

Reading Municipal Light Board of Commissioners

Regular Session

230 Ash Street

Reading, MA 01867

February 27, 2014

Start Time of Regular Session: 7:30 p.m.

End Time of Regular Session: 8:55 p.m.

Commissioners:

John Stempeck, Chairman - Absent Philip B. Pacino, Vice Chair

Robert Soli, Commissioner David Talbot, Commissioner - Absent

David Mancuso, Secretary

Staff:

Coleen O'Brien, General Manager

Jeanne Foti, Executive Assistant

Bob Fournier, Accounting/Business Manager Hamid Jaffari, Director of Engineering and Operations

William Seldon, Senior Energy Analyst

Citizens' Advisory Board:

Tony Capobianco, Member

Public:

Peter Brown, Member of Town Meeting, Reading

In the absence of Chairman Stempeck, Vice Chair Pacino was Chairman.

Call Meeting to Order

Chairman Pacino called the meeting to order and stated that the meeting was being videotaped; it is live in Reading only.

Opening Remarks

Chairman Pacino read the RMLD Board of Commissioners Code of Conduct.

Introductions

Chairman Pacino welcomed CAB Member, Tony Capobianco and asked if there was anything to report on. Mr. Capobianco responded that there was nothing to report on at this time.

Public Comment

Chairman Pacino welcomed and had an individual from the public identify himself. Mr. Peter Brown introduced himself as a Town Meeting Member, Town of Reading Precinct Ten.

Chairman Pacino reported that Commissioner Mancuso will be the Secretary this evening.

Mr. Brown asked, since he is interested in coming to the meetings, when can he ask questions? Chairman Pacino replied that one of the first things on the agenda is public comment. Mr. Brown then clarified if he could ask a question at the end of the meeting? Chairman Pacino explained that he could ask questions on the discretion of the Chair when it is appropriate at meetings. Mr. Brown's second question related to the Executive Session Board meeting minutes on RMLD's website, he noticed in the past those minutes have been posted, but not recently. He wanted to know if the intention was to continue to do that. Ms. Foti responded that the RMLD Board of Commissioners 2012 Executive Session minutes are posted to RMLD's website. Historically, in March the Board does a review on the prior year's Executive minutes. Chairman Pacino added that the Executive Session minutes are checked because if there are issues that are still ongoing, such minutes cannot be released until the issue is complete. Mr. Brown commented that he looked on the Reading Public Access schedule for Board meetings, the RMLD Board is not listed for this evening, and it may be a good idea to get in contact with RCTV. Ms. Foti explained that the RMLD Board meetings are posted on RMLD's website, Town of Reading's website and RCTV receives an e-mail of RMLD's upcoming meeting. The RMLD will follow up with RCTV.

Chairman Pacino stated that Chairman Stempeck and Commissioner Talbot will not be in attendance at the meeting this evening.

Report of the Chairman

Update on Charter Committee

Chairman Pacino reported that the Charter for the Town of Reading is being updated, there has been very little going on since the last report. The Committee has suspended their meetings at this point, due to a medical issue with the Town Clerk. The next meeting will be March 17

General Manager's Report – Ms. O'Brien – General Manager

Introduction of Hamid Jaffari, Director of Engineering and Operations

Ms. O'Brien introduced Mr. Jaffari, as the new Director of Engineering and Operations. Ms. O'Brien stated that Doctor Jaffari possesses an EED in electrical engineering power systems which is above masters, below PhD as well as a PhD in Organizational Leadership. Mr. Jaffari is recognized throughout the industry in utility design planning, reliability, and power engineering. He comes to us after fifteen years at Danvers Electric where he was critical in developing and implementing a successful reliability plan which took Danvers from the lowest in reliability indices to receiving APPA's prestigious RP3 award for reliability, accountability and safety. He also spearheaded the Smart Grid grant program from the DOE, designed, implemented and integrated a smart system into the Danvers electric system. The smart system resulted in reduced losses, reduced outage durations, improved feeder efficiencies and provided advanced customer information systems. He completed a comprehensive engineering accurate GIS system. This system successfully integrated into the smart system enabling engineering analysis and system modeling for demand response and demand management capabilities. He is active in the industry associations as well as a professor, instructor at APPA, NEPPA, ECNE and area universities as well as universities abroad. Prior, Mr. Jaffari worked for NSTAR and South Norwalk Municipal. His credentials are a perfect match to help the RMLD to develop its long term reliability plans to include improved system reliability, flexibility, to incorporate demand response for RMLD as well as demand management. Mr. Jaffari will mentor and help develop the staff skill sets to ensure that RMLD's system and division interfaces, possesses the capabilities and flexibilities to remain competitive in the future, through peak shaving, customer information systems and distribution reliability. Mr. Jaffari will speak on a monthly basis on the Engineering and Operations Report.

Mr. Jaffari said that he is glad to be joining the RMLD team. He is looking forward to a great start. He is reviewing operational plans, policies, procedures and he is getting to know the staff. The RMLD has talented employees and he is looking forward to working with them. The past practice has been presenting reliability indices comparing the RMLD to itself which does not meet the intent of the industry performance evaluations. Moving forward, he will be providing the RMLD's reliability indices benchmarked against the regional and national indices, which is more meaningful. It is also beneficial to use the New England area comparing reliability and frequency of outages. The data will be used to create indices to track, and manage assets. The indices provide information about overall system reliability performance. The ability to appropriate trend outage duration and frequency enables us to develop appropriate proactive maintenance programs.

Mr. Jaffari reported that RMLD will be performing a twenty year planning study to provide a road map for system improvements and develop maintenance programs. The key to reliability is proactive maintenance. Preventive maintenance ensures having a reliable system, which will be the strategy moving forward. Mr. Jaffari thanked the RMLD for the opportunity. Chairman Pacino stated that he welcomes Mr. Jaffari on behalf of the commission to the Department and is glad to see him on board.

Mr. Mancuso welcomed Mr. Jaffari. Mr. Mancuso asked about the new indices moving forward for outages, stating most folks are generally satisfied with the current numbers. Mr. Mancuso questioned if Mr. Jaffari anticipated that the numbers will improve with the new comparison measurement methodology so that the RMLD is shown to be even better than it thought it was. Mr. Jaffari replied, yes and no. Yes, because the numbers really look good comparing RMLD to itself. No, because the numbers fluctuate depending on uncertain weather related outages. However, moving forward with the proper planning and proper preventive maintenance plan, it could get better. Mr. Jaffari cautioned that one big storm can create a spike in the numbers. Mr. Mancuso added that is the case no matter how you measure it. Mr. Jaffari agreed. Mr. Jaffari said that the trend should be going towards steady and stabilized factors. Mr. Mancuso commented the customer may see with the new indices some fluctuation that may suggest that the quality of service is not as reliable as in the past, but in reality it is only a change in measurement. Mr. Jaffari stated that the RMLD will assess the statistics based on the situation, the numbers will be continually benchmarked; the annual average should be within the acceptable industry standard with respect to the duration and frequency of outages when compared to the regional and national indices. These comparisons are a good indicator on how the RMLD's system is performing. This will be a tool for engineers to assess and track down the problem areas to determine what type of preventive maintenance programs need to be initiated.

Mr. Mancuso stated that he is concerned about the public misperception due to the change in measurement on the reliability indices that have been explained. Ms. O'Brien said that what is interesting, as Mr. Jaffari has indicated, that when you compare yourself to yourself, you may not be doing that well. Ms. O'Brien pointed out that in benchmarking the RMLD against itself, the reporting translates into – next month I did better than last month, but last month I was not doing that well.

General Manager's Report – Ms. O'Brien – General Manager
Introduction of Hamid Jaffari, Director of Engineering and Operations

Ms. O'Brien pointed out that last July; Mr. Capobianco was astute when he asked about the transformer failures and fuses in which there was a big spike. Compared to the previous month, it looked like the RMLD did terrible; however, if you compared this to other utilities they would have also had some level of transformer fuser melting, in over loaded situations so the spike would have been softened.

Ms. O'Brien pointed out that if there was an analysis of what happened in July and August that would have been better because it would have clearly demonstrated the reason for the increase. As Mr. Jaffari said, although these indices are compared to regional and national levels what the information is used for is to track and trend what is happening. If you are starting to see fuse failures you want to get on a transformer fuse maintenance program, identify them and change them out before the summer. That is what the indices are used for. Ms. O'Brien said that she will be glad to provide what were last month's indices for the RMLD. Mr. Mancuso said that it makes sense, but is sensitive to any perceptual change.

Ms. O'Brien said that the overall current reliability shows that the RMLD is within standards. RMLD now has the ETracker from the American Public Power Association. She wants to be realistic to the public. The other thing that is also important when doing the presentation it will show that the RMLD is taking into account blips, blinks, dips and any other kind of outages. Other utilities will not decrease their indices values for minor outages. However, the indices are meant to be used as a planning tool for engineering system reliability. Because the RMLD is going to use that data to be proactive and preventative all data will be shown. There is a need to transparent.

Mr. Soli welcomed Mr. Jaffari. Mr. Soli explained that with his attendance at Northeast Public Power Association meetings, he was impressed with the presentation from Groton. Mr. Soli explained that Groton recently installed smart meters and combined with their GIS system they are doing well with fault isolation, therefore customers did not have to call in an outage. Also, Groton is able to see the load on circuits, which provided them with the information for transformer upgrades. Mr. Soli asked if the RMLD is heading in this direction. Mr. Jaffari responded that a transformer load management program is something that has to be created and planned at RMLD. As a result of tracking this data, a proper maintenance program can be instituted. He had a transformer management program in place at Danvers Electric with life cycle analysis based on the cyclic load of the transformer and peak load, which was provided, in part by AMR data and GIS data. When these two components are combined, you can get the true peaking cycling for seasonal and the life cycle analysis for twenty years to replace transformers. This program will be developed.

Mr. Capobianco asked how do you validate the integrity of the data such as the blips that others do not report on so that we are confident that the information is consistent or are people underreporting or is there room to use the numbers. Mr. Jaffari replied that the Survalent outage management system will be installed and implemented at the RMLD. The AMR will pick up blips in the system with the computer picking up that data. Mr. Capobianco is not concerned with the internal data sets, is there a standard that everyone follows. Mr. Jaffari replied that every two years APPA performs a reliability study not everyone is publishing those number and there are benchmarking standards, but not all blips are tracked by systems. RMLD wants to know what causes the momentary outage work to correct the issue, not just report acceptable indices.

Fiscal Year 2015 Budget Process

Ms. O'Brien reported that the RMLD is preparing the Fiscal Year 2015 Capital and Expense Budgets. The Boards can expect to see some improvements in the budget formats accountability. While the FY 15 budget vote will focus on that year, it will also show the previous and next five year budgets. The change will include the year to date spending on the Fiscal Year 2014 budget as well as Fiscal Year 2015-2019 plan. This methodology provides a clear understanding of projects including their total costs, the budget year's cost, the timeframe and any barriers to their success. The capital layout will be presented relative to the depreciation fund for the same six years to provide an adequate justification to funding schedules. Ms. O'Brien said that the Board has been accustomed to seeing the budget only for the fiscal year without knowing how it ended in the prior year and what it would be doing in future years. Ms. O'Brien stated that she is going to show how the RMLD is doing towards the end of that year, what you are voting on and the next five years with the depreciation fund. The FY 15 Capital Budget is being done based on current reliability information in the absence of the reliability study which will be integral to the organizational study. Ms. O'Brien said that Mr. Jaffari will be performing a study of the critical assets to ensure that there are no smoking guns outside of the system projects we are proposing. The reliability study will be looking at twenty years to ensure adequate substation capacity, integrity of assets, feeder optimization, system flexibility to accommodate peak shaving, and the demand response programs. This study will provide recommendations to system improvements with prioritization, timelines and funding. Focus areas for FY 15 will include developing a road map to bring the GIS system into a fully accurate and functional tool that the RMLD can use for system modeling. Collecting more data and making it as built is critical in order to make the GIS functional. The other focus area for FY 15 is the development of a substation maintenance group. Currently, only normal reactive maintenance is performed. A comprehensive predictive and preventive maintenance program will be developed.

General Manager's Report – Ms. O'Brien – General Manager

Fiscal Year 2015 Budget Process

Ms. O'Brien said that this will involve a two crew compliment in which each technician will require 5.5 to 7 years to be fully qualified journeymen technicians. Currently, the maintenance is performed reactively. A consultant called in like UPG to come in on a full time basis to change the oil timely would cost \$2,800 to \$3,200 daily. That is why it has not shifted from reactive to proactive. In order to do it in a manner that would ensure that you have a predictive and preventive maintenance program that everything is done on schedule with transformers being inspected, all the assets are being inspected which would have mitigated the transformer spill in Wilmington being prevented. This however, will take time in order to provide training with the technicians in relaying, circuit breakers as well as transformers. Those are the two big items that will be in this upcoming year's budget to focus on and the foundations to ensuring stable reliability, present and future.

Ms. O'Brien stated that those are the foundations to your reliability. Also being looked at is tree trimming and training employees for underground to phase out the underground contractor. They are looking at a lot of ways of becoming efficient by using the in house expertise handling the majority of your maintenance.

Chairman Pacino asked what the timetable for the presentation of these is. Ms. O'Brien replied that the budgets are due to the Citizens' Advisory Board (CAB) on March 31. There have been meeting and reviews with Mr. Jaffari added to the process. Ms. O'Brien stated that Mr. Jaffari will be performing a system assessment to check to make sure nothing critical has been omitted. The reliability study will come in late summer or early fall. The recommendations from the report will be prioritized as well as time lined so it can be integrated into the budget process. Chairman Pacino added that the Board's Budget Committee has met at the same time that the CAB Board has met. Ms. O'Brien added the same process will be followed. Mr. Capobianco commented that the budget meetings are already scheduled, since he has been on the Board it has been joint meetings, it is easier to do that way. CAB Chairman Norton will be contacted to see if the meetings will be held jointly this year.

Ms. O'Brien said that this all integrates into the Cost of Service Study to get the preliminary capital and operating budgets completed, at the least the rough numbers to integrate them into the Cost of Service Study as early as the end of next week. There is the possibility that the Cost of Service Study could be completed before the end of March with meetings within the last week of March to go over the results, a draft rate design by the end of March the meeting to go over the rate design the week of April 4 and a presentation to the Board in April which is the tentative schedule. Mr. Mancuso added that if the organizational study will be completed after the initial rate study it could have an impact on how we want to approach the rate structure. Mr. Mancuso said that hypothetically, from an organizational perspective, we could fundamentally need a different kind of organization and costs could go up or down, impacting the rate study. If we are trying to create a rate structure that can be used as a model going forward. That model will be predicated on some assumptions about the organization. Mr. Mancuso questioned if once the organizational study is completed, is it possible that it will affect the rate design model? Ms. O'Brien responded that there could be an impact. The reliability study is integral to the organizational study which could signal major system changes, which would be reflected in the capital budget and depreciation fund. Unless therefore, there is a recommendation to change the depreciation expense from three to five percent, there would not be an impact. Ms. O'Brien added that if Mr. Jaffari does not find any further smoking guns other than said maintenance and GIS issues the plan would be then simply laid out for long term stability. From the organizational structure of adding employees or reorganizing those types of things, consolidating jobs or succession planning any thoughts of early separation ideas, she is not seeing that will be a huge impact. The numbers for all the vacancies are being carried right now. The organizational study may show impacts for years one, five or ten. Ms. O'Brien currently does not see any smoking guns. If the organizational structure has an impact on rates in the first year or so we would have to put in this Cost of Service Study. Mr. Mancuso suggested that the commission should think about an approval of rates changes in the context of the possibility of change that may be suggested by the organizational study. However, with what Ms. O'Brien has stated she is pretty comfortable with what gets approved can sit for a year, the model will still hold true even though there may be some organizational changes down the road.

Mr. Soli said that on the Cost of Service Study, what he is concerned about is a more detailed break out of the power costs on the operating budget. In the past, we have seen a \$42 million number for power supply. Mr. Soli would like to see a detailed breakout of the power costs for the capacity costs from ISO New England, which is different from the capacity costs of NYPA. Ms. O'Brien stated that we have that data and Ms. Parenteau's presentation does not get into that level of detail, but the information is available now. The Cost of Service presentation there can be two presentations, one being an overall summary and one for more detail. We want to be transparent, but do not want to be at such a level of detail that it precludes productive movement to ensure recovery of production costs. Mr. Soli said that his concern is that you have to project next year's cost though difficult those costs have to be allocated to the customer classes. Mr. Soli stated that he has been to APPA classes on Cost of Service Study and they say in all these classes there is never enough data. Finally, with RMLD's new metering it should have pretty good data; this is what the peak is based on.

General Manager's Report – Ms. O'Brien – General Manager

Fiscal Year 2015 Budget Process

Mr. Soli said that the ISO New England capacity cost is spread one way, the other capacity costs are spread other ways. NYPA should be spread a different way, those breakouts are important. Ms. O'Brien clarified with Mr. Seldon that will there be sufficient breaks outs in Mr. Seavey presentation. Mr. Seldon responded that we have a lot of data and can accommodate any commission member's requests. There is a lot of information available.

Chairman Pacino suggested that Chairman Stempeck concur with Mr. Norton if the Budget Committee will meet with the CAB and potential reorganization.

Policy Committee Meetings

Ms. O'Brien reported that the Policy Committee met several months ago, all RMLD policies were lumped under the Board of Commissioners because there was no other mechanism when they clearly fell under Massachusetts General Laws Chapter 164 as operational policies and governing policies. Ms. O'Brien presented a spreadsheet separating them the Policy Committee voted on the concept going forward; however, another meeting is required. Ms. O'Brien has the Drug & Alcohol policy as well as other policies that need to be signed and put into action. Chairman Pacino suggested having a Policy Committee meeting scheduled some morning with Mr. Mancuso's concurrence.

Power Supply Report – January 2014 – Mr. Seldon (Attachment 1)

Mr. Seldon reported that the RMLD's load for January was approximately 61.8 million kWhs, which is a 1.8% increase from January 2013. RMLD's energy cost was approximately \$3.19 million, approximately equivalent to \$.052 per kilowatt-hour. Mr. Seldon stated that the Fuel Charge adjustment was \$.045 per kilowatt-hour for January and the RMLD sales totaled 55.24 million kilowatt hours, as a result the RMLD under collected by approximately \$763,000 resulting in a Deferred Fuel Cash Reserve balance of \$1.6 million. The February Fuel Charge was set at \$.05 and is projected in March to go to \$.055 per kilowatt-hour which results in a projected Deferred Fuel Cash balance of \$1.1 million. By slowly increasing the Deferred Fuel charge due to the expense for three months due the more expensive winter power, there will be a gradual increase in the fund by the end of March. The target for the Deferred Fuel fund is \$2.5 million by fiscal year end.

Mr. Seldon reported that the RMLD purchased about 1.1% of its energy requirements from the ISO New England Spot Market at the average cost of \$370 per megawatt hour. The StonyBrook unit has been running a lot as well as the Braintree Watson Unit which have replaced those costs.

RMLD's peak demand for January was 112.2 megawatts which occurred on Thursday, January 2 at 6:00 pm with the temperature at six degrees, last year the peak was 109 megawatts which occurred on Wednesday, January 23 at 7:00 pm. The monthly capacity requirement was 215.7 megawatts with the total capacity cost of \$1.653 million which is equivalent to \$6.33 a kilowatt month. Capacity and energy costs were approximately 7.47 cents per kilowatt hour with 6.8% of the energy from hydro purchases which include NYPA, Swift River, Collins and Summit.

The RMLD has four hydro projects it receives RECs from. Through the first three quarters of 2013 and the month of January 2014, the RMLD has sold 13,392 RECs for \$727,000. The RMLD estimates that it will receive an additional \$134,000 from the projected sales of 26,044 RECs for quarter four. The total 2013 REC revenue is estimated to come in at \$861,000.

Transmission costs in January were \$989,607 which is a 35% increase compared to last year. This increase is attributable to the higher increase of what the RMLD is carrying for capacity however; most of this is due to the increase in capacity costs.

Mr. Soli had a comment on Table 1, the ISO Interchange reflects almost \$1.5 million that they paid the RMLD, is that correct. Mr. Seldon responded that is correct. In January, the RMLD sold more expensive power than the power it purchased through the ISO. The ISO paid the RMLD, however the fuel bills for StonyBrook and Watson are not reflected. Those billings are received after the fact with those monies going out to pay for the units that have been running on oil for January and part of February.

Mr. Soli clarified that it appears in the Financials, the NYPA credit does it run a month behind. Mr. Seldon responded typically, yes. Mr. Soli added that the Financials do not reflect this table. Mr. Seldon responded that is correct. Mr. Soli said that he will be very interested to see next month what happens to the NYPA credit. Mr. Soli pointed out the RMLD auditor has said that there are two ways to calculate that. One way is the cost allocation method and the second, which he has been recommending, which has not happened is the cost replacement. In the next meeting, Mr. Soli would like to see the detailed calculation for that NYPA credit. He computed the cost allocation which resulted in \$106,180. He would like to see that before the next meeting.

Financial Report – January 2014 – Mr. Fournier (Attachment 2)

Mr. Fournier presented the January Financial Report provided in the Commissioner packets for the first seven months of this fiscal year; the negative change in Net Assets or Net Loss for January was \$881,000, making the year to date Net Loss a little less than \$700,000. Fuel Expenses have exceeded Fuel Revenues by approximately \$1 million with the Fuel Charge increasing over the next several months and with the recent base rate increase, the RMLD should be able to turn that loss around and finish the year strong.

Year to date base revenues were under budget by \$1.4 million or about 5%, actual base revenues were \$27.3 million.

Year to date purchased power base expenses were over budget by \$43,000 or 1.4%. Actual purchased power base costs were \$17.1 million.

Year to date Operating and Maintenance (O&M) expenses combined were under budget by \$232,000 or 3%. Actual O&M expenses were \$7.3 million. Depreciation expense and voluntary payments to the Towns were on budget.

Operating Fund is at \$10.9 million; Capital Fund \$4.5 million; Rate Stabilization Fund \$6.7 million; Deferred Fuel Fund \$1.6 million and the Energy Conservation Fund at \$437,000. Year to date kilowatt hours sales are 417 million kilowatt hours, which is 1.4% behind last year. Gaw revenues collected year to date are \$417,000 which brings the total collected since inception to \$2.4 million. Based on the projections of February revenues, the month of March will be the last month for the Gaw charge in customers' billings.

Chairman Pacino clarified that the rate increase put in place should make up some of this deficit. Mr. Fournier replied that is correct.

General Discussion

There was none.

BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED

Rate Comparisons, February 2014

E-Mail responses to Account Payable/Payroll Questions

RMLD Board Meetings

Thursday, March 27, 2014

Thursday, May 1, 2014

Citizens' Advisory Board Meeting

Fiscal Year 2015 Budget Meetings

April 2, 2014 – Lynnfield – April 9, 2014

Executive Session

At 8:29 p.m. Mr. Mancuso made a motion seconded by Mr. Soli that the Board go into Executive Session to discuss mediation and union negotiations update, and return to Regular Session for the sole purpose of adjournment.

Chairman Pacino polled the Board. Motion carried by a polling of the Board:

Mr. Mancuso; Aye, Mr. Pacino; Aye, and Mr. Soli; Aye.

Motion carried 3:0:0.

Adjournment

At 8:55 p.m. Mr. Mancuso made a motion seconded by Mr. Soli move to adjourn the Regular Session to adjourn.

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

David Mancuso, Secretary
RMLD Board of Commissioners

To: Coleen O'Brien

From: *mm* Maureen McHugh, Jane Parenteau *JP by UPS*

Date: February 24, 2014

Subject: Purchase Power Summary – January, 2014

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of January, 2014.

ENERGY

The RMLD's total metered load for the month was 62,341,467 kWh, which is an 2.59% increase from the January, 2013 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	3,700,833	\$7.37	5.99%	\$27,262	0.86%
Seabrook	5,891,985	\$8.19	9.54%	\$48,240	1.51%
Stonybrook Intermediate	7,696,433	\$177.75	12.46%	\$1,368,067	42.92%
JP Morgan	8,458,000	\$61.67	13.69%	\$521,576	16.36%
NextEra	10,468,000	\$69.84	16.95%	\$731,111	22.94%
NYPA	2,193,985	\$4.92	3.55%	\$10,794	0.34%
ISO Interchange	691,140	-\$1,458.77	1.12%	-\$1,008,217	-31.63%
NEMA Congestion	0	\$0.00	0.00%	\$6,955	0.22%
Coop Resales	20,855	\$139.57	0.03%	\$2,911	0.09%
BP Energy	9,619,600	\$48.27	15.57%	\$464,338	14.57%
Summit Hydro/Collins/Pioneer	601,505	\$137.67	0.97%	\$82,806	2.60%
Braintree Watson Unit	1,551,141	\$53.93	2.51%	\$83,647	2.62%
Swift River Projects	1,405,540	\$102.17	2.28%	\$143,607	4.51%
Exelon	8,027,200	\$60.22	12.99%	\$483,426	15.17%
Stonybrook Peaking	1,448,578	\$152.38	2.34%	\$220,739	6.93%
Monthly Total	61,774,795	\$51.59	100.00%	\$3,187,262	100.00%

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of January, 2014.

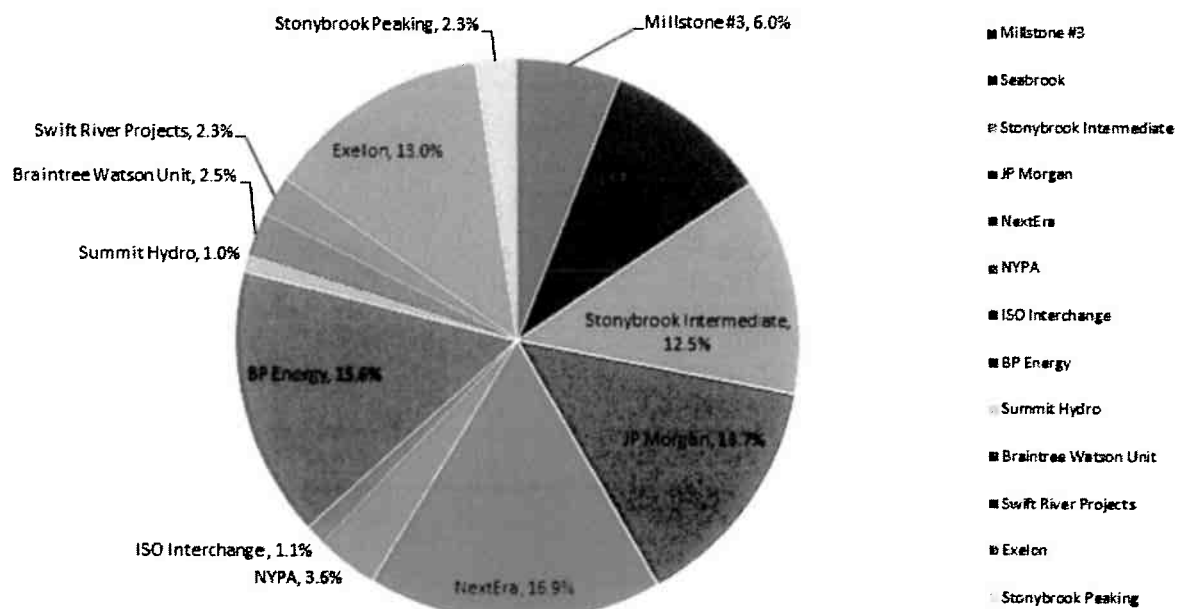
Table 2

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP *	-2,433,271	889.32	-3.94%
RT Net Energy **	3,124,410	369.90	5.06%
ISO Interchange (subtotal)	691,140	-1458.77	1.12%

* Independent System Operator Day-Ahead Locational Marginal Price

** Real Time Net Energy

JANUARY 2014 ENERGY BY RESOURCE



CAPACITY

The RMLD hit a demand of 112,204 kW, which occurred on January 2, at 6 pm. The RMLD's monthly UCAP requirement for January, 2014 was 215,701 kW.

Table 3 shows the sources of capacity that the RMLD utilized to meet its requirements.

Table 3

Source	Amount (kW)	Cost (\$/kW-month)	Total Cost \$	% of Total Cost
Millstone #3	4,950	41.08	\$203,367	14.90%
Seabrook	7,903	40.33	\$318,708	23.34%
Stonybrook Peaking	24,981	1.95	\$48,762	3.57%
Stonybrook CC	42,925	3.08	\$132,284	9.69%
NYPA	4,019	4.02	\$16,172	1.18%
Hydro Quebec	4,683	5.74	\$26,898	1.97%
Nextera	60,000	5.50	\$330,000	24.17%
Braintree Watson Unit	10,520	10.08	\$106,084	7.77%
ISO-NE Supply Auction	55,720	3.28	\$183,025	13.41%
Total	215,701	\$6.33	\$1,365,300	100.00%

Table 4 shows the dollar amounts for energy and capacity per source.

Table 4

Resource	Energy	Capacity	Total cost	% of Total Cost	Amt of Energy (kWh)	Cost of Power (\$/kWh)
Millstone #3	\$27,262	\$203,367	\$230,629	5.07%	3,700,833	0.0623
Seabrook	\$48,240	\$318,708	\$366,948	8.06%	5,891,985	0.0623
Stonybrook Intermediate	\$1,368,067	\$132,284	\$1,500,351	32.96%	7,696,433	0.1949
Hydro Quebec	\$0	\$26,898	\$26,898	0.59%	-	0.0000
JP Morgan	\$521,576	\$0	\$521,576	11.46%	8,458,000	0.0617
NextEra	\$731,111	\$330,000	\$1,061,111	23.31%	10,468,000	0.1014
* NYPA	\$10,794	\$16,172	\$26,966	0.59%	2,193,985	0.0123
ISO Interchange	-\$1,008,217	\$183,025	-\$825,192	-18.13%	691,140	-1.1940
Nema Congestion	\$6,955	\$0	\$6,955	0.15%	-	0.0000
BP Energy	\$464,338	\$0	\$464,338	10.20%	9,619,600	0.0483
* Summit Hydro/Collins/Pioneer	\$82,806	\$0	\$82,806	1.82%	601,505	0.1377
Braintree Watson Unit	\$83,647	\$106,084	\$189,731	4.17%	1,551,141	0.1223
* Swift River Projects	\$143,607	\$0	\$143,607	3.15%	1,405,540	0.1022
Coop Resales	\$2,911	\$0	\$2,911	0.06%	20,855	0.1396
Constellation Energy	\$483,426	\$0	\$483,426	10.62%	8,027,200	0.0602
Stonybrook Peaking	\$220,739	\$48,762	\$269,501	5.92%	1,448,578	0.1860
Monthly Total	\$3,187,262	\$1,365,300	\$4,552,562	100.00%	61,774,795	0.0737
* Renewable Resources					6.80%	

RENEWABLE ENERGY CERTIFICATES (RECs)

Table 5 shows the amount of banked and projected RECs for the Swift River Hydro Projects through January, 2014, as well as their estimated market value.

Table 5
Swift River RECs Summary
Period - January 2013 - January 2014

	Banked RECs	Projected RECs	Total RECs	Est. Dollars
Woronoco	0	1,154	1,154	\$47,891
Pepperell	0	1,006	1,006	\$58,348
Indian River	0	484	484	\$28,072
Turners Falls	1,441	685	2,126	\$0
RECs Sold			13,392	\$726,871
Grand Total	1,441	3,329	18,162	\$861,182

TRANSMISSION

The RMLD's total transmission costs for the month of January were \$989,607. This is an increase of 24.82% from the December transmission cost of \$792,851. In January, 2013 the transmission costs were \$638,899.

Table 6

	Current Month	Last Month	Last Year
Peak Demand (kW)	112,204	115,912	108,799
Energy (kWh)	61,774,795	60,851,135	59,550,250
Energy (\$)	\$3,187,262	\$3,666,453	\$3,338,331
Capacity (\$)	\$1,365,300	\$1,497,443	\$1,337,348
Transmission(\$)	\$989,607	\$792,851	\$638,899
Total	\$5,542,168	\$5,956,748	\$5,314,578

Dt: February 26, 2014

To: RMLB, Coleen O'Brien, Jeanne Foti

Fr: Bob Fournier

Sj: January 31, 2014 Report

The results for the first seven months ending January 31, 2014, for the fiscal year 2014 will be summarized in the following paragraphs.

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

For the month of January, the net loss or the negative change in net assets was \$881,809, making the year to date net loss \$695,180. The year to date budgeted net income was \$2,612,977, resulting in net income being under budget by \$3,308,157 or 126%. Actual year to date fuel expenses exceeded fuel revenues by \$997,438.

2) Revenues: (Page 11B)

Year to date base revenues were under budget by \$1,449,834 or 5.04%. Actual base revenues were \$27.3 million compared to the budgeted amount of \$28.7 million.

3) Expenses: (Page 12A)

*Year to date purchased power base expense was over budget by \$43,823 or .26%. Actual purchased power base costs were \$17.1 million compared to the budgeted amount of \$17.1 million.

*Year to date operating and maintenance (O&M) expenses combined were under budget by \$232,632 or 3.1%. Actual O&M expenses were \$7.3 million compared to the budgeted amount of \$7.5 million.

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

4) Cash: (Page 9)

- *Operating Fund was at \$10,938,912.
- * Capital Fund balance was at \$4,568,442.
- * Rate Stabilization Fund was at \$6,702,132.
- * Deferred Fuel Fund was at \$1,612,048.
- * Energy Conservation Fund was at \$437,487.

5) General Information:

Year to date kwh sales (Page 5) were 417,824,344 which is 6.0 million kwh or 1.4%, behind last year's actual figure. GAW revenues collected ytd were \$417,615, bringing the total collected since inception to \$2,410,843.

6) Budget Variance:

Cumulatively, the five divisions were under budget by \$230,558, or 1.9%.



FINANCIAL REPORT

JANUARY 31, 2014

ISSUE DATE: FEBRUARY 25, 2014



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF NET ASSETS
1/31/14

		PREVIOUS YEAR	CURRENT YEAR
ASSETS			
CURRENT			
UNRESTRICTED CASH	(SCH A P.9)	11,246,242.08	10,941,912.04
RESTRICTED CASH	(SCH A P.9)	18,078,265.04	16,727,989.33
INVESTMENTS	(SCH A P.9)	0.00	850,000.00
RECEIVABLES, NET	(SCH B P.10)	7,452,830.39	6,203,587.62
PREPAID EXPENSES	(SCH B P.10)	1,581,926.88	1,432,221.97
INVENTORY		1,559,620.98	1,484,913.45
TOTAL CURRENT ASSETS		<u>39,918,885.37</u>	<u>37,640,624.41</u>
NONCURRENT			
INVESTMENT IN ASSOCIATED CO	(SCH C P.2)	46,958.35	31,379.32
CAPITAL ASSETS, NET	(SCH C P.2)	70,267,391.29	69,863,386.54
TOTAL NONCURRENT ASSETS		<u>70,314,349.64</u>	<u>69,894,765.86</u>
TOTAL ASSETS		<u>110,233,235.01</u>	<u>107,535,390.27</u>
LIABILITIES			
CURRENT			
ACCOUNTS PAYABLE		5,798,865.28	5,862,730.00
CUSTOMER DEPOSITS		678,775.42	713,375.92
CUSTOMER ADVANCES FOR CONSTRUCTION		401,932.15	399,624.15
ACCRUED LIABILITIES		1,527,360.54	52,294.21
TOTAL CURRENT LIABILITIES		<u>8,406,933.39</u>	<u>7,028,024.28</u>
NONCURRENT			
ACCRUED EMPLOYEE COMPENSATED ABSENCES		2,986,360.21	2,885,367.88
TOTAL NONCURRENT LIABILITIES		<u>2,986,360.21</u>	<u>2,885,367.88</u>
TOTAL LIABILITIES		<u>11,393,293.60</u>	<u>9,913,392.16</u>
NET ASSETS			
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT		70,267,391.29	69,863,386.54
RESTRICTED FOR DEPRECIATION FUND (P.9)		3,043,039.84	4,568,442.83
UNRESTRICTED		25,529,510.28	23,190,168.74
TOTAL NET ASSETS	(P.3)	<u>98,839,941.41</u>	<u>97,621,998.11</u>
TOTAL LIABILITIES AND NET ASSETS		<u>110,233,235.01</u>	<u>107,535,390.27</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
NONCURRENT ASSET SCHEDULE
1/31/14

SCHEDULE C

	PREVIOUS YEAR	CURRENT YEAR
SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES		
NEW ENGLAND HYDRO ELECTRIC	2,975.74	3,261.87
NEW ENGLAND HYDRO TRANSMISSION	43,982.61	28,117.45
TOTAL INVESTMENTS IN ASSOCIATED COMPANIES	<u>46,958.35</u>	<u>31,379.32</u>
SCHEDULE OF CAPITAL ASSETS		
LAND	1,265,842.23	1,265,842.23
STRUCTURES AND IMPROVEMENTS	6,792,724.53	6,430,835.66
EQUIPMENT AND FURNISHINGS	13,051,889.95	12,719,213.58
INFRASTRUCTURE	<u>49,156,934.58</u>	<u>49,447,495.07</u>
TOTAL CAPITAL ASSETS, NET	<u>70,267,391.29</u>	<u>69,863,386.54</u>
TOTAL NONCURRENT ASSETS	<u>70,314,349.64</u>	<u>69,894,765.86</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
1/31/14

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
OPERATING REVENUES: (SCH D P.11)					
BASE REVENUE	3,658,287.70	3,710,000.73	27,458,000.00	27,306,136.67	-0.55%
FUEL REVENUE	3,076,267.45	2,487,172.37	21,087,222.13	18,324,954.30	-13.10%
PURCHASED POWER CAPACITY	169,473.07	70,193.46	1,283,664.41	234,927.19	-81.70%
FORFEITED DISCOUNTS	96,411.86	91,316.20	607,232.02	552,684.56	-8.98%
ENERGY CONSERVATION REVENUE	55,052.68	54,410.15	417,296.73	411,264.98	-1.45%
GAW REVENUE	55,945.06	55,283.59	423,744.27	417,615.74	-1.45%
NYPA CREDIT	(70,691.63)	(88,308.33)	(363,955.93)	(360,980.63)	-0.82%
TOTAL OPERATING REVENUES	7,040,746.19	6,380,068.17	50,913,203.63	46,886,602.81	-7.91%
OPERATING EXPENSES: (SCH E P.12)					
PURCHASED POWER BASE	2,313,125.74	2,347,561.30	16,756,324.54	17,122,667.90	2.19%
PURCHASED POWER FUEL	2,523,166.59	3,161,945.22	20,538,707.81	18,961,412.59	-7.68%
OPERATING MAINTENANCE	821,500.47	863,006.66	5,765,300.31	5,638,642.09	-2.20%
DEPRECIATION	278,918.45	276,902.81	1,531,724.35	1,669,338.60	8.98%
VOLUNTARY PAYMENTS TO TOWNS	305,469.18	314,969.55	2,138,284.26	2,204,786.85	3.11%
	114,000.00	116,666.67	791,383.00	815,183.67	3.01%
TOTAL OPERATING EXPENSES	6,356,180.43	7,081,052.21	47,521,724.27	46,412,031.70	-2.34%
OPERATING INCOME	684,565.76	(700,984.04)	3,391,479.36	474,571.11	-86.01%
OPERATING REVENUES (EXPENSES)					
CONTRIBUTIONS IN AID OF CONST	708.84	3,361.74	47,187.79	26,428.62	-43.99%
RETURN ON INVESTMENT TO READING	(188,785.58)	(191,768.42)	(1,321,499.08)	(1,342,378.92)	1.58%
INTEREST INCOME	2,194.31	2,384.73	19,468.49	25,765.51	32.34%
INTEREST EXPENSE	(250.50)	(251.19)	(2,858.35)	(2,937.10)	2.76%
OTHER (MDSE AND AMORT)	117,408.58	5,447.43	172,103.21	123,370.10	-28.32%
TOTAL NONOPERATING REV (EXP)	(68,724.35)	(180,825.71)	(1,085,597.94)	(1,169,751.79)	7.75%
CHANGE IN NET ASSETS	615,841.41	(881,809.75)	2,305,881.42	(695,180.68)	-130.15%
NET ASSETS AT BEGINNING OF YEAR			96,534,059.99	98,317,178.79	1.85%
NET ASSETS AT END OF JANUARY			98,839,941.41	97,621,998.11	-1.23%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
1/31/14

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE*	% CHANGE
OPERATING REVENUES: (SCH F P.11B)				
BASE REVENUE	27,306,136.67	28,755,971.00	(1,449,834.33)	-5.04%
FUEL REVENUE	18,324,954.30	19,909,123.00	(1,584,168.70)	-7.96%
PURCHASED POWER CAPACITY	234,927.19	642,249.00	(407,321.81)	-63.42%
FORFEITED DISCOUNTS	552,684.56	632,632.00	(79,947.44)	-12.64%
ENERGY CONSERVATION REVENUE	411,264.98	432,260.00	(20,995.02)	-4.86%
GAW REVENUE	417,615.74	432,260.00	(14,644.26)	-3.39%
NYPA CREDIT	(360,980.63)	(408,331.00)	47,350.37	-11.60%
TOTAL OPERATING REVENUES	46,886,602.81	50,396,164.00	(3,509,561.19)	-6.96%
OPERATING EXPENSES: (SCH G P.12A)				
PURCHASED POWER BASE	17,122,667.90	17,078,844.00	43,823.90	0.26%
PURCHASED POWER FUEL	18,961,412.59	19,119,687.00	(158,274.41)	-0.83%
OPERATING MAINTENANCE	5,638,642.09	5,650,590.00	(11,947.91)	-0.21%
DEPRECIATION	1,669,338.60	1,890,023.00	(220,684.40)	-11.68%
VOLUNTARY PAYMENTS TO TOWNS	2,204,786.85	2,202,200.00	2,586.85	0.12%
	815,183.67	816,662.00	(1,478.33)	-0.18%
TOTAL OPERATING EXPENSES	46,412,031.70	46,758,006.00	(345,974.30)	-0.74%
OPERATING INCOME	474,571.11	3,638,158.00	(3,163,586.89)	-86.96%
NONOPERATING REVENUES (EXPENSES)				
CONTRIBUTIONS IN AID OF CONST	26,428.62	150,000.00	(123,571.38)	-82.38%
RETURN ON INVESTMENT TO READING	(1,342,378.92)	(1,342,600.00)	221.08	-0.02%
INTEREST INCOME	25,765.51	29,169.00	(3,403.49)	-11.67%
INTEREST EXPENSE	(2,937.10)	(1,750.00)	(1,187.10)	67.83%
OTHER (MDSE AND AMORT)	123,370.10	140,000.00	(16,629.90)	-11.88%
TOTAL NONOPERATING REV (EXP)	(1,169,751.79)	(1,025,181.00)	(144,570.79)	14.10%
CHANGE IN NET ASSETS	(695,180.68)	2,612,977.00	(3,308,157.68)	-126.60%
NET ASSETS AT BEGINNING OF YEAR	98,317,178.79	98,317,178.79	0.00	0.00%
NET ASSETS AT END OF JANUARY	97,621,998.11	100,930,155.79	(3,308,157.68)	-3.28%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
RECONCILIATION OF CAPITAL FUNDS
1/31/14

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 7/1/13	2,733,146.78
CONSTRUCTION FUND BALANCE 7/1/13	1,500,000.00
INTEREST ON DEPRECIATION FUND FY 14	4,264.98
DEPRECIATION TRANSFER FY 14	<u>2,204,786.85</u>
TOTAL SOURCE OF CAPITAL FUNDS	6,442,198.61

USE OF CAPITAL FUNDS:

LESS PAID ADDITIONS TO PLANT THRU JANUARY	1,873,755.78
GENERAL LEDGER CAPITAL FUNDS BALANCE 1/31/14	<u><u>4,568,442.83</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SALES OF KILOWATT HOURS
1/31/14

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	21,750,213	23,543,268	159,439,088	159,621,466	0.11%
COMM. AND INDUSTRIAL SALES	31,468,422	29,157,811	246,614,313	240,358,620	-2.54%
PRIVATE STREET LIGHTING	72,807	76,611	512,643	522,817	1.98%
TOTAL PRIVATE CONSUMERS	<u>53,291,442</u>	<u>52,777,690</u>	<u>406,566,044</u>	<u>400,502,903</u>	-1.49%
 MUNICIPAL SALES:					
STREET LIGHTING	238,739	240,064	1,666,601	1,678,350	0.70%
MUNICIPAL BUILDINGS	846,690	833,573	5,657,511	5,555,240	-1.81%
TOTAL MUNICIPAL CONSUMERS	<u>1,085,429</u>	<u>1,073,637</u>	<u>7,324,112</u>	<u>7,233,590</u>	-1.24%
SALES FOR RESALE	258,032	248,102	2,066,265	2,033,042	-1.61%
SCHOOL	1,297,463	1,171,117	7,903,304	8,054,809	1.92%
TOTAL KILOWATT HOURS SOLD	<u>55,932,366</u>	<u>55,270,546</u>	<u>423,859,725</u>	<u>417,824,344</u>	-1.42%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
KILOWATT HOURS SOLD BY TOWN
1/31/14

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	23,543,268	8,266,689	3,001,813	5,263,042	7,011,724
COMM & IND	29,157,811	3,939,720	249,678	4,814,413	20,154,000
PVT ST LIGHTS	76,611	13,129	1,470	23,794	38,218
PUB ST LIGHTS	240,064	80,702	32,500	42,175	84,687
MUNI BLDGS	833,573	270,620	162,523	125,862	274,568
SALES/RESALE	248,102	248,102	0	0	0
SCHOOL	1,171,117	405,761	255,042	148,080	362,234
TOTAL	<u>55,270,546</u>	<u>13,224,723</u>	<u>3,703,026</u>	<u>10,417,366</u>	<u>27,925,431</u>

YEAR TO DATE					
RESIDENTIAL	159,621,466	50,631,452	22,579,896	36,816,392	49,593,726
COMM & IND	240,358,620	29,771,228	1,968,350	37,235,744	171,383,298
PVT ST LIGHTS	522,817	91,903	9,740	157,092	264,082
PUB ST LIGHTS	1,678,350	564,734	227,500	293,407	592,709
MUNI BLDGS	5,555,240	1,442,815	1,109,454	1,015,956	1,987,015
SALES/RESALE	2,033,042	2,033,042	0	0	0
SCHOOL	8,054,809	2,883,359	1,837,664	972,440	2,361,346
TOTAL	<u>417,824,344</u>	<u>87,418,533</u>	<u>27,732,604</u>	<u>76,491,031</u>	<u>226,182,176</u>

LAST YEAR TO DATE					
RESIDENTIAL	159,439,088	49,642,047	23,043,007	36,882,566	49,871,468
COMM & IND	246,614,313	30,814,223	1,897,354	38,033,748	175,868,988
PVT ST LIGHTS	512,643	95,095	9,520	149,152	258,876
PUB ST LIGHTS	1,666,601	563,752	227,460	283,700	591,689
MUNI BLDGS	5,657,511	1,410,833	999,495	1,116,764	2,130,419
SALES/RESALE	2,066,265	2,066,265	0	0	0
SCHOOL	7,903,304	2,792,527	1,713,651	1,000,320	2,396,806
TOTAL	<u>423,859,725</u>	<u>87,384,742</u>	<u>27,890,487</u>	<u>77,466,250</u>	<u>231,118,246</u>

KILOWATT HOURS SOLD TO TOTAL					
MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	42.60%	14.96%	5.43%	9.52%	12.69%
COMM & IND	52.75%	7.13%	0.45%	8.71%	36.46%
PVT ST LIGHTS	0.14%	0.02%	0.00%	0.04%	0.08%
PUB ST LIGHTS	0.43%	0.15%	0.06%	0.08%	0.14%
MUNI BLDGS	1.51%	0.49%	0.29%	0.23%	0.50%
SALES/RESALE	0.45%	0.45%	0.00%	0.00%	0.00%
SCHOOL	2.12%	0.73%	0.46%	0.27%	0.66%
TOTAL	<u>100.00%</u>	<u>23.93%</u>	<u>6.69%</u>	<u>18.85%</u>	<u>50.53%</u>

YEAR TO DATE					
RESIDENTIAL	38.20%	12.12%	5.40%	8.81%	11.87%
COMM & IND	57.53%	7.13%	0.47%	8.91%	41.02%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.04%	0.06%
PUB ST LIGHTS	0.40%	0.14%	0.05%	0.07%	0.14%
MUNI BLDGS	1.33%	0.35%	0.27%	0.24%	0.47%
SALES/RESALE	0.49%	0.49%	0.00%	0.00%	0.00%
SCHOOL	1.93%	0.69%	0.44%	0.23%	0.57%
TOTAL	<u>100.00%</u>	<u>20.94%</u>	<u>6.63%</u>	<u>18.30%</u>	<u>54.13%</u>

LAST YEAR TO DATE					
RESIDENTIAL	37.62%	11.71%	5.44%	8.70%	11.77%
COMM & IND	58.20%	7.27%	0.45%	8.97%	41.51%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.04%	0.06%
PUB ST LIGHTS	0.39%	0.13%	0.05%	0.07%	0.14%
MUNI BLDGS	1.33%	0.33%	0.24%	0.26%	0.50%
SALES/RESALE	0.49%	0.49%	0.00%	0.00%	0.00%
SCHOOL	1.85%	0.66%	0.40%	0.24%	0.55%
TOTAL	<u>100.00%</u>	<u>20.61%</u>	<u>6.58%</u>	<u>18.28%</u>	<u>54.53%</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
FORMULA INCOME
1/31/14

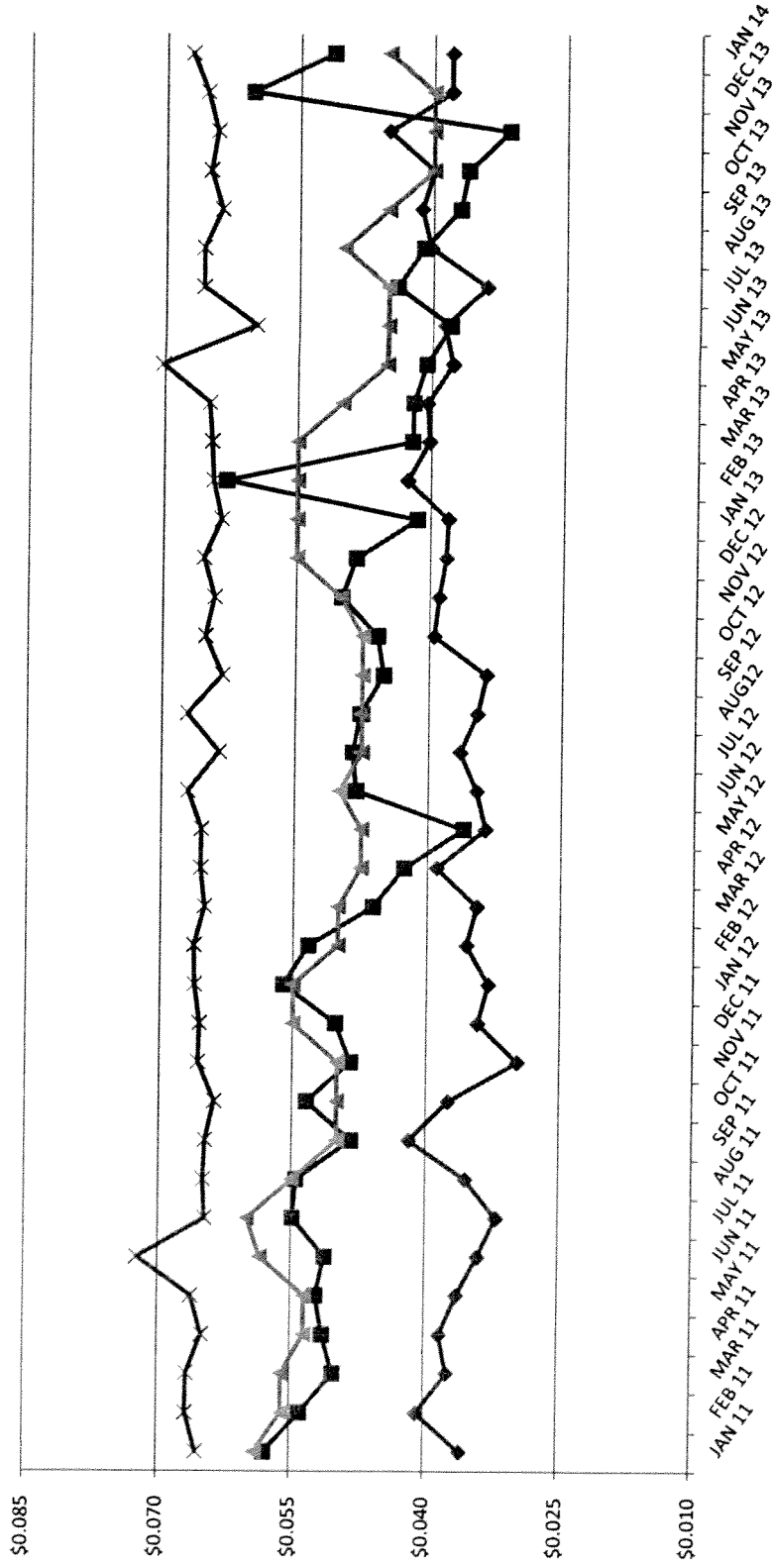
TOTAL OPERATING REVENUES	(P.3)	46,886,602.81
ADD:		
POLE RENTAL		77,296.08
INTEREST INCOME ON CUSTOMER DEPOSITS		1,093.87
LESS:		
OPERATING EXPENSES	(P.3)	(46,412,031.70)
CUSTOMER DEPOSIT INTEREST EXPENSE		(2,937.10)
FORMULA INCOME (LOSS)		<u>550,023.96</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
GENERAL STATISTICS
1/31/14

		MONTH OF JAN 2013	MONTH OF JAN 2014	% CHANGE		YEAR JAN 2013	THRU JAN 2014
				2013	2014		
SALE OF KWH	(P.5)	55,932,366	55,270,546	1.06%	-1.42%	423,859,725	417,824,344
KWH PURCHASED		60,866,668	61,774,795	2.35%	-1.32%	443,749,414	437,908,739
AVE BASE COST PER KWH		0.038003	0.038002	9.63%	3.55%	0.037761	0.039101
AVE BASE SALE PER KWH		0.063531	0.067124	-0.41%	0.88%	0.064781	0.065353
AVE COST PER KWH		0.079457	0.089187	-3.30%	-1.96%	0.084045	0.082401
AVE SALE PER KWH		0.116937	0.112124	-3.59%	-4.64%	0.114531	0.109211
FUEL CHARGE REVENUE (P.3)		3,005,575.82	2,398,864.04	-6.46%	-13.31%	20,723,266.20	17,963,973.67
LOAD FACTOR		76.64%	75.42%				
PEAK LOAD		108,799	112,204				

kwh analysis

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



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF CASH AND INVESTMENTS
1/31/14

SCHEDULE A

	PREVIOUS YEAR	CURRENT YEAR
UNRESTRICTED CASH		
CASH - OPERATING FUND	11,243,242.08	10,938,912.04
CASH - PETTY CASH	3,000.00	3,000.00
TOTAL UNRESTRICTED CASH	<u>11,246,242.08</u>	<u>10,941,912.04</u>
RESTRICTED CASH		
CASH - DEPRECIATION FUND	3,043,039.84	4,568,442.83
CASH - TOWN PAYMENT	302,785.50	308,435.09
CASH - DEFERRED FUEL RESERVE	2,454,602.87	1,612,048.46
CASH - RATE STABILIZATION FUND	6,687,657.73	6,702,132.09
CASH - UNCOLLECTIBLE ACCTS RESERVE	200,000.00	200,000.00
CASH - SICK LEAVE BENEFITS	2,986,790.43	2,035,867.88
CASH - HAZARD WASTE RESERVE	150,000.00	150,000.00
CASH - CUSTOMER DEPOSITS	678,775.42	713,575.92
CASH - ENERGY CONSERVATION	228,018.09	437,487.06
CASH - OPEB	1,346,595.16	0.00
TOTAL RESTRICTED CASH	<u>18,078,265.04</u>	<u>16,727,989.33</u>
INVESTMENTS		
SICK LEAVE BUYBACK	<u>0.00</u>	<u>850,000.00</u>
TOTAL CASH BALANCE	<u>29,324,507.12</u>	<u>28,519,901.37</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF ACCOUNTS RECEIVABLE
1/31/14

SCHEDULE B

SCHEDULE OF ACCOUNTS RECEIVABLE	PREVIOUS YEAR	CURRENT YEAR
RESIDENTIAL AND COMMERCIAL	2,724,477.21	2,390,003.10
ACCOUNTS RECEIVABLE - OTHER	251,276.04	81,174.01
ACCOUNTS RECEIVABLE - LIENS	44,306.27	37,169.47
ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES	892.14	892.14
SALES DISCOUNT LIABILITY	(247,159.94)	(224,197.44)
RESERVE FOR UNCOLLECTIBLE ACCOUNTS	(236,898.16)	(239,476.16)
TOTAL ACCOUNTS RECEIVABLE BILLED	<u>2,536,893.56</u>	<u>2,045,565.12</u>
UNBILLED ACCOUNTS RECEIVABLE	4,915,936.83	4,158,022.50
TOTAL ACCOUNTS RECEIVABLE, NET	<u><u>7,452,830.39</u></u>	<u><u>6,203,587.62</u></u>

SCHEDULE OF PREPAYMENTS

PREPAID INSURANCE	1,388,592.26	1,376,413.77
PREPAYMENT PURCHASED POWER	(251,422.19)	(437,058.23)
PREPAYMENT NYPA	241,849.32	242,260.90
PREPAYMENT WATSON	188,383.79	236,081.83
PURCHASED POWER WORKING CAPITAL	14,523.70	14,523.70
TOTAL PREPAYMENT	<u><u>1,581,926.88</u></u>	<u><u>1,432,221.97</u></u>

ACCOUNTS RECEIVABLE AGING JANUARY 2014:

RESIDENTIAL AND COMMERCIAL	2,390,003.10
LESS: SALES DISCOUNT LIABILITY	(224,197.44)
GENERAL LEDGER BALANCE	<u><u>2,165,805.66</u></u>

CURRENT	1,811,073.14	83.62%
30 DAYS	229,689.54	10.61%
60 DAYS	51,714.57	2.39%
90 DAYS	17,387.95	0.80%
OVER 90 DAYS	55,940.46	2.58%
TOTAL	<u><u>2,165,805.66</u></u>	<u><u>100.00%</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE
1/31/14

SCHEDULE D

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	2,889,149.37	2,890,566.06	20,322,491.43	19,487,125.62	-4.11%
COMM AND INDUSTRIAL SALES	3,526,727.37	3,027,825.03	26,190,297.21	24,222,617.63	-7.51%
PRIVATE STREET LIGHTING	6,220.70	5,768.87	41,196.88	38,765.85	-5.90%
TOTAL PRIVATE CONSUMERS	<u>6,422,097.44</u>	<u>5,924,159.96</u>	<u>46,553,985.52</u>	<u>43,748,509.10</u>	-6.03%
 MUNICIPAL SALES:					
STREET LIGHTING	29,316.83	27,103.76	198,418.96	187,220.01	-5.64%
MUNICIPAL BUILDINGS	101,903.38	91,793.96	658,093.28	614,291.81	-6.66%
TOTAL MUNICIPAL CONSUMERS	<u>131,220.21</u>	<u>118,897.72</u>	<u>856,512.24</u>	<u>801,511.82</u>	-6.42%
 SALES FOR RESALE	31,937.02	28,240.80	244,461.22	229,803.05	-6.00%
 SCHOOL	149,300.48	125,874.62	890,263.15	851,267.00	-4.38%
 SUB-TOTAL	<u>6,734,555.15</u>	<u>6,197,173.10</u>	<u>48,545,222.13</u>	<u>45,631,090.97</u>	-6.00%
 FORFEITED DISCOUNTS	96,411.86	91,316.20	607,232.02	552,684.56	-8.98%
 PURCHASED POWER CAPACITY	169,473.07	70,193.46	1,283,664.41	234,927.19	-81.70%
 ENERGY CONSERVATION - RESIDENTIAL	21,763.78	23,554.34	159,527.31	159,705.06	0.11%
ENERGY CONSERVATION - COMMERCIAL	33,288.90	30,855.81	257,769.42	251,559.92	-2.41%
GAW REVENUE	55,945.06	55,283.59	423,744.27	417,615.74	-1.45%
NYPA CREDIT	(70,691.63)	(88,308.33)	(363,955.93)	(360,980.63)	-0.82%
TOTAL REVENUE	<u>7,040,746.19</u>	<u>6,380,068.17</u>	<u>50,913,203.63</u>	<u>46,886,602.81</u>	-7.91%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE BY TOWN
1/31/14

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	2,890,566.06	1,015,415.59	367,734.99	645,901.96	861,513.52
INDUS/MUNI BLDG	3,119,618.99	463,431.91	46,267.80	526,552.10	2,083,367.18
PUB.ST.LIGHTS	27,103.76	8,806.89	3,476.25	4,833.94	9,986.68
PRV.ST.LIGHTS	5,768.87	978.27	107.69	1,844.51	2,838.40
CO-OP RESALE	28,240.80	28,240.80	0.00	0.00	0.00
SCHOOL	125,874.62	43,897.76	26,988.27	16,586.57	38,402.02
TOTAL	6,197,173.10	1,560,771.22	444,575.00	1,195,719.08	2,996,107.80

THIS YEAR TO DATE

RESIDENTIAL	19,487,125.62	6,209,263.78	2,742,397.42	4,494,522.29	6,040,942.13
INDUS/MUNI BLDG	24,836,909.44	3,383,964.02	338,426.72	3,984,142.57	17,130,376.13
PUB.ST.LIGHTS	187,220.01	60,853.47	24,024.38	33,256.28	69,085.88
PRV.ST.LIGHTS	38,765.85	6,743.84	707.32	12,057.48	19,257.21
CO-OP RESALE	229,803.05	229,803.05	0.00	0.00	0.00
SCHOOL	851,267.00	306,691.52	190,629.70	106,567.18	247,378.60
TOTAL	45,631,090.97	10,197,319.68	3,296,185.52	8,630,545.81	23,507,039.96

LAST YEAR TO DATE

RESIDENTIAL	20,322,491.43	6,352,961.92	2,919,089.95	4,695,143.55	6,355,296.01
INDUS/MUNI BLDG	26,848,390.49	3,661,072.17	334,160.58	4,282,082.04	18,571,075.70
PUB.ST.LIGHTS	198,418.96	64,243.42	25,425.25	36,154.88	72,595.41
PRV.ST.LIGHTS	41,196.88	7,535.56	753.52	12,409.78	20,498.02
CO-OP RESALE	244,461.22	244,461.22	0.00	0.00	0.00
SCHOOL	890,263.15	317,217.32	190,737.90	115,908.20	266,399.73
TOTAL	48,545,222.13	10,647,491.61	3,470,167.20	9,141,698.45	25,285,864.87

PERCENTAGE OF OPERATING INCOME TO TOTAL

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	46.64%	16.39%	5.93%	10.42%	13.90%
INDUS/MUNI BLDG	50.34%	7.48%	0.75%	8.50%	33.62%
PUB.ST.LIGHTS	0.44%	0.14%	0.06%	0.08%	0.16%
PRV.ST.LIGHTS	0.09%	0.02%	0.00%	0.03%	0.05%
CO-OP RESALE	0.46%	0.46%	0.00%	0.00%	0.00%
SCHOOL	2.03%	0.71%	0.44%	0.27%	0.62%
TOTAL	100.00%	25.19%	7.17%	19.29%	48.35%

THIS YEAR TO DATE

RESIDENTIAL	42.71%	13.61%	6.01%	9.85%	13.24%
INDUS/MUNI BLDG	54.43%	7.42%	0.74%	8.73%	37.54%
PUB.ST.LIGHTS	0.41%	0.13%	0.05%	0.07%	0.15%
PRV.ST.LIGHTS	0.08%	0.01%	0.00%	0.03%	0.04%
CO-OP RESALE	0.50%	0.50%	0.00%	0.00%	0.00%
SCHOOL	1.87%	0.67%	0.42%	0.23%	0.54%
TOTAL	100.00%	22.35%	7.22%	18.91%	51.52%

LAST YEAR TO DATE

RESIDENTIAL	41.86%	13.09%	6.01%	9.67%	13.09%
INDUS/MUNI BLDG	55.31%	7.54%	0.69%	8.82%	38.26%
PUB.ST.LIGHTS	0.41%	0.13%	0.05%	0.07%	0.16%
PRV.ST.LIGHTS	0.09%	0.02%	0.00%	0.03%	0.04%
CO-OP RESALE	0.50%	0.50%	0.00%	0.00%	0.00%
SCHOOL	1.83%	0.65%	0.39%	0.24%	0.55%
TOTAL	100.00%	21.93%	7.14%	18.83%	52.10%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED REVENUE VARIANCE REPORT
1/31/14

SCHEDULE F

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
SALES OF ELECTRICITY:				
RESIDENTIAL	12,447,501.62	13,082,444.00	(634,942.38)	-4.85%
COMM AND INDUSTRIAL SALES PRIVATE STREET LIGHTING MUNICIPAL BUILDINGS	14,100,535.51	14,888,612.00	(788,076.49)	-5.29%
PUBLIC STREET LIGHTING	114,095.59	116,662.00	(2,566.41)	-2.20%
SALES FOR RESALE	140,268.39	170,681.00	(30,412.61)	-17.82%
SCHOOL	<u>503,735.56</u>	<u>497,572.00</u>	<u>6,163.56</u>	1.24%
TOTAL BASE SALES	27,306,136.67	28,755,971.00	(1,449,834.33)	-5.04%
TOTAL FUEL SALES	<u>18,324,954.30</u>	<u>19,909,123.00</u>	<u>(1,584,168.70)</u>	-7.96%
TOTAL OPERATING REVENUE	45,631,090.97	48,665,094.00	(3,034,003.03)	-6.23%
FORFEITED DISCOUNTS	552,684.56	632,632.00	(79,947.44)	-12.64%
PURCHASED POWER CAPACITY	234,927.19	642,249.00	(407,321.81)	-63.42%
ENERGY CONSERVATION - RESIDENTIAL	159,705.06	162,439.00	(2,733.94)	-1.68%
ENERGY CONSERVATION - COMMERCIAL	251,559.92	269,821.00	(18,261.08)	-6.77%
GAW REVENUE	417,615.74	432,260.00	(14,644.26)	-3.39%
PASNY CREDIT	(360,980.63)	(408,331.00)	47,350.37	-11.60%
TOTAL OPERATING REVENUES	<u>46,886,602.81</u>	<u>50,396,164.00</u>	<u>(3,509,561.19)</u>	-6.96%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING EXPENSES
1/31/14

SCHEDULE E

OPERATION EXPENSES:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
PURCHASED POWER BASE EXPENSE	2,313,125.74	2,347,561.30	16,756,324.54	17,122,667.90	2.19%
OPERATION SUP AND ENGINEERING EXP	39,914.20	40,891.03	299,498.24	298,055.94	-0.48%
STATION SUP LABOR AND MISC	7,696.39	10,239.83	44,092.81	64,538.00	46.37%
LINE MISC LABOR AND EXPENSE	62,418.80	104,572.60	400,433.80	485,784.93	21.31%
STATION LABOR AND EXPENSE	43,335.68	39,766.62	317,214.49	289,483.75	-8.74%
STREET LIGHTING EXPENSE	9,748.55	6,906.53	48,827.26	43,509.39	-10.89%
METER EXPENSE	18,345.70	20,293.55	110,515.47	124,167.60	12.35%
MISC DISTRIBUTION EXPENSE	30,326.14	32,036.79	201,229.35	206,788.42	2.76%
METER READING LABOR & EXPENSE	7,115.70	1,505.38	52,402.29	16,742.36	-68.05%
ACCT & COLL LABOR & EXPENSE	125,758.47	114,625.47	880,951.87	874,747.30	-0.70%
UNCOLLECTIBLE ACCOUNTS	8,333.33	10,500.00	58,333.31	73,500.00	26.00%
ENERGY AUDIT EXPENSE	53,563.94	25,837.91	288,454.98	212,529.80	-26.32%
ADMIN & GEN SALARIES	77,020.95	64,648.11	456,951.12	495,013.22	8.33%
OFFICE SUPPLIES & EXPENSE	25,443.87	24,663.81	143,783.77	161,890.92	12.59%
OUTSIDE SERVICES	52,961.81	51,730.30	252,062.90	260,247.00	3.25%
PROPERTY INSURANCE	22,936.17	21,558.27	213,253.59	201,114.26	-5.69%
INJURIES AND DAMAGES	4,849.05	2,838.89	28,051.34	22,642.04	-19.28%
EMPLOYEES PENSIONS & BENEFITS	164,706.93	236,738.23	1,260,881.14	1,295,814.23	2.77%
MISC GENERAL EXPENSE	6,445.08	10,747.29	106,858.82	109,003.58	2.01%
RENT EXPENSE	15,313.91	14,434.09	119,064.09	110,269.77	-7.39%
ENERGY CONSERVATION	45,265.80	28,471.96	482,439.67	292,799.58	-39.31%
TOTAL OPERATION EXPENSES	821,500.47	863,006.66	5,765,300.31	5,638,642.09	-2.20%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	227.08	227.08	1,589.58	1,589.58	0.00%
MAINT OF STRUCT AND EQUIPMT	16,067.16	13,441.16	81,299.14	105,294.10	29.51%
MAINT OF LINES - OH	141,717.47	142,129.76	906,066.89	941,448.98	3.91%
MAINT OF LINES - UG	18,675.63	29,761.23	97,547.63	120,434.50	23.46%
MAINT OF LINE TRANSFORMERS	43,739.35	1,420.78	77,726.50	87,218.31	0.00%
MAINT OF ST LT & SIG SYSTEM	(8.23)	46.14	(258.30)	(358.27)	38.70%
MAINT OF GARAGE AND STOCKROOM	42,085.56	77,194.56	280,867.94	319,811.02	13.87%
MAINT OF METERS	2,125.44	867.67	21,022.99	11,288.34	-46.30%
MAINT OF GEN PLANT	14,288.99	11,814.43	65,861.98	82,612.04	25.43%
TOTAL MAINTENANCE EXPENSES	278,918.45	276,902.81	1,531,724.35	1,669,338.60	8.98%
DEPRECIATION EXPENSE	305,469.18	314,969.55	2,138,284.26	2,204,786.85	3.11%
PURCHASED POWER FUEL EXPENSE	2,523,166.59	3,161,945.22	20,538,707.81	18,961,412.59	-7.68%
VOLUNTARY PAYMENTS TO TOWNS	114,000.00	116,666.67	791,383.00	815,183.67	3.01%
TOTAL OPERATING EXPENSES	6,356,180.43	7,081,052.21	47,521,724.27	46,412,031.70	-2.34%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
1/31/14

SCHEDULE G

OPERATION EXPENSES:	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
PURCHASED POWER BASE EXPENSE	<u>17,122,667.90</u>	<u>17,078,844.00</u>	<u>43,823.90</u>	0.26%
OPERATION SUP AND ENGINEERING EXP	298,055.94	272,509.00	25,546.94	9.37%
STATION SUP LABOR AND MISC	64,538.00	51,181.00	13,357.00	26.10%
LINE MISC LABOR AND EXPENSE	485,784.93	434,998.00	50,786.93	11.68%
STATION LABOR AND EXPENSE	289,483.75	259,691.00	29,792.75	11.47%
STREET LIGHTING EXPENSE	43,509.39	52,901.00	(9,391.61)	-17.75%
METER EXPENSE	124,167.60	120,213.00	3,954.60	3.29%
MISC DISTRIBUTION EXPENSE	206,788.42	228,997.00	(22,208.58)	-9.70%
METER READING LABOR & EXPENSE	16,742.36	26,819.00	(10,076.64)	-37.57%
ACCT & COLL LABOR & EXPENSE	874,747.30	911,442.00	(36,694.70)	-4.03%
UNCOLLECTIBLE ACCOUNTS	73,500.00	73,500.00	0.00	0.00%
ENERGY AUDIT EXPENSE	212,529.80	241,530.00	(29,000.20)	-12.01%
ADMIN & GEN SALARIES	495,013.22	456,984.00	38,029.22	8.32%
OFFICE SUPPLIES & EXPENSE	161,890.92	156,450.00	5,440.92	3.48%
OUTSIDE SERVICES	260,247.00	260,363.00	(116.00)	-0.04%
PROPERTY INSURANCE	201,114.26	268,625.00	(67,510.74)	-25.13%
INJURIES AND DAMAGES	22,642.04	34,156.00	(11,513.96)	-33.71%
EMPLOYEES PENSIONS & BENEFITS	1,295,814.23	1,146,456.00	149,358.23	13.03%
MISC GENERAL EXPENSE	109,003.58	158,869.00	(49,865.42)	-31.39%
RENT EXPENSE	110,269.77	123,669.00	(13,399.23)	-10.83%
ENERGY CONSERVATION	292,799.58	371,237.00	(78,437.42)	-21.13%
TOTAL OPERATION EXPENSES	<u>5,638,642.09</u>	<u>5,650,590.00</u>	<u>(11,947.91)</u>	-0.21%
MAINTENANCE EXPENSES:				
MAINT OF TRANSMISSION PLANT	1,589.58	1,750.00	(160.42)	-9.17%
MAINT OF STRUCT AND EQUIPMENT	105,294.10	61,296.00	43,998.10	71.78%
MAINT OF LINES - OH	941,448.98	930,035.00	11,413.98	1.23%
MAINT OF LINES - UG	120,434.50	283,120.00	(162,685.50)	-57.46%
MAINT OF LINE TRANSFORMERS	87,218.31	104,919.00	(17,700.69)	-16.87%
MAINT OF ST LT & SIG SYSTEM	(358.27)	6,109.00	(6,467.27)	-105.86%
MAINT OF GARAGE AND STOCKROOM	319,811.02	386,540.00	(66,728.98)	-17.26%
MAINT OF METERS	11,288.34	31,710.00	(20,421.66)	-64.40%
MAINT OF GEN PLANT	82,612.04	84,544.00	(1,931.96)	-2.29%
TOTAL MAINTENANCE EXPENSES	<u>1,669,338.60</u>	<u>1,890,023.00</u>	<u>(220,684.40)</u>	-11.68%
DEPRECIATION EXPENSE	2,204,786.85	2,202,200.00	2,586.85	0.12%
PURCHASED POWER FUEL EXPENSE	18,961,412.59	19,119,687.00	(158,274.41)	-0.83%
VOLUNTARY PAYMENTS TO TOWNS	815,183.67	816,662.00	(1,478.33)	-0.18%
TOTAL OPERATING EXPENSES	<u>46,412,031.70</u>	<u>46,758,006.00</u>	<u>(345,974.30)</u>	-0.74%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
1/31/14

OPERATION EXPENSES:	RESPONSIBLE SENIOR MANAGER	2014 ANNUAL BUDGET	ACTUAL YEAR TO DATE	REMAINING BUDGET BALANCE	REMAINING BUDGET %
PURCHASED POWER BASE EXPENSE	JP	<u>29,123,336.00</u>	<u>17,122,667.90</u>	<u>12,000,668.10</u>	41.21%
OPERATION SUP AND ENGINEERING EXP	KS	467,978.00	298,055.94	169,922.06	36.31%
STATION SUP LABOR AND MISC	KS	90,088.00	64,538.00	25,550.00	28.36%
LINE MISC LABOR AND EXPENSE	KS	729,521.00	485,784.93	243,736.07	33.41%
STATION LABOR AND EXPENSE	KS	446,308.00	289,483.75	156,824.25	35.14%
STREET LIGHTING EXPENSE	KS	90,729.00	43,509.39	47,219.61	52.04%
METER EXPENSE	KS	218,064.00	124,167.60	93,896.40	43.06%
MISC DISTRIBUTION EXPENSE	KS	396,379.00	206,788.42	189,590.58	47.83%
METER READING LABOR & EXPENSE	KS	46,322.00	16,742.36	29,579.64	63.86%
ACCT & COLL LABOR & EXPENSE	RF	1,570,864.00	874,747.30	696,116.70	44.31%
UNCOLLECTIBLE ACCOUNTS	RF	126,000.00	73,500.00	52,500.00	41.67%
ENERGY AUDIT EXPENSE	JP	416,982.00	212,529.80	204,452.20	49.03%
ADMIN & GEN SALARIES	CO	794,002.00	495,013.22	298,988.78	37.66%
OFFICE SUPPLIES & EXPENSE	CO	268,000.00	161,890.92	106,109.08	39.59%
OUTSIDE SERVICES	CO	419,150.00	260,247.00	158,903.00	37.91%
PROPERTY INSURANCE	KS	460,600.00	201,114.26	259,485.74	56.34%
INJURIES AND DAMAGES	KS	58,206.00	22,642.04	35,563.96	61.10%
EMPLOYEES PENSIONS & BENEFITS	KS	1,870,479.00	1,295,814.23	574,664.77	30.72%
MISC GENERAL EXPENSE	CO	219,695.00	109,003.58	110,691.42	50.38%
RENT EXPENSE	KS	212,000.00	110,269.77	101,730.23	47.99%
ENERGY CONSERVATION	JP	636,761.00	292,799.58	343,961.42	54.02%
TOTAL OPERATION EXPENSES		<u>9,538,128.00</u>	<u>5,638,642.09</u>	<u>3,899,485.91</u>	40.88%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	KS	3,000.00	1,589.58	1,410.42	47.01%
MAINT OF STRUCT AND EQUIPMT	KS	105,738.00	105,294.10	443.90	0.42%
MAINT OF LINES - OH	KS	1,604,829.00	941,448.98	663,380.02	41.34%
MAINT OF LINES - UG	KS	485,432.00	120,434.50	364,997.50	75.19%
MAINT OF LINE TRANSFORMERS	KS	160,000.00	87,218.31	72,781.69	45.49%
MAINT OF ST LT & SIG SYSTEM	KS	10,487.00	(358.27)	10,845.27	103.42%
MAINT OF GARAGE AND STOCKROOM	KS	668,507.00	319,811.02	348,695.98	52.16%
MAINT OF METERS	KS	41,160.00	11,288.34	29,871.66	72.57%
MAINT OF GEN PLANT	RF	145,480.00	82,612.04	62,867.96	43.21%
TOTAL MAINTENANCE EXPENSES		<u>3,224,633.00</u>	<u>1,669,338.60</u>	<u>1,555,294.40</u>	48.23%
DEPRECIATION EXPENSE	RF	3,775,200.00	2,204,786.85	1,570,413.15	41.60%
PURCHASED POWER FUEL EXPENSE	JP	31,789,470.00	18,961,412.59	12,828,057.41	40.35%
VOLUNTARY PAYMENTS TO TOWNS	RF	1,400,000.00	815,183.67	584,816.33	41.77%
TOTAL OPERATING EXPENSES		<u>78,850,767.00</u>	<u>46,412,031.70</u>	<u>32,438,735.30</u>	41.14%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
PROFESSIONAL SERVICES
01/31/2014

PROFESSIONAL SERVICES BY PROJECT

ITEM	DEPARTMENT	ACTUAL	BUDGET	VARIANCE
1 RMLD AND PENSION TRUST AUDIT FEES	ACCOUNTING	32,500.00	32,250.00	250.00
2 PENSION ACTUARIAL EVALUATION	ACCOUNTING	0.00	0.00	0.00
3 LEGAL- FERC/ISO ISSUES	ENERGY SERVICE	10,722.02	10,500.00	222.02
4 LEGAL- POWER SUPPLY ISSUES	ENERGY SERVICE	58,604.59	26,250.00	32,354.59
5 PROFESSIONAL SERVICES	ENERGY SERVICE	13,945.00	14,000.00	(55.00)
6 NERC COMPLIANCE AND AUDIT	E & O	8,364.50	8,000.00	364.50
7 LEGAL	ENGINEERING	0.00	8,750.00	(8,750.00)
8 LEGAL-GENERAL	GM	89,239.11	87,500.00	1,739.11
9 LEGAL SERVICES- OTHER	HR	4,456.56	24,500.00	(20,043.44)
10 LEGAL SERVICES-NEGOTIATIONS	HR	16,937.63	0.00	16,937.63
11 LEGAL SERVICES-ARBITRATION	HR	5,229.73	21,900.00	(16,670.27)
12 LEGAL GENERAL	BLDG. MAINT.	0.00	875.00	(875.00)
13 SURVEY RIGHT OF WAY	BLDG. MAINT.	0.00	2,919.00	(2,919.00)
14 ENVIRONMENTAL	BLDG. MAINT.	0.00	2,919.00	(2,919.00)
15 INSURANCE CONSULTANT	GEN. BENEFIT	0.00	5,831.00	(5,831.00)
16 LEGAL	GEN. BENEFIT	64.60	2,919.00	(2,854.40)
17 LEGAL MATS MGMT	GEN. BENEFIT	950.00	11,250.00	(10,300.00)
18 DSA BASIC CLIENT SERVICE	ENGINEERING	1,458.31	0.00	1,458.31
19 ORGANIZATIONAL STUDY	GM	17,774.95	0.00	17,774.95
TOTAL		260,247.00	260,363.00	(116.00)

PROFESSIONAL SERVICES BY VENDOR

	ACTUAL
MELANSON HEATH & COMPANY	32,500.00
UTILITY SERVICES, INC.	7,012.50
DUNCAN AND ALLEN	27,640.83
RUBIN AND RUDMAN	135,525.42
DOBLE ENGINEERING	1,458.31
CHOATE HALL & STEWART	26,023.92
JAMES COLLINS- ARBITRATOR	600.00
WILLIAM CROWLEY	2,080.00
ENERGY NEW ENGLAND	8,900.00
BERRYDUNN	6,445.00
PLM	6,804.00
HUDSON RIVER ENERGY GROUP	2,249.72
COTTE MANAGEMENT CONSULTING LLC	3,007.30
TOTAL	260,247.00

RMLD
DEFERRED FUEL CASH RESERVE ANALYSIS
1/31/14

DATE	GROSS CHARGES	REVENUES	NYPA CREDIT	MONTHLY DEFERRED	TOTAL DEFERRED
Jun-13					2,609,487.38
Jul-13	3,464,349.32	2,953,072.91	(53,841.00)	(565,117.41)	2,044,369.97
Aug-13	2,767,250.13	3,385,440.39	(33,645.12)	584,545.14	2,628,915.11
Sep-13	2,168,234.24	3,096,134.62	(61,811.13)	866,089.25	3,495,004.36
Oct-13	1,994,534.42	2,147,543.67	(23,964.99)	129,044.26	3,624,048.62
Nov-13	1,738,646.02	2,201,768.18	(53,708.49)	409,413.67	4,033,462.29
Dec-13	3,666,453.24	2,053,822.16	(45,701.57)	(1,658,332.65)	2,375,129.64
Jan-14	3,161,945.22	2,487,172.37	(88,308.33)	(763,081.18)	1,612,048.46

RMLD
BUDGET VARIANCE REPORT
FOR PERIOD ENDING JANUARY 31, 2014

DIVISION	ACTUAL	BUDGET	VARIANCE	CHANGE
ENGINEERING AND OPERATIONS	2,729,708	2,775,607	(45,899)	-1.65%
ENERGY SERVICES	586,733	663,520	(76,787)	-11.57%
GENERAL MANAGER	494,332	525,687	(31,355)	-5.96%
FACILITY MANAGER	2,264,774	2,307,751	(42,977)	-1.86%
BUSINESS DIVISION	5,597,721	5,631,260	(33,539)	-0.60%
 SUB-TOTAL	 <u>11,673,267</u>	 <u>11,903,824</u>	 <u>(230,558)</u>	 -1.94%
 PURCHASED POWER - BASE	 17,122,668	 17,078,844	 43,824	 0.26%
PURCHASED POWER - FUEL	18,961,413	19,119,687	(158,274)	-0.83%
 TOTAL	 <u>47,757,347</u>	 <u>48,102,355</u>	 <u>(345,008)</u>	 -0.72%

RMLD
STAFFING REPORT
FOR FISCAL YEAR ENDING JUNE, 2014

	14 BUD TOTAL	JUL 13	AUG 13	SEP 13	OCT 13	NOV 13	DEC 13	JAN 14
<u>GENERAL MANAGER</u>								
GENERAL MANAGER	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
HUMAN RESOURCES	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
COMMUNITY RELATIONS	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
<u>BUSINESS</u>								
ACCOUNTING	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
CUSTOMER SERVICE	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75
MGMT INFORMATION SYS	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
MISCELLANEOUS	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	16.75	16.75	16.75	16.75	16.75	16.75	16.75	16.75
<u>ENGINEERING & OPERATIONS</u>								
AGM E&O	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
ENGINEERING	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
LINE	22.00	21.00	21.00	21.00	21.00	21.00	21.00	20.00
METER	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
STATION	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
TOTAL	40.00	39.00	39.00	39.00	39.00	39.00	39.00	37.00
<u>PROJECT</u>								
BUILDING	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
GENERAL BENEFITS	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
TRANSPORTATION	-	-	-	-	-	-	-	-
MATERIALS MGMT	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
TOTAL	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
<u>ENERGY SERVICES</u>								
ENERGY SERVICES	4.50	3.50	3.50	3.50	3.50	3.50	3.50	4.50
TOTAL	4.50	3.50	3.50	3.50	3.50	3.50	3.50	4.50
RMLD TOTAL	73.25	71.25	71.25	71.25	71.25	71.25	71.25	70.25
<u>CONTRACTORS</u>								
UG LINE	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
TOTAL	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
GRAND TOTAL	75.25	73.25	73.25	73.25	73.25	73.25	73.25	72.25

TOWN OF READING MUNICIPAL LIGHT DEPARTMENT
RATE COMPARISONS READING & SURROUNDING TOWNS

February-14

	RESIDENTIAL 750 kWh's	RESIDENTIAL-TOU 1500 kWh's 75/25 Split	RES. HOT WATER 1000 kWh's	COMMERCIAL 7,300 kWh's 25,000 kW Demand	SMALL COMMERCIAL 1,080 kWh's 10,000 kW Demand	SCHOOL RATE 35000 kWh's 130.5 kW Demand	INDUSTRIAL - TOU 109,500 kWh's 250,000 kW Demand 80/20 Split
READING MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$98.01	\$171.83	\$112.55	\$912.86	\$178.02	\$4,234.45	\$11,557.02
PER KWH CHARGE	\$0.13069	\$0.11455	\$0.11255	\$0.12505	\$0.16484	\$0.12098	\$0.10554
NATIONAL GRID							
TOTAL BILL	\$131.05	\$247.59	\$174.72	\$1,222.57	\$175.50	\$5,860.57	\$16,760.35
PER KWH CHARGE	\$0.17473	\$0.16506	\$0.17472	\$0.16748	\$0.16250	\$0.16744	\$0.15306
% DIFFERENCE	33.70%	44.09%	55.23%	33.93%	-1.42%	38.40%	45.02%
NSTAR COMPANY							
TOTAL BILL	\$138.64	\$255.68	\$182.71	\$1,241.23	\$186.47	\$6,784.35	\$20,051.84
PER KWH CHARGE	\$0.18485	\$0.17045	\$0.18271	\$0.17003	\$0.17265	\$0.19384	\$0.18312
% DIFFERENCE	41.45%	48.80%	62.33%	35.97%	4.74%	60.22%	73.50%
PEABODY MUNICIPAL LIGHT PLANT							
TOTAL BILL	\$91.56	\$179.15	\$121.36	\$959.18	\$150.56	\$4,742.13	\$10,863.38
PER KWH CHARGE	\$0.12208	\$0.11943	\$0.12136	\$0.13139	\$0.13941	\$0.13549	\$0.09921
% DIFFERENCE	-6.59%	4.26%	7.83%	5.07%	-15.43%	11.99%	-6.00%
MIDDLETON MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$99.77	\$198.39	\$132.64	\$959.51	\$168.44	\$4,762.93	\$13,330.75
PER KWH CHARGE	\$0.13303	\$0.13226	\$0.13264	\$0.13144	\$0.15596	\$0.13608	\$0.12174
% DIFFERENCE	1.79%	15.46%	17.85%	5.11%	-5.39%	12.48%	15.35%
WAKEFIELD MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$104.31	\$202.32	\$136.98	\$1,039.27	\$167.49	\$4,864.08	\$13,421.07
PER KWH CHARGE	\$0.13908	\$0.13488	\$0.13698	\$0.14237	\$0.15509	\$0.13897	\$0.12257
% DIFFERENCE	6.42%	17.75%	21.70%	13.85%	-5.92%	14.87%	16.13%



Jeanne Foti

From: Jeanne Foti
Sent: Tuesday, February 18, 2014 11:12 AM
To: RMLD Board Members Group
Subject: Account Payable Warrant and Payroll - No Questions

Good morning.

In an effort to save paper, the following timeframes had no Account Payable Warrant and Payroll questions. This e-mail will be printed for the Board Book for the RMLD Board meeting on February 27, 2014.

Account Payable Warrant – No Questions

January 24, January 31, February 7 and February 14.

Payroll – No Questions

January 27 and February 10.

Jeanne Foti
Reading Municipal Light Department
Executive Assistant
230 Ash Street
Reading, MA 01867

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781-942-2409 Fax

Please consider the environment before printing this e-mail.

