
| CHANGE IN NET ASSETS | 2,311,324.32 | 2,054,904.56 | 256,419.76 | 12.48% |
| NET ASSETS AT BEGINNING OF YEAR | 88,039,716.12 | 88,039,716.12 | 0.00 | 0.00% |
| NET ASSETS AT END OF FEBRUARY | 90,351,040.44 | 90,094,620.68 | 256,419.76 | 0.28% |

* () = ACTUAL UNDER BUDGET

** REFORECASTED AS OF 12/31/09

** 6 MONTHS ACTUAL/6 MONTHS BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
RECONCILIATION OF CAPITAL FUNDS
2/28/10

SOURCE OF CAPITAL FUNDS:

| | |
|-------------------------------------|---------------------|
| DEPRECIATION FUND BALANCE 7/1/09 | 4,403,129.56 |
| CONSTRUCTION FUND BALANCE 7/1/09 | 1,000,000.00 |
| INTEREST ON DEPRECIATION FUND FY 10 | 16,531.81 |
| DEPRECIATION TRANSFER FY 10 | 2,240,846.24 |
| FORCED ACCOUNTS REIMBURSEMENT | 0.00 |
| GAW SUBSTATION (FY 10) | <u>1,041,647.00</u> |
| TOTAL SOURCE OF CAPITAL FUNDS | 8,702,154.61 |

USE OF CAPITAL FUNDS:

| | |
|---------------------------------------|---------------------|
| PAID ADDITIONS TO PLANT THRU FEBRUARY | 2,216,014.78 |
| PAID ADDITIONS TO GAW THRU FEBRUARY | 1,041,647.00 |
| TOTAL USE OF CAPITAL FUNDS | <u>3,257,661.78</u> |

| | |
|--|----------------------------|
| GENERAL LEDGER CAPITAL FUNDS BALANCE 2/28/10 | <u><u>5,444,492.83</u></u> |
|--|----------------------------|

| | |
|----------------------------------|----------------------------|
| PAID ADDITIONS TO GAW FROM FY 10 | 1,041,647.00 |
| PAID ADDITIONS TO GAW FROM FY 09 | 3,136,764.00 |
| PAID ADDITIONS TO GAW FROM FY 08 | 1,895,975.00 |
| TOTAL | <u><u>6,074,386.00</u></u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SALES OF KILOWATT HOURS
2/28/10

| SALES OF ELECTRICITY: | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|----------------------------|--------------------|-----------------------|----------------------|-------------------------|-----------------|
| RESIDENTIAL SALES | 21,348,701 | 19,477,475 | 175,451,599 | 171,190,653 | -2.43% |
| COMM. AND INDUSTRIAL SALES | 34,430,991 | 30,539,925 | 293,429,783 | 275,082,772 | -6.25% |
| PRIVATE STREET LIGHTING | 71,309 | 71,050 | 569,512 | 568,133 | -0.24% |
| TOTAL PRIVATE CONSUMERS | <u>55,851,001</u> | <u>50,088,450</u> | <u>469,450,894</u> | <u>446,841,558</u> | -4.82% |
| MUNICIPAL SALES: | | | | | |
| STREET LIGHTING | 239,327 | 237,395 | 1,927,920 | 1,898,162 | -1.54% |
| MUNICIPAL BUILDINGS | 918,338 | 848,165 | 8,548,142 | 6,744,443 | -21.10% |
| TOTAL MUNICIPAL CONSUMERS | <u>1,157,665</u> | <u>1,085,560</u> | <u>10,476,062</u> | <u>8,642,605</u> | -17.50% |
| SALES FOR RESALE | 292,763 | 273,748 | 2,332,934 | 2,245,501 | -3.75% |
| SCHOOL | 1,490,738 | 1,347,411 | 6,954,102 | 9,707,642 | 39.60% |
| TOTAL KILOWATT HOURS SOLD | <u>58,792,167</u> | <u>52,795,169</u> | <u>489,213,992</u> | <u>467,437,306</u> | -4.45% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
KILOWATT HOURS SOLD BY TOWN
2/28/10

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|---------------|-------------------|-------------------|------------------|------------------|-------------------|
| RESIDENTIAL | 19,477,475 | 6,237,204 | 2,589,662 | 4,555,117 | 6,095,492 |
| COMM & IND | 30,539,925 | 3,919,181 | 250,826 | 4,639,212 | 21,730,706 |
| PVT ST LIGHTS | 71,050 | 13,867 | 1,360 | 21,030 | 34,793 |
| PUB ST LIGHTS | 237,395 | 78,651 | 32,851 | 39,710 | 86,183 |
| MUNI BLDGS | 848,165 | 266,320 | 139,989 | 135,121 | 306,735 |
| SALES/REALE | 273,748 | 273,748 | 0 | 0 | 0 |
| SCHOOL | 1,347,411 | 488,597 | 266,803 | 175,960 | 416,051 |
| TOTAL | <u>52,795,169</u> | <u>11,277,568</u> | <u>3,281,491</u> | <u>9,566,150</u> | <u>28,669,960</u> |

YEAR TO DATE

| | | | | | |
|---------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| RESIDENTIAL | 171,190,653 | 53,337,316 | 24,450,713 | 39,499,435 | 53,903,189 |
| COMM & IND | 275,082,772 | 34,167,317 | 2,232,217 | 43,114,587 | 195,568,651 |
| PVT ST LIGHTS | 568,133 | 111,900 | 10,880 | 167,292 | 278,061 |
| PUB ST LIGHTS | 1,898,162 | 629,108 | 262,808 | 317,614 | 688,632 |
| MUNI BLDGS | 6,744,443 | 1,782,774 | 1,132,502 | 1,287,055 | 2,542,112 |
| SALES/REALE | 2,245,501 | 2,245,501 | 0 | 0 | 0 |
| SCHOOL | 9,707,642 | 3,578,676 | 1,972,791 | 1,225,640 | 2,930,535 |
| TOTAL | <u>467,437,306</u> | <u>95,852,592</u> | <u>30,061,911</u> | <u>85,611,623</u> | <u>255,911,180</u> |

LAST YEAR
TO DATE

| | | | | | |
|---------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| RESIDENTIAL | 175,451,599 | 55,261,218 | 25,056,798 | 40,632,411 | 54,501,172 |
| COMM & IND | 301,977,925 | 39,270,034 | 4,080,780 | 52,615,914 | 206,011,197 |
| PVT ST LIGHTS | 569,512 | 110,552 | 10,920 | 173,512 | 274,528 |
| PUB ST LIGHTS | 1,927,920 | 660,244 | 262,868 | 316,792 | 688,016 |
| SALES/REALE | 2,332,934 | 2,332,934 | 0 | 0 | 0 |
| SCHOOL | 6,954,102 | 2,633,875 | 1,341,455 | 860,640 | 2,118,132 |
| TOTAL | <u>489,213,992</u> | <u>100,268,857</u> | <u>30,752,821</u> | <u>94,599,269</u> | <u>263,593,045</u> |

KILOWATT HOURS SOLD TO TOTAL

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|---------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 36.89% | 11.81% | 4.91% | 8.63% | 11.54% |
| COMM & IND | 57.85% | 7.42% | 0.48% | 8.79% | 41.16% |
| PVT ST LIGHTS | 0.13% | 0.03% | 0.00% | 0.04% | 0.06% |
| PUB ST LIGHTS | 0.45% | 0.15% | 0.06% | 0.08% | 0.16% |
| MUNI BLDGS | 1.61% | 0.50% | 0.27% | 0.26% | 0.58% |
| SALES/REALE | 0.52% | 0.52% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 2.55% | 0.93% | 0.51% | 0.33% | 0.78% |
| TOTAL | <u>100.00%</u> | <u>21.36%</u> | <u>6.23%</u> | <u>18.13%</u> | <u>54.28%</u> |

YEAR TO DATE

| | | | | | |
|---------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 36.62% | 11.41% | 5.23% | 8.45% | 11.53% |
| COMM & IND | 58.85% | 7.31% | 0.48% | 9.22% | 41.84% |
| PVT ST LIGHTS | 0.12% | 0.02% | 0.00% | 0.04% | 0.06% |
| PUB ST LIGHTS | 0.41% | 0.13% | 0.06% | 0.07% | 0.15% |
| MUNI BLDGS | 1.44% | 0.38% | 0.24% | 0.28% | 0.54% |
| SALES/REALE | 0.48% | 0.48% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 2.08% | 0.77% | 0.42% | 0.26% | 0.63% |
| TOTAL | <u>100.00%</u> | <u>20.50%</u> | <u>6.43%</u> | <u>18.32%</u> | <u>54.75%</u> |

LAST YEAR
TO DATE

| | | | | | |
|---------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 35.86% | 11.30% | 5.12% | 8.31% | 11.13% |
| COMM & IND | 61.73% | 8.03% | 0.83% | 10.76% | 42.11% |
| PVT ST LIGHTS | 0.12% | 0.02% | 0.00% | 0.04% | 0.06% |
| PUB ST LIGHTS | 0.39% | 0.13% | 0.05% | 0.06% | 0.15% |
| SALES/REALE | 0.48% | 0.48% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.42% | 0.54% | 0.27% | 0.18% | 0.43% |
| TOTAL | <u>100.00%</u> | <u>20.50%</u> | <u>6.27%</u> | <u>19.35%</u> | <u>53.88%</u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
FORMULA INCOME
2/28/10

| | | |
|--------------------------------------|-------|---------------------|
| TOTAL OPERATING REVENUES | (P.3) | 60,093,337.91 |
| ADD: | | |
| POLE RENTAL | | 119,936.60 |
| INTEREST INCOME ON CUSTOMER DEPOSITS | | 1,668.59 |
| LESS: | | |
| OPERATING EXPENSES | (P.3) | (57,205,502.78) |
| BOND INTEREST EXPENSE | | (4,445.77) |
| CUSTOMER DEPOSIT INTEREST EXPENSE | | (11,350.63) |
| FORMULA INCOME (LOSS) | | <u>2,993,643.92</u> |

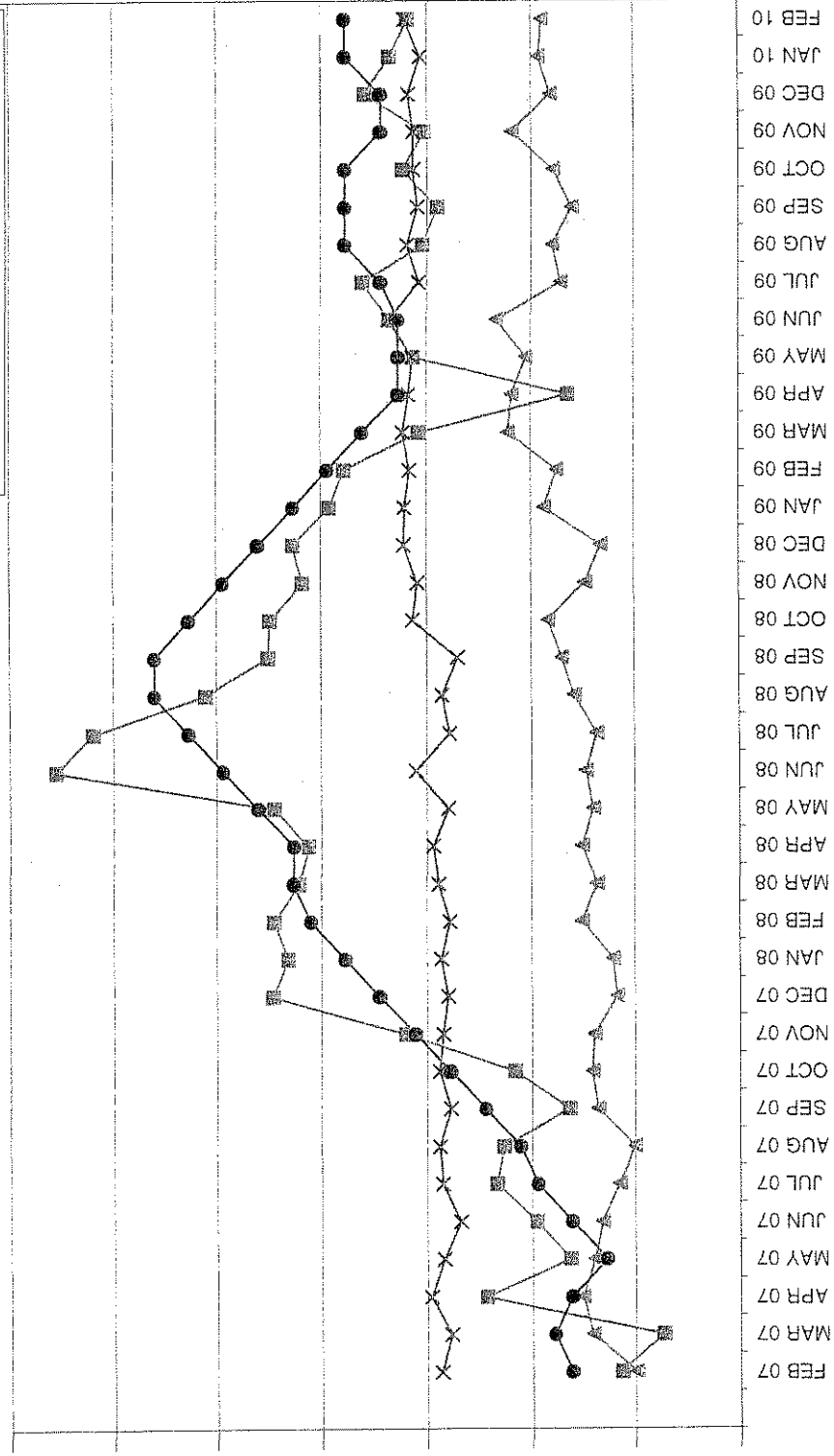
TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
GENERAL STATISTICS
2/28/10

| | | MONTH OF FEB 2009 | MONTH OF FEB 2010 | % CHANGE | | YEAR FEB 2009 | THRU FEB 2010 |
|---------------------------|-------|----------------------|----------------------|----------|---------|------------------|------------------|
| | | | | 2009 | 2010 | | |
| SALE OF KWH | (P.5) | 58,792,167 | 52,795,169 | -1.91% | -4.45% | 489,213,992 | 467,437,306 |
| KWH PURCHASED | | 54,051,452 | 53,825,068 | -2.79% | -3.15% | 493,901,329 | 478,349,421 |
| AVE BASE COST PER KWH | | 0.036174 | 0.038385 | 17.27% | 13.81% | 0.034009 | 0.038705 |
| AVE BASE SALE PER KWH | | 0.057380 | 0.058115 | 4.87% | 3.45% | 0.055049 | 0.056946 |
| AVE COST PER KWH | | 0.102770 | 0.096104 | 33.18% | -14.05% | 0.113304 | 0.097383 |
| AVE SALE PER KWH | | 0.126186 | 0.124604 | 31.04% | -12.72% | 0.139413 | 0.121684 |
| FUEL CHARGE REVENUE (P.3) | | 4,045,284.33 | 3,510,280.41 | 53.55% | -26.68% | 41,272,013.48 | 30,261,119.30 |
| LOAD FACTOR | | 69.08% | 70.54% | | | | |
| PEAK LOAD | | 107,190 | 104,522 | | | | |

kwh analysis

- base cost
- fuel cost
- fuel revenue
- base revenue

\$0.115
\$0.100
\$0.085
\$0.070
\$0.055
\$0.040
\$0.025
\$0.010



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF CASH AND INVESTMENTS
2/28/10

SCHEDULE A

| | PREVIOUS YEAR | CURRENT YEAR |
|------------------------------------|----------------------|----------------------|
| UNRESTRICTED CASH | | |
| CASH - OPERATING FUND | 6,143,414.40 | 6,403,103.01 |
| CASH - PETTY CASH | 3,000.00 | 3,000.00 |
| TOTAL UNRESTRICTED CASH | <u>6,146,414.40</u> | <u>6,406,103.01</u> |
| RESTRICTED CASH | | |
| CASH - DEPRECIATION FUND | 4,906,707.10 | 5,444,492.83 |
| CASH - CONSTRUCTION FUND | 0.00 | 0.00 |
| CASH - TOWN PAYMENT | 553,600.00 | 573,450.00 |
| CASH - BOND PAYMENTS | 387,200.00 | 0.00 |
| CASH - DEFERRED FUEL RESERVE | 3,013,269.42 | 3,618,132.29 |
| CASH - RATE STABILIZATION FUND | 4,796,816.07 | 2,400,691.75 |
| CASH - UNCOLLECTIBLE ACCTS RESERVE | 28,988.15 | 28,988.15 |
| CASH - SICK LEAVE BENEFITS | 1,256,927.68 | 1,404,510.92 |
| CASH - INSURANCE RESERVE | 35,251.72 | 35,251.72 |
| CASH - HAZARD WASTE RESERVE | 150,000.00 | 150,000.00 |
| CASH - CUSTOMER DEPOSITS | 492,135.01 | 491,712.86 |
| CASH - ENERGY CONSERVATION | 0.00 | 321,942.17 |
| TOTAL RESTRICTED CASH | <u>15,620,895.15</u> | <u>14,469,172.69</u> |
| RESTRICTED INVESTMENTS | | |
| RATE STABILIZATION * | 1,400,000.00 | 2,900,000.00 |
| SICK LEAVE BENEFITS ** | 1,500,000.00 | 1,500,000.00 |
| TOTAL RESTRICTED INVESTMENTS | <u>2,900,000.00</u> | <u>4,400,000.00</u> |
| TOTAL CASH BALANCE | <u>24,667,309.55</u> | <u>25,275,275.70</u> |

FEBRUARY 2009

| | | |
|---------------------------|---------------|--|
| * FED HOME LOAN MTG CORP | 1,400,000.00; | DTD 05/08/08; INT 4.00%; MATURITY 11/15/13 |
| ** FED HOME LOAN MTG CORP | 500,000.00; | DTD 01/17/08; INT 4.25%; MATURITY 07/15/13 |
| ** FED HOME LOAN MTG CORP | 500,000.00; | DTD 01/25/08; INT 4.25%; MATURITY 01/15/15 |
| ** FED HOME LOAN MTG CORP | 500,000.00; | DTD 11/13/07; INT 5.25%; MATURITY 11/13/17 |

FEBRUARY 2010

| | | |
|---------------------------|---------------|--|
| * FED HOME LOAN MTG CORP | 1,400,000.00; | DTD 07/02/09; INT 3.25%; MATURITY 07/15/14 |
| FED HOME LOAN MTG CORP | 1,500,000.00; | DTD 01/23/09; INT 2.00%; MATURITY 01/15/13 |
| ** FED HOME LOAN MTG CORP | 500,000.00; | DTD 01/23/09; INT 2.00%; MATURITY 01/15/13 |
| FED HOME LOAN MTG CORP | 500,000.00; | DTD 06/01/09; INT 3.70%; MATURITY 06/11/16 |
| FED NATIONAL MTG ASSN | 500,000.00; | DTD 05/07/09; INT 3.00%; MATURITY 05/15/15 |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF ACCOUNTS RECEIVABLE
2/28/10

SCHEDULE B

| SCHEDULE OF ACCOUNTS RECEIVABLE | PREVIOUS YEAR | CURRENT YEAR |
|---|-----------------------------|----------------------------|
| RESIDENTIAL AND COMMERCIAL | 6,464,181.76 | 5,247,945.59 |
| ACCOUNTS RECEIVABLE - OTHER | 317,133.19 | 336,291.34 |
| ACCOUNTS RECEIVABLE - LIENS | 117,925.85 | 172,106.91 |
| ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES | 1,067.16 | 1,067.16 |
| SALES DISCOUNT LIABILITY | (310,911.01) | (307,344.73) |
| RESERVE FOR UNCOLLECTIBLE ACCOUNTS | (196,771.93) | (220,594.76) |
| TOTAL ACCOUNTS RECEIVABLE BILLED | <u>6,392,625.02</u> | <u>5,229,471.51</u> |
| UNBILLED ACCOUNTS RECEIVABLE | 4,762,361.75 | 4,172,944.58 |
| TOTAL ACCOUNTS RECEIVABLE, NET | <u><u>11,154,986.77</u></u> | <u><u>9,402,416.09</u></u> |

| SCHEDULE OF PREPAYMENTS | | |
|----------------------------|----------------------------|----------------------------|
| PREPAID INSURANCE | 1,122,857.70 | 1,139,975.04 |
| PREPAYMENT PURCHASED POWER | 498,224.79 | 513,833.81 |
| PREPAYMENT PASNY | 330,316.40 | 286,833.66 |
| PREPAYMENT WATSON | 0.00 | 148,453.05 |
| TOTAL PREPAYMENT | <u><u>1,951,398.89</u></u> | <u><u>2,089,095.56</u></u> |

ACCOUNTS RECEIVABLE AGING FEBRUARY 2010:

| | |
|--------------------------------|----------------------------|
| RESIDENTIAL AND COMMERCIAL | 5,247,945.59 |
| LESS: SALES DISCOUNT LIABILITY | (307,344.73) |
| GENERAL LEDGER BALANCE | <u><u>4,940,600.86</u></u> |

| | | |
|--------------|----------------------------|-----------------------|
| CURRENT | 3,857,277.00 | 78.07% |
| 30 DAYS | 624,346.57 | 12.64% |
| 60 DAYS | 197,412.15 | 4.00% |
| 90 DAYS | 108,053.31 | 2.19% |
| OVER 90 DAYS | 153,511.83 | 3.10% |
| TOTAL | <u><u>4,940,600.86</u></u> | <u><u>100.00%</u></u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE
2/28/10

SCHEDULE D

| SALES OF ELECTRICITY: | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|---------------------------------------|---------------------|-----------------------|----------------------|-------------------------|-----------------|
| RESIDENTIAL SALES | 2,947,110.57 | 2,635,768.82 | 26,434,168.34 | 22,836,089.06 | -13.61% |
| COMM AND INDUSTRIAL SALES | 4,077,458.90 | 3,575,315.70 | 38,640,628.44 | 31,262,670.75 | -19.09% |
| PRIVATE STREET LIGHTING | 10,853.45 | 10,651.48 | 94,629.23 | 83,975.55 | -11.26% |
| TOTAL PRIVATE CONSUMERS | <u>7,035,422.92</u> | <u>6,221,736.00</u> | <u>65,169,426.01</u> | <u>54,182,735.36</u> | -16.86% |
| MUNICIPAL SALES: | | | | | |
| STREET LIGHTING | 48,007.68 | 47,022.32 | 412,282.40 | 372,380.32 | -9.68% |
| MUNICIPAL BUILDINGS | 115,216.97 | 105,396.82 | 1,335,215.44 | 824,922.58 | -38.22% |
| TOTAL MUNICIPAL CONSUMERS | <u>163,224.65</u> | <u>152,419.14</u> | <u>1,747,497.84</u> | <u>1,197,302.90</u> | -31.48% |
| SALES FOR RESALE | 38,547.98 | 35,204.25 | 352,472.88 | 285,214.58 | -19.08% |
| SCHOOL | 181,573.92 | 169,117.37 | 933,383.04 | 1,214,471.69 | 30.12% |
| SUB-TOTAL | 7,418,769.47 | 6,578,476.76 | 68,202,779.77 | 56,879,724.53 | -16.60% |
| FORFEITED DISCOUNTS | 77,594.80 | 70,516.67 | 582,373.98 | 580,351.48 | -0.35% |
| PURCHASED POWER CAPACITY | (1,759.95) | 298,270.62 | 1,486,344.63 | 2,572,058.90 | 73.05% |
| ENERGY CONSERVATION - RESIDENTIAL | 10,672.47 | 9,740.37 | 50,937.95 | 85,637.07 | 68.12% |
| ENERGY CONSERVATION - COMMERCIAL | 36,437.02 | 32,463.93 | 179,204.49 | 289,199.77 | 61.38% |
| PASNY CREDIT | 0.00 | (80,545.44) | 0.00 | (313,633.84) | 100.00% |
| TOTAL REVENUE | <u>7,541,713.81</u> | <u>6,908,922.91</u> | <u>70,501,640.82</u> | <u>60,093,337.91</u> | -14.76% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE BY TOWN
2/28/10

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-----------------|---------------------|---------------------|-------------------|---------------------|---------------------|
| RESIDENTIAL | 2,635,768.82 | 846,377.73 | 349,160.95 | 616,336.58 | 823,893.56 |
| INDUS/MUNI BLDG | 3,680,712.52 | 512,321.93 | 48,448.72 | 572,742.07 | 2,547,199.80 |
| PUB.ST.LIGHTS | 47,022.32 | 16,263.90 | 5,824.07 | 7,805.49 | 17,128.86 |
| PRV.ST.LIGHTS | 10,651.48 | 2,029.99 | 203.38 | 3,296.91 | 5,121.20 |
| CO-OP RESALE | 35,204.25 | 35,204.25 | 0.00 | 0.00 | 0.00 |
| SCHOOL | 169,117.37 | 61,201.85 | 33,026.87 | 22,789.02 | 52,099.63 |
| TOTAL | 6,578,476.76 | 1,473,399.65 | 436,663.99 | 1,222,970.07 | 3,445,443.05 |

| | | | | | |
|--------------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| THIS YEAR TO DATE | | | | | |
| RESIDENTIAL | 22,836,089.06 | 7,135,352.67 | 3,245,869.65 | 5,275,357.22 | 7,179,509.52 |
| INDUS/MUNI BLDG | 32,087,593.34 | 4,285,310.25 | 404,088.60 | 5,137,229.24 | 22,260,965.24 |
| PUB.ST.LIGHTS | 372,380.32 | 128,898.68 | 46,098.02 | 61,812.12 | 135,571.50 |
| PRV.ST.LIGHTS | 83,975.54 | 16,189.10 | 1,610.71 | 25,916.33 | 40,259.41 |
| CO-OP RESALE | 285,214.58 | 285,214.58 | 0.00 | 0.00 | 0.00 |
| SCHOOL | 1,214,471.69 | 446,055.49 | 243,395.12 | 158,477.71 | 366,543.37 |
| TOTAL | 56,879,724.53 | 12,297,020.77 | 3,941,062.08 | 10,658,792.63 | 29,982,849.05 |

| | | | | | |
|--------------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| LAST YEAR TO DATE | | | | | |
| RESIDENTIAL | 26,434,168.34 | 8,349,298.01 | 3,763,213.90 | 6,123,327.13 | 8,198,329.30 |
| INDUS/MUNI BLDG | 39,975,843.88 | 5,389,331.92 | 575,509.76 | 6,981,838.34 | 27,029,163.86 |
| PUB.ST.LIGHTS | 412,282.40 | 145,546.00 | 51,013.37 | 67,479.63 | 148,243.40 |
| PRV.ST.LIGHTS | 94,629.23 | 18,054.55 | 1,824.40 | 30,043.80 | 44,706.48 |
| CO-OP RESALE | 352,472.88 | 352,472.88 | 0.00 | 0.00 | 0.00 |
| SCHOOL | 933,383.04 | 352,514.90 | 178,275.91 | 118,946.36 | 283,645.87 |
| TOTAL | 68,202,779.77 | 14,607,218.26 | 4,569,837.34 | 13,321,635.26 | 35,704,088.91 |

PERCENTAGE OF OPERATING INCOME TO TOTAL

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-----------------|---------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 40.07% | 12.87% | 5.31% | 9.37% | 12.52% |
| INDUS/MUNI BLDG | 55.95% | 7.79% | 0.74% | 8.71% | 38.71% |
| PUB.ST.LIGHTS | 0.71% | 0.25% | 0.09% | 0.12% | 0.25% |
| PRV.ST.LIGHTS | 0.16% | 0.03% | 0.00% | 0.05% | 0.08% |
| CO-OP RESALE | 0.54% | 0.54% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 2.57% | 0.93% | 0.50% | 0.35% | 0.79% |
| TOTAL | 99.99% | 22.41% | 6.64% | 18.60% | 52.35% |

| | | | | | |
|--------------------------|----------------|---------------|--------------|---------------|---------------|
| THIS YEAR TO DATE | | | | | |
| RESIDENTIAL | 40.15% | 12.54% | 5.71% | 9.27% | 12.63% |
| INDUS/MUNI BLDG | 56.41% | 7.53% | 0.71% | 9.03% | 39.14% |
| PUB.ST.LIGHTS | 0.65% | 0.23% | 0.08% | 0.11% | 0.23% |
| PRV.ST.LIGHTS | 0.15% | 0.03% | 0.00% | 0.05% | 0.07% |
| CO-OP RESALE | 0.50% | 0.50% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 2.14% | 0.78% | 0.43% | 0.28% | 0.65% |
| TOTAL | 100.00% | 21.62% | 6.93% | 18.74% | 52.72% |

| | | | | | |
|--------------------------|----------------|---------------|--------------|---------------|---------------|
| LAST YEAR TO DATE | | | | | |
| RESIDENTIAL | 38.76% | 12.24% | 5.52% | 8.98% | 12.02% |
| INDUS/MUNI BLDG | 58.61% | 7.90% | 0.84% | 10.24% | 39.63% |
| PUB.ST.LIGHTS | 0.60% | 0.21% | 0.07% | 0.10% | 0.22% |
| PRV.ST.LIGHTS | 0.14% | 0.03% | 0.00% | 0.04% | 0.07% |
| CO-OP RESALE | 0.52% | 0.52% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.37% | 0.52% | 0.26% | 0.17% | 0.42% |
| TOTAL | 100.00% | 21.42% | 6.69% | 19.53% | 52.36% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED REVENUE VARIANCE REPORT
2/28/10

SCHEDULE F

| | ACTUAL ** YEAR TO DATE | BUDGET YEAR TO DATE | VARIANCE * | % CHANGE |
|---|-----------------------------|-----------------------------|--------------------------|-------------|
| SALES OF ELECTRICITY: | | | | |
| RESIDENTIAL | 11,743,691.83 | 11,678,432.00 | 65,259.83 | 0.56% |
| COMM AND INDUSTRIAL SALES PRIVATE STREET LIGHTING MUNICIPAL BUILDINGS | 13,898,930.25 | 13,964,446.00 | (65,515.75) | -0.47% |
| PUBLIC STREET LIGHTING | 249,711.69 | 272,476.00 | (22,764.31) | -8.35% |
| SALES FOR RESALE | 139,514.13 | 147,389.00 | (7,874.87) | -5.34% |
| SCHOOL | <u>586,757.33</u> | <u>574,595.00</u> | <u>12,162.33</u> | 2.12% |
| TOTAL BASE SALES | 26,618,605.23 | 26,637,338.00 | (18,732.77) | -0.07% |
| TOTAL FUEL SALES | <u>30,261,119.30</u> | <u>29,602,779.00</u> | <u>658,340.30</u> | 2.22% |
| TOTAL OPERATING REVENUE | 56,879,724.53 | 56,240,117.00 | 639,607.53 | 1.14% |
| FORFEITED DISCOUNTS | 580,351.48 | 577,949.00 | 2,402.48 | 0.42% |
| PURCHASED POWER CAPACITY | 2,572,058.90 | 2,643,921.00 | (71,862.10) | -2.72% |
| ENERGY CONSERVATION - RESIDENTIAL | 85,637.07 | 92,964.00 | (7,326.93) | -7.88% |
| ENERGY CONSERVATION - COMMERCIAL | 289,199.77 | 286,583.00 | 2,616.77 | 0.91% |
| PASNY CREDIT | (313,633.84) | (210,225.00) | (103,408.84) | 100.00% |
| TOTAL OPERATING REVENUES | <u><u>60,093,337.91</u></u> | <u><u>59,631,309.00</u></u> | <u><u>462,028.91</u></u> | 0.77% |

* () = ACTUAL UNDER BUDGET

** REFORECASTED AS OF 12/31/09

** 6 MONTHS ACTUAL/6 MONTHS BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING EXPENSES
2/28/10

SCHEDULE E

| OPERATION EXPENSES: | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|-----------------------------------|--------------------|-----------------------|----------------------|-------------------------|-----------------|
| PURCHASED POWER BASE EXPENSE | 1,955,245.48 | 2,066,054.50 | 16,797,005.21 | 18,514,414.16 | 10.22% |
| OPERATION SUPER AND ENGIN-TRANS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| OPERATION SUP AND ENGINEERING EXP | 29,738.46 | 35,325.45 | 252,808.70 | 267,759.11 | 5.91% |
| STATION SUP LABOR AND MISC | 3,173.90 | 8,294.30 | 54,996.28 | 49,943.65 | -9.19% |
| LINE MISC LABOR AND EXPENSE | 45,053.26 | 50,907.38 | 418,571.20 | 415,155.75 | -0.82% |
| STATION LABOR AND EXPENSE | 34,192.85 | 32,771.91 | 309,594.94 | 311,778.17 | 0.71% |
| STREET LIGHTING EXPENSE | 6,118.02 | 3,546.74 | 44,094.22 | 32,413.14 | -26.49% |
| METER EXPENSE | 34,483.76 | 29,844.03 | 254,029.24 | 263,304.25 | 3.65% |
| MISC DISTRIBUTION EXPENSE | 25,568.23 | 26,619.81 | 219,155.80 | 214,378.54 | -2.18% |
| METER READING LABOR & EXPENSE | 5,030.44 | 4,498.25 | 50,438.59 | 49,768.34 | -1.33% |
| ACCT & COLL LABOR & EXPENSE | 119,800.46 | 89,195.60 | 984,445.90 | 886,152.15 | -9.98% |
| UNCOLLECTIBLE ACCOUNTS | 10,400.00 | 12,500.00 | 83,200.00 | 100,492.92 | 20.78% |
| ENERGY AUDIT EXPENSE | 38,014.50 | 25,633.36 | 340,428.07 | 296,532.75 | -12.89% |
| ADMIN & GEN SALARIES | 61,424.24 | 58,208.44 | 494,956.89 | 511,342.37 | 3.31% |
| OFFICE SUPPLIES & EXPENSE | 7,767.26 | 24,257.84 | 170,505.33 | 176,832.90 | 3.71% |
| OUTSIDE SERVICES | 5,399.18 | 34,202.30 | 140,837.66 | 205,325.99 | 0.00% |
| PROPERTY INSURANCE | 31,019.93 | 30,684.47 | 219,733.25 | 251,936.45 | 14.66% |
| INJURIES AND DAMAGES | 6,084.65 | 4,339.87 | 42,882.64 | 39,628.67 | -7.59% |
| EMPLOYEES PENSIONS & BENEFITS | 96,346.30 | 110,396.95 | 840,364.99 | 1,071,843.90 | 27.55% |
| MISC GENERAL EXPENSE | 20,503.82 | 10,666.89 | 119,399.68 | 105,113.41 | -11.97% |
| RENT EXPENSE | 14,687.65 | 31,846.69 | 116,718.81 | 131,973.06 | 13.07% |
| ENERGY CONSERVATION | 2,267.00 | 33,739.77 | 46,409.00 | 243,609.07 | 424.92% |
| TOTAL OPERATION EXPENSES | 597,073.91 | 657,480.05 | 5,203,571.19 | 5,625,284.59 | 8.10% |
| MAINTENANCE EXPENSES: | | | | | |
| MAINT OF TRANSMISSION PLANT | 227.08 | 227.08 | 1,816.66 | 1,816.66 | 0.00% |
| MAINT OF STRUCT AND EQUIPMT | 7,613.98 | 12,694.73 | 181,202.16 | 58,976.08 | -67.45% |
| MAINT OF LINES - OH | 76,050.72 | 113,463.47 | 763,385.87 | 748,850.78 | -1.90% |
| MAINT OF LINES - UG | 17,539.22 | 35,882.57 | 96,401.66 | 129,969.24 | 34.82% |
| MAINT OF LINE TRANSFORMERS * | 0.00 | 1,614.80 | 49,052.95 | 594,160.60 | 1111.26% |
| MAINT OF ST LT & SIG SYSTEM | (16.85) | (40.94) | 44.73 | (129.61) | 100.00% |
| MAINT OF GARAGE AND STOCKROOM | 45,976.79 | 35,979.05 | 384,161.98 | 324,151.32 | -15.62% |
| MAINT OF METERS | 0.00 | 0.00 | 0.00 | 531.31 | 100.00% |
| MAINT OF GEN PLANT | 6,082.12 | 7,228.14 | 58,289.32 | 62,137.99 | 6.60% |
| TOTAL MAINTENANCE EXPENSES | 153,473.06 | 207,048.90 | 1,534,355.33 | 1,920,464.37 | 25.16% |
| DEPRECIATION EXPENSE | 261,200.00 | 280,105.78 | 2,089,600.00 | 2,240,846.24 | 7.24% |
| PURCHASED POWER FUEL EXPENSE | 3,599,640.06 | 3,106,761.88 | 39,164,074.76 | 28,068,747.42 | -28.33% |
| VOLUNTARY PAYMENTS TO TOWNS | 100,750.00 | 104,500.00 | 782,731.00 | 835,746.00 | 6.77% |
| TOTAL OPERATING EXPENSES | 6,667,382.51 | 6,421,951.11 | 65,571,337.49 | 57,205,502.78 | -12.76% |

* Includes GAW soil remediation expenses.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
2/28/10

SCHEDULE G

| OPERATION EXPENSES: | ACTUAL ** YEAR TO DATE | BUDGET YEAR TO DATE | VARIANCE * | % CHANGE |
|-----------------------------------|---------------------------|------------------------|--------------|-------------|
| PURCHASED POWER BASE EXPENSE | 18,514,414.16 | 18,335,359.00 | 179,055.16 | 0.98% |
| OPERATION SUPER AND ENGIN-TRANS | 0.00 | 0.00 | 0.00 | 0.00% |
| OPERATION SUP AND ENGINEERING EXP | 267,759.11 | 260,582.99 | 7,176.12 | 2.75% |
| STATION SUP LABOR AND MISC | 49,943.65 | 37,306.88 | 12,636.77 | 33.87% |
| LINE MISC LABOR AND EXPENSE | 415,155.75 | 414,800.99 | 354.76 | 0.09% |
| STATION LABOR AND EXPENSE | 311,778.17 | 318,840.33 | (7,062.16) | -2.21% |
| STREET LIGHTING EXPENSE | 32,413.14 | 37,817.82 | (5,404.68) | -14.29% |
| METER EXPENSE | 263,304.25 | 269,165.49 | (5,861.24) | -2.18% |
| MISC DISTRIBUTION EXPENSE | 214,378.54 | 215,882.19 | (1,503.65) | -0.70% |
| METER READING LABOR & EXPENSE | 49,768.34 | 50,743.35 | (975.01) | -1.92% |
| ACCT & COLL LABOR & EXPENSE | 886,152.15 | 935,617.46 | (49,465.31) | -5.29% |
| UNCOLLECTIBLE ACCOUNTS | 100,492.92 | 100,492.92 | 0.00 | 0.00% |
| ENERGY AUDIT EXPENSE | 296,532.75 | 419,557.37 | (123,024.62) | -29.32% |
| ADMIN & GEN SALARIES | 511,342.37 | 515,454.30 | (4,111.93) | -0.80% |
| OFFICE SUPPLIES & EXPENSE | 176,832.90 | 172,815.12 | 4,017.78 | 2.32% |
| OUTSIDE SERVICES | 205,325.99 | 208,420.86 | (3,094.87) | -1.48% |
| PROPERTY INSURANCE | 251,936.45 | 264,155.43 | (12,218.98) | -4.63% |
| INJURIES AND DAMAGES | 39,628.67 | 39,288.30 | 340.37 | 0.87% |
| EMPLOYEES PENSIONS & BENEFITS | 1,071,843.90 | 770,457.37 | 301,386.53 | 39.12% |
| MISC GENERAL EXPENSE | 105,113.41 | 122,649.55 | (17,536.14) | -14.30% |
| RENT EXPENSE | 131,973.06 | 118,972.94 | 13,000.12 | 10.93% |
| ENERGY CONSERVATION | 243,609.07 | 179,971.78 | 63,637.29 | 100.00% |
| TOTAL OPERATION EXPENSES | 5,625,284.59 | 5,452,993.44 | 172,291.15 | 3.16% |
| MAINTENANCE EXPENSES: | | | | |
| MAINT OF TRANSMISSION PLANT | 1,816.66 | 1,862.50 | (45.84) | -2.46% |
| MAINT OF STRUCT AND EQUIPMENT | 58,976.08 | 61,206.69 | (2,230.61) | -3.64% |
| MAINT OF LINES - OH | 748,850.78 | 692,686.36 | 56,164.42 | 8.11% |
| MAINT OF LINES - UG | 129,969.24 | 102,035.03 | 27,934.21 | 27.38% |
| MAINT OF LINE TRANSFORMERS *** | 594,160.60 | 157,707.34 | 436,453.26 | 276.75% |
| MAINT OF ST LT & SIG SYSTEM | (129.61) | 1,543.87 | (1,673.48) | -108.40% |
| MAINT OF GARAGE AND STOCKROOM | 324,151.32 | 367,250.32 | (43,099.00) | -11.74% |
| MAINT OF METERS | 531.31 | 1,311.31 | (780.00) | -59.48% |
| MAINT OF GEN PLANT | 62,137.99 | 66,113.22 | (3,975.23) | -6.01% |
| TOTAL MAINTENANCE EXPENSES | 1,920,464.37 | 1,451,716.64 | 468,747.73 | 32.29% |
| DEPRECIATION EXPENSE | 2,240,846.24 | 2,245,634.68 | (4,788.44) | -0.21% |
| PURCHASED POWER FUEL EXPENSE | 28,068,747.42 | 28,582,668.68 | (513,921.26) | -1.80% |
| VOLUNTARY PAYMENTS TO TOWNS | 835,746.00 | 835,746.00 | 0.00 | 0.00% |
| TOTAL OPERATING EXPENSES | 57,205,502.78 | 56,904,118.44 | 301,384.34 | 0.53% |

* () = ACTUAL UNDER BUDGET

** REFORECASTED AS OF 12/31/09

** 6 MONTHS ACTUAL/6 MONTHS BUDGET

*** Includes GAW soil remediation expenses.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
2/28/10

| OPERATION EXPENSES: | RESPONSIBLE SENIOR MANAGER | 2010 ANNUAL BUDGET | ACTUAL ** YEAR TO DATE | REMAINING BUDGET BALANCE | REMAINING BUDGET % |
|-----------------------------------|----------------------------------|-----------------------|---------------------------|--------------------------------|-----------------------|
| PURCHASED POWER BASE EXPENSE | JP | 26,794,251.00 | 18,514,414.16 | 8,279,836.84 | 30.90% |
| OPERATION SUPER AND ENGIN-TRANS | KS | 0.00 | 0.00 | 0.00 | 0.00% |
| OPERATION SUP AND ENGINEERING EXP | KS | 398,196.00 | 267,759.11 | 130,436.89 | 32.76% |
| STATION SUP LABOR AND MISC | KS | 71,651.00 | 49,943.65 | 21,707.35 | 30.30% |
| LINE MISC LABOR AND EXPENSE | KS | 576,553.00 | 415,155.75 | 161,397.25 | 27.99% |
| STATION LABOR AND EXPENSE | KS | 423,826.00 | 311,778.17 | 112,047.83 | 26.44% |
| STREET LIGHTING EXPENSE | KS | 79,519.00 | 32,413.14 | 47,105.86 | 59.24% |
| METER EXPENSE | DA | 424,973.00 | 263,304.25 | 161,668.75 | 38.04% |
| MISC DISTRIBUTION EXPENSE | JD | 345,498.00 | 214,378.54 | 131,119.46 | 37.95% |
| METER READING LABOR & EXPENSE | DA | 66,772.00 | 49,768.34 | 17,003.66 | 25.47% |
| ACCT & COLL LABOR & EXPENSE | RF | 1,462,217.00 | 886,152.15 | 576,064.85 | 39.40% |
| UNCOLLECTIBLE ACCOUNTS | RF | 150,000.00 | 100,492.92 | 49,507.08 | 33.00% |
| ENERGY AUDIT EXPENSE | JP | 1,105,759.00 | 296,532.75 | 809,226.25 | 73.18% |
| ADMIN & GEN SALARIES | VC | 776,201.00 | 511,342.37 | 264,858.63 | 34.12% |
| OFFICE SUPPLIES & EXPENSE | VC | 264,600.00 | 176,832.90 | 87,767.10 | 33.17% |
| OUTSIDE SERVICES | VC | 398,500.00 | 205,325.99 | 193,174.01 | 48.48% |
| PROPERTY INSURANCE | JD | 443,150.00 | 251,936.45 | 191,213.55 | 43.15% |
| INJURIES AND DAMAGES | JD | 60,039.00 | 39,628.67 | 20,410.33 | 34.00% |
| EMPLOYEES PENSIONS & BENEFITS | JD | 1,093,185.00 | 1,071,843.90 | 21,341.10 | 1.95% |
| MISC GENERAL EXPENSE | VC | 223,038.00 | 105,113.41 | 117,924.59 | 52.87% |
| RENT EXPENSE | JD | 212,000.00 | 131,973.06 | 80,026.94 | 37.75% |
| ENERGY CONSERVATION | JP | 0.00 | 243,609.07 | (243,609.07) | 100.00% |
| TOTAL OPERATION EXPENSES | | 8,575,677.00 | 5,625,284.59 | 2,950,392.41 | 34.40% |
| MAINTENANCE EXPENSES: | | | | | |
| MAINT OF TRANSMISSION PLANT | KS | 3,000.00 | 1,816.66 | 1,183.34 | 39.44% |
| MAINT OF STRUCT AND EQUIPMT | KS | 158,859.00 | 58,976.08 | 99,882.92 | 62.88% |
| MAINT OF LINES - OH | KS | 1,060,849.00 | 748,850.78 | 311,998.22 | 29.41% |
| MAINT OF LINES - UG | KS | 144,228.00 | 129,969.24 | 14,258.76 | 9.89% |
| MAINT OF LINE TRANSFORMERS *** | KS | 93,500.00 | 594,160.60 | (500,660.60) | -535.47% |
| MAINT OF ST LT & SIG SYSTEM | JD | 9,888.00 | (129.61) | 10,017.61 | 101.31% |
| MAINT OF GARAGE AND STOCKROOM | JD | 625,632.00 | 324,151.32 | 301,480.68 | 48.19% |
| MAINT OF METERS | DA | 4,863.00 | 531.31 | 4,331.69 | 89.07% |
| MAINT OF GEN PLANT | RF | 116,100.00 | 62,137.99 | 53,962.01 | 46.48% |
| TOTAL MAINTENANCE EXPENSES | | 2,216,919.00 | 1,920,464.37 | 296,454.63 | 13.37% |
| DEPRECIATION EXPENSE | RF | 3,390,000.00 | 2,240,846.24 | 1,149,153.76 | 33.90% |
| PURCHASED POWER FUEL EXPENSE | JP | 40,893,477.00 | 28,068,747.42 | 12,824,729.58 | 31.36% |
| VOLUNTARY PAYMENTS TO TOWNS | RF | 1,254,000.00 | 835,746.00 | 418,254.00 | 33.35% |
| TOTAL OPERATING EXPENSES | | 83,124,324.00 | 57,205,502.78 | 25,918,821.22 | 31.18% |

** REFORECASTED AS OF 12/31/09

** 6 MONTHS ACTUAL/6 MONTHS BUDGET

*** Includes GAW soil remediation expenses.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
2/28/10

SCHEDULE G

| OPERATION EXPENSES: | ACTUAL ** YEAR TO DATE | BUDGET YEAR TO DATE | VARIANCE * | % CHANGE |
|-----------------------------------|---------------------------|------------------------|--------------|-------------|
| PURCHASED POWER BASE EXPENSE | 18,514,414.16 | 18,335,359.00 | 179,055.16 | 0.98% |
| OPERATION SUPER AND ENGIN-TRANS | 0.00 | 0.00 | 0.00 | 0.00% |
| OPERATION SUP AND ENGINEERING EXP | 267,759.11 | 260,582.99 | 7,176.12 | 2.75% |
| STATION SUP LABOR AND MISC | 49,943.65 | 37,306.88 | 12,636.77 | 33.87% |
| LINE MISC LABOR AND EXPENSE | 415,155.75 | 414,800.99 | 354.76 | 0.09% |
| STATION LABOR AND EXPENSE | 311,778.17 | 318,840.33 | (7,062.16) | -2.21% |
| STREET LIGHTING EXPENSE | 32,413.14 | 37,817.82 | (5,404.68) | -14.29% |
| METER EXPENSE | 263,304.25 | 269,165.49 | (5,861.24) | -2.18% |
| MISC DISTRIBUTION EXPENSE | 214,378.54 | 215,882.19 | (1,503.65) | -0.70% |
| METER READING LABOR & EXPENSE | 49,768.34 | 50,743.35 | (975.01) | -1.92% |
| ACCT & COLL LABOR & EXPENSE | 886,152.15 | 935,617.46 | (49,465.31) | -5.29% |
| UNCOLLECTIBLE ACCOUNTS | 100,492.92 | 100,492.92 | 0.00 | 0.00% |
| ENERGY AUDIT EXPENSE | 296,532.75 | 419,557.37 | (123,024.62) | -29.32% |
| ADMIN & GEN SALARIES | 511,342.37 | 515,454.30 | (4,111.93) | -0.80% |
| OFFICE SUPPLIES & EXPENSE | 176,832.90 | 172,815.12 | 4,017.78 | 2.32% |
| OUTSIDE SERVICES | 205,325.99 | 208,420.86 | (3,094.87) | -1.48% |
| PROPERTY INSURANCE | 251,936.45 | 264,155.43 | (12,218.98) | -4.63% |
| INJURIES AND DAMAGES | 39,628.67 | 39,288.30 | 340.37 | 0.87% |
| EMPLOYEES PENSIONS & BENEFITS | 1,071,843.90 | 770,457.37 | 301,386.53 | 39.12% |
| MISC GENERAL EXPENSE | 105,113.41 | 122,649.55 | (17,536.14) | -14.30% |
| RENT EXPENSE | 131,973.06 | 118,972.94 | 13,000.12 | 10.93% |
| ENERGY CONSERVATION | 243,609.07 | 179,971.78 | 63,637.29 | 100.00% |
| TOTAL OPERATION EXPENSES | 5,625,284.59 | 5,452,993.44 | 172,291.15 | 3.16% |
| MAINTENANCE EXPENSES: | | | | |
| MAINT OF TRANSMISSION PLANT | 1,816.66 | 1,862.50 | (45.84) | -2.46% |
| MAINT OF STRUCT AND EQUIPMENT | 58,976.08 | 61,206.69 | (2,230.61) | -3.64% |
| MAINT OF LINES - OH | 748,850.78 | 692,686.36 | 56,164.42 | 8.11% |
| MAINT OF LINES - UG | 129,969.24 | 102,035.03 | 27,934.21 | 27.38% |
| MAINT OF LINE TRANSFORMERS *** | 594,160.60 | 157,707.34 | 436,453.26 | 276.75% |
| MAINT OF ST LT & SIG SYSTEM | (129.61) | 1,543.87 | (1,673.48) | -108.40% |
| MAINT OF GARAGE AND STOCKROOM | 324,151.32 | 367,250.32 | (43,099.00) | -11.74% |
| MAINT OF METERS | 531.31 | 1,311.31 | (780.00) | -59.48% |
| MAINT OF GEN PLANT | 62,137.99 | 66,113.22 | (3,975.23) | -6.01% |
| TOTAL MAINTENANCE EXPENSES | 1,920,464.37 | 1,451,716.64 | 468,747.73 | 32.29% |
| DEPRECIATION EXPENSE | 2,240,846.24 | 2,245,634.68 | (4,788.44) | -0.21% |
| PURCHASED POWER FUEL EXPENSE | 28,068,747.42 | 28,582,668.68 | (513,921.26) | -1.80% |
| VOLUNTARY PAYMENTS TO TOWNS | 835,746.00 | 835,746.00 | 0.00 | 0.00% |
| TOTAL OPERATING EXPENSES | 57,205,502.78 | 56,904,118.44 | 301,384.34 | 0.53% |

* () = ACTUAL UNDER BUDGET

** REFORECASTED AS OF 12/31/09

** 6 MONTHS ACTUAL/6 MONTHS BUDGET

*** Includes GAW soil remediation expenses.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
2/28/10

| OPERATION EXPENSES: | RESPONSIBLE SENIOR MANAGER | 2010 ANNUAL BUDGET | ACTUAL ** YEAR TO DATE | REMAINING BUDGET BALANCE | REMAINING BUDGET % |
|-----------------------------------|----------------------------------|-----------------------|---------------------------|--------------------------------|-----------------------|
| PURCHASED POWER BASE EXPENSE | JP | 26,794,251.00 | 18,514,414.16 | 8,279,836.84 | 30.90% |
| OPERATION SUPER AND ENGIN-TRANS | KS | 0.00 | 0.00 | 0.00 | 0.00% |
| OPERATION SUP AND ENGINEERING EXP | KS | 398,196.00 | 267,759.11 | 130,436.89 | 32.76% |
| STATION SUP LABOR AND MISC | KS | 71,651.00 | 49,943.65 | 21,707.35 | 30.30% |
| LINE MISC LABOR AND EXPENSE | KS | 576,553.00 | 415,155.75 | 161,397.25 | 27.99% |
| STATION LABOR AND EXPENSE | KS | 423,826.00 | 311,778.17 | 112,047.83 | 26.44% |
| STREET LIGHTING EXPENSE | KS | 79,519.00 | 32,413.14 | 47,105.86 | 59.24% |
| METER EXPENSE | DA | 424,973.00 | 263,304.25 | 161,668.75 | 38.04% |
| MISC DISTRIBUTION EXPENSE | JD | 345,498.00 | 214,378.54 | 131,119.46 | 37.95% |
| METER READING LABOR & EXPENSE | DA | 66,772.00 | 49,768.34 | 17,003.66 | 25.47% |
| ACCT & COLL LABOR & EXPENSE | RF | 1,462,217.00 | 886,152.15 | 576,064.85 | 39.40% |
| UNCOLLECTIBLE ACCOUNTS | RF | 150,000.00 | 100,492.92 | 49,507.08 | 33.00% |
| ENERGY AUDIT EXPENSE | JP | 1,105,759.00 | 296,532.75 | 809,226.25 | 73.18% |
| ADMIN & GEN SALARIES | VC | 776,201.00 | 511,342.37 | 264,858.63 | 34.12% |
| OFFICE SUPPLIES & EXPENSE | VC | 264,600.00 | 176,832.90 | 87,767.10 | 33.17% |
| OUTSIDE SERVICES | VC | 398,500.00 | 205,325.99 | 193,174.01 | 48.48% |
| PROPERTY INSURANCE | JD | 443,150.00 | 251,936.45 | 191,213.55 | 43.15% |
| INJURIES AND DAMAGES | JD | 60,039.00 | 39,628.67 | 20,410.33 | 34.00% |
| EMPLOYEES PENSIONS & BENEFITS | JD | 1,093,185.00 | 1,071,843.90 | 21,341.10 | 1.95% |
| MISC GENERAL EXPENSE | VC | 223,038.00 | 105,113.41 | 117,924.59 | 52.87% |
| RENT EXPENSE | JD | 212,000.00 | 131,973.06 | 80,026.94 | 37.75% |
| ENERGY CONSERVATION | JP | 0.00 | 243,609.07 | (243,609.07) | 100.00% |
| TOTAL OPERATION EXPENSES | | 8,575,677.00 | 5,625,284.59 | 2,950,392.41 | 34.40% |
| MAINTENANCE EXPENSES: | | | | | |
| MAINT OF TRANSMISSION PLANT | KS | 3,000.00 | 1,816.66 | 1,183.34 | 39.44% |
| MAINT OF STRUCT AND EQUIPMT | KS | 158,859.00 | 58,976.08 | 99,882.92 | 62.88% |
| MAINT OF LINES - OH | KS | 1,060,849.00 | 748,850.78 | 311,998.22 | 29.41% |
| MAINT OF LINES - UG | KS | 144,228.00 | 129,969.24 | 14,258.76 | 9.89% |
| MAINT OF LINE TRANSFORMERS *** | KS | 93,500.00 | 594,160.60 | (500,660.60) | -535.47% |
| MAINT OF ST LT & SIG SYSTEM | JD | 9,888.00 | (129.61) | 10,017.61 | 101.31% |
| MAINT OF GARAGE AND STOCKROOM | JD | 625,632.00 | 324,151.32 | 301,480.68 | 48.19% |
| MAINT OF METERS | DA | 4,863.00 | 531.31 | 4,331.69 | 89.07% |
| MAINT OF GEN PLANT | RF | 116,100.00 | 62,137.99 | 53,962.01 | 46.48% |
| TOTAL MAINTENANCE EXPENSES | | 2,216,919.00 | 1,920,464.37 | 296,454.63 | 13.37% |
| DEPRECIATION EXPENSE | RF | 3,390,000.00 | 2,240,846.24 | 1,149,153.76 | 33.90% |
| PURCHASED POWER FUEL EXPENSE | JP | 40,893,477.00 | 28,068,747.42 | 12,824,729.58 | 31.36% |
| VOLUNTARY PAYMENTS TO TOWNS | RF | 1,254,000.00 | 835,746.00 | 418,254.00 | 33.35% |
| TOTAL OPERATING EXPENSES | | 83,124,324.00 | 57,205,502.78 | 25,918,821.22 | 31.18% |

** REFORECASTED AS OF 12/31/09

** 6 MONTHS ACTUAL/6 MONTHS BUDGET

*** Includes GAW soil remediation expenses.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
PROFESSIONAL SERVICES
2/28/10

PROFESSIONAL SERVICES BY PROJECT

| ITEM | DEPARTMENT | ACTUAL | BUDGET | VARIANCE |
|-------------------------------------|----------------|-------------------|-------------------|-------------------|
| 1 RMLD AND PENSION TRUST AUDIT FEES | ACCOUNTING | 29,750.00 | 29,750.00 | 0.00 |
| 2 PENSION ACTUARIAL EVALUATION | ACCOUNTING | 0.00 | 0.00 | 0.00 |
| 3 IT CONSULTING | ACCOUNTING | 0.00 | 10,000.00 | (10,000.00) |
| 4 LEGAL- PERC/ISO ISSUES | ENERGY SERVICE | 0.00 | 8,334.00 | (8,334.00) |
| 5 LEGAL- POWER SUPPLY ISSUES | ENERGY SERVICE | 37,018.85 | 37,107.25 | (88.40) |
| 6 PROFESSIONAL SERVICES | ENERGY SERVICE | 0.00 | 8,334.00 | (8,334.00) |
| 7 NERC COMPLIANCE | E & O | 3,562.50 | 4,609.75 | (1,047.25) |
| 8 ENGINEERING STUDIES | ENGINEERING | 876.57 | 4,626.57 | (3,750.00) |
| 9 LEGAL SERVICES- GENERAL | GM | 81,163.68 | 63,984.81 | 17,178.87 |
| 10 LEGAL SERVICES- ARBITRATION | HR | 16,830.16 | 16,830.16 | 0.00 |
| 11 LEGAL GENERAL | HR | 5,913.00 | 12,035.38 | (6,122.38) |
| 12 LEGAL SERVICES- UNION CONTRACT | HR | 14,444.42 | 5,304.94 | 9,139.48 |
| 13 LEGAL GENERAL | BLDG. MAINT. | 4,516.81 | 250.00 | 4,266.81 |
| 14 SURVEY RIGHT OF WAY | BLDG. MAINT. | 0.00 | 834.00 | (834.00) |
| 15 ENVIRONMENTAL | BLDG. MAINT. | 0.00 | 834.00 | (834.00) |
| 16 ENGINEERING SERVICES | BLDG. MAINT. | 0.00 | 1,420.00 | (1,420.00) |
| 17 LEGAL | GEN. BENEFIT | 0.00 | 1,666.00 | (1,666.00) |
| 18 INSURANCE CONSULTING | GEN. BENEFIT | 11,250.00 | 2,500.00 | 8,750.00 |
| TOTAL | | <u>205,325.99</u> | <u>208,420.86</u> | <u>(3,094.87)</u> |

PROFESSIONAL SERVICES BY VENDOR

| | ACTUAL |
|-----------------------------------|-------------------|
| CHOATE HALL AND STEWART | 36,087.58 |
| PLM ELECTRIC | 876.57 |
| UTILITY SERVICE | 3,562.50 |
| DUNCAN AND ALLEN | 25,970.93 |
| MELANSON HEATH AND COMPANY | 42,794.82 |
| KATHLEEN GOOD- ARBITRATOR | 300.00 |
| HEALTH RESOURCES | 200.00 |
| GARRY WOOTERS- ARBITRATOR | 600.00 |
| ROMARKE INSURANCE BRODERAGE | 11,250.00 |
| MASSACHUSETTS MUNICIPAL WHOLESALE | 666.85 |
| RUBIN AND RUDMAN | 83,016.74 |
| TOTAL | <u>205,325.99</u> |

RMLD
BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| DIVISION | ACTUAL | BUDGET | VARIANCE | % CHANGE |
|----------------------------|------------|------------|-----------|----------|
| ENGINEERING AND OPERATIONS | 3,051,361 | 2,544,984 | 506,377 | 19.90% |
| ENERGY SERVICES | 577,212 | 653,413 | (76,201) | -11.66% |
| GENERAL MANAGER | 530,427 | 524,153 | 6,274 | 1.20% |
| FACILITY | 2,110,913 | 1,847,201 | 263,712 | 14.28% |
| BUSINESS DIVISION | 5,827,470 | 5,891,383 | (63,913) | -1.08% |
| SUB-TOTAL | 12,097,382 | 11,461,133 | 636,249 | 5.55% |
| PURCHASED POWER - BASE | 18,514,414 | 18,335,359 | 179,055 | 0.98% |
| PURCHASED POWER - FUEL | 28,068,747 | 28,582,668 | (513,921) | -1.80% |
| TOTAL | 58,680,544 | 58,379,160 | 301,383 | 0.52% |

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ENGINEERING AND OPERATIONS BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| EAO MGR 55 | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | ACTUAL | | BUDGET | ACT/BUD VARIANCE % |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|--------------------------|
| | | | | | | | | | YTD | TOTAL | YTD | |
| 01-55-5920-101 LABOR REG | 12,834 | 14,016 | 17,172 | 13,955 | 14,380 | 20,933 | 13,955 | 13,834 | 121,079 | 120,789 | 120,789 | 0.24% |
| 01-55-5920-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 500 | -100.00% |
| 01-55-5921-000 OFFICE SUPPLIES | 0 | 0 | 11 | 51 | 9 | 46 | 20 | 43 | 181 | 283 | 283 | -36.11% |
| 01-55-5930-103 EE EDUCATION | 0 | 0 | 1,354 | 930 | 0 | 0 | 50 | 987 | 3,321 | 6,334 | 6,334 | -47.57% |
| 01-55-5930-106 VEHICLE | (561) | (314) | (286) | (71) | (482) | (229) | (311) | (404) | (2,658) | (1,052) | (1,052) | 152.71% |
| 01-55-5923-000 OUTSIDE SERVICES | 0 | 1,031 | 475 | 400 | 500 | 538 | 619 | 0 | 3,563 | 4,610 | 4,610 | -22.72% |
| 01-55-5930-105 MISC GENERAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 200 | 200 | -100.00% |
| SUB-TOTAL | 12,273 | 14,733 | 18,725 | 15,266 | 14,407 | 21,287 | 14,333 | 14,461 | 125,486 | 131,664 | 131,664 | -4.69% |
| ENGINEERING 65 | | | | | | | | | | | | |
| 01-65-5580-101 LABOR REG | 13,356 | 30,128 | 36,193 | 25,097 | 27,833 | 46,311 | 29,808 | 29,459 | 238,185 | 226,636 | 226,636 | 5.10% |
| 01-65-5580-102 LABOR OT | 3,502 | 2,441 | 1,630 | 1,663 | 5,132 | 4,049 | 2,384 | 5,540 | 26,342 | 26,368 | 26,368 | -0.10% |
| 01-65-5580-103 EE EDUCATION | 0 | 0 | 800 | 335 | 1,116 | 0 | 150 | 400 | 2,801 | 5,251 | 5,251 | -46.65% |
| 01-65-5580-105 SUPPLIES | 125 | 137 | 922 | 125 | 386 | 467 | 150 | 250 | 2,562 | 2,996 | 2,996 | -14.48% |
| 01-65-5580-106 VEHICLE | (450) | (252) | (229) | (57) | (386) | (184) | (249) | (324) | (2,131) | (667) | (667) | 219.69% |
| 01-65-5921-000 OFFICE SUPPLIES | 9 | 205 | 92 | 121 | 8 | 147 | 25 | 90 | 696 | 748 | 748 | -6.93% |
| 01-65-5923-000 OUTSIDE SERVICES | 0 | 877 | 0 | 0 | 0 | 0 | 0 | 0 | 877 | 4,627 | 4,627 | -81.06% |
| SUB-TOTAL | 16,541 | 33,536 | 39,409 | 27,284 | 34,089 | 50,790 | 32,267 | 35,415 | 269,332 | 285,959 | 285,959 | 1.27% |
| LINE 66 | | | | | | | | | | | | |
| 01-66-5568-109 MAINT OF TRANS EXP | 227 | 227 | 227 | 227 | 227 | 227 | 227 | 227 | 1,817 | 1,863 | 1,863 | -2.49% |
| 01-66-5581-101 LABOR MISC | 46,688 | 52,011 | 28,374 | 40,284 | 43,928 | 56,023 | 29,729 | 42,856 | 339,893 | 329,897 | 329,897 | 3.03% |
| 01-66-5581-109 GENERAL EXP | 4,321 | 3,923 | 8,542 | 8,516 | 11,685 | 7,669 | 13,941 | 658 | 59,255 | 65,491 | 65,491 | -9.52% |
| 01-66-5581-103 EE EDUCATION | 0 | 0 | 3,343 | 3,268 | 0 | 803 | 1,200 | 7,394 | 16,008 | 19,414 | 19,414 | -17.54% |
| 01-66-5585-109 STREET LIGHT EXP | 630 | 907 | 1,252 | 1,560 | 1,674 | 2,576 | 1,487 | 1,291 | 11,377 | 11,934 | 11,934 | -4.67% |
| 01-66-5585-101 LABOR REG ST LIGHT | 1,261 | 1,008 | 1,909 | 2,665 | 1,809 | 1,732 | 1,727 | 1,728 | 13,838 | 13,513 | 13,513 | 2.40% |
| 01-66-5585-102 LABOR OT ST LIGHT | 444 | 129 | 344 | 234 | 658 | 0 | 162 | 0 | 1,970 | 3,808 | 3,808 | -48.27% |
| 01-66-5585-106 VEHICLE ST LIGHT | 264 | 372 | 939 | 1,088 | 801 | 643 | 594 | 528 | 5,228 | 8,563 | 8,563 | -38.94% |
| 01-66-5593-000 MAINT OF LINES | 1,288 | (799) | 1,694 | 7,915 | 3,159 | 4,376 | 3,854 | 6,146 | 27,633 | 25,633 | 25,633 | 7.80% |
| 01-66-5593-101 LABOR REG MAINT LINE | (630) | 28,783 | 65,052 | 8,736 | 34,271 | 77,088 | 42,675 | 33,273 | 289,248 | 261,587 | 261,587 | 10.57% |
| 01-66-5593-102 LABOR OT MAINT LINE | 27,098 | 21,697 | 21,170 | 22,259 | 22,006 | 31,315 | 24,080 | 39,930 | 209,554 | 185,664 | 185,664 | 12.87% |
| 01-66-5593-106 VEHICLE MAINT OH LINE | (4,824) | 2,615 | 7,022 | 15,606 | (3,882) | 8,453 | 4,828 | 818 | 31,636 | 56,295 | 56,295 | -43.80% |
| 01-78-5593-110 TREE TRIMMING | 6,825 | 18,737 | 14,932 | 22,856 | 25,408 | 33,553 | 35,171 | 33,297 | 190,780 | 163,507 | 163,507 | 16.68% |
| 01-66-5594-109 MAINT UG LINE | 1,602 | 12,307 | 18,545 | 1,765 | 25,229 | 11,092 | 15,634 | 36,286 | 122,461 | 89,835 | 89,835 | 36.32% |
| 01-66-5594-101 LABOR REG UG LINES | 0 | 349 | 2,171 | 1,192 | 2,692 | 74 | 443 | 0 | 6,921 | 8,701 | 8,701 | -20.46% |
| 01-66-5594-102 LABOR OT UG LINE | 0 | 199 | 0 | 0 | 193 | 166 | 0 | 0 | 557 | 1,391 | 1,391 | -59.94% |
| 01-66-5594-106 VEHICLE UG LINE | (561) | (148) | 513 | 406 | 503 | (189) | (89) | (404) | 31 | 2,108 | 2,108 | -98.54% |
| 01-66-5596-109 ST LT & SIG EXP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 84 | 84 | -100.00% |
| 01-66-5596-101 LABOR REG ST LT/SG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 988 | 988 | -100.00% |
| 01-66-5596-102 LABOR OT ST LT/SG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 84 | 84 | -100.00% |
| 01-66-5596-106 VEHICLE ST LT/SG | (47) | (22) | (19) | 13 | (19) | 37 | (32) | (41) | (130) | 389 | 389 | -133.35% |
| 01-66-5921-000 OFFICE SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 84 | 84 | -100.00% |
| SUB-TOTAL | 84,587 | 142,293 | 176,010 | 139,592 | 170,340 | 235,638 | 175,630 | 203,986 | 1,328,076 | 1,250,831 | 1,250,831 | 6.18% |

11:13 AM
3/25/2010

RMLD
ENGINEERING AND OPERATIONS BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| METER READING | 80 | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | ACTUAL YTD TOTAL | BUDGET YTD TOTAL | ACT/BUD VARIANCE % |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|------------------------|------------------------|--------------------------|
| 01-80-5902-101 LABOR REG | 8,632 | 5,861 | 4,845 | 4,583 | 4,393 | 5,251 | 4,050 | 3,520 | 41,135 | 42,254 | -2.65% | |
| 01-80-5902-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 334 | -100.00% | |
| 01-80-5902-105 SUPPLIES | 0 | 0 | 0 | 0 | 320 | 0 | 0 | 0 | 320 | 486 | -34.16% | |
| 01-80-5902-106 VEHICLE | 1,204 | 1,172 | 1,014 | 1,133 | 711 | 1,098 | 1,004 | 978 | 8,313 | 7,668 | 8.41% | |
| SUB-TOTAL | 9,836 | 7,032 | 5,859 | 5,716 | 5,425 | 6,349 | 5,054 | 4,498 | 49,768 | 50,742 | -1.92% | |

METER TECHNICIANS 67

| | | | | | | | | | | | |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|----------|
| 01-67-5586-109 METER TECH EXP | 210 | 200 | 700 | 589 | 622 | 1,228 | 3,223 | 1,624 | 8,396 | 5,549 | 51.30% |
| 01-67-5586-101 LABOR REG | 20,604 | 29,921 | 39,209 | 29,104 | 32,636 | 46,205 | 30,482 | 27,920 | 256,081 | 259,176 | -1.19% |
| 01-67-5586-102 LABOR OT | 615 | 202 | 404 | 498 | 0 | 76 | 56 | 1,048 | 2,898 | 2,628 | 10.27% |
| 01-67-5586-103 EE EDUCATION | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 100 | 2,000 | -95.00% |
| 01-67-5586-106 VEHICLE | (912) | (539) | (267) | 78 | (839) | (383) | (562) | (747) | (4,170) | (187) | 2129.49% |
| 01-67-5921-000 OFFICE SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 5 | 84 | -94.30% |
| SUB-TOTAL | 20,517 | 29,785 | 40,046 | 30,269 | 32,420 | 47,126 | 33,299 | 29,849 | 263,309 | 269,250 | -2.21% |

STATION 68

| | | | | | | | | | | | |
|---------------------------------|--------|--------|--------|---------|--------|--------|--------|--------|---------|---------|---------|
| 01-68-5581-109 STATION OP | 376 | 376 | 376 | 566 | 376 | 376 | 385 | 0 | 2,828 | 3,277 | -13.70% |
| 01-68-5581-101 LABOR REG SUP | 0 | 0 | 2,666 | 2,378 | 6,093 | 12,973 | 14,712 | 8,294 | 47,115 | 34,029 | 38.46% |
| 01-68-5582-109 STATION SUPPLIES | (209) | (273) | (672) | (1,650) | (275) | 310 | (390) | (825) | (3,985) | (1,520) | 162.16% |
| 01-68-5582-101 LABOR REG | 21,033 | 29,719 | 36,586 | 22,911 | 23,206 | 45,395 | 23,679 | 24,736 | 227,264 | 224,361 | 1.23% |
| 01-68-5582-102 LABOR OT | 11,167 | 12,674 | 15,489 | 9,746 | 12,432 | 8,818 | 7,873 | 7,202 | 85,402 | 90,367 | -5.49% |
| 01-68-5582-103 EE EDUCATION | 0 | 0 | 0 | 0 | 0 | 445 | 50 | 1,666 | 2,161 | 4,195 | -48.48% |
| 01-68-5582-105 SUPPLIES | (5) | 468 | 161 | 136 | 88 | 322 | 44 | 114 | 1,326 | 1,168 | 13.56% |
| 01-68-5582-106 VEHICLE | (168) | (94) | (86) | (21) | (144) | (69) | (93) | (121) | (796) | (136) | 483.84% |
| SUB-TOTAL | 32,193 | 42,869 | 54,520 | 34,065 | 41,775 | 68,569 | 46,259 | 41,066 | 361,317 | 355,741 | 1.57% |

| | | | | | | | | | | | |
|----------------------------------|---------|-------|--------|--------|-------|--------|---------|--------|---------|---------|----------|
| 01-68-5590-109 SENIOR TECH EXP | 81 | 64 | 0 | 0 | 0 | 0 | 0 | 0 | 145 | 2,645 | -94.52% |
| 01-68-5590-101 LABOR REG | (4,909) | 7,180 | 10,682 | 155 | 7,981 | 14,024 | 7,994 | 10,511 | 53,619 | 49,952 | 7.34% |
| 01-68-5590-102 LABOR OT | 449 | 448 | 0 | 281 | 811 | (211) | 336 | 1,261 | 3,374 | 4,107 | -17.84% |
| 01-68-5590-103 EE EDUCATION | 0 | 0 | 405 | 0 | 0 | 0 | 50 | 900 | 1,355 | 2,571 | -47.29% |
| 01-68-5590-105 SUPPLIES | 106 | 165 | 310 | 387 | 113 | 313 | 147 | 143 | 1,684 | 2,474 | -31.94% |
| 01-68-5590-106 VEHICLE | (168) | (94) | (86) | (21) | (94) | (69) | (93) | (121) | (796) | (136) | 483.84% |
| 01-68-5595-000 TRANSFORMER MAINT | 7,097 | 3,740 | 16,550 | 16,605 | 8,764 | 85,617 | 454,172 | 1,615 | 594,161 | 157,707 | 276.75% |
| 01-68-5597-109 MAINT METERS | 531 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 531 | 865 | -38.58% |
| 01-68-5597-101 LABOR REG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 362 | -100.00% |
| 01-68-5597-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 84 | -100.00% |
| 01-68-5921-000 OFFICE SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 166 | -100.00% |

SUB-TOTAL

| | | | | | | | | | | |
|-------|--------|--------|--------|--------|--------|---------|--------|---------|---------|---------|
| 3,187 | 11,504 | 27,862 | 17,406 | 17,525 | 99,674 | 462,606 | 14,310 | 654,073 | 220,797 | 196.23% |
|-------|--------|--------|--------|--------|--------|---------|--------|---------|---------|---------|

GRAND TOTAL

| | | | | | | | | | | |
|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|--------|
| 179,134 | 281,752 | 362,429 | 269,598 | 315,981 | 529,432 | 769,448 | 343,586 | 3,051,361 | 2,544,984 | 19.90% |
|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|--------|

11:13 AM
3/25/2010

BUSINESS DIVISION BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| ACCOUNTING | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | ACTUAL YTD TOTAL | BUDGET YTD TOTAL | ACT/BUD VARIANCE % |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|------------------------|------------------------|--------------------------|
| 59 | | | | | | | | | | | |
| 01-59-5903-101 LABOR REG | 13,107 | 16,160 | 19,395 | 14,509 | 15,424 | 21,925 | 13,594 | 13,694 | 127,906 | 131,767 | -2.93% |
| 01-59-5903-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 | -100.00% |
| 01-59-5903-103 EE EDUCATION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 | -100.00% |
| 01-59-5903-105 SUPPLIES | 9,571 | 33,686 | 595 | 27,631 | 973 | 19,374 | 12,147 | 7,065 | 111,041 | 136,095 | -18.41% |
| 01-59-5921-000 OFFICE SUPPLIES | 3,191 | 20,701 | 29,833 | 24,653 | 23,578 | 23,329 | 20,947 | 23,705 | 169,939 | 165,286 | 2.81% |
| 01-59-5923-000 OUTSIDE SERVICES | 0 | 0 | 24,000 | 5,750 | 0 | 0 | 0 | 0 | 29,750 | 39,750 | -25.16% |
| SUB-TOTAL | 25,869 | 70,547 | 73,823 | 72,543 | 39,975 | 64,628 | 46,788 | 44,464 | 438,636 | 473,998 | -7.46% |
| 62 | | | | | | | | | | | |
| CUSTOMER SERVICE | | | | | | | | | | | |
| 01-62-5903-101 LABOR REG | 32,203 | 42,301 | 45,245 | 37,653 | 42,313 | 58,383 | 42,655 | 33,617 | 334,369 | 339,440 | -1.49% |
| 01-62-5903-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 | -100.00% |
| 01-62-5903-103 EE EDUCATION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 750 | 100.00% |
| 01-62-5903-105 SUPPLIES | 156 | 1,391 | 1,607 | 7,280 | 205 | (5,167) | 1,309 | 296 | 1,500 | 7,972 | -11.23% |
| 01-62-5903-106 VEHICLE | (561) | (314) | (286) | (71) | (482) | (229) | (311) | (404) | (2,658) | (1,052) | 152.71% |
| 01-62-5903-109 RES ENERGY AUDITS | 0 | 140 | (140) | 1,680 | 0 | 0 | 0 | 0 | 1,680 | 1,680 | 0.00% |
| 01-62-5904-000 UNCOLLECT ACCOUNTS | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,993 | 12,500 | 12,500 | 100,493 | 100,493 | 0.00% |
| 01-62-5921-000 OFFICE SUPPLIES | 0 | 13 | 106 | 187 | 0 | 258 | 51 | 0 | 615 | 964 | -36.23% |
| SUB-TOTAL | 44,298 | 56,031 | 59,032 | 59,229 | 54,535 | 66,238 | 56,204 | 47,509 | 443,076 | 451,247 | -1.81% |
| 51 | | | | | | | | | | | |
| MIS | | | | | | | | | | | |
| 01-61-5903-101 LABOR REG | 29,072 | 34,187 | 39,909 | 32,388 | 36,883 | 51,754 | 32,631 | 32,631 | 289,453 | 296,002 | -2.21% |
| 01-62-5903-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 200 | -100.00% |
| 01-61-5903-103 EE EDUCATION | 0 | 398 | 0 | 0 | 30 | 1,262 | 0 | 798 | 2,487 | 4,689 | -46.96% |
| 01-61-5903-105 SUPPLIES | 1,421 | 1,799 | 2,321 | 2,014 | 998 | 3,421 | 1,323 | 0 | 13,297 | 15,974 | -16.76% |
| 01-61-5935-000 MAINT GEN PLANT | 5,289 | 7,890 | 7,052 | 10,981 | 9,001 | 6,549 | 8,147 | 7,228 | 62,138 | 66,113 | -6.01% |
| 01-61-5921-000 OFFICE SUPPLIES | 0 | 692 | 104 | 321 | 0 | 434 | 2,413 | 0 | 3,963 | 3,550 | 11.63% |
| SUB-TOTAL | 35,782 | 44,965 | 49,386 | 45,704 | 46,911 | 63,419 | 44,514 | 40,657 | 371,338 | 386,528 | -3.93% |
| 77 | | | | | | | | | | | |
| MISCELLANEOUS DEDUCTIONS | | | | | | | | | | | |
| 01-77-5403-000 DEPRECIATION EXP | 280,106 | 280,106 | 280,106 | 280,106 | 280,106 | 280,106 | 280,106 | 280,106 | 2,240,846 | 2,245,635 | -0.21% |
| 01-77-5408-000 VOLUNTARY PAYMENTS | 104,500 | 104,500 | 104,500 | 104,500 | 104,500 | 104,246 | 104,500 | 104,500 | 835,746 | 835,746 | 0.00% |
| 01-77-5419-000 INTEREST EXP | 1,304 | 1,277 | 1,291 | 1,291 | 9,933 | (6,250) | 1,255 | 1,251 | 11,351 | 11,345 | 0.05% |
| 01-77-5426-000 OTHER DEDUCTIONS | 182,225 | 182,223 | 182,223 | 182,223 | 182,223 | 182,223 | 182,223 | 182,223 | 1,457,780 | 1,457,785 | 0.00% |
| 01-77-5427-000 INTEREST EXP BONDS | 2,222 | 0 | 2,224 | 0 | 0 | 0 | 0 | 0 | 4,446 | 4,446 | -0.01% |
| 01-77-5428-000 AMORT DEBT EXP | 122 | 122 | 122 | 1,099 | 0 | 0 | 0 | 0 | 1,465 | 1,465 | -0.02% |
| 01-57-5920-101 AC/BUS MGR LABOR REG | 174 | 3,422 | 3,422 | 2,738 | 3,363 | 4,107 | 2,738 | 2,738 | 22,703 | 22,703 | 0.00% |
| 01-57-5930-109 AC/BUS MGR MISC GEN | 0 | 0 | 0 | 85 | 0 | 0 | 0 | 0 | 85 | 485 | -82.58% |
| SUB-TOTAL | 570,653 | 571,647 | 573,887 | 572,040 | 580,124 | 564,431 | 570,821 | 570,817 | 4,574,421 | 4,579,610 | -0.11% |
| 602 | | | | | | | | | | | |
| GRAND TOTAL | 676,602 | 743,190 | 756,128 | 749,516 | 721,546 | 758,716 | 718,327 | 703,446 | 5,827,470 | 5,891,383 | -1.08% |

11:12 AM
3/25/2010

RMLD
FACILITY DIVISION BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| GENERAL BENEFITS 53 | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | ACTUAL | | BUDGET | ACT/EUD |
|-----------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|--------|----------|
| | | | | | | | | | YTD | TOTAL | | VARIANCE |
| | | | | | | | | | | TOTAL | | % |
| 01-53-5920-101 LABOR REG | 5,213 | 9,412 | 9,436 | 5,924 | 7,868 | 9,443 | 5,869 | 6,272 | 59,436 | 61,059 | | -2.66% |
| 01-53-5921-000 OFFICE SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 291 | 291 | 170 | | 70.88% |
| 01-53-5930-103 EE EDUCATION | 501 | 8 | 0 | 0 | 0 | 0 | 580 | 200 | 1,289 | 1,343 | | -4.03% |
| 01-53-5930-105 SUPPLIES | 0 | 0 | 25 | 0 | 0 | 0 | 0 | 16 | 41 | 191 | | -78.42% |
| 01-53-5923-000 OUTSIDE SERVICES | 0 | 0 | 0 | 0 | 2,500 | 0 | 8,750 | 0 | 11,250 | 4,166 | | 170.04% |
| 01-53-5924-000 PROPERTY INSURANCE | 31,020 | 31,020 | 34,055 | 31,399 | 31,399 | 31,399 | 30,959 | 30,684 | 251,936 | 264,155 | | -4.63% |
| 01-53-5925-000 INJURIES & DAMAGES | 3,064 | 3,060 | 7,965 | 3,695 | 5,001 | 6,572 | 5,933 | 4,340 | 39,629 | 39,288 | | 0.87% |
| 01-53-5926-000 EE PENS & BENEFIT | 63,504 | 57,787 | (20,088) | 257,256 | 94,792 | 100,447 | 407,750 | 110,397 | 1,071,844 | 770,457 | | 39.12% |
| 01-53-5930-109 MISC GENERAL | 0 | 0 | 0 | 0 | 150 | 0 | 0 | 0 | 150 | 650 | | -76.92% |
| 01-53-5931-000 RENT | 13,446 | 13,968 | 14,001 | 13,967 | 13,962 | 14,294 | 16,487 | 31,847 | 131,973 | 118,973 | | 10.93% |
| SUB-TOTAL | 116,748 | 115,255 | 45,394 | 312,240 | 155,672 | 162,156 | 476,327 | 184,047 | 1,567,839 | 1,260,452 | | 24.39% |
| TRANSPORTATION 63 | | | | | | | | | | | | |
| 01-63-5933-109 MISC GENERAL | (160) | (40) | 10 | 0 | 40 | 0 | 0 | (50) | (200) | (30,590) | | -99.35% |
| 01-63-5933-101 LABOR REG | 5,813 | 1,340 | 4,868 | 6,145 | 2,983 | 4,670 | 3,097 | 6,157 | 35,072 | 34,754 | | 0.92% |
| 01-63-5933-102 LABOR OT | 428 | 134 | 294 | 667 | 748 | 348 | 669 | 589 | 3,879 | 3,921 | | -1.07% |
| 01-63-5933-103 EE EDUCATION | 0 | 0 | 0 | 75 | 0 | 0 | 0 | 0 | 75 | 575 | | -86.96% |
| 01-63-5933-105 SUPPLIES | (33,182) | (16,617) | 18,971 | (10,310) | (26,969) | (16,090) | 18,788 | (26,194) | (91,604) | (19,928) | | 359.68% |
| LESS ALLOCATION RECLASS | 27,101 | 15,184 | (24,143) | 3,422 | 23,198 | 11,072 | (22,554) | 19,498 | 52,778 | 11,268 | | 368.38% |
| SUB-TOTAL | (0) | 0 | 0 | (0) | 0 | (0) | (0) | 0 | (0) | 0 | | 0.00% |
| BUILDING MAINTENANCE 64 | | | | | | | | | | | | |
| 01-64-5923-000 OUTSIDE SERVICES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,517 | 4,517 | 3,338 | | 35.31% |
| 01-64-5932-101 LABOR REG | 5,887 | 10,927 | 13,274 | 10,325 | 13,085 | 18,618 | 11,425 | 9,249 | 92,791 | 91,619 | | 1.28% |
| 01-64-5932-102 LABOR OT | 373 | 1,108 | 2,725 | 3,848 | 1,523 | 9,871 | 4,032 | 3,717 | 27,198 | 30,783 | | -11.65% |
| 01-64-5932-103 EE EDUCATION | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 0 | 50 | 500 | | -90.00% |
| 01-64-5932-105 SUPPLIES | 22,749 | 36,840 | 34,787 | 15,619 | 14,270 | 32,217 | 24,617 | 23,013 | 204,112 | 244,349 | | -16.47% |
| SUB-TOTAL | 29,009 | 48,876 | 50,786 | 29,793 | 28,878 | 60,707 | 40,124 | 40,496 | 328,668 | 370,589 | | -11.31% |
| MATERIALS MANAGEMENT 60 | | | | | | | | | | | | |
| 01-60-5588-109 MISC DIST EXP | 1,071 | 3,771 | 3,711 | 3,694 | 3,257 | 3,902 | 3,435 | 3,499 | 26,339 | 26,905 | | -2.10% |
| 01-60-5588-101 LABOR REG | 19,372 | 21,521 | 24,769 | 20,028 | 21,798 | 30,617 | 21,464 | 22,029 | 181,598 | 181,025 | | 0.32% |
| 01-60-5588-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 666 | 0 | | -100.00% |
| 01-60-5588-103 EE EDUCATION | 0 | 223 | 0 | 66 | 0 | 0 | 50 | 200 | 539 | 639 | | -15.70% |
| 01-60-5588-105 SUPPLIES | 623 | 807 | 654 | 856 | 496 | 551 | 1,023 | 892 | 5,903 | 6,487 | | -9.01% |
| 01-60-5588-104 RFP EXPENSES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 160 | | -100.00% |
| 01-60-5921-000 OFFICE SUPPLIES | 0 | 28 | 0 | 0 | 0 | 0 | 0 | 0 | 28 | 278 | | -89.95% |
| SUB-TOTAL | 21,066 | 26,350 | 29,133 | 24,644 | 25,551 | 35,070 | 25,973 | 26,620 | 214,406 | 216,160 | | -0.81% |
| GRAND TOTAL | 166,823 | 190,481 | 125,314 | 366,677 | 210,101 | 257,932 | 542,423 | 251,163 | 2,110,913 | 1,847,201 | | 14.28% |

11:11 AM
3/25/2010

GENERAL MANAGER DIVISION BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| GENERAL MANAGER 51 | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | ACTUAL YTD TOTAL | BUDGET YTD TOTAL | ACT/RUD VARIANCE % |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|------------------------|------------------------|--------------------------|
| 01-51-5920-101 LABOR REG | 16,146 | 19,776 | 22,754 | 18,546 | 19,696 | 27,818 | 18,546 | 18,546 | 161,826 | 162,568 | -0.46% |
| 01-51-5921-000 OFFICE SUPPLIES | 84 | 110 | 70 | 9 | 12 | 191 | 439 | 167 | 1,083 | 893 | 21.32% |
| 01-51-5923-000 OUTSIDE SERVICES | 0 | 4,337 | 934 | 25,283 | 17,797 | 7,239 | 9,303 | 16,209 | 81,164 | 63,985 | 26.85% |
| 01-51-5930-103 EE EDUCATION | 0 | 0 | 479 | 0 | 12 | 170 | 0 | 889 | 1,550 | 3,161 | -50.97% |
| 01-51-5930-105 MISC GENERAL | 4,364 | 4,318 | 4,274 | 4,281 | 4,274 | 4,299 | 4,220 | 3,733 | 33,763 | 34,976 | -3.47% |
| 01-51-5930-106 VEHICLE | (561) | (314) | (286) | (71) | (482) | (229) | (311) | (404) | (2,658) | (1,052) | 152.71% |
| SUB-TOTAL | 20,033 | 28,287 | 28,225 | 48,048 | 41,308 | 39,489 | 32,197 | 39,141 | 276,729 | 264,531 | 4.61% |
| HUMAN RESOURCES 52 | | | | | | | | | | | |
| 01-52-5920-101 LABOR REG | 8,777 | 11,327 | 9,349 | 9,614 | 9,711 | 15,262 | 9,169 | 9,040 | 82,249 | 83,511 | -1.51% |
| 01-52-5921-000 OFFICE SUPPLIES | 0 | 0 | 0 | 0 | 68 | 0 | 0 | 0 | 68 | 118 | -42.03% |
| 01-52-5923-000 OUTSIDE SERVICES | 0 | 3,176 | 1,738 | 15,786 | 4,319 | 2,485 | 4,453 | 5,230 | 37,188 | 34,170 | 8.83% |
| 01-52-5930-103 EE EDUCATION | 385 | 125 | (480) | (50) | 50 | 0 | 1,695 | 1,500 | 3,225 | 1,930 | 67.10% |
| 01-52-5930-105 SUPPLIES | 0 | 0 | 63 | 548 | (50) | 0 | 0 | 16 | 577 | 1,236 | -53.34% |
| 01-52-5930-109 MISC GENERAL | 237 | 1,150 | 984 | 431 | 237 | 523 | 932 | 1,588 | 6,081 | 7,001 | -13.14% |
| SUB-TOTAL | 9,399 | 15,778 | 11,653 | 26,330 | 14,335 | 18,270 | 16,249 | 17,374 | 129,388 | 127,966 | 1.11% |
| COMMUNITY RELATIONS 54 | | | | | | | | | | | |
| 01-54-5920-101 LABOR REG | 5,789 | 8,193 | 9,318 | 6,754 | 8,362 | 10,114 | 7,529 | 7,658 | 63,716 | 63,122 | 0.94% |
| 01-54-5921-000 OFFICE SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 125 | -100.00% |
| 01-54-5930-109 MISC GENERAL | 2,768 | 6,891 | 5,147 | 779 | 17,650 | 11,747 | 5,520 | 1,731 | 52,233 | 56,622 | -7.75% |
| 01-54-5930-103 EE EDUCATION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 01-54-5930-105 SUPPLIES | 0 | 0 | 0 | 180 | 0 | 340 | 500 | 0 | 1,020 | 645 | 58.13% |
| SUB-TOTAL | 8,557 | 15,084 | 14,465 | 7,713 | 26,012 | 22,201 | 13,548 | 9,388 | 116,968 | 120,514 | -2.94% |
| CAB 56 | | | | | | | | | | | |
| 01-56-5920-101 LABOR REG | 0 | 0 | 212 | 0 | 0 | 0 | 0 | 121 | 333 | 1,002 | -66.78% |
| 01-56-5920-102 LABOR OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 200 | -100.00% |
| 01-56-5930-109 MISC GENERAL | 2,200 | 0 | 1,289 | 660 | 0 | 170 | 0 | 770 | 5,089 | 5,769 | -11.79% |
| SUB-TOTAL | 2,200 | 0 | 1,501 | 660 | 0 | 170 | 0 | 892 | 5,422 | 6,971 | -22.22% |
| BOARD 58 | | | | | | | | | | | |
| 01-58-5930-109 MISC GENERAL | 0 | 0 | 1,866 | 0 | 0 | 55 | 0 | 0 | 1,920 | 4,170 | -53.96% |
| SUB-TOTAL | 0 | 0 | 1,866 | 0 | 0 | 55 | 0 | 0 | 1,920 | 4,170 | -53.96% |
| GRAND TOTAL | 40,189 | 59,149 | 57,710 | 82,750 | 81,655 | 80,185 | 61,995 | 66,795 | 530,427 | 524,153 | 1.20% |

11:11 AM
3/25/2010

RMLD
ENERGY SERVICES DIVISION BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| ENERGY SERVICES 75 | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | ACTUAL | | BUDGET YTD TOTAL | ACT/BUD VARIANCE % |
|------------------------------------|--------|--------|---------|---------|--------|--------|--------|--------|---------|---------|------------------------|--------------------------|
| | | | | | | | | | YTD | TOTAL | | |
| 01-75-5916-000 ENERGY SERV EXP | 310 | 310 | 7,090 | (8,894) | 1,810 | 2,246 | 2,365 | 325 | 5,562 | 5,562 | 9,538 | -41.68% |
| 01-75-5916-101 LABOR REG | 26,544 | 37,539 | 39,758 | 34,614 | 33,228 | 54,143 | 37,876 | 25,292 | 288,995 | 288,995 | 295,754 | -2.29% |
| 01-75-5916-103 EE EDUCATION | 0 | 997 | 149 | 0 | 759 | 54 | 0 | 0 | 1,960 | 1,960 | 3,210 | -38.95% |
| 01-75-5916-109 KEY ACCOUNT | 0 | 37 | 0 | 0 | 0 | (37) | 0 | 16 | 16 | 16 | 834 | -98.04% |
| 01-75-5921-000 OFFICE SUPPLIES | 25 | 0 | 0 | 0 | 0 | 0 | 26 | 0 | 51 | 51 | 109 | -53.33% |
| 01-75-5923-000 OUTSIDE SERVICES | 0 | 0 | 18,410 | 3,488 | 6,875 | 0 | 0 | 8,246 | 37,019 | 37,019 | 53,775 | -31.16% |
| 01-75-5916-402 RES CONSERVE PROG | 10,391 | 13,266 | 12,576 | 3,751 | 14,868 | 23,900 | 20 | 24,005 | 102,775 | 102,775 | 124,038 | -17.14% |
| 01-75-5916-403 RES CONSERVE OTHER | 0 | 0 | (5,000) | 0 | 0 | 0 | 5,000 | 0 | 0 | 0 | (1,770) | -100.00% |
| 01-75-5916-502 COMM CONSERVE PROG | 620 | 0 | 5,242 | 68,809 | 0 | 7,007 | 24,878 | 2,195 | 108,751 | 108,751 | 135,844 | -19.94% |
| 01-75-5916-503 COMM CONSERVE OTHER | 3,770 | 3,770 | 3,770 | 3,770 | 5,655 | 3,808 | 0 | 7,540 | 32,083 | 32,083 | 32,081 | 0.01% |
| GRAND TOTAL | 41,660 | 55,919 | 81,994 | 105,539 | 63,195 | 91,121 | 70,165 | 67,619 | 577,212 | 577,212 | 653,413 | -11.66% |

RMLD
DEFERRED FUEL CASH RESERVE ANALYSIS
2/28/10

| DATE | GROSS CHARGES | REVENUES | PASNY CREDIT | MONTHLY DEFERRED | TOTAL DEFERRED |
|--------|------------------|--------------|--------------|---------------------|-------------------|
| Jun-09 | | | | | 1,739,394.25 |
| Jul-09 | 4,071,238.32 | 3,748,077.09 | (3,440.16) | (326,601.39) | 1,412,792.86 |
| Aug-09 | 4,051,360.93 | 4,269,717.20 | (35,903.32) | 182,452.95 | 1,595,245.81 |
| Sep-09 | 2,973,452.04 | 4,335,754.22 | (31,274.85) | 1,331,027.33 | 2,926,273.14 |
| Oct-09 | 3,206,685.71 | 3,559,022.94 | (41,650.59) | 310,686.64 | 3,236,959.78 |
| Nov-09 | 2,990,338.70 | 3,187,560.34 | (68,908.75) | 128,312.89 | 3,365,272.67 |
| Dec-09 | 3,964,453.98 | 3,177,509.05 | (29,048.13) | (815,993.06) | 2,549,279.61 |
| Jan-10 | 3,704,455.86 | 4,473,198.05 | (22,862.60) | 745,879.59 | 3,295,159.20 |
| Feb-10 | 3,106,761.88 | 3,510,280.41 | (80,545.44) | 322,973.09 | 3,618,132.29 |

RMLD
STAFFING REPORT
FOR FISCAL YEAR ENDING JUNE, 2010

| | 10 BUD | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB |
|-------------------------------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|
| | TOTAL | 09 | 09 | 09 | 09 | 09 | 09 | 10 | 10 |
| <u>GENERAL MANAGER</u> | | | | | | | | | |
| GENERAL MANAGER | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| HUMAN RESOURCES | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| COMMUNITY RELATIONS | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| TOTAL | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| <u>BUSINESS</u> | | | | | | | | | |
| ACCOUNTING | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| CUSTOMER SERVICE | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| MGMT INFORMATION SYS | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| MISCELLANEOUS | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| TOTAL | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| <u>ENGINEERING & OPERATIONS</u> | | | | | | | | | |
| AGM E&O | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| ENGINEERING | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| LINE | 20 | 18 | 18 | 19 | 19 | 19 | 19 | 18 | 20 |
| METER | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 6 |
| STATION | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| TOTAL | 43 | 41 | 41 | 42 | 42 | 42 | 42 | 41 | 42 |
| <u>PROJECT</u> | | | | | | | | | |
| BUILDING | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| GENERAL BENEFITS | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| TRANSPORTATION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MATERIALS MGMT | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| TOTAL | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| <u>ENERGY SERVICES</u> | | | | | | | | | |
| ENERGY SERVICES | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| TOTAL | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| RMLD TOTAL | 80 | 78 | 78 | 79 | 79 | 79 | 79 | 78 | 79 |
| <u>CONTRACTORS</u> | | | | | | | | | |
| UG LINE | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| TOTAL | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| GRAND TOTAL | 82 | 80 | 80 | 81 | 81 | 81 | 81 | 80 | 81 |

To: Vincent Cameron

From: Energy Services

Date: March 23, 2010

Subject: Purchase Power Summary – February, 2010

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of February 2010.

ENERGY

The RMLD's total metered load for the month was 53,811,515 kWhs, which was a decrease of .38 % compared to February, 2009 figures.

Table 1 is a breakdown by source of the energy purchases.

TABLE 1

| Resource | Amount of Energy (kWh) | Cost of Energy (\$/Mwh) | % of Total Energy | Total \$ Costs | \$ as a % |
|-----------------------|------------------------------|-------------------------------|----------------------|-------------------|--------------|
| Millstone #3 | 3,315,069 | \$4.59 | 6.16% | \$15,215 | 0.49% |
| Seabrook | 5,321,719 | \$8.86 | 9.89% | \$47,149 | 1.52% |
| Stonybrook | 0 | \$0.00 | 0.00% | \$10,497 | 0.34% |
| Constellation | 13,440,000 | \$65.77 | 24.97% | \$883,982 | 28.45% |
| PASNY | 1,767,904 | \$4.92 | 3.28% | \$8,698 | 0.28% |
| ISO Interchange | 11,254,963 | \$51.55 | 20.91% | \$580,963 | 18.70% |
| NEMA Congestion | 0 | \$0.00 | 0.00% | -\$4,282 | -0.14% |
| Coop Resales | 57,265 | \$132.15 | 0.11% | \$7,568 | 0.24% |
| Stonybrook Peaking | 0 | \$0.00 | 0.00% | \$174 | 0.01% |
| Integrus | 10,560,000 | \$100.76 | 19.62% | \$1,064,026 | 34.25% |
| MacQuarie | 8,000,000 | \$59.52 | 14.86% | \$476,154 | 15.33% |
| Braintree Watson Unit | 108,148 | \$153.67 | 0.20% | \$16,619 | 0.53% |
| Monthly Total | 53,825,068 | \$57.72 | 100.00% | \$3,106,762 | 100.00% |

Table 2

| Resource | Amount of Energy (kWh) | Cost of Energy (\$/Mwh) | % of Total Energy |
|-------------------------------|------------------------------|-------------------------------|----------------------|
| ISO DA LMP Settlement | 10,307,588 | 55.16 | 19.15% |
| RT Net Energy Settlement | 947,375 | 54.00 | 1.76% |
| ISO Interchange (subtotal) | 11,254,963 | 55.07 | 20.91% |

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for month of February, 2010.

CAPACITY

The RMLD hit a demand of 104,522 kW, which occurred on February 10, 2010 at 7 pm. The RMLD's monthly UCAP requirement for February 2010 was 244,144 kW. Table 3 shows the sources of capacity that the RMLD utilized to meet its requirement.

Table 3

| Source | Amount (kW) | Cost (\$/kW-month) | Total Cost \$ | % of Total Cost |
|-----------------------|-------------|--------------------|---------------|-----------------|
| Millstone #3 | 4,995 | \$63.41 | \$316,749 | 21.84% |
| Seabrook | 7,905 | \$56.56 | \$447,125 | 30.83% |
| Stonybrook Peaking | 32,456 | -\$5.98 | -\$194,166 | -13.39% |
| Stonybrook CC | 50,684 | \$3.13 | \$158,726 | 10.94% |
| Pasny | 6,107 | \$1.95 | \$11,896 | 0.82% |
| HQICC | 0 | \$0.00 | \$15,285 | 1.05% |
| ISO-NE Supply Auction | 131,144 | \$4.15 | \$544,112 | 37.52% |
| Braintree Watson Unit | 10,853 | \$13.88 | \$150,641 | 10.39% |
| Total | 244,144 | \$5.94 | \$1,450,367 | 100.00% |

Table 4

| Resource | Energy | Capacity | Total cost | % of Total Cost |
|-----------------------|-------------|-------------|-------------|-----------------|
| Millstone #3 | \$15,215 | \$316,749 | \$331,964 | 7.28% |
| Seabrook | \$47,149 | \$447,125 | \$494,273 | 10.85% |
| Stonybrook | \$10,497 | \$158,726 | \$169,223 | 3.71% |
| HQ II | \$0 | \$15,285 | \$15,285 | 0.34% |
| Constellation | \$883,982 | \$0 | \$883,982 | 19.40% |
| PASNY | \$8,698 | \$11,896 | \$20,594 | 0.45% |
| ISO Interchange | \$580,963 | \$544,112 | \$1,125,074 | 24.69% |
| Nema Congestion | -\$4,282 | \$0 | -\$4,282 | -0.09% |
| Coop Resales | \$7,568 | \$0 | \$7,568 | 0.17% |
| Stonybrook Peaking | \$174 | -\$194,166 | -\$193,992 | -4.26% |
| Integrus | \$1,064,026 | \$0 | \$1,064,026 | 23.35% |
| MacQuarie | \$476,154 | \$0 | \$476,154 | 10.45% |
| Braintree Watson Unit | \$16,619 | \$150,641 | \$167,260 | 3.67% |
| Monthly Total | \$3,106,762 | \$1,450,367 | \$4,557,129 | 100.00% |

TRANSMISSION

The RMLD's total transmission costs for the month of February, 2010 are \$612,466. This is a 10.6% increase from the January 2010 cost of \$553,812. In 2009, the transmission costs for the month of February, 2009 were \$502,609.

| Table 5 | | | |
|-------------------|---------------|-------------|-------------|
| | Current Month | Last Month | Last Year |
| Peak Demand (kW) | 104,522 | 109,896 | 107,190 |
| Energy (kWh) | 53,825,068 | 62,489,271 | 54,051,452 |
| Energy (\$) | \$3,106,762 | \$4,291,375 | \$3,599,640 |
| Capacity (\$) | \$1,450,367 | \$1,809,916 | \$1,448,583 |
| Transmission (\$) | \$612,466 | \$553,812 | \$502,609 |
| Total | \$5,169,594 | \$6,655,103 | \$5,550,832 |

Table 5 shows the current month vs. last month and last year (February, 2009).

| Year | Square Series (Millions) | Diamond Series (Millions) |
|---------|--------------------------|---------------------------|
| Pre '08 | 0.0 | 0.0 |
| Jan '08 | 0.0 | 0.0 |
| Feb '08 | 0.0 | 0.0 |
| Mar '08 | 0.0 | 0.0 |
| Apr '08 | 0.0 | 0.0 |
| May '08 | 0.0 | 0.0 |
| Jun '08 | 0.0 | 0.0 |
| Jul '08 | 0.0 | 0.0 |
| Aug '08 | 0.0 | 0.0 |
| Sep '08 | 0.0 | 0.0 |
| Oct '08 | 0.0 | 0.0 |
| Nov '08 | 0.0 | 0.0 |
| Dec '08 | 0.0 | 0.0 |
| Jan '09 | 0.0 | 0.0 |
| Feb '09 | 0.0 | 0.0 |
| Mar '09 | 0.0 | 0.0 |
| Apr '09 | 0.0 | 0.0 |
| May '09 | 0.0 | 0.0 |
| Jun '09 | 0.0 | 0.0 |
| Jul '09 | 0.0 | 0.0 |
| Aug '09 | 0.0 | 0.0 |
| Sep '09 | 0.0 | 0.0 |
| Oct '09 | 0.0 | 0.0 |
| Nov '09 | 0.0 | 0.0 |
| Dec '09 | 0.0 | 0.0 |
| Jan '10 | 0.0 | 0.0 |
| Feb '10 | 0.0 | 0.0 |
| Mar '10 | 0.0 | 0.0 |
| Apr '10 | 0.0 | 0.0 |
| May '10 | 0.0 | 0.0 |
| Jun '10 | 0.0 | 0.0 |
| Jul '10 | 0.0 | 0.0 |
| Aug '10 | 0.0 | 0.0 |
| Sep '10 | 0.0 | 0.0 |
| Oct '10 | 0.0 | 0.0 |
| Nov '10 | 0.0 | 0.0 |
| Dec '10 | 0.0 | 0.0 |
| Jan '11 | 0.0 | 0.0 |
| Feb '11 | 0.0 | 0.0 |
| Mar '11 | 0.0 | 0.0 |
| Apr '11 | 0.0 | 0.0 |
| May '11 | 0.0 | 0.0 |
| Jun '11 | 0.0 | 0.0 |
| Jul '11 | 0.0 | 0.0 |
| Aug '11 | 0.0 | 0.0 |
| Sep '11 | 0.0 | 0.0 |
| Oct '11 | 0.0 | 0.0 |
| Nov '11 | 0.0 | 0.0 |
| Dec '11 | 0.0 | 0.0 |
| Jan '12 | 0.0 | 0.0 |
| Feb '12 | 0.0 | 0.0 |
| Mar '12 | 0.0 | 0.0 |
| Apr '12 | 0.0 | 0.0 |
| May '12 | 0.0 | 0.0 |
| Jun '12 | 0.0 | 0.0 |
| Jul '12 | 0.0 | 0.0 |
| Aug '12 | 0.0 | 0.0 |
| Sep '12 | 0.0 | 0.0 |
| Oct '12 | 0.0 | 0.0 |
| Nov '12 | 0.0 | 0.0 |
| Dec '12 | 0.0 | 0.0 |
| Jan '13 | 0.0 | 0.0 |
| Feb '13 | 0.0 | 0.0 |
| Mar '13 | 0.0 | 0.0 |
| Apr '13 | 0.0 | 0.0 |
| May '13 | 0.0 | 0.0 |
| Jun '13 | 0.0 | 0.0 |
| Jul '13 | 0.0 | 0.0 |
| Aug '13 | 0.0 | 0.0 |
| Sep '13 | 0.0 | 0.0 |
| Oct '13 | 0.0 | 0.0 |
| Nov '13 | 0.0 | 0.0 |
| Dec '13 | 0.0 | 0.0 |
| Jan '14 | 0.0 | 0.0 |
| Feb '14 | 0.0 | 0.0 |
| Mar '14 | 0.0 | 0.0 |
| Apr '14 | 0.0 | 0.0 |
| May '14 | 0.0 | 0.0 |
| Jun '14 | 0.0 | 0.0 |
| Jul '14 | 0.0 | 0.0 |
| Aug '14 | 0.0 | 0.0 |
| Sep '14 | 0.0 | 0.0 |
| Oct '14 | 0.0 | 0.0 |
| Nov '14 | 0.0 | 0.0 |
| Dec '14 | 0.0 | 0.0 |
| Jan '15 | 0.0 | 0.0 |
| Feb '15 | 0.0 | 0.0 |
| Mar '15 | 0.0 | 0.0 |
| Apr '15 | 0.0 | 0.0 |
| May '15 | 0.0 | 0.0 |
| Jun '15 | 0.0 | 0.0 |
| Jul '15 | 0.0 | 0.0 |
| Aug '15 | 0.0 | 0.0 |
| Sep '15 | 0.0 | 0.0 |
| Oct '15 | 0.0 | 0.0 |
| Nov '15 | 0.0 | 0.0 |
| Dec '15 | 0.0 | 0.0 |
| Jan '16 | 0.0 | 0.0 |
| Feb '16 | 0.0 | 0.0 |
| Mar '16 | 0.0 | 0.0 |
| Apr '16 | 0.0 | 0.0 |
| May '16 | 0.0 | 0.0 |
| Jun '16 | 0.0 | 0.0 |
| Jul '16 | 0.0 | 0.0 |
| Aug '16 | 0.0 | 0.0 |
| Sep '16 | 0.0 | 0.0 |
| Oct '16 | 0.0 | 0.0 |
| Nov '16 | 0.0 | 0.0 |
| Dec '16 | 0.0 | 0.0 |
| Jan '17 | 0.0 | 0.0 |
| Feb '17 | 0.0 | 0.0 |
| Mar '17 | 0.0 | 0.0 |
| Apr '17 | 0.0 | 0.0 |
| May '17 | 0.0 | 0.0 |
| Jun '17 | 0.0 | 0.0 |
| Jul '17 | 0.0 | 0.0 |
| Aug '17 | 0.0 | 0.0 |
| Sep '17 | 0.0 | 0.0 |
| Oct '17 | 0.0 | 0.0 |
| Nov '17 | 0.0 | 0.0 |
| Dec '17 | 0.0 | 0.0 |
| Jan '18 | 0.0 | 0.0 |
| Feb '18 | 0.0 | 0.0 |
| Mar '18 | 0.0 | 0.0 |
| Apr '18 | 0.0 | 0.0 |
| May '18 | 0.0 | 0.0 |
| Jun '18 | 0.0 | 0.0 |
| Jul '18 | 0.0 | 0.0 |
| Aug '18 | 0.0 | 0.0 |
| Sep '18 | 0.0 | 0.0 |
| Oct '18 | 0.0 | 0.0 |

◆ Total Actual \$
■ Total Projected \$

Gaw Transformer Upgrade Project

| Schedule Milestones | Start Date | % Complete | Completion Date | Notes |
|--------------------------------------|------------|------------|-----------------|--|
| Conceptual Engineering | Jul-08 | 100 | Jun-09 | Complete |
| Major Equipment Procurement | Feb-09 | 80 | | Remaining: concrete, land materials, switchgear cubicles |
| Design Engineering | Jul-08 | 100 | Jun-09 | Complete |
| Scheduled Transformer Delivery | Dec-08 | 100 | Dec-08 | Complete |
| Construction Bid | Jan-09 | 100 | Mar-09 | Complete |
| Construction Contractor | May-09 | 65 | | Excavation began 11/30 after soil sampling |
| Construction Transformer Replacement | May-09 | 66 | | Excavation began 11/30 after soil sampling |
| Construction Switchgear Upgrades | Dec-09 | 15 | | Equipment manufacture in process |
| Construction RMLD Personnel | Jan-09 | 78 | | Remaining: control wiring, panel relocations, feeder reassignment work |

| Tangible Milestones | Start Date | % Complete | Completion Date | Notes |
|---------------------------------------|------------|------------|-----------------|--|
| Relocate Station Service transformers | 06/22/09 | 100 | 07/17/09 | Complete |
| Transformer 110C on concrete pad | 06/01/09 | 100 | 07/22/09 | Complete |
| 115kV circuit switchers replaced | 07/25/09 | 100 | 08/02/09 | Complete |
| Transformer 110C secondary work | 07/27/09 | 100 | 10/05/09 | Complete |
| Transformer 110C replacement | 08/31/09 | 100 | 10/09/09 | Complete |
| Transformer 110A replacement | 09/21/09 | 25 | | 110A decommissioning delayed due to soil contamination |
| Transformer 110B replacement | 02/19/10 | 100 | 03/31/10 | Complete |
| Switchgear upgrade | 12/01/09 | 10 | 05/15/10 | Approval drawings reviewed and changes made by PLM |
| Feeder Reassignment work | | 0 | | Balances bus section and transformer loading |

Changes highlighted in bold

READING MUNICIPAL LIGHT DEPARTMENT
FY10 CAPITAL BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 28, 2010

| # | PROJECT DESCRIPTION | TOWN | ACTUAL COST FEBRUARY | YTD ACTUAL COST THRU 2/28/10 | ANNUAL BUDGET | REMAINING BALANCE |
|--|--|------|----------------------------|------------------------------------|--------------------|----------------------|
| <u>4 kV Retirement – Stepdown Areas</u> | | | | | | |
| ** 1 | Reading | R | | \$78,125 | \$31,415 | (\$46,710) |
| 22 | Wilmington - Main Street NEW | W | | | \$112,152 | \$112,152 |
| <u>System Projects</u> | | | | | | |
| ** 2 | Station #4 Getaway 4W30 Replacements | R | | \$146,540 | \$201,712 | \$55,172 |
| 3 | Station #4 Getaway 4W17 Replacements NEW | R | | | \$170,779 | \$170,779 |
| ** 4 | Salem Street Area | W | | \$109,129 | \$171,923 | \$62,794 |
| 5 | High Capacity Tie 4W18/3W8 Franklin Street | R | | | \$129,004 | \$129,004 |
| 6 | Haverhill Street - Reconductoring NEW | R | \$14,252 | \$123,240 | \$184,460 | \$61,220 |
| <u>URD Upgrades</u> | | | | | | |
| 7 | URD Completions-Sanborn Village, Reading; Perkins Farm, Lynnfield; and Chestnut Village, North Reading | VAR | | | \$38,496 | \$38,496 |
| <u>New Circuits and Circuit Expansions</u> | | | | | | |
| 8 | Salem Street to Glen Rd 13kV Feeder Tie | W | \$86,925 | \$153,616 | \$80,063 | (\$73,553) |
| 9 | Reading Center-Main Street | R | | \$5,363 | \$13,932 | \$8,569 |
| 10 | Reading Center-Haven Street | R | | | \$23,311 | \$23,311 |
| <u>Station Upgrades</u> | | | | | | |
| <i>Station #4</i> | | | | | | |
| 11 | Transformer Replacement-Part 1-Contractual Labor | R | | \$596,832 | \$1,231,500 | \$634,668 |
| 11 | Transformer Replacement-Part 2-Procured Equipment | R | | \$155,962 | \$344,800 | \$188,838 |
| 11 | Transformer Replacement-Part 3-RMLD Labor | R | \$17,704 | \$288,853 | \$432,405 | \$143,551 |
| 11 | Transformer Replacement-Part 4-Feeder Re-Assignment | R | | | \$228,159 | \$228,159 |
| <i>Station #5</i> | | | | | | |
| 23 | 15kV Circuit Breaker Replacement NEW | W | | | \$157,528 | \$157,528 |
| <u>New Customer Service Connections</u> | | | | | | |
| 12 | Service Installations-Commercial/Industrial Customers | ALL | \$225 | \$28,166 | \$54,184 | \$26,018 |
| 13 | Service Installations - Residential Customers | ALL | \$10,680 | \$124,043 | \$176,623 | \$52,580 |
| 14 | <u>Routine Construction</u> | | | | | |
| | Various Routine Construction | ALL | \$96,462 | \$920,554 | \$1,537,896 | \$617,342 |
| Total Construction Projects | | | \$226,248 | \$2,730,423 | \$5,320,343 | \$2,589,920 |
| <u>Other Projects</u> | | | | | | |
| 15 | GIS | | \$2,300 | \$42,300 | \$52,984 | \$10,684 |
| 16 | Transformers/Capacitors Annual Purchases | | | \$16,249 | \$241,389 | \$225,140 |
| 17 | Meter Annual Purchases | | | \$22,102 | \$139,360 | \$117,258 |
| 18 | Purchase Two New Small Vehicles | | \$29,011 | \$62,555 | \$62,000 | (\$555) |
| 19 | Replace Line Department Vehicles | | | \$349,192 | \$353,823 | \$4,631 |
| 20 | Cooling Towers | | | | \$200,248 | \$200,248 |
| 21 | Security Upgrades | | | \$1,490 | \$25,000 | \$23,510 |
| 27 | Hardware Upgrades | | \$1,212 | \$1,212 | \$43,700 | \$42,488 |
| 28 | Software and Licensing | | | \$32,142 | \$94,410 | \$62,268 |
| Total Other Projects | | | \$32,523 | \$527,242 | \$1,212,913 | \$685,671 |
| TOTAL RMLD CAPITAL PROJECT EXPENDITURES | | | \$258,771 | \$3,257,665 | \$6,533,256 | \$3,275,591 |

** completed projects

**Reading Municipal Light Department
Engineering and Operations
Monthly Report
February, 2010**

FY 2010 Capital Plan

4 kV Retirement – Stepdown Areas

1. Reading – *Project Complete.*
22. Main Street – Wilmington – *No activity.*

System Projects

2. Station #4 Getaway Feeder 4W30 Replacement – Reading – *Project is Complete.*
3. Station #4 Getaway Feeder 4W17 - Wilmington – *No activity.*
4. Salem Street Area - Wilmington – *Project Complete.*
5. High Capacity Tie 4W18/3W8 Franklin Street – Reading – *No activity.*
6. Haverhill Street – Reading/Lynnfield – Framing and pole transfers for both primary and secondary cables.

URD Upgrades

7. URD Completions – Sanborn Village, Reading; Perkins Farm, Lynnfield; and Chestnut Village, North Reading - *No activity.*

New Circuits and Circuit Expansions

8. Salem Street to Glen Road 13 kV Feeder Tie – Wilmington – Pulled in pulling rope and cable, framed poles, installed spacers on Faulkner; Clipped in messenger, hung tri-blocks, pulled in rope and cable, installed spacers on Cunningham; and dead-ended and sagged cable on Beeching; hung gang operated switches and made taps on Beeching and Faulkner.
9. Reading Center - Main Street – *No activity.*
10. Reading Center - Haven Street – *No activity.*

Substation Upgrade Projects

11. Transformer Replacement – Station 4 - Reading
 - Part 1 – Contractual Labor – *No paid financial activity this month.*
 - Part 2 – Procured Equipment –
 - Part 3 – RMLD Labor – Relay panel relocations and control wire modifications; moving a transformer.
 - Part 4 – Feeder Re-Assignment – *No activity.*
23. 15kV Circuit Breaker Replacement – Station 5 – Wilmington – *No activity.*

New Customer Service Connections

- 12. Service Installations – Commercial/Industrial Customers** – This item includes new service connections, upgrades, and service replacements for the commercial and industrial customers. This represents the time and materials associated with the replacement of an existing or installation of a new overhead service, the connection of an underground service, etc. This does not include the time and materials associated with pole replacements/installations, transformer replacement/installations, primary or secondary cable replacement/installations etc. This portion of the project comes under routine construction.
- 13. Service Installations – Residential Customers** – This item includes new or upgraded overhead and underground services, temporary overhead services, and large underground development.
- 14. Routine Construction** – The drivers of the Routine Construction budget category YTD are listed. This is not an inclusive list of all items within this category.

| | |
|--|------------------|
| <i>Pole Setting/Transfers</i> | \$124,089 |
| <i>Maintenance Overhead/Underground</i> | \$291,674 |
| <i>Projects Assigned as Required</i> | \$98,370 |
| <i>Pole Damage (includes knockdowns) some reimbursable</i> | \$62,708 |
| <i>Station Group</i> | \$41,460 |
| <i>Hazmat/Oil Spills</i> | \$11,318 |
| <i>Porcelain Cutout Replacement Program</i> | \$97,126 |
| <i>Lighting (Street Light Connections)</i> | \$16,390 |
| <i>Storm Trouble</i> | \$23,099 |
| <i>Underground Subdivisions</i> | \$43,837 |
| <i>Miscellaneous Capital Costs</i> | \$110,482 |
| TOTAL | \$920,554 |

*In the month of February, 55 cutouts were charged under this program. Approximately 13 cutouts were installed new or replaced because of damage making a total of 68 cutouts replaced this month.

- 29. Force Accounts** – The Commonwealth of Massachusetts requires utility plant equipment relocations in conjunction with various roadway reconstruction projects.

No projects scheduled at this time.

Reliability Report

Two key industry standard metrics have been identified to enable the RMLD to measure and track system reliability. A rolling 12-month view is being used for the purposes of this report.

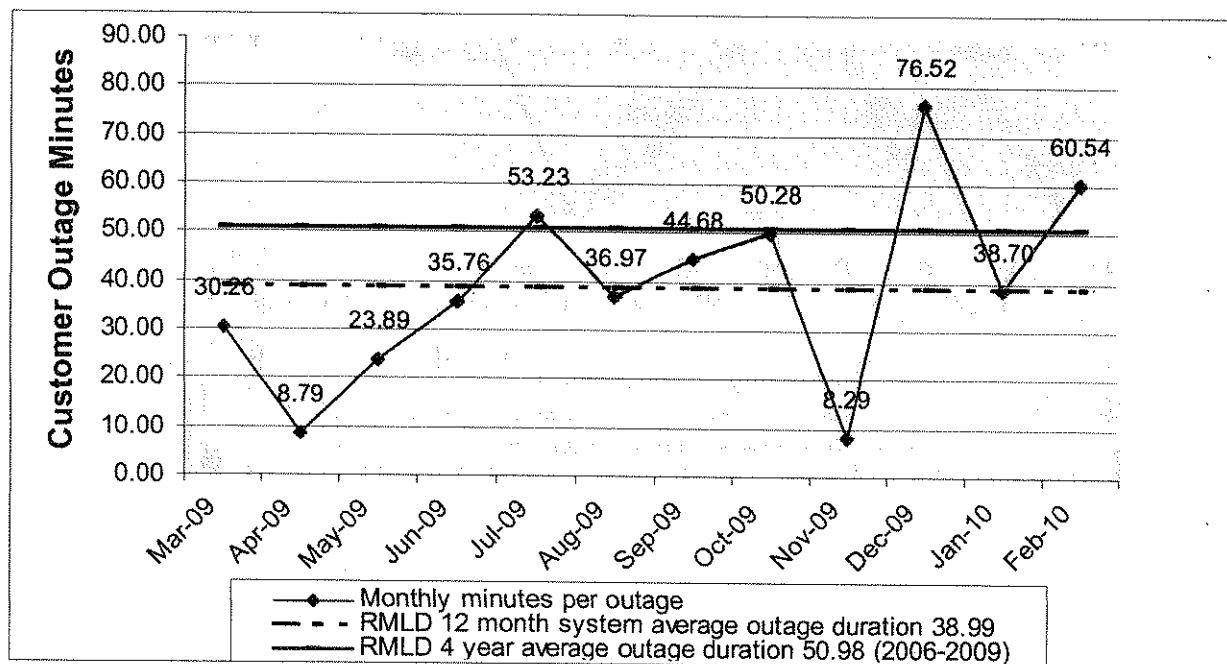
Customer Average Interruption Duration Index (CAIDI) – Measures how quickly the RMLD restores power to customers when their power goes out.

CAIDI = Total of Customer Interruption Duration for the Month in Minutes/ Total number of customers interrupted.

RMLD 12 month system average outage duration – 38.99 minutes

RMLD 4 year average outage (2006-2009) – 50.98 minutes per outage

On average, RMLD customers that experience an outage are restored in 38.99 minutes.



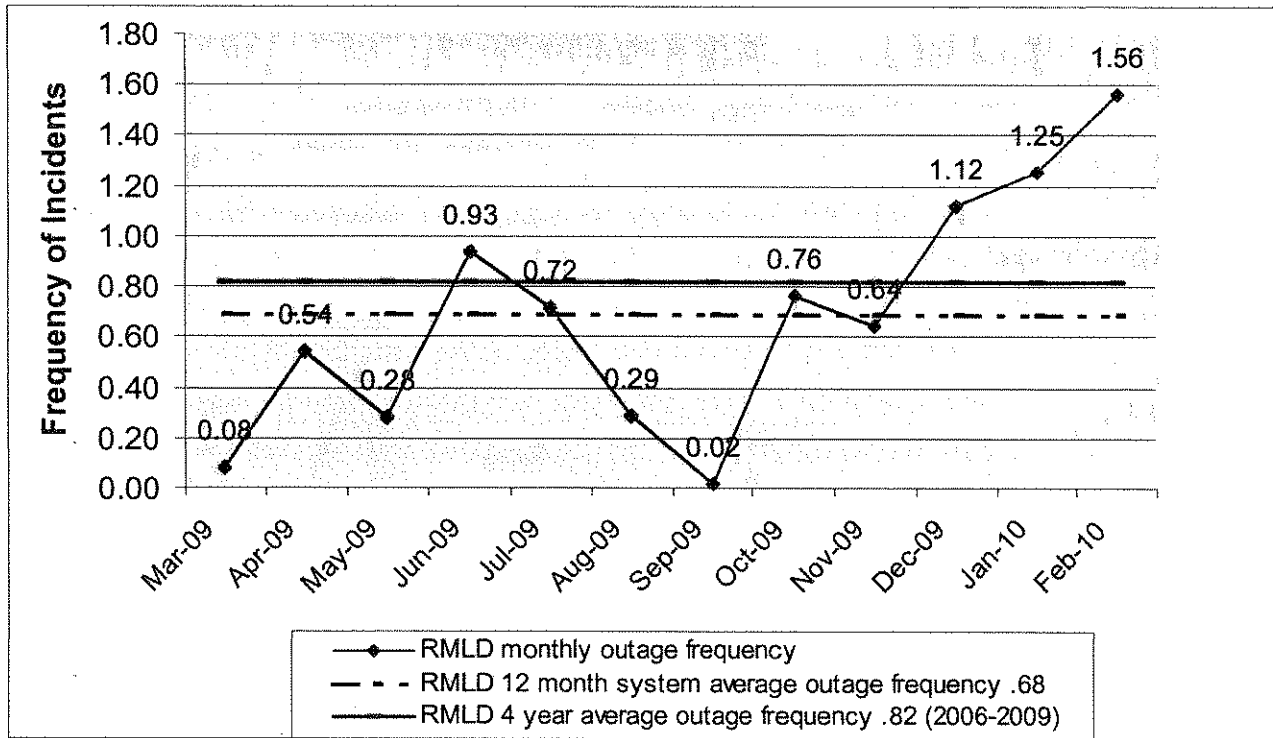
System Average Interruption Frequency (SAIFI) – Measures how many outages each customer experiences per year on average.

SAIFI = Total number of customer's interrupted / Total number of customers.

RMLD 12 month system average - .68 outages per year

RMLD 4 year average outage frequency - .82

The graph below tracks the month-by-month SAIFI performance.



Months Between Interruptions (MBTI)

Another view of the SAIFI data is the number of months Reading customers have no interruptions. At this time, the average RMLD customer experiences an outage every 17.65 months.