

Reading Municipal Light Board of Commissioners

Regular Session

230 Ash Street

Reading, MA 01867

March 23, 2017

Start Time of Regular Session: 7:33 p.m.

End Time of Regular Session: 9:53 p.m.

Commissioners:

Thomas J. O'Rourke, Chairman

Dave Hennessy, Commissioner, Secretary Pro Tem

John Stempeck, Commissioner-Absent

Philip B. Pacino, Vice Chair

David Talbot, Commissioner

Staff:

Coleen O'Brien, General Manager

Jane Parenteau, Director of Integrated Resources

Wendy Markiewicz, Director of Business Finance

Tracy Schultz, Executive Assistant

Guest:

Mayhew Seavey, PLM Engineering

Public:

William Brown, Resident

Citizens' Advisory Board (CAB):

Dennis Kelley, Secretary

Call Meeting to Order

Chairman O'Rourke called the meeting to order and announced that the meeting is being videotaped for distribution at community television stations in Reading, North Reading, Wilmington and Lynnfield.

Opening Remarks

Chairman O'Rourke read the RMLD Board of Commissioners' Code of Conduct and acknowledged the attendance of Dennis Kelley from the Citizens' Advisory Board, Peter Lydecker from the Town of Reading's Finance Committee, and Mayhew Seavey from PLM Engineering. Chairman O'Rourke explained that Mr. Stempeck was absent due to a work commitment, and that Mr. Jaffari was unavailable to attend that evening as well. Chairman O'Rourke asked Mr. Hennessy to be Board Secretary, he agreed. Chairman O'Rourke then gave Reading resident William Brown the floor for public comment.

Mr. Brown distributed a list of town and RMLD-owned properties that he had put together. Mr. Brown explained that he wanted to initiate discussion in regards to moving the RMLD from its current site and using its present location to generate some income for the Town of Reading. The current land is 6.6 acres and is worth just under \$12 million. A move would not only benefit the Town of Reading, but would also positively impact RMLD's operations. Mr. Brown suggested that being down at the lowest end of the service territory must make it increasingly difficult for crews to dispatch from Ash Street and go to West Street to pick up equipment and then head out to outages.

Mr. Brown stated that he also wanted to express his opinion that the Town of Reading has a parking lot by the train depot that goes from High Street all the way up to High and Vine. It would be a great place to erect canopy-type solar panels.

Chairman O'Rourke asked Ms. O'Brien if she wished to comment.

Ms. O'Brien said that RMLD has been working with the town and the Metropolitan Area Planning Council regarding economic development and RMLD is waiting to hear if anything comes from these conversations. The Planning Council's mockup showed the RMLD still on its current property, but with the surrounding area developed.

Mr. Brown reiterated his belief that the RMLD's current location is operationally inefficient since it must be difficult for crews to get to outages. There is an available lot just north of West Street in Reading that would put RMLD closer to the center of its business.

Mr. Talbot thanked Mr. Brown for coming in, and stated that he agrees with making optimal use of town real estate, but he's not sure how to move forward-relocating the RMLD would involve the Selectmen and Town Meetings.

Mr. Brown replied that he thinks that it is up to the Board, and then it goes through a Town Meeting.

Opening Remarks

Mr. Talbot reiterated that no one on the Board would be opposed to optimizing the use of town land. Putting solar on town property, he fully agrees with the idea, but it must happen on different levels since RMLD doesn't own or control town land or town roofs, to which Mr. Brown stated he will then approach a Selectman.

Mr. Pacino remarked that he had recently seen solar panels on parking canopies in Florida and they were far from being an eyesore, and it is something that the high school should consider.

Mr. Talbot added that there are many private and public sites with flat roofs that would benefit from installing solar. RMLD is actively researching the costs of offering or contracting solar installation.

Citizens' Advisory Board

Chairman O'Rourke asked Mr. Kelley to report on the last CAB meeting. Mr. Kelley explained that they were short three members. Therefore, the meeting was quick and was more like an introduction for the new members, Neil Cohen from Reading and Jason Small from North Reading. The CAB still needs one more member from Lynnfield, but at least now they can get a quorum. Mr. Hennessey asked if Mr. Cohen had been on the Town Finance Committee at one time. Mr. Brown replied that Mr. Cohen has been on multiple committees and he believes that the Finance Committee was one of them. Mr. Hennessey was at the meeting and had nothing to add to Mr. Kelley's report.

Report of the Chairman

RMLD Board Strategic Meeting

Chairman O'Rourke stated that the most difficult part of holding a strategic meeting is finding a date and time.

Ms. Schultz replied that she had scheduled a tentative date of Tuesday, May 16.

Chairman O'Rourke mentioned that off-sites can go for a full or a half day, to which Mr. Pacino asked for clarification as to what was meant by 'off-site'. Chairman O'Rourke responded that the Board could probably meet at RMLD. It's up to how much Ms. O'Brien thinks she can work without distraction in the office.

Ms. O'Brien stated that she thought it should take a couple hours.

Chairman O'Rourke asked, with some planning, are people available for a morning meeting, which was met with a consensus. Chairman O'Rourke stated that he would have Ms. Schultz send out some dates and asked for any blackout dates.

Mr. Pacino mentioned the upcoming Town Meetings and added that the Board can meet in the mornings of the day of, just not during.

Chairman O'Rourke then said he would be talking to Ms. O'Brien about getting an agenda together.

Ms. O'Brien stated that she thinks Mr. Seavey's presentation will help to generate some topics for discussion.

Chairman O'Rourke invited Mr. Talbot to explain his ideas on RMLD's rates.

Strategy and Plan to Improve Demand Reduction at Peak Times

Mr. Talbot stated that he wants RMLD to determine if there is a way to throw a time-based rate into the mix.

Ms. O'Brien asked Ms. Parenteau to start off by discussing the rates that RMLD has already had and the interruptible rates that have been implemented in the past.

Mr. Talbot said that more investment in the grid would make it more intelligent, provide the ability to collect data, and perform demand reduction. Ms. O'Brien said that, in a few weeks, when the Capital Budget is presented, one of the line items that continues to be included is grid optimization. It is a 15-year plan, and the next things that are happening will be discussed, including the AMI mesh overlay.

Ms. Parenteau began by stating that rates can be cyclic due to what's happening in the industry. When Seabrook was delayed coming online there was a capacity deficiency throughout New England. To combat that, RMLD enacted seasonal rates at that time. There was a different rate in the summer than in the winter, with different demand components during those periods. There were also non-firm and interruptible rates. A handful of customers opted into the rate and during peak periods of time were required to shed load or be penalized financially. In the early 2000's, capacity moved away from seasonal rates, and RMLD now has a flat rate structure. However, RMLD still has a Time of Use rate where the demand charge only occurs between the hours of noon and 7 p.m. for both commercial and residential customers.

Strategy and Plan to Improve Demand Reduction at Peak Times

Mr. Talbot clarified that participation in those rates is optional. Ms. Parenteau affirmed and continued, saying that the Peak Demand Reduction program cannot be opened to all customers due to metering constraints, because such customers need to have smart meters. There are currently 20 customers enrolled. The first year the program was in place, a megawatt of demand was shed. However, last year 250 kilowatts were shed, which was significantly less. Yesterday, the Lunch 'N Learn was held for RMLD's customers. It was interesting to get feedback from customers. Many of the rebate programs are based on peak demand. They are not mandatory. Ms. Parenteau surmised that, based on his previous comments, Mr. Talbot was looking for a more rate-based approach to demand reduction, rather than customers simply opting in.

Mr. Talbot confirmed this and asked what percentage of customers opt in to Time of Use. Ms. Parenteau replied there are less than 300 customers. Mr. Talbot then asked what percentage of commercial customers opt in. Ms. Parenteau explained that it is set up for commercial customers who have three shift levels and is geared towards how customers operate their businesses. It is very specific to what customers can and cannot do.

Mr. Talbot explained that his high concept is to nudge it up for everybody in the late afternoon when we have big peak costs. Mr. Talbot stated that he has always wondered why we can't just raise the cost of electricity across the board during the peak usage time. This could benefit commercial customers if they adjust their operations a little bit.

Chairman O'Rourke wondered how much benchmarking data is available, what other communities are doing, and how much marketing of the benefits plays into results.

Mr. Seavey answered that, from an economist's point of view there are two ways to get customers to do what you want them to do: one is the passive approach of setting the price and letting the customer decide; the other is to actively enable and facilitate the customer doing something to modify their behavior. Right now, RMLD is doing both of those things, and is probably doing them more and better than any other municipal utility.

The key is that the cost of electricity varies all the time, and there are quite a few pieces to that. The price of the energy itself fluctuates - it goes up during the day, (the spot market, price which is the benchmark) and down at night. But it's a small difference between day and night, only a few cents a kWh.

Mr. Seavey noted that we are looking at costs that are demand-related: transmission and capacity. That price, looked at on a time-basis, are zero in the case of capacity, except for one hour of the year and we don't necessarily know when that hour is going to be.

Mr. Talbot stated that except it will always be between 3 p.m. and 7 p.m. Mr. Seavey commented that it is usually between 3 p.m. and 7 p.m., but that is not guaranteed. Mr. Talbot asked when has the annual peak not been between 3 p.m. and 7 p.m. Ms. Parenteau responded that, during the winter time, transmission peaks always occur Monday through Friday. Last year, RMLD had a transmission peak on Sunday, February 14. This had never occurred throughout the history of the utility.

Ms. Parenteau noted that Mr. Seavey was correct when he said it is usually between 3 p.m. to 7 p.m. However, that is not to say if new technology comes into place that may shift the peak. Ms. Parenteau said that Mr. Talbot is correct in that the peak occurs between 3 p.m. to 7 p.m., if you look historically.

Mr. Seavey stated that if you were to design a perfect rate that would charge everyone exactly for what they were using each hour, including those twelve hours each month (and the one in the summer), you would end up with a rate that would enormously disadvantage some customers and enormously advantage others. At the end of the day, there is very little that most customers can do to change the amount of energy that they are using during the monthly peaks and annual peak. Mr. Talbot said that everyone can turn their thermostats off in the summer. Mr. Seavey added that they need to know exactly when to do it. Mr. Talbot said that between 3 p.m. to 7 p.m. when the price is higher.

Mr. Talbot commented that RMLD commercial rates are the same 365 days a year, 24 hours a day, seven days a week, except for those few customers that take the optional Time of Use rate. Instead of knocking everything up one cent 24 hours, what if you increased it to two cents from 3 p.m. to 7 p.m., and .75 cents for the rest of the twenty hours. They are better off 20 hours and a little worse off for 4 hours, if they do a tiny bit they can probably come out ahead. Mr. Seavey commented that what Mr. Talbot is describing is a classic Time of Use rate. Mr. Talbot added but a mandatory one. Mr. Seavey stated that in the private utility world, customers who use more than 100kW have been on mandatory Time of Use for years, it is how the regulated utility works. Voluntary or optional Time of Use rates are bad economic policy. Mr. Talbot concurred, but he wants the Time of Use implemented across the board. Mr. Seavey said that in response to Mr. Talbot's approach a couple of cents may not be enough of a signal to change behavior. Mr. Talbot wants to know if there is any data that states if "X" were to happen then "Y" would happen.

Strategy and Plan to Improve Demand Reduction at Peak Times

Mr. Seavey said that he is sure that research has been done to show the threshold for behavior change. Mr. Talbot asked where is the research, evidence, and data that shows what, if anything, they could be doing.

Ms. O'Brien asked if Mr. Talbot was referring to creature habits. Ms. O'Brien clarified that what she is hearing is if the investor owned utilities have a mandatory Time of Use rate can Mr. Seavey run that through the model based on what we have for our model to show the price differential. Mr. Seavey said that he can do this, but he has another approach that may accomplish even more than that. Presently, the price signal that really matters is the demand charge for large customers, not the energy charge. That is something the customer can control and that can have a big impact. The demand charge presently charged to large customers is much lower than the actual cost. Those two price components, capacity and transmission, are being recovered through a flat cent per kilowatt hour charge through the purchase, capacity, transmission and fuel charge. The purchase, capacity and transmission charge should be a demand charge rather than a cent per kilowatt hour charge. It would be around twelve dollars per kilowatt; this is a rate he has worked up for other municipalities. If RMLD was to do this, it would send a very strong price signal to control demand. It is not as closely targeted as Mr. Talbot would like, in that it is not targeted specifically to that peak hour, but you can target it within a four-hour range. The demand charge is based on one hundred percent of the demand within the four-hour period or eighty percent of the highest demand, outside of the period. They can have a much higher demand outside of the four-hour critical peak period. The downside, as with anything you do to change the rates across the board, is that initially there are winners and losers. Many of the losers may not be able to control their business practices in a way that prevents them by being harmed by it.

Chairman O'Rourke asked if there is anywhere Mr. Seavey has seen this implemented where it had a positive impact. Mr. Seavey responded that he has not because he has not been able to persuade a municipal utility client to go to that great of an extent. There was one voted last week, however, that will not go into effect until

July of this year. The Town of Mansfield put a \$12.60 capacity and transmission demand on their two largest classes of customers. Mr. Talbot clarified that this was intended to attack the peak. Mr. Seavey concurred. Mr. Talbot asked if we can look at that model for RMLD. Mr. Seavey replied that he can send a copy of the rate schedule which was voted at a public meeting on Monday.

Ms. O'Brien asked Mr. Talbot if he wanted a copy of the rate or the analysis that was looked at before the rate was voted on. Mr. Talbot said that he would like to see if there is anything that RMLD can do to attack the high level. RMLD's peak costs have gone through the roof and he would like creative ways to have RMLD's rates attack the peak. Every megawatt saves the RMLD \$250,000. Mr. Seavey pointed out that it is important to take a step back and he hears often that the peak needs to be controlled, because it is costing us a lot of money. In a sense, it is costing the ratepayers a lot of money. It doesn't make sense to charge the ratepayers more to control something than what the value of controlling it is. If you are charging them \$12 a kilowatt, if they choose to control their demand, that is fine, if they choose not to they are going to pay for it. The key is that they are economically indifferent and so are the other customers. You want to be sure that no one is subsidizing anybody else because they either are or are not controlling their usage during those critical periods.

Mr. Talbot stated that this is abstract discussion, he would like numbers and options that they can look at, and analysis that would say: you can do this and this could be the potential downside. Mr. Talbot said that it is the Board's main job to set rates, it is important to look at and understand actual numbers. Chairman O'Rourke clarified with Mr. Seavey that it is a zero-sum game, there are winners and losers, but at the end there are no net savings. Mr. Seavey clarified that if you set prices correctly, if you send the right price signal to people, whether or not they act on the price signals, they are indifferent and so is everyone else. If you have a large customer that is adding a megawatt to your peak as long as they are paying the cost for that megawatt they are causing, and no one else in the system is, you're fine. What we do not want is a system where everyone else pays because some customers are causing a large peak. Mr. Talbot commented that is what happens right now. Mr. Seavey commented to a certain extent it is and we can do an analysis that shows how costs get shifted under the present rate and how would a different rate design reduce the amount of cost shifting that takes place. Mr. Talbot said to reduce unfairness and possibly reduce the peak would be the goal. Mr. Seavey said maybe reduce the peak if customers make the rational decision to control their demand. Mr. Talbot asked if there is data, are there options with scenarios that would show what would happen if RMLD implemented some of these things. Mr. Seavey stated that the information can be provided. Mr. Talbot clarified that we do not have the information this evening. Mr. Seavey replied, no. Mr. Seavey said that what he is talking about is RMLD analysis, of different rate designs, of what the impact of that might be. Chairman O'Rourke asked if that is the logical next step. Mr. Seavey commented that is correct. Mr. Seavey added that you can go down the road of making Time of Use rates more widespread and applying them to more customers. One problem that RMLD has is there will be implementation costs – metering and billing costs. Mr. Seavey commented that he thinks that analysis will show that it is not as effective to simply add two cents to a non-peak energy charge as it would be to implement a twelve-dollar demand charge. Mr. Talbot said that a twelve-dollar demand charge sounds good to him.

Strategy and Plan to Improve Demand Reduction at Peak Times

Chairman O'Rourke asked if there was any other Board input and asked Dennis Kelley. Mr. Hennessy asked what are the implementation costs to put in Time of Use meters for all customers. Ms. O'Brien responded four million. Mr. Talbot asked how about the commercial customers. Mr. Seavey added that when you look at residential you run into diminishing returns. Mr. Talbot asked how many industrial meters are there. Ms. Parenteau responded 3,000 commercial customers, she would have to provide data on how many are 100kW or greater. Ms. O'Brien added that they will have to check the parameters on how to program the new smart meters.

Ms. O'Brien stated that Mr. Seavey will be performing the Cost of Service Study, since it is the third year. Ms. O'Brien said that we are all on the same page in that we would like to implement a new rate, but what she is hearing from Mr. Seavey is that we have to be careful of the winners and losers. At the same time, we are talking about economic growth and keeping our customers here. We are trying to balance a lot of different things at the same time. Ms. O'Brien noted that when Mr. Seavey runs all the figures than we will be able to balance all the pros and

cons of making a change. Ms. O'Brien said that she would be interested in seeing all the analysis from Mansfield and what their demographics are, what percentage makes up their residential and commercial, and who their winners and losers will be. Just because there is a different rate does not mean that a company has an automated demand management system. Not all commercial customers have the ability to react to demand response automatically. Mr. Seavey said that electric municipal utilities are in a more advantageous position than private utilities because there is a closer connection with customers. Rather than throw this rate at them you can work with them to provide some tools to manage the change. You do not want to jump into this type of change without being prepared to deal with the consequences.

Chairman O'Rourke asked if some of the analysis would include the assessment of the segments of customer's base and how they would be impacted by a rate change. Mr. Seavey explained that he will go through and provide a listing of all the customers above a certain size and how each one individual customer would be impacted by the change. Chairman O'Rourke stated that a similar process was done in the past couple of years. Ms. O'Brien said that the RMLD was looking at low income rates and how it shifted. Chairman O'Rourke commented the savings some of our customer might experience from shutting down pumps and other equipment, could be offset with the problem of having downtime and the restarting of the pumps, is that an issue. Mr. Seavey responded that it can be and that is an area to take a hands-off approach because that can present potential issues of liability. Mr. Seavey added this is where you would assume that the consumer is rational and understands the cost savings of not consuming. Mr. Seavey said that when he worked at Taunton Municipal Light Plant, the largest customer had a two-megawatt load and made crystal glass and they tried to get them interested in an interruptible rate. They replied that a bandwidth of five minutes would cause a half million dollars of unusable glass. You hope that customers are capable of making those decisions themselves.

Mr. Kelley added that you need to look at the type of buildings such as manufacturing versus a high school. If you think that you can shut off the air conditioning between 5 p.m.-7 p.m. in a school, there are special needs programs and children that are susceptible to temperature change. It is not always as easy using the example of chillers, it is not that you do not want to do it, but the factor is how the building is used. In manufacturing, there are a lot of factors to consider to shut down four to five hours. Mr. Seavey added that you must trust that the customer knows their business.

Ms. O'Brien asked Ms. Parenteau to explain how the RMLD Tangent incentive-sharing program has helped curtail the load during the peak. Ms. Parenteau explained that in the first year, the RMLD had twelve to fourteen customers that participated, and they shed a megawatt of reduction. RMLD shared fifty percent of that savings with the customer. It was very successful. The second year, it was a very hot summer, and the RMLD called peak periods six to eight times. The peak occurred on August 12 at 3 p.m. RMLD is speaking with those customers to determine where the problem was, because it went from a megawatt of success in year one, to dropping to 250 kW in year two. This was in spite of the price advantage increasing significantly, because as of June 1, the capacity costs are going up \$15 per kW which Ms. O'Brien has been addressing over the past two to three years. Ms. Parenteau explained that the cost is going from \$7 to \$15 per kW, it would have been considerable savings to the customer. At the Lunch 'N Learn RMLD had customers that are enthusiastic and eager to do this, but have a myriad of things they are responsible for. When they receive the e-mail, depending on the day and what is required of them from upper management, they may or may not be able to participate. It is lessons learned. Sometimes it is not feasible for them to partake, it is not a high priority. Chairman O'Rourke asked that since we repeatedly inform customers it may be a peak day and then it isn't, is that similar to crying wolf. Ms. Parenteau responded that it is the nature of the peak period. Chairman O'Rourke pointed out that we can educate our customers that it may not be a single day and there could possibly be four or five times during the summer that the RMLD will ask for customers' diligence in relation to peak reduction.

General Manager's Report – Ms. O'Brien

Ms. O'Brien began by thanking the Board for authorizing her travel to the APPA legislative rally in Washington DC; it was an enlightening trip.

General Manager's Report – Ms. O'Brien

Ms. O'Brien had the opportunity to meet with congressmen and senators and stated that there were three main topics that were addressed. The discussions centered around: Concerns over keeping municipal bonds from being taxed, forward capacity, and legislation in Massachusetts going to 100 percent renewables. The latter could significantly impact non-carbon emitting plants. DEP works with FERC and NERC and the municipalities want to make sure that policymakers understand what is happening. The ISO that runs the system in this area is down in Washington giving presentations weekly, and a lot of rules and changes are made without thinking about municipalities and the impact on their rate payers. Going forward, capacity is going to be significant, and policy makers need to consider that municipalities are vertically integrated, have long-term power supply contracts, and are not like investor-owned utilities.

The Congressman or their staff person would listen and take notes, and Ms. O'Brien explained she will be following up with a letter. Going forward, letters will be helpful since municipalities are the small guy, and things get changed without thinking about them. From that perspective, it was a successful trip.

Chairman O'Rourke remarked to be one group of stakeholders among so many others lobbying for their causes makes it all the more important to be visible.

Ms. O'Brien agreed that it was a revolving door of constituents expressing their concerns. She will be writing a follow up letter with Ms. Parenteau's help, and will make sure that the Board receives a copy.

Ms. O'Brien announced that the Art Contest Calendars are being designed and ordered, and will be distributed soon.

Joyce Mulvaney, the new Communications Manager, will be meeting with the Reading Elder Services Walking Club at RMLD on Friday, March 31, to discuss available rebate programs, Shred the Peak, and to answer billing questions.

RMLD will be attending the Town of Reading Earth Day event at Parker Middle School on April 22. RMLD will have a LED light display and giveaways for the children.

Ms. O'Brien stated that she will be finishing up her presentations to the towns and meeting with the North Reading Board of Selectmen on April 18, and then will start the process again towards the end of the year. RMLD has let the towns know, so they can segue way it into their budgets, that RMLD is tentatively looking at a three to five percent rate increase. The capacity auction has closed, and we were expecting it to be a bit lower, and not sure yet what that will mean. Mr. Seavey is performing the Cost of Service Study and running numbers, there is a lot of data coming in. Within a few weeks, we should have a better idea. Chairman O'Rourke asked when the increase would be occurring. Ms. O'Brien replied that the increase goes into effect on July 1. For the last three years, RMLD has been telling the towns that the capacity and transmission increases are coming; it is outside of our control.

Chairman O'Rourke said that RMLD's rates are certainly competitive but wondered about utilizing marketing to explain why the rate increase is happening.

Ms. O'Brien announced that RMLD is going to be asking ENE to take part in their rate comparison. It's something that needs to be paid for, but it provides proprietary information. We are just waiting until after the data from the capacity auction has been analyzed by other municipalities so that we can get a snapshot of what everyone is putting out on July 1.

Ms. O'Brien stated that RMLD looks at the rates every month, every quarter, and every year. Before Ms. O'Brien began at RMLD, the rates hadn't been adjusted in a long time. Ms. O'Brien said that she thinks that they have gotten all the towns and Selectmen used to the fact that we're doing our due diligence, looking at it constantly, and have the science and data to back it up. 80 percent of the power supply is a pass-through, and Ms. Markiewicz can attest that the rest are fixed costs.

Ms. O'Brien said that RMLD is having problems with the phone system and customers can use a new number 781-942-6598.

Mr. Talbot sought clarification that the 1340 number is a number that RMLD has had for decades and it's now no longer going to work? Ms. Parenteau replied that it has been problematic.

Ms. Markiewicz explained that the problem is on the vendor level; we're being told that it is a dead line. Ms. Markiewicz stated that she will have Mark Uvanni, the IT Manager, contact Mr. Talbot to explain the situation.

Ms. O'Brien said that we are still trying to resolve the matter. Please call the new number for now.

Power Supply Report – January 2017 – Ms. Parenteau (Attachment 1)

Ms. Parenteau began her presentation by identifying the purchase power allocation of power supply costs for the month of January 2017. This was comprised of 54 percent fuel, around 27 percent capacity, and a little less than 19 percent transmission. This marked a slight decrease in capacity, which is usually around 30 percent. In terms of January costs, because of the price of natural gas and the Department's laddering and layering approach, our energy costs have been going down over the last three years. Transmission has been going up. Capacity has been level even though the capacity market is increasing, because the debt service on some of our supply contracts are nearly paid off.

Ms. Parenteau stated that she received an e-mail from Mr. Stempeck regarding transmission costs. In 2015, the RMLD paid a little over \$721,000 in transmission. In 2016 that went up to \$873,000.

This past year, RMLD paid over \$1 million in transmission charges. Transmission is socialized throughout New England. RMLD and other area municipalities have been litigating with FERC since 2011, since transmission owners receive a return on an equity payment of around 11.5 percent. Through our litigation with FERC we've decreased that to 10.57 percent. It is still being appealed because we think that amount is unjust and unreasonable. Transmission costs are based on two factors: the rate for the RNS, which represents about 90 percent of our transmission cost, and the monthly peak.

Ms. Parenteau then reported on RMLD's capacity requirement versus the vetted cost of capacity. The kilowatt requirement for capacity is based on the summer peak. In 2015, that value was a little over 209 megawatts, in 2016 it went up to 224 megawatts, and in 2017 it was 232 megawatts. That requirement is going up slightly and it's based on New England's overall peak. We have to get our capacity requirement plus a reserve margin, right now that reserve margin is about 49 percent and then we're required to cover that capacity through that whole year. The cost of that capacity has been pretty flat. In 2015 and 2016, it was a little under \$7.40. The decrease in 2017 was a result of the market price increasing, an elimination of our working capital on our MMWEC and Stonybrook projects, and our Millstone and Seabrook debt service being reduced, subject to being paid off in 2018. Ms. Parenteau then addressed the imbedded fuel and capacity costs. The capacity costs dropped in 2017. Fuel costs have gone from a little under five and a half cents to five cents, and that's a complete pass through to RMLD's customers. In his e-mail, Mr. Stempeck also commented on how RMLD's rates are competitive, and the rates are significantly lower than those offered by investor-owned utilities, and wondered if we should publicize that to our commercial customers. Ms. Parenteau stated that historically, RMLD had a separate newsletter that was geared towards commercial customers, which focused on programs, rebates, Shred the Peak directly to those individuals. Now that Joyce Mulvaney is the new Communications Manager, we are looking to start up that publication again. Additionally, when the three Integrated Resources engineers visit with high use commercial customers they make a point to emphasize RMLD's low rates.

Financial Report – January 2017 – Ms. Markiewicz (Attachment 2)

Ms. Markiewicz announced, that she will be presenting automated financials to the Board. It still needs some tweaking. Ms. Markiewicz then discussed Accounts Receivable trends over the last three years. There are dips and peaks that correspond with moratorium, the end of moratorium, and our credit and collections. There was some inconsistency after the first seven months of 2016 as procedures and processes were being reviewed. However, we came back strong in the beginning of FY 2017.

Chairman O'Rourke asked what the key takeaway of this is. Ms. Markiewicz replied that, for the most part, RMLD has anywhere between 85 and 90 percent current receivables.

Ms. Markiewicz then addressed the capital funds. The year to date as of January 31, for the total use of capital funds was \$3.6 million and a source of \$8.4 million, which leaves a total of \$4.8 million. RMLD is right on target with the capital budget.

For the month of January, RMLD's net income (positive change in net assets) was about \$630,000, thereby increasing the year-to-date net income to about \$3.8 million. Base revenues have exceeded FY 2016 by about \$1.5 million, or 11 percent. Whereas year to date operating expenses exceeded FY 2016 by \$1.3 million or 12 percent. Actual base revenues were approximately \$15.6 million and actual operating costs were about \$12.2 million.

Chairman O'Rourke then asked for clarification that our operating revenues are nine percent more than last year. Ms. Markiewicz answered yes, but that is just looking at base revenue, because that's where we make our money. It doesn't include purchase power, capacity, and transmission though, because there is a pass through there.

Chairman O'Rourke clarified that we're up 11 percent from last year. Ms. Markiewicz replied yes, but we're also up 12 percent in expenses.

Chairman O'Rourke asked where we are in regards to the budget. Ms. Markiewicz stated there is 38 percent left in the budget so we're about 2 percent down from 41.6 percent, which is where we should be.

Financial Report – January 2017 – Ms. Markiewicz (Attachment 2)

Chairman O'Rourke asked if that is evenly spread; is the same amount budgeted each month after dividing by twelve? Ms. Markiewicz explained that what was discussed as a team was that, because forecasting revenue month-to-month is difficult and we don't necessarily know what month some operating projects are going to be in, the total budget is examined. We are currently 7/12 through the budget. We would compare the 7/12 of the budget to the actual year-to-date.

Chairman O'Rourke asked if a quarterly view would give a better picture. Ms. Markiewicz answered that it would depend on when projects are scheduled; sometimes, depending on the weather, project completion dates change. We're two percent down on revenue, but overall budget because 41.6 percent is the target number and overall that's where we are at.

Ms. Markiewicz continued, stating that the year-to-date Purchase Power Capacity and Transmission (PPCT) revenue exceeded PPCT expenses by \$839,000. Fuel revenue was below fuel expense (disregard chart-shows opposite because the NYPA credit was not taken into account) by \$463,000. Net effect of that-Ms. Parenteau's group is on target with balancing that out. Operating and maintenance expenses: comparison year to year and comparison to budget as well. Combined, under budget by about \$250,000 or two percent. Actual operating and maintenance expenses were \$12.2 million; budgeted expenses were \$12.5 million. RMLD is on target with 41.6 percent of the budget remaining. There is a DPU report due on March 31. It is not fully prepared yet and Ms. Foti or Ms. Schultz will need to coordinate with the Commissioners to have them come in to sign the document before March 31.

Engineering and Operations Report – January 2017 – Ms. O'Brien (Attachment 3)

Ms. O'Brien began with the Capital Improvement Projects-Mr. Jaffari is on target and is making progress. The LED streetlight conversion is 63.5 percent completed. This is something that the towns were interested in and have conveyed progress status to them. Mr. Jaffari is doing a great job moving everything ahead. We recently had some storms, but RMLD had minimal damage and minimal outages. Some towns didn't fare as well. Routine maintenance is moving ahead, a lot of work is getting completed. We're finishing up failure analysis on all the equipment that was not maintained. We are getting to the point where we can start to spread out the maintenance better and start to get onto a cyclic plan. GIS is really going to help; it is going to provide new mapping that will tell exactly how old equipment is. It is scheduled to be implemented this September. In terms of double poles, we have a lot of pole butts we need to take out-we don't do during winter because poles break off. Will start back up in the spring when the ground has thawed. The pole inspection program is surfacing a lot of poles that were deemed failed. That's why pole numbers have gone up. Verizon isn't moving them as quickly as we would like, we will try to meet with them next week.

Ms. O'Brien stated that she has been working with CAB Chair, George Hooper on Wilmington double poles. Wilmington Fiber and Wilmington Fire are both now listed on the NJUNS report. Ms. O'Brien has provided Mr. Hooper some numbers regarding the cost of removal; not necessarily to have RMLD do it, but what they can do to move things along. The Town of Wilmington's Fire Department line has now gone wireless, there's a lot of wire that's up there. The RMLD can't really remove that for them. We have to work out something with the town.

Ms. O'Brien then addressed reliability indices. Year to date, RMLD is way below regional and national averages. Outage causes were typical, fuses and wildlife. We're seeing some improvements with the new tree trimming program.

Mr. Kelley asked if the phrase 'substation maintenance' was referring to the Wilmington substation, noting that the parking lot of that location has been packed with trucks for the last few weeks. Ms. O'Brien explained that Substation 4 feeds Substation 5. In this year's Capital Project, we're going to be redoing the lines between them. We have worked on catching up with a lot of lost maintenance on Substation 5 because we need that to stay working and reliable until we find land and build another substation in Wilmington. We want Station 5 to be solid for at least five years. The worst case-scenario is that we can't find land-in that case we would have to go back to Station 5 to build another substation right up against the existing one. This is not the optimal choice.

Ms. O'Brien stated that she met with the bonding agency that the town uses in order that they could explain exactly what needs to be done and the bonding process. It was a very educational meeting that Ms. Markiewicz had set up.

Mr. Kelley reiterated that there were lots of trucks in the parking lot, it is amazing so many people fit in there. Ms. O'Brien replied that RMLD has redone almost every component of the station.

RMLD Procurement Requests Requiring Board Approval – Ms. O'Brien (Attachment 4)
IFP 2017-35 Distributed Generation Worksite

Ms. O'Brien stated that there is only one bid to approve. 51 companies were sent the bid. Seven replies were received.

RMLD Procurement Requests Requiring Board Approval – Ms. O'Brien (Attachment 4)

IFP 2017-35 Distributed Generation Worksite Mr. Pacino made a motion, seconded by Mr. Hennessy, that proposal 2017-35 for Distributed Generation Worksite be awarded to Tim Zanelli Excavating for \$214,969.00 pursuant to M.G.L. c. 30 § 39M on the recommendation of the General Manager.

Motion carried 4:0:0.

General Discussion

Chairman O'Rourke stated he has one item for general discussion. With the budget meetings coming up in May, if there is anything of importance that Ms. O'Brien wants Board input on prior to the actual budget presentations, just let them know.

Ms. O'Brien then expressed her concern that Mr. Seavey will be coming back to do a presentation on the Cost of Service and some rate designs. Mr. Seavey presents the Cost of Service with the budget, with the rate changes effective July 1. The rates have to be filed earlier. Logistically, we could move forward with that and if we're going to have a new rate structure, we're probably not going to be able to get that in for July 1. We can have Mr. Seavey come back make his presentation, then discussion and make the decision afterwards. Ms. O'Brien asked Ms. Parenteau for her input.

Ms. Parenteau replied that she thinks the plan was to get some input from the Board and the CAB in terms of if there were any rate structures they want to be included or changed, and target for a July 1 implementation. Because of the budget, if we know the dollar amount that we need to recover, we have the flexibility of approving that in May or June. If the CAB and the Board are willing to work with RMLD in terms of changing the rate structure, we would still try to aim for July 1.

Ms. O'Brien stated that we are talking about significant changes, and we need to keep that in mind. We would need to meet, decide, and roll it into the budget for July 1. We're talking about demand changes on rates; that doesn't give a lot of time to talk to customers.

Chairman O'Rourke asked if the April Board meeting was sufficient time to have a presentation, to which Ms. Parenteau answered, yes.

Chairman O'Rourke said there are two possible outcomes after hearing the presentation. The reaction could be this is great, it makes sense, and then a consensus is quickly reached. Or, it's not ready to be implemented, we want to do it right. If more discussion and analysis is needed, could it be implemented later?

Ms. Parenteau explained rates need a three-month window, so new rates couldn't be filed until October. If we're going to change how we bill the PPCT that is different than the base rate revenue that we collect for operational expenses. Depending on what the impact of the rate studies are, it could occur.

Chairman O'Rourke stated that the most important thing is to get it on the agenda, hear it, and decide.

RMLD Board Meetings

The next Board Meeting will be Thursday, April 20. Mr. Pacino remarked that the first order of business will be reorganization of Board. Wednesday, May 10 and Thursday, May 11 will be the budget meetings. Operating and Capital will be approved together.

There are CAB meetings on April 5 at the new Wilmington High School and April 12 at the RMLD. Ms. Schultz will send out an e-mail.

Mr. Pacino commented that he had heard on NPR that the marijuana growing industry in Colorado has increased electrical usage.

Executive Session

At 9:19 p.m. Mr. Pacino made a motion, seconded by Mr. Hennessy, that the Board go into Executive Session to discuss the deployment of security personnel or devices, to consider the purchase of real property and discuss strategy with respect to collective bargaining, Chapter 164 Section 47D exemption for competitively sensitive or other proprietary information provided in the course of proceedings conducted pursuant to this chapter when such municipal lighting plant board determines that such disclosure will adversely affect its ability to conduct business in relation to other entities making, selling, or distributing electric power and energy pursuant to this chapter and return to Regular Session for the sole purpose of adjournment.

Chairman O'Rourke called for a poll of the vote:

Mr. Pacino: Aye; Mr. Talbot: Aye; Chairman O'Rourke: Aye; and Mr. Hennessy: Aye.

Motion carried 4:0:0.

Adjournment

At 9:53 p.m. Mr. Pacino made a motion seconded by Mr. Talbot to adjourn the Regular Session.

Motion carried 4:0:0.

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

David Hennessy, Secretary Pro Tem
RMLD Board of Commissioners



Integrated Resources

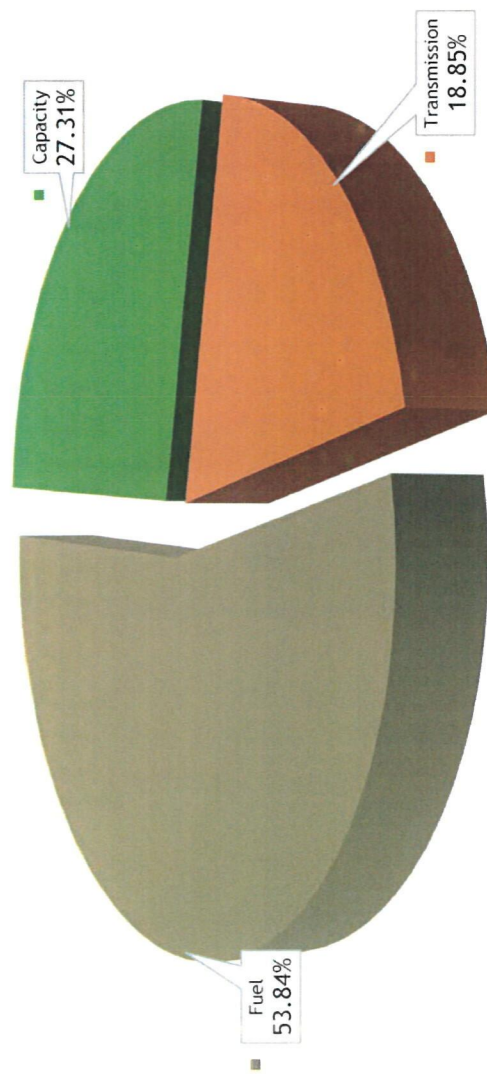
March 23, 2017

RMLD Board of Commissioners Meeting
Reporting for January

Jane Parenteau
Director of Integrated Resources

Purchase Power Allocated Costs

January 2017



Capacity
Transmission
Fuel

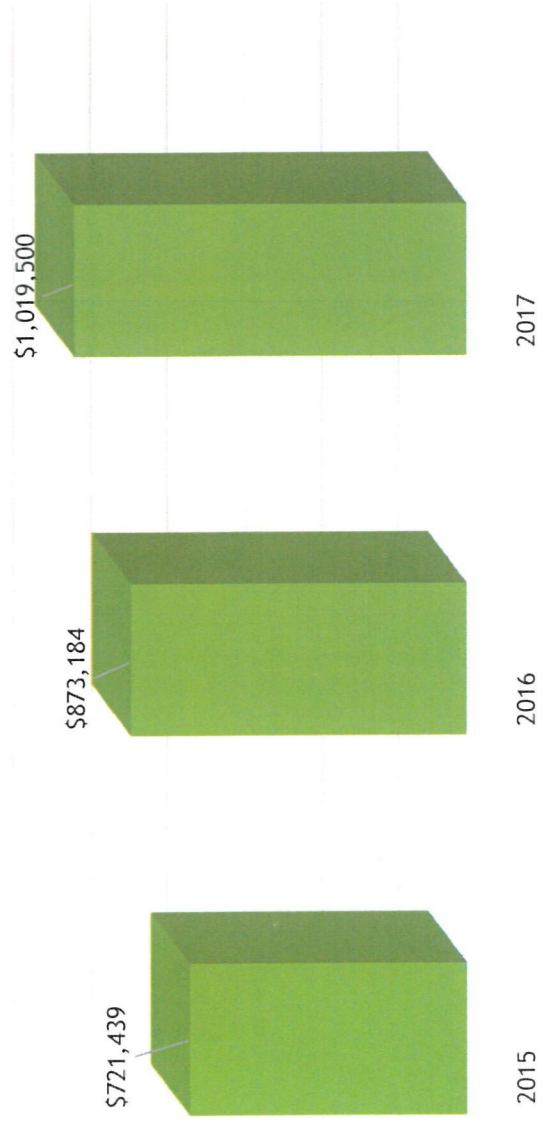
Purchase Power Allocations

January 2015-2017

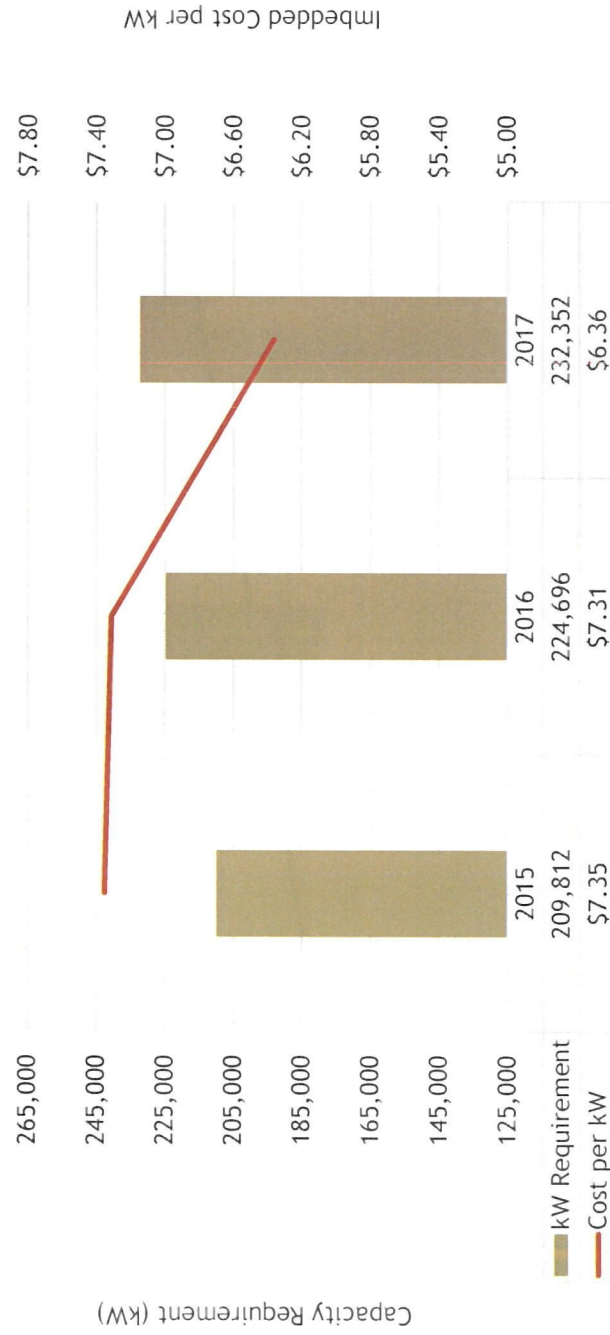


Transmission Costs

January 2015-2017

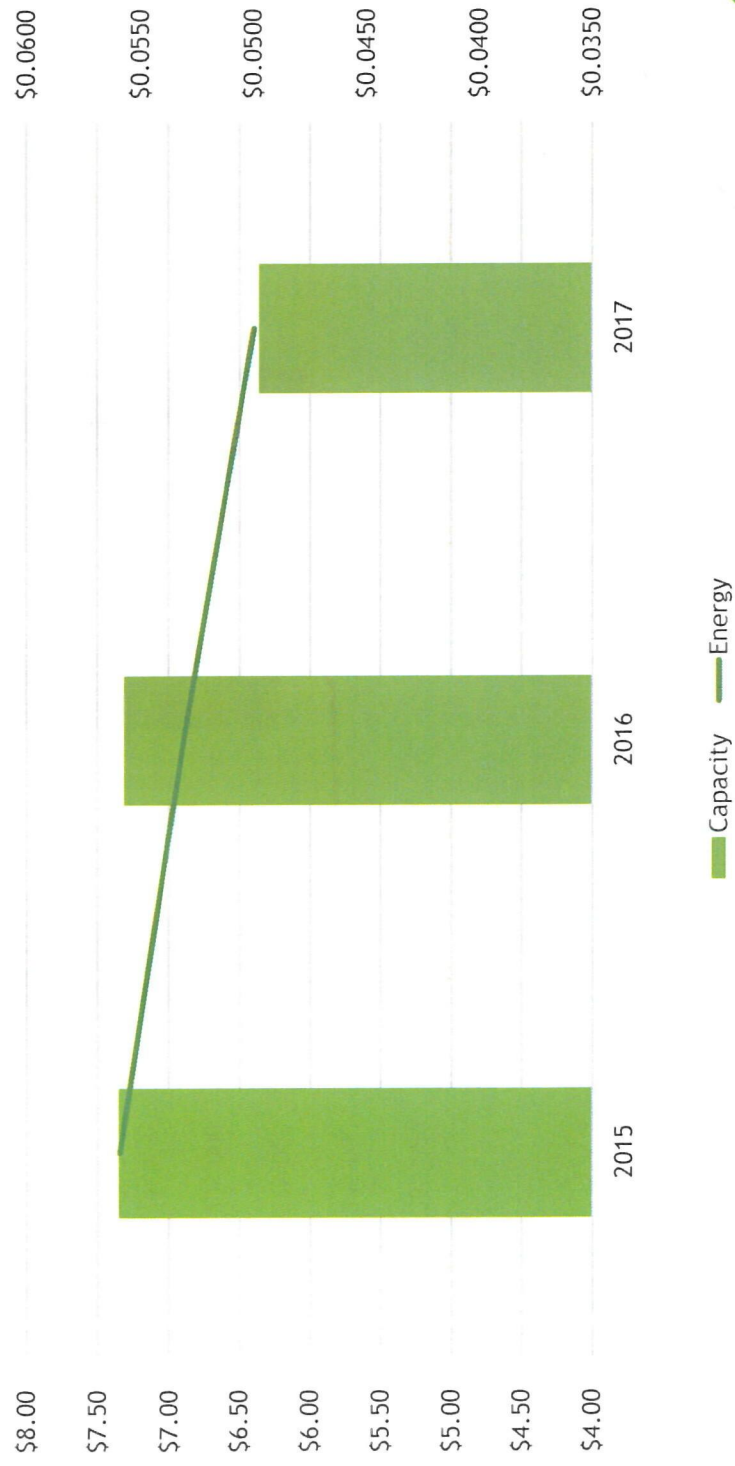


Capacity Requirement vs Imbedded Capacity Cost January 2015-2017



Imbedded Fuel & Capacity Costs

January 2015-2017



To: Coleen O'Brien

From: Maureen McHugh, Jane Parenteau

WBJ for Jan 2017

Date: March 9, 2017

Subject: Purchase Power Summary – January, 2017

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of January, 2017.

ENERGY

The RMLD's total metered load for the month was 57,580,442 kWh, which is a 2.59% decrease from the January, 2016 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	3,703,589	\$6.72	6.36%	\$24,894	0.86%
Seabrook	5,908,402	\$6.32	10.14%	\$37,341	1.28%
Stonybrook Intermediate	0	\$0.00	0.00%	\$0	0.00%
Shell Energy	8,772,600	\$59.53	15.06%	\$522,247	17.94%
EDF	4,675,200	\$57.16	8.02%	\$267,225	9.18%
NYPA	2,353,452	\$4.92	4.04%	\$11,579	0.40%
ISO Interchange	9,774,137	\$52.88	16.77%	\$516,871	17.75%
NEMA Congestion	0	\$0.00	0.00%	-\$192,620	-6.62%
Coop Resales	6,888	\$165.09	0.01%	\$1,137	0.04%
BP Energy	9,460,200	\$46.78	16.24%	\$442,548	15.20%
Hydro Projects*	4,617,134	\$83.77	7.92%	\$386,766	13.28%
Braintree Watson Unit	622,800	\$113.86	1.07%	\$70,913	2.44%
Saddleback/Jericho Wind	2,424,030	\$100.19	4.16%	\$242,856	8.34%
One Burlington Solar	122,231	\$70.00	0.21%	\$8,556	0.29%
Exelon	5,791,200	\$97.04	9.94%	\$561,971	19.30%
Stonybrook Peaking	38,252	\$242.04	0.07%	\$9,258	0.32%
Monthly Total	58,270,115	\$49.97	100.00%	\$2,911,543	100.00%

*Pepperell, Woronoco, Indian River, Turner Falls, Collins, Pioneer, Hosiery Mills, Summit Hydro

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of January, 2017.

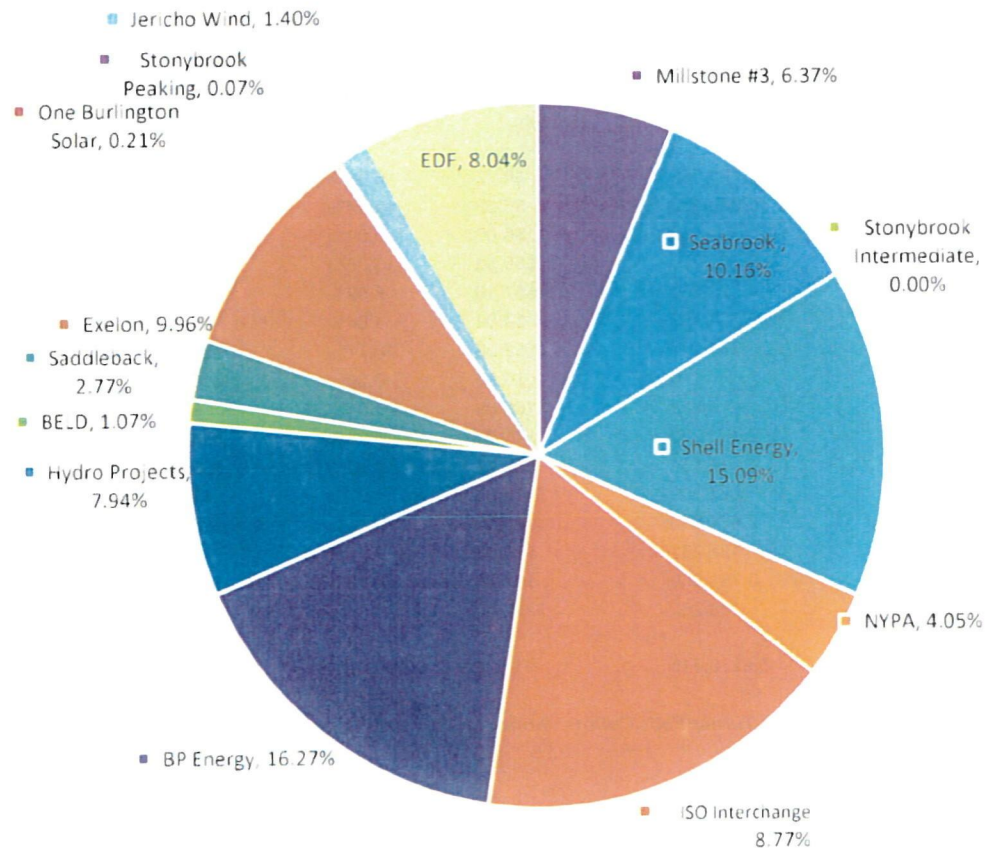
Table 2

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP * Settlement	17,101,952	\$44.47	29.35%
RT Net Energy ** Settlement	(7,327,815)	\$33.13	-12.58%
ISO Interchange (subtotal)	9,774,137	\$52.88	16.77%

* Independent System Operator Day-Ahead Locational Marginal Price

** Real Time Net Energy

JANUARY 2017 ENERGY BY RESOURCE



CAPACITY

The RMLD hit a demand of 105,335 kW, which occurred on January 9, at 7 pm. The RMLD's monthly UCAP requirement for January, 2017 was 232,352 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	28.03	\$138,728	9.44%
Seabrook	7,909	22.69	\$179,450	12.22%
Stonybrook Peaking	24,981	1.74	\$43,508	2.96%
Stonybrook CC	42,925	3.33	\$142,825	9.72%
NYPA	0	0.00	\$7,252	0.49%
Hydro Quebec	0	0	\$1,790	0.12%
Nextera	60,000	6.15	\$369,000	25.12%
Braintree Watson Unit	0	0.00	\$81,700	5.56%
ISO-NE Supply Auction	91,587	5.51	\$504,623	34.35%
Total	232,352	\$6.36	\$1,468,876	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	\$24,894	\$138,728	\$163,622	3.73%	3,703,589	0.0442
Seabrook	\$37,341	\$179,450	\$216,791	4.94%	5,908,402	0.0367
Stonybrook Intermediate	\$0	\$142,825	\$142,825	3.25%	-	0.0000
Hydro Quebec	\$0	\$1,790	\$1,790	0.04%	-	0.0000
EDF	\$267,225	\$0	\$267,225	6.09%	4,675,200	0.0572
Snell Energy	\$522,247	\$0	\$522,247	11.90%	8,772,600	0.0595
NextEra	\$0	\$369,000	\$369,000	8.41%	-	0.0000
* NYPA	\$11,579	\$7,252	\$18,831	0.43%	2,353,452	0.0080
ISO Interchange	\$516,871	\$504,623	\$1,021,494	23.28%	9,774,137	0.1045
Nema Congestion	-\$192,620	\$0	-\$192,620	-4.39%	-	0.0000
BP Energy	\$442,548	\$0	\$442,548	10.08%	9,460,200	0.0468
* Hydro Projects	\$386,766	\$8,324	\$395,090	9.00%	4,617,134	0.0856
Braintree Watson Unit	\$70,913	\$81,700	\$152,613	3.48%	622,800	0.2450
* Saddleback/Jericho	\$242,856	\$0	\$242,856	5.53%	2,424,030	0.1002
* One Burlington Solar	\$8,556	\$0	\$8,556	0.19%	122,231	0.0700
Coop Resales	\$1,137	\$0	\$1,137	0.03%	6,888	0.1651
Exelon Energy	\$561,971	\$0	\$561,971	12.80%	5,791,200	0.0970
Stonybrook Peaking	\$9,258	\$43,508	\$52,767	1.20%	38,252	1.3794
Monthly Total	\$2,911,543	\$1,477,200	\$4,388,743	100.00%	58,270,115	0.0753
* Renewable Resources					16.33%	

RENEWABLE ENERGY CERTIFICATES (RECs)

Table 5 shows the amount of banked and projected RECs for the Swift River Hydro Projects through January 2017, as well as their estimated market value.

Table 5
RECs Summary
Period - January 2016 - January 2017

	Banked RECs	Projected RECs	Total RECs	Est. Dollars
Woronoco	0	10,715	10,715	\$198,228
Pepperell	0	6,895	6,895	\$127,558
Indian River	0	2,103	2,103	\$38,906
Turners Falls	0	1,135	1,135	\$20,998
Saddleback	0	12,148	12,148	\$224,738
Jericho	0	6,894	6,894	\$127,539
Sub total	0	39,890	39,890	737,965
RECs Sold	\$0		0	\$0
Grand Total	0	39,890	39,890	\$737,965

TRANSMISSION

The RMLD's total transmission costs for the month of January, 2017 were \$1,019,500. This is an increase of 18.05% from the December transmission cost of \$863,599. In January, 2016 the transmission costs were \$873,184.

Table 6

	Current Month	Last Month	Last Year
Peak Demand (kW)	105,335	107,565	105,260
Energy (kWh)	58,270,115	58,589,656	59,610,620
Energy (\$)	\$2,911,543	\$2,986,249	\$3,163,762
Capacity (\$)	\$1,477,200	\$1,795,516	\$1,642,335
Transmission(\$)	\$1,019,500	\$863,599	\$873,184
Total	\$5,408,243	\$5,645,364	\$5,679,280

Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
1/31/2017

	<u>2017</u>	<u>2016</u>
ASSETS		
Current:		
Unrestricted Cash	\$15,850,224.24	\$10,898,477.11
Restricted Cash	22,605,998.32	21,091,052.83
Restricted Investments	1,345,663.06	1,284,061.45
Receivables, Net	8,285,113.20	8,362,181.76
Prepaid Expenses	1,937,910.40	2,641,259.88
Inventory	1,568,809.91	1,729,535.24
Total Current Assets	<u>51,593,719.13</u>	<u>46,006,568.27</u>
Noncurrent:		
Investment in Associated Companies	26,993.75	26,993.75
Capital Assets, Net	73,414,409.00	70,413,182.84
Total Noncurrent Assets	<u>73,441,402.75</u>	<u>70,440,176.59</u>
Deferred Outflows - Pension Plan	<u>6,338,218.00</u>	<u>1,547,815.00</u>
TOTAL ASSETS	<u><u>131,373,339.88</u></u>	<u><u>117,994,559.86</u></u>
LIABILITIES		
Current		
Accounts Payable	6,939,310.44	7,684,893.28
Accrued Liabilities	710,032.79	(1,122,646.20)
Customer Deposits	986,734.14	905,204.18
Customer Advances for Construction	1,110,355.53	967,879.15
Total Current Liabilities	<u>9,746,432.90</u>	<u>8,435,330.41</u>
Non-current		
Accrued Employee Compensated Absences	3,257,809.00	3,070,487.93
Net Pension Liability	8,833,549.00	4,524,191.00
Total Non-current Liabilities	<u>12,091,358.00</u>	<u>7,594,678.93</u>
Deferred Inflows - Pension Plan	883,172.00	0.00
TOTAL LIABILITIES	<u>22,720,962.90</u>	<u>16,030,009.34</u>
NET POSITION		
Invested in Capital Assets, Net of Related Debt	73,414,409.00	70,413,182.84
Restricted for Depreciation Fund	4,863,316.41	6,350,404.06
Unrestricted	30,374,651.57	25,200,963.62
TOTAL NET POSITION	<u>108,652,376.98</u>	<u>101,964,550.52</u>
Total Liabilities and Net Assets	<u><u>131,373,339.88</u></u>	<u><u>117,994,559.86</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
RECONCILIATION OF CAPITAL FUNDS
1/31/17

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 7/1/16	4,494,952.86
CONSTRUCTION FUND BALANCE 7/1/16	1,500,000.00
INTEREST ON DEPRECIATION FUND FY 17	17,860.04
DEPRECIATION TRANSFER FY 17	2,392,429.69
LED GRANT PROGRAM	<u>62,500.00</u>
 TOTAL SOURCE OF CAPITAL FUNDS	 8,467,742.59

USE OF CAPITAL FUNDS:

LESS PAID ADDITIONS TO PLANT THRU JANUARY	
 TOTAL USE OF CAPITAL FUNDS	 3,604,426.18
 GENERAL LEDGER CAPITAL FUNDS BALANCE 1/31/17	 <u><u>4,863,316.41</u></u>

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
1/31/2017

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
Operating Revenues: (Sch D p. 11)					
Base Revenue	\$2,082,018.94	\$1,864,067.44	\$15,604,822.26	\$14,099,007.90	10.7%
Fuel Revenue	3,149,834.16	2,656,333.87	20,279,370.80	20,282,310.51	(0.0%)
Purchased Power Capacity	2,904,975.54	2,075,758.47	20,735,924.07	17,498,194.81	18.5%
Forfeited Discounts	76,354.02	68,040.93	533,226.80	473,822.61	12.5%
Energy Conservation Revenue	55,706.82	47,810.39	406,649.34	399,434.44	1.8%
NYPA Credit	(121,364.18)	(108,747.38)	(655,911.36)	(629,549.39)	4.2%
Total Operating Revenues	8,147,525.30	6,603,263.72	56,904,081.91	52,123,220.88	9.2%
Operating Expenses: (Sch E p. 12)					
Purchased Power Capacity	1,513,015.67	1,691,412.49	11,785,879.65	11,083,628.14	6.3%
Purchased Power Transmission	1,019,499.88	873,183.82	8,110,789.47	7,686,115.05	5.5%
Purchased Power Fuel	2,911,543.18	3,163,761.69	20,087,288.22	21,019,051.42	(4.4%)
Operating Maintenance	1,267,600.09	778,110.02	6,851,293.93	6,053,646.95	13.2%
Depreciation	360,664.60	235,485.37	2,166,974.04	1,732,112.83	25.1%
Voluntary Payments to Towns	341,775.67	328,732.65	2,392,429.69	2,301,128.55	4.0%
	118,000.00	118,000.00	821,372.00	814,973.00	0.8%
Total Operating Expenses	7,532,099.09	7,188,686.04	52,216,027.00	50,690,655.94	3.0%
Operating Income	615,426.21	(585,422.32)	4,688,054.91	1,432,564.94	227.2%
Non Operating Revenues (Expenses)					
Contribution in Aid of Construction					
Return on Investment to Reading	(198,722.33)	(197,537.08)	(1,391,056.33)	(1,382,759.58)	0.6%
Interest Income	11,645.97	10,131.95	85,118.76	79,246.33	7.4%
Interest Expense	(182.39)	(1,156.02)	(3,108.30)	(2,243.03)	38.6%
Other	202,725.97	205,484.04	458,880.70	392,658.63	16.9%
Total Non Operating Revenues (Expenses)	15,467.22	16,922.89	(850,165.17)	(913,097.65)	(6.9%)
Change in Net Assets	630,893.43	(568,499.43)	3,837,889.74	519,467.29	638.8%
Net Assets at Beginning of Year	104,814,487.24	101,445,083.23	104,814,487.24	101,445,083.23	3.3%
Ending Net Assets	105,445,380.67	100,876,583.80	108,652,376.98	101,964,550.52	6.6%

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
1/31/2017

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
Operating Revenues					
Base Revenue	\$2,082,018.94	\$1,864,067.44	\$15,604,822.26	\$14,099,007.90	10.7%
Fuel Revenue	3,149,834.16	2,656,333.87	20,279,370.80	20,282,310.51	(0.0%)
Purchased Power Capacity	2,904,975.54	2,075,758.47	20,735,924.07	17,498,194.81	18.5%
Forfeited Discounts	76,354.02	68,040.93	533,226.80	473,822.61	12.5%
Energy Conservation Revenue	55,706.82	47,810.39	406,649.34	399,434.44	1.8%
NYPA Credit	(121,364.18)	(108,747.38)	(655,911.36)	(629,549.39)	4.2%
Total Operating Revenues	8,147,525.30	6,603,263.72	56,904,081.91	52,123,220.88	9.2%
Expenses					
Power Expenses:					
Purchased Power Capacity	1,513,015.67	1,691,412.49	11,785,879.65	11,083,628.14	6.3%
Purchased Power Transmission	1,019,499.88	873,183.82	8,110,789.47	7,686,115.05	5.5%
Total Purchased Power	2,532,515.55	2,564,596.31	19,896,669.12	18,769,743.19	6.0%
Operations Expenses:					
Operation Supervision and Engineering	4,015.60	44,754.63	232,633.51	317,019.40	(26.6%)
Station Supervision Labor and Misc Expense	13,099.46	13,167.24	81,764.82	88,712.54	(7.8%)
Line Miscellaneous Labor and Expense	66,244.90	29,845.60	376,950.96	411,409.43	(8.4%)
Station Labor and Expense	32,181.22	30,836.07	283,064.57	232,823.80	21.6%
Street Lighting Expense	8,323.09	13,381.99	70,691.69	70,515.07	0.3%
Meter Expense	21,408.05	19,008.17	123,314.04	130,138.17	(5.2%)
Miscellaneous Distribution Expense	43,161.34	38,932.31	256,925.41	258,409.61	(0.6%)
Meter Reading Labor and Expense	3,026.87	1,924.89	16,062.35	16,444.63	(2.3%)
Accounting and Collection Labor and Expense	84,708.69	122,199.73	946,694.65	963,408.88	(1.7%)
Uncollectible Accounts	12,500.00	10,000.00	87,500.00	70,000.00	25.0%
Energy Audit Expense	46,224.35	55,715.28	289,026.29	330,721.86	(12.6%)
Administrative and General Salaries	76,169.73	69,962.35	553,552.59	514,887.61	7.5%
Office Supplies and Expense	7,700.59	30,608.74	158,803.42	188,549.60	(15.8%)
Outside Services	(41,380.76)	10,530.85	296,093.84	191,653.85	54.5%
Property Insurance	7,184.86	30,594.30	173,471.16	218,048.71	(20.4%)
Injuries and Damages	9,233.24	3,627.56	35,995.54	28,173.88	27.8%
Employee Pensions and Benefits	762,737.55	193,472.01	2,283,236.68	1,593,232.94	43.3%
Miscellaneous General Expense	11,742.36	10,263.60	85,161.52	88,964.21	(4.3%)
Rent Expense	16,398.29	14,385.08	100,569.81	100,135.81	0.4%
Energy Conservation	82,920.66	34,899.62	399,781.08	240,396.95	66.3%
Total Operations Expenses	1,267,600.09	778,110.02	6,851,293.93	6,053,646.95	13.2%
Maintenance Expenses:					
Transmission Plant	(6,268.92)	227.08	3,213.58	1,589.58	102.2%
Structures and Equipment	36,771.69	41,190.66	273,861.81	217,441.42	25.9%
Lines - Overhead	231,710.44	125,439.45	1,130,871.43	969,092.22	16.7%
Lines - Underground	35,755.43	4,704.68	189,480.78	68,899.79	175.0%
Line Transformers	1,725.00	7,752.67	20,112.89	87,669.33	(77.1%)
Street Lights and Signal Systems	(10.87)	(44.05)	70,089.24	(368.90)	-
Garage and Stockroom	47,655.24	44,240.70	297,081.86	313,151.87	(5.1%)
Meters					
General Plant	13,326.59	11,974.18	182,262.45	74,637.52	144.2%
Total Maintenance Expenses	360,664.60	235,485.37	2,166,974.04	1,732,112.83	25.1%
Other Operating Expenses:					
Depreciation	341,775.67	328,732.65	2,392,429.69	2,301,128.55	4.0%
Purchased Power Fuel Expense	2,911,543.18	3,163,761.69	20,087,288.22	21,019,051.42	(4.4%)
Voluntary Payments to Towns	118,000.00	118,000.00	821,372.00	814,973.00	0.8%
Total Other Expenses	3,371,318.85	3,610,494.34	23,301,089.91	24,135,152.97	(3.5%)
Operating Income	615,426.21	(585,422.32)	4,688,054.91	1,432,564.94	227.2%
Non Operating Revenues (Expenses):					
Contribution in Aid of Construction					
Return on Investment to Reading	(198,722.33)	(197,537.08)	(1,391,056.33)	(1,382,759.58)	0.6%
Interest Income	11,645.97	10,131.95	85,118.76	79,246.33	7.4%
Interest Expense	(182.39)	(1,156.02)	(3,108.30)	(2,243.03)	38.6%
Other	202,725.97	205,484.04	458,880.70	392,658.63	16.9%
Total Non Operating Revenues (Expenses)	15,467.22	16,922.89	(850,165.17)	(913,097.65)	(6.9%)
Change in Net Assets	630,893.43	(568,499.43)	3,837,889.74	519,467.29	638.8%
Net Assets at Beginning of Year	104,814,487.24	101,445,083.23	104,814,487.24	101,445,083.23	3.3%
Ending Net Assets	105,445,380.67	100,876,583.80	108,652,376.98	101,964,550.52	6.6%

* New project started this fiscal year

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
1/31/2017

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Operating Revenues				
Base Revenue	\$15,604,822.26	\$25,500,000.00	\$9,895,177.74	38.8%
Fuel Revenue	20,279,370.80	34,074,492.00	13,795,121.20	40.5%
Purchased Power Capacity	20,735,924.07	34,322,278.00	13,586,353.93	39.6%
Forfeited Discounts	533,226.80	688,500.00	155,273.20	22.6%
Energy Conservation Revenue	406,649.34	673,000.00	266,350.66	39.6%
NYPA Credit	(655,911.36)	(900,000.00)	(244,088.64)	27.1%
Total Operating Revenues	56,904,081.91	94,358,270.00	37,454,188.09	39.7%
Expenses				
Power Expenses:				
Purchased Power Capacity	11,785,879.65	20,943,651.00	9,157,771.35	43.7%
Purchased Power Transmission	8,110,789.47	13,378,627.00	5,267,837.53	39.4%
Total Purchased Power	19,896,669.12	34,322,278.00	14,425,608.88	42.0%
Operations Expenses:				
Operation Supervision and Engineering	232,633.51	655,196.00	422,562.49	64.5%
Station Supervisor Labor and Miscellaneous Expense	81,764.82	91,269.00	9,504.18	10.4%
Line Miscellaneous Labor and Expense	376,950.96	901,213.00	524,262.04	58.2%
Station Labor and Expense	283,064.57	472,879.00	189,814.43	40.1%
Street Lighting Expense	70,691.69	102,402.00	31,710.31	31.0%
Meter Expense	123,314.04	205,717.00	82,402.96	40.1%
Miscellaneous Distribution Expense	256,925.41	464,418.00	207,492.59	44.7%
Meter Reading Labor and Expense	16,062.35	32,641.00	16,578.65	50.8%
Accounting and Collection Labor and Expense	946,694.65	1,792,724.00	846,029.35	47.2%
Uncollectible Accounts	87,500.00	150,000.00	62,500.00	41.7%
Energy Audit Expense	289,026.29	630,232.00	341,205.71	54.1%
Administrative and General Salaries	553,552.59	1,134,674.00	581,121.41	51.2%
Office Supplies and Expense	158,803.42	349,000.00	190,196.58	54.5%
Outside Services	296,093.84	418,100.00	122,006.16	29.2%
Property Insurance	173,471.16	424,500.00	251,028.84	59.1%
Injuries and Damages	35,995.54	57,215.00	21,219.46	37.1%
Employee Pensions and Benefits	2,283,236.68	2,922,673.00	639,436.32	21.9%
Miscellaneous General Expense	85,161.52	217,956.00	132,794.48	60.9%
Rent Expense	100,569.81	212,000.00	111,430.19	52.6%
Energy Conservation	399,781.08	871,575.00	471,793.92	54.1%
Total Operations Expenses	6,851,293.93	12,106,384.00	5,255,090.07	43.4%
Maintenance Expenses:				
Transmission Plant	3,213.58	3,000.00	(213.58)	(7.1%)
Structures and Equipment	273,861.81	414,599.00	140,737.19	33.9%
Lines - Overhead	1,130,871.43	2,044,499.00	913,627.57	44.7%
Lines - Underground	189,480.78	125,066.00	(64,414.78)	(51.5%)
Line Transformers	20,112.89	300,000.00	279,887.11	93.3%
Street Lights and Signal Systems	70,089.24	10,287.00	(59,802.24)	(581.3%)
Garage and Stockroom	297,081.86	590,523.00	293,441.14	49.7%
Meters		44,658.00	44,658.00	100.0%
General Plant	182,262.45	180,000.00	(2,262.45)	(1.3%)
Total Maintenance Expenses	2,166,974.04	3,712,632.00	1,545,657.96	41.6%
Other Operating Expenses:				
Depreciation	2,392,429.69	4,134,000.00	1,741,570.31	42.1%
Purchased Power Fuel Expense	20,087,288.22	33,174,492.00	13,087,203.78	39.4%
Voluntary Payments to Towns	821,372.00	1,445,420.00	624,048.00	43.2%
Total Other Expenses	23,301,089.91	38,753,912.00	15,452,822.09	39.9%
Operating Income	4,688,054.91	5,463,064.00	775,009.09	14.2%
Non Operating Revenues (Expenses):				
Contribution in Aid of Construction		150,000.00	150,000.00	100.0%
Return on Investment to Reading	(1,391,056.33)	(2,534,668.00)	(1,143,611.67)	45.1%
Interest Income	85,118.76	125,000.00	39,881.24	31.9%
Interest Expense	(3,108.30)	(2,100.00)	1,008.30	(48.0%)
Other	458,880.70	740,000.00	281,119.30	38.0%
Total Non Operating Revenues (Expenses)	(850,165.17)	(1,521,768.00)	(671,602.83)	44.1%
Net Income	3,837,889.74	3,941,296.00	103,406.26	2.6%

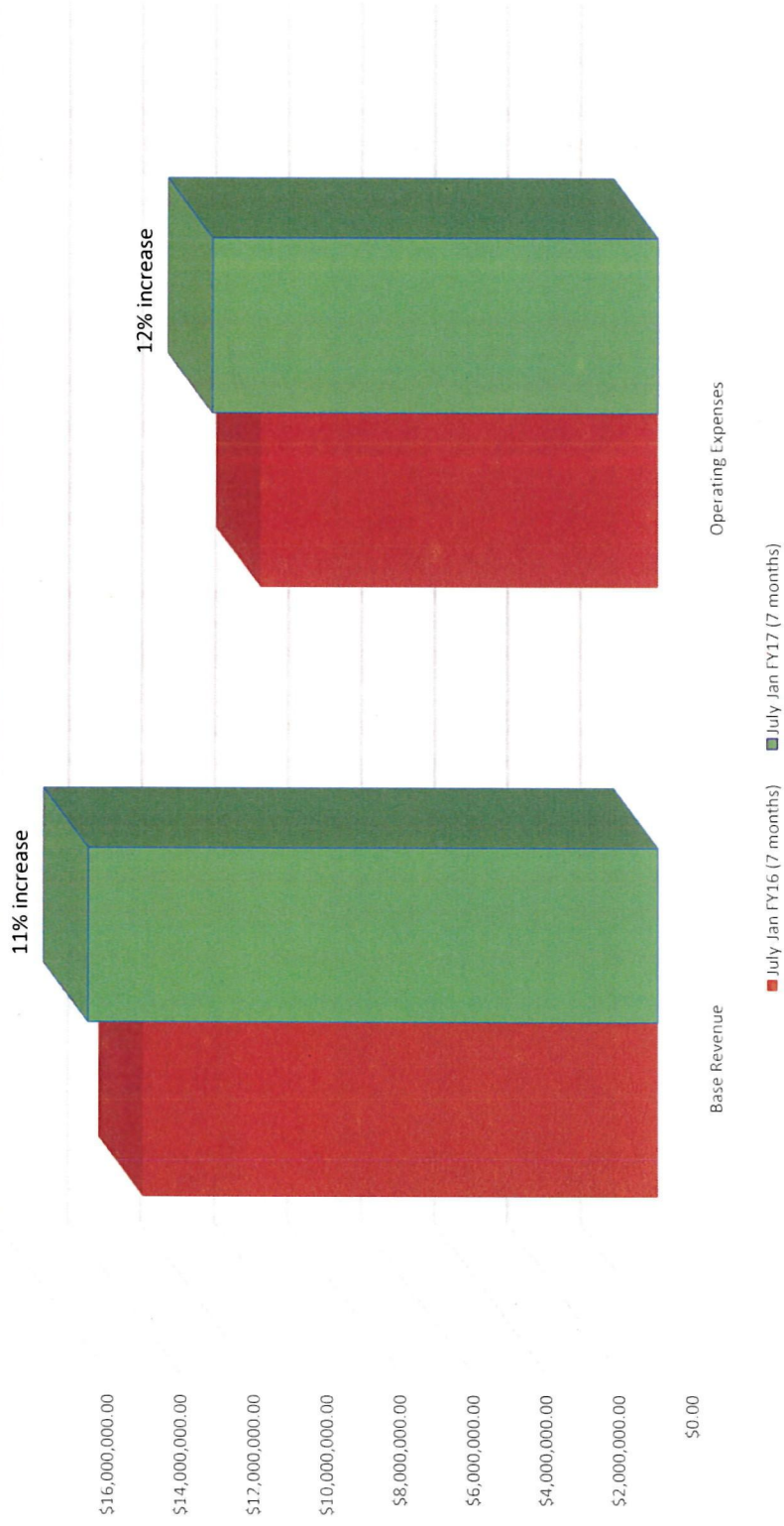
FINANCIAL REPORT

JANUARY 31, 2017

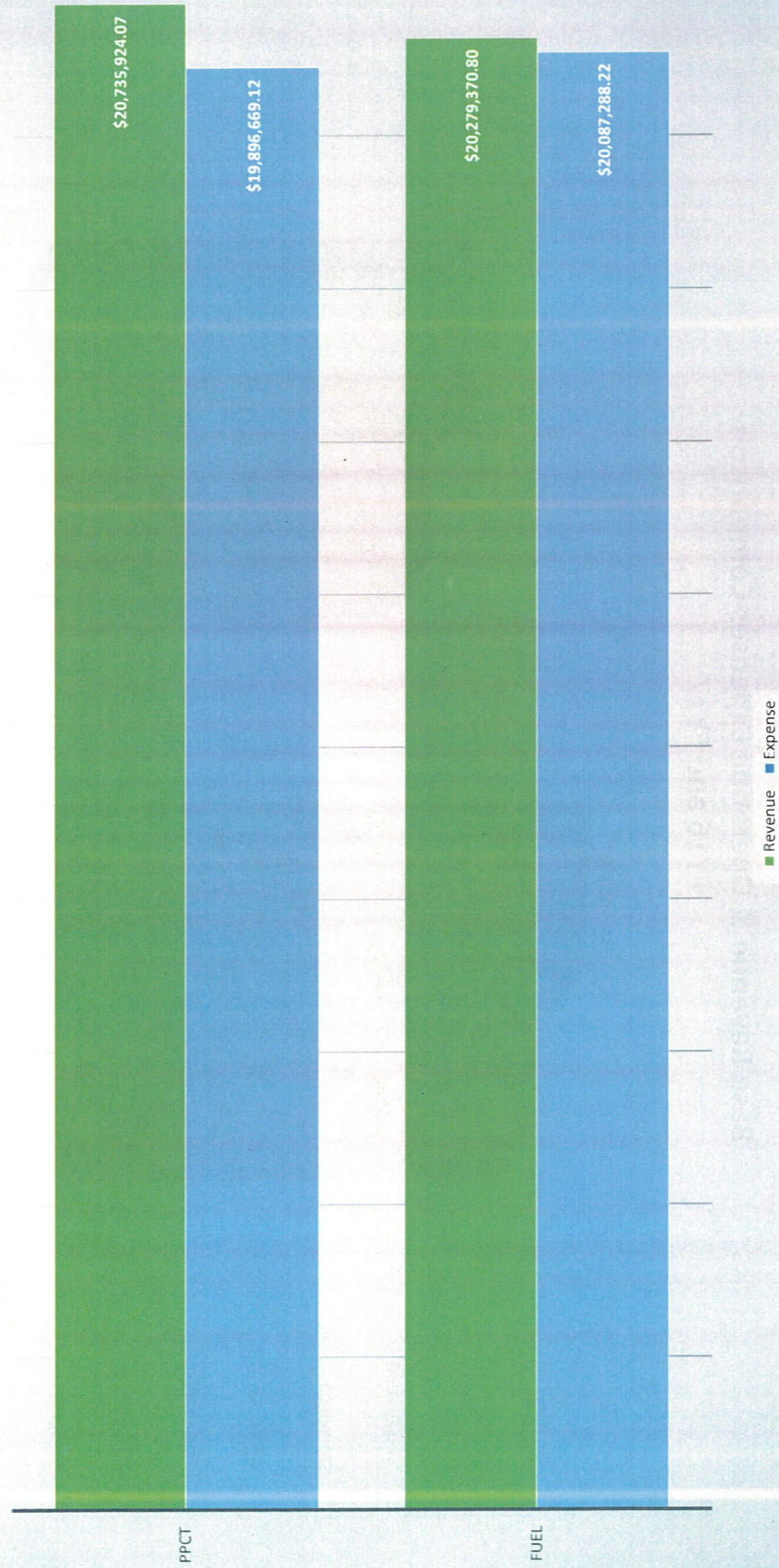
Accounts Receivable Aging by Months



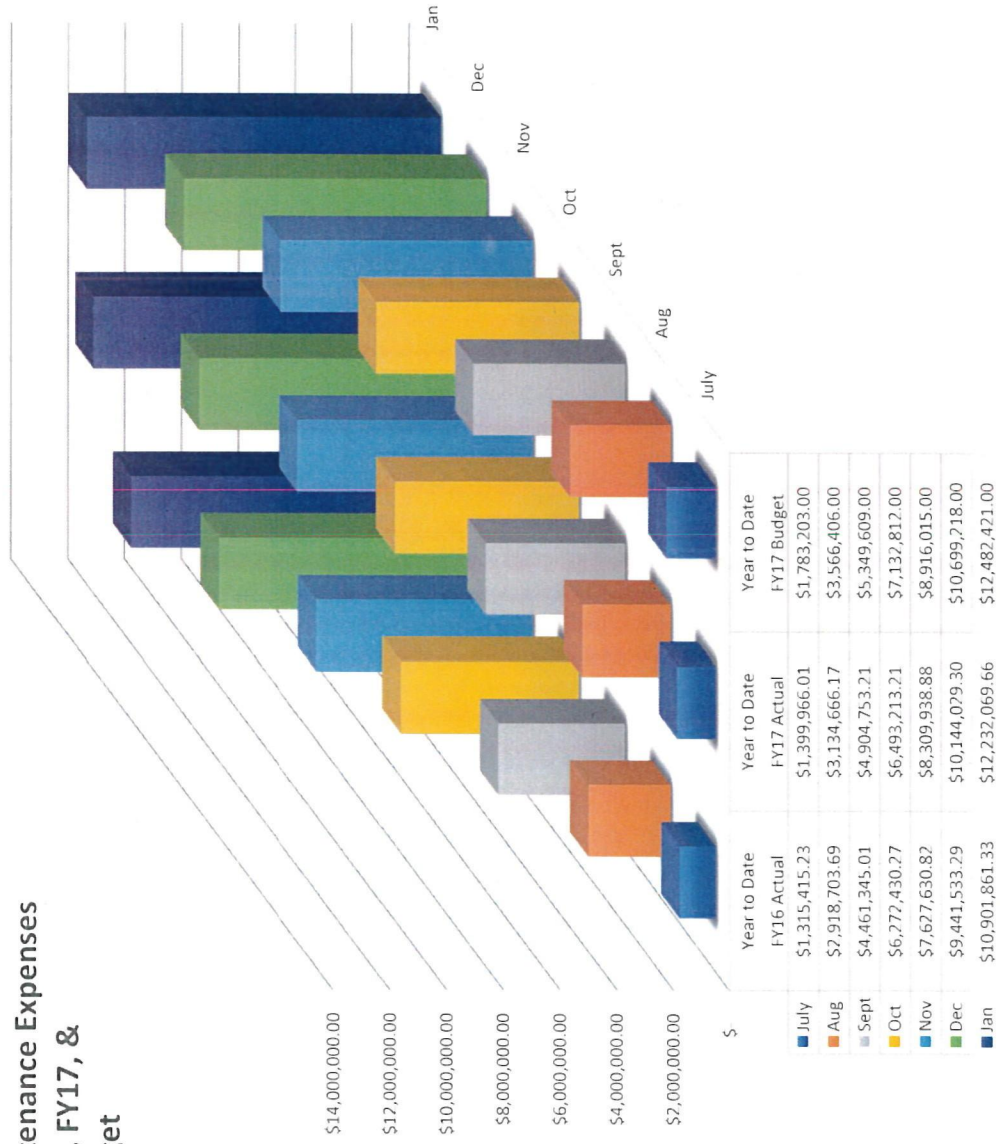
Base Revenue & Operating Expenses Comparison FY16 and FY17



PPCT and Fuel Revenue and Expenses
July-Jan FY17 (7 months)



YTD Operating and Maintenance Expenses Comparing FY16, FY17, & FY17 Budget



READING MUNICIPAL LIGHT DEPARTMENT

FOR PERIOD ENDING JANUARY 2017

PROJ	DESCRIPTION	TOWN	ACTUAL COST	YTD ADDITIONS	ANNUAL BUDGET	REMAINING BALANCE
CONSTRUCTION:						
106	Underground Facilities Upgrades (URD's, Manholes, etc)	ALL	1,934	264,915	149,965	(114,950)
107	13.8kV Upgrade (Step-down areas, etc)	ALL	-	4,909	105,748	100,839
	SUB-TOTAL		1,934	269,824	255,713	(14,111)
STATION UPGRADES:						
108	Station 4 (GAW) Relay Replacement Project	R	864	102,709	48,904	(53,805)
109	Station 4 35kV Potential Transformer Replacement	R	-	57	-	(57)
110	4W9 Getaway Replacement-Station 4	R	-	-	234,747	234,747
111	Substation Equipment Upgrade (all)	ALL	-	-	74,590	74,590
113	Station 4 (GAW) Battery Bank Upgrade	R	-	24,000	17,037	(6,963)
120	Station 4 - Relay/SCADA Integration for Bus A&B	R	-	24,261	70,308	46,047
130	Station 3 - Remote Terminal Unit (RTU) Replacement	NR	-	-	39,330	39,330
133	Station 3 - Relay Upgrades and SCADA Integration	NR	153,697	248,995	252,225	3,230
139	Station 5 - LTC Control Replacement	W	6,187	6,187	41,543	35,356
140	Substation Grounding Equipment Upgrade	ALL	-	-	20,671	20,671
	SUB-TOTAL		160,748	406,209	799,355	393,146
NEW CUSTOMER SERVICES:						
	New Service Installations (Commercial / Industrial)	ALL	6,929	69,743	139,570	69,827
	SUB-TOTAL		6,929	69,743	139,570	69,827
ROUTINE CONSTRUCTION:						
		ALL	158,863	1,062,014	1,012,962	(49,052)
SPECIAL PROJECTS / CAPITAL PURCHASES:						
100	Distributed Gas Generation (Plot FY16-17)	ALL	43,132	86,307	2,720,409	2,634,102
102	Padmount Switchgear Upgrade at Industrial Parks	W	2,286	2,286	194,518	192,232
103	Grid Modernization and Optimization	ALL	79,693	204,032	284,000	79,968
105	New Wilmington Sub-Station	W	-	-	250,000	250,000
112	AMI Mesh Network Expansion	ALL	20,349	125,394	220,021	94,627
115	Fault Indicators	ALL	-	1,340	25,000	23,660
116	Transformers and Capacitors	ALL	-	9,102	668,000	658,898
117	Meter Purchases	ALL	12,096	28,236	80,000	51,764
125	GIS	ALL	134,595	134,595	360,000	225,405
126	Communication Equipment (Fiber Optic)	ALL	-	7,064	69,173	62,109
131	LED Street Light Implementation	ALL	61,737	430,271	804,070	373,799
134	Substation Test Equipment	ALL	-	14,270	30,000	15,730
135	Analog Devices Cap Bank Upgrade	W	-	-	54,188	54,188
136	Voltage Data Recorders	ALL	-	-	25,000	25,000
	SUB-TOTAL		353,888	1,042,896	5,784,379	4,741,483
OTHER CAPITAL PROJECTS:						
96	Control Center Modifications	ALL	-	-	100,000	100,000
97	HVAC Roof Units - Garage	R	-	44,484	-	(44,484)
98	Carpet Upgrade	R	-	8,430	71,653	63,223
99	Electric Vehicle Supply Equipment	ALL	-	1,303	10,000	8,697
104	RMLD Lighting (LED) Upgrade	-	-	-	25,000	25,000
118	Rolling Stock Replacement	ALL	22,606	53,083	310,000	256,917
119	Security Upgrades All Sites	ALL	-	34,684	5,000	(29,684)
121	HVAC System Upgrade - 230 Asn Street	R	51,765	519,550	500,000	(19,550)
127	Hardware Upgrades	ALL	5,943	63,021	112,065	49,041
128	Software and Licensing	ALL	16,500	29,187	230,519	201,333
129	Master Facilities Site Plan	R	-	-	50,000	50,000
	SUB-TOTAL		96,814	753,741	1,414,237	660,496
TOTAL CAPITAL BUDGET			\$ 779,176	\$ 3,604,426	\$ 9,406,216	\$ 5,801,790



Engineering & Operations Report

RMLD Board of Commissioners Meeting

March 23, 2017

January 2016 Reporting Period

Hamid Jaffari, Director of Engineering & Operations

Capital Improvement Projects

Construction Projects:		% Complete Status	DEC	YTD
100	Distributed Gas Generator Pilot	15%	\$43,132	\$86,307
106	Underground Facilities Upgrades (URDs, Manholes, etc.) - All Towns • Crestwood Road, North Reading	On-going	\$1,934	\$264,916
133	Station 3: Relay Upgrades and SCADA Integration	15%	\$153,697	\$248,995
139	Station 5: LTC Control Replacement	20%	\$6,187	\$6,187
	Service Installations – Residential and Commercial: This item includes new or upgraded overhead and underground services.	On-going	\$6,929	\$69,743
103	Grid Modernization and Optimization	On-Going	\$79,693	\$204,032
112	AMI Mesh Network Expansion	On-going	\$20,349	\$125,394
117	Meter Purchases	n/a	\$12,096	\$28,236
125	GIS	40%	\$134,594	\$134,594
131	LED Street Light Conversion	61.5%	\$61,737	\$430,271

Routine Construction

	JAN	YTD
Pole Setting/Transfers	\$44,577	\$203,275
Overhead/Underground	\$10,155	\$265,038
Projects Assigned as Required <ul style="list-style-type: none"> Solar Project 326 Ballardvale Street, Wilmington AT&T Appl, Wilmington Lighttower, 600 Research Drive, Wilmington 	\$19,059	\$133,271
Pole Damage/Knockdowns - Some Reimbursable <ul style="list-style-type: none"> Work was done to repair or replace seven (7) poles. 	\$15,190	\$76,286
Station Group	\$59,789	\$168,019
Hazmat/Oil Spills	-	\$5,296
Porcelain Cutout Replacement Program	-	-
Lighting (Street Light Connections)	-	\$15,444
Storm Trouble	\$4,685	\$17,981
Underground Subdivisions (new construction)	-	\$45,828
Animal Guard Installation	-	\$795
Miscellaneous Capital Costs	\$5,410	\$130,781
TOTAL:	<u>\$158,863</u>	<u>\$1,062,014</u>

Routine Maintenance

► Transformer Replacement (through January 2017)

Pad mount 25.39%

Overhead 16.08%

► Pole Inspection (as of 3/10/17)

219 poles have been replaced

123 of 219 transfers have been completed

► Quarterly Inspection of Feeders (as of 3/10/17)

Inspected circuits (Jan-Mar): 3W5, 3W6, 3W7, 3W8, 3W13, 3W14, 3W15, 3W18, 4W4, 4W5, 4W6, 4W7, 4W9, 4W23, 4W24, 5W9, 4P9, 4P2

► Manhole Inspection (through January 2017)

961 of 1,237 manholes have been inspected.

► Porcelain Cutout Replacements (through January 2017)

91% complete

256 remaining to be replaced

► Tree Trimming

January: 105 spans trimmed

YTD: 756 spans trimmed

► Substation Maintenance

Infrared Scanning – January complete - no hot spots found

Double Poles

Ownership: 16,000 (approximately)

50% RMLD

50% Verizon

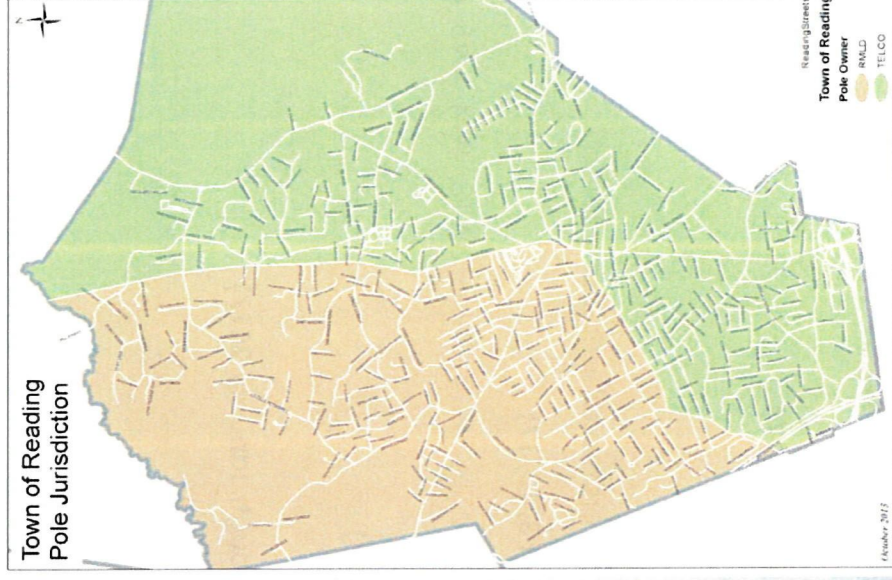
Custodial:

Reading – split (see map)

North Reading – RMLD

Lynnfield – Verizon

Wilmington – Verizon



NJUNS

"Next to Go" as of March 11, 2017

READING

NTG Member and JobType	Count of Ticket	Count of Ticket
<input type="checkbox"/> CMCTNR	9	9
<input type="checkbox"/> Comcast		
<input type="checkbox"/> TRANSFER		
<input type="checkbox"/> LTPMA	1	1
<input type="checkbox"/> Lighttower Fiber Networks		
<input type="checkbox"/> TRANSFER	1	1
<input type="checkbox"/> NP3PMA	11	11
<input type="checkbox"/> Non-participating 3rd Party Attacher - Massachusetts		
<input type="checkbox"/> TRANSFER	11	11
<input type="checkbox"/> RDNGFD	8	8
<input type="checkbox"/> Reading Fire Department		
<input type="checkbox"/> TRANSFER	8	8
<input type="checkbox"/> RMLD	50	50
<input type="checkbox"/> Reading Municipal Light Department		
<input type="checkbox"/> TRANSFER	23	23
<input type="checkbox"/> PULL POLE	27	27
<input type="checkbox"/> VZNEFR	1	1
<input type="checkbox"/> Verizon		
<input type="checkbox"/> TRANSFER	1	1
<input type="checkbox"/> VZNEA	111	111
<input type="checkbox"/> Verizon		
<input type="checkbox"/> TRANSFER	107	107
<input type="checkbox"/> PULL POLE	4	4
<input type="checkbox"/> (blank)		
Grand Total	191	191

NORTH READING

NTG Member and JobType	Count of Ticket
<input type="checkbox"/> CMCTNR	3
<input type="checkbox"/> Comcast	
<input type="checkbox"/> TRANSFER	3
<input type="checkbox"/> NGMA	1
<input type="checkbox"/> National Grid	
<input type="checkbox"/> TRANSFER	1
<input type="checkbox"/> NP3PMA	1
<input type="checkbox"/> Non-participating 3rd Party Attacher - Massachusetts	
<input type="checkbox"/> TRANSFER	1
<input type="checkbox"/> NRDGFD	44
<input type="checkbox"/> North Reading Fire Department	
<input type="checkbox"/> TRANSFER	44
<input type="checkbox"/> RMLD	121
<input type="checkbox"/> Reading Municipal Light Department	
<input type="checkbox"/> TRANSFER	13
<input type="checkbox"/> PULL POLE	108
<input type="checkbox"/> VZNEFR	23
<input type="checkbox"/> Verizon	
<input type="checkbox"/> TRANSFER	15
<input type="checkbox"/> PULL POLE	8
<input type="checkbox"/> (blank)	
Grand Total	193

LYNNFIELD

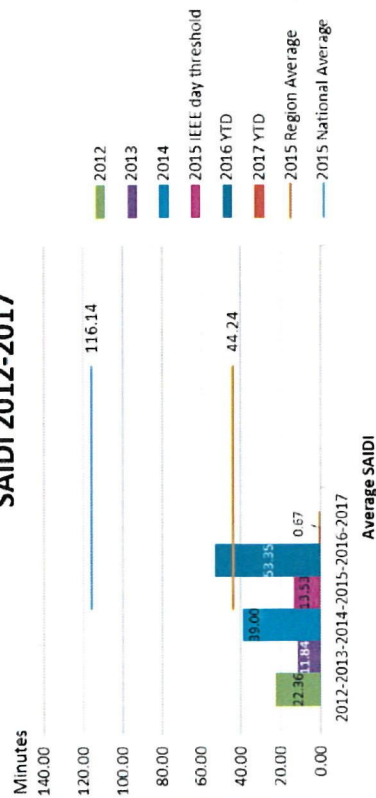
NTG Member and JobType	Count of Ticket
<input type="checkbox"/> LFLDFD	3
<input type="checkbox"/> Lynnfield Fire Department	
<input type="checkbox"/> TRANSFER	3
<input type="checkbox"/> RMLD	1
<input type="checkbox"/> Reading Municipal Light Department	
<input type="checkbox"/> TRANSFER	1
<input type="checkbox"/> VZNEA	14
<input type="checkbox"/> Verizon	
<input type="checkbox"/> TRANSFER	8
<input type="checkbox"/> PULL POLE	6
<input type="checkbox"/> (blank)	
Grand Total	18

WILMINGTON

NTG Member and JobType	Count of Ticket
<input type="checkbox"/> CMCTNR	3
<input type="checkbox"/> Comcast	
<input type="checkbox"/> TRANSFER	3
<input type="checkbox"/> NP3PMA	7
<input type="checkbox"/> Non-participating 3rd Party Attacher - Massachusetts	
<input type="checkbox"/> TRANSFER	7
<input type="checkbox"/> RMLD	64
<input type="checkbox"/> Reading Municipal Light Department	
<input type="checkbox"/> TRANSFER	59
<input type="checkbox"/> PULL POLE	4
<input type="checkbox"/> INSTL GUY	1
<input type="checkbox"/> VZNEFR	71
<input type="checkbox"/> Verizon	
<input type="checkbox"/> TRANSFER	55
<input type="checkbox"/> ATTACH	1
<input type="checkbox"/> PULL POLE	15
<input type="checkbox"/> WLMFIB	3
<input type="checkbox"/> Town of Wilmington	
<input type="checkbox"/> TRANSFER	3
<input type="checkbox"/> WMGNFD	72
<input type="checkbox"/> Wilmington Fire Department	
<input type="checkbox"/> TRANSFER	72
<input type="checkbox"/> (blank)	
Grand Total	220

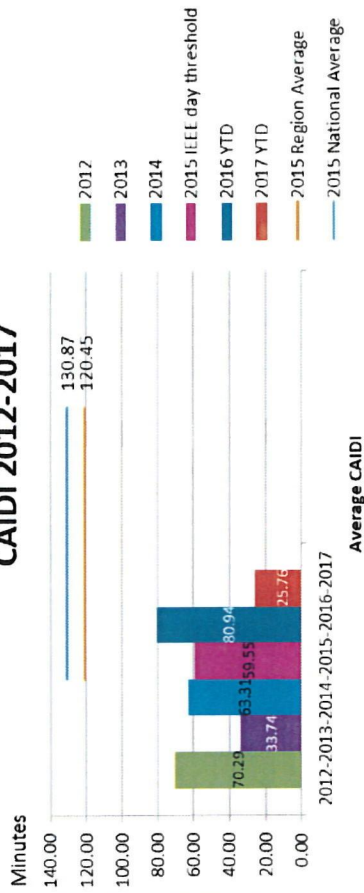
RMLD Reliability Indices

SAIDI 2012-2017



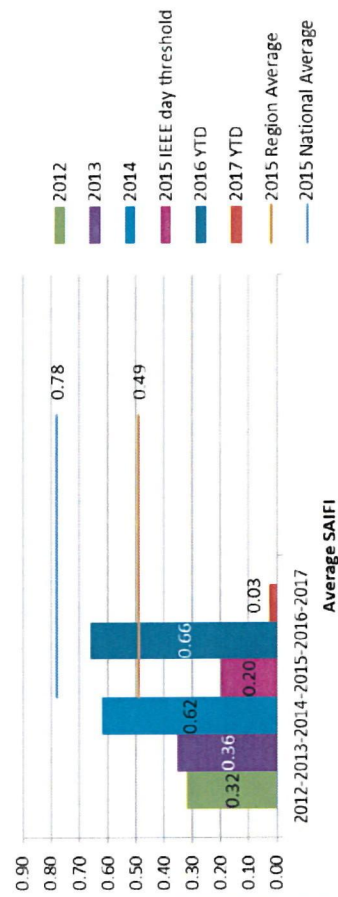
$$SAIDI \text{ (Minutes)} = \frac{\text{Total Duration of Customer Interruptions}}{\text{Total Number of Customers Served}}$$

CAIDI 2012-2017



$$CAIDI \text{ (Minutes)} = \frac{\text{Total Duration of Customer Interruptions}}{\text{Total Number of Customers Interruptions}}$$

SAIFI 2012-2017

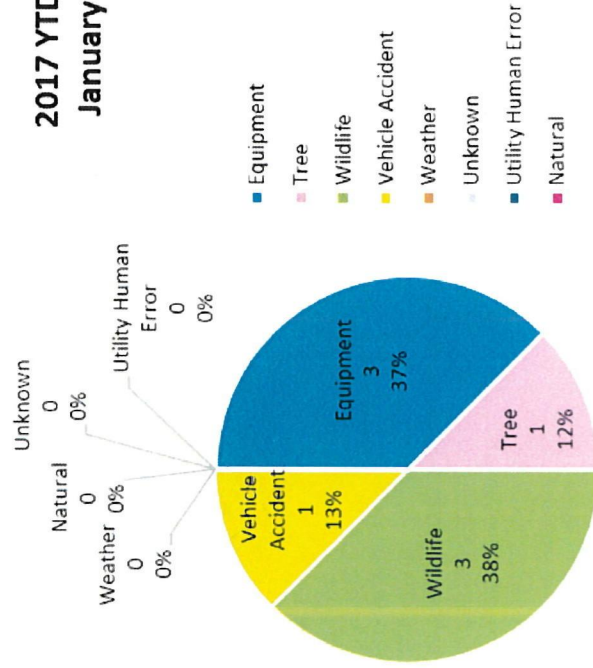


$$SAIFI = \frac{\text{Total Number of Customer Interruptions}}{\text{Total Number of Customers Served}}$$

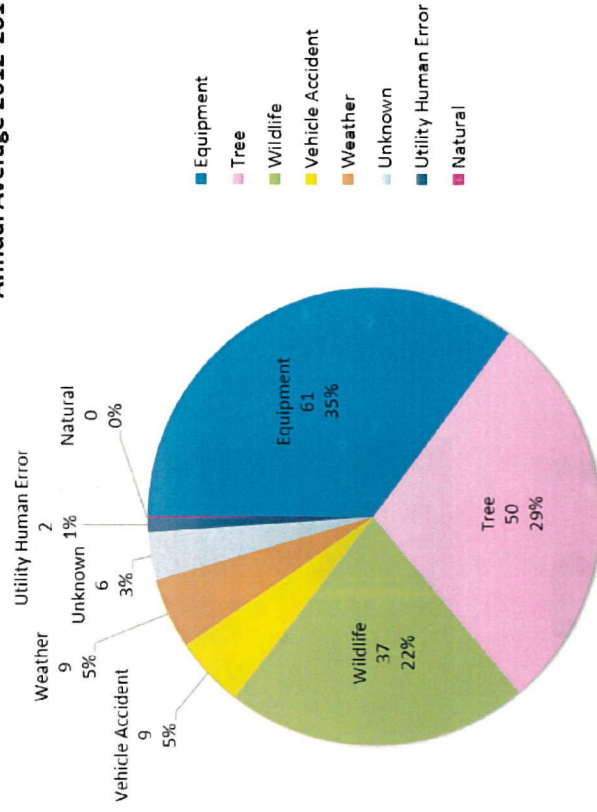
Outages Causes

Outages Causes YTD (from eReliability website)

**2017 YTD
January**



Annual Average 2012-2017



Questions ?





230 Ash Street
P.O. Box 150
Reading, MA 01867-0250

Tel: (781) 944-1340
Fax: (781) 942-2409
Web: www.rml.com

March 9, 2017

Town of Reading Municipal Light Board

Subject: IFB 2017-35 Distributed Generation Site Work

Pursuant to M.G.L. c. 30 § 39M, on February 15, 2017, a bid invitation for bid was placed as a legal notice in the Middlesex East section of the Daily Times Chronicle and on the ECNE (Energy Council of the Northeast) website requesting sealed bids for Distributed Generation Site Work.

An invitation for bid was sent to the following fifty-one companies:

Blue Diamond	Botti Co. Inc.	Caruso and McGovern
Cella Construction Co. LLC	ConstructConnect	Construction Journal
CRL, Inc.	Dec Corp (for Power Line Contractors, Inc.)	
Digitalogic via ECNE	Dowling Corporation	East Coast Developments, Inc.
Eaton's Cooper Power Systems Business		Edward Paige Corp. ElectriComm, Inc.
Fischbach & Moore	G Lopes Construction	InSite Contracting, Inc.
James Lynch Construction	Joseph Bottico, Inc.	K & R Construction Co. LLC
KOBO Utility Construction Corp.	LaRovere Design/Build Corp.	LIG Consultants
M.Keane Excavating Inc.	Mattuchio Construction	McLaughlin Bros. Contracting Corp.
Meninno Construction	Methuen Construction	MJS Construction, Inc.
Murphy & Fahy Construction Co., Inc.	NEDP	ONVIA
Ostrow Electric Company	PM Zilioli, Inc.	Power Line Contractors, Inc.
Project Dog	R.H White	R.S. Hurford Co., Inc.
Robinson Sales, Inc.	Rotondi Construction	Site Improvements, Inc.
Strength in Concrete, LLC	SumCo Eco Contracting	Systems Electrical Services Inc
T Ford Company	Target Construction	Tasco Construction, Inc.
The Ryan Company	Tim Zanelli Excavating	Tro-Con Corporation
Ventresca, Inc.	W.L. French	

Sealed bids were received from seven companies: Cella Construction Co, LLC, CRL, Inc., MJS Construction, Inc., SumCo Eco Contracting, T Ford Company, Tasco Construction, Inc. and Tim Zanelli Excavating.

The sealed bids were publicly opened and read aloud at 11:00 a.m., March 8, 2017, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS
230 Ash Street, P.O. Box 150
Reading, MA 01867-0250

The bids were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that bid 2017-35 for: Distributed Generation Site Work be awarded to: **Tim Zanelli Excavating for \$214,969** as the lowest responsible and eligible bidder on the recommendation of the General Manager.

The FY17 Capital Budget amount for this item is \$205,875.



Hamid Jaffari



Coleen O'Brien

Distributed Generation Site Work
IFB 2017-35

Bidder	<u>Total Price</u>	<u>Meet Specification requirement</u>	<u>Firm Price</u>	<u>All forms filled out</u>	<u>Certified Check or Bid Bond</u>	<u>Exceptions to stated bid requirements</u>	<u>Authorized signature</u>
Tim Zanelli Excavating	\$214,969.00	yes	yes	yes	yes	no	yes
T-Ford	\$252,100.00	yes	yes	yes	yes	no	yes
Cella Construction Co., LLC	\$258,850.00	yes	yes	yes	yes	no	yes
MJS Construction	\$283,420.00	yes	yes	yes	yes	no	yes
SumCo Eco-Contracting, LLC	\$285,000.00	yes	yes	yes	yes	no	yes
Tesco Construction, Inc.	\$287,000.00	yes	yes	yes	yes	no	yes
CRL, Inc.	\$289,000.00	yes	yes	yes	yes	no	yes

From: [Tracy Schultz](#)
To: [RMLD Board Members Group](#)
Cc: [Jeanne Foti](#)
Subject: AP Warrant and Payroll
Date: Friday, March 17, 2017 7:09:00 AM

Good morning,

There were no Account Payable Warrant questions for the following dates:
February 17, February 24, March 3, and March 10.

There were no Payroll questions for the following dates:
February 27 and March 6.

This message will be included in the Board Packet for the RMLD Board Meeting on
Thursday March 23, 2017.

Tracy Schultz

Executive Assistant
Reading Municipal Light Department
230 Ash Street
Reading, MA 01867
Tel: (781) 942-6489
Ext: 489

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

March-17

	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	\$113.69	\$195.90	\$138.62	\$1,020.73	\$201.20	\$4,744.25	\$746,869.38
PER KWH CHARGE	\$0.15158	\$0.13060	\$0.13862	\$0.13983	\$0.18630	\$0.13555	\$0.10856
NATIONAL GRID							
TOTAL BILL	\$152.26	\$359.49	\$188.73	\$2,052.32	\$312.15	\$5,877.72	\$1,646,658.27
PER KWH CHARGE	\$0.20301	\$0.23966	\$0.18873	\$0.28114	\$0.28903	\$0.16793	\$0.23935
% DIFFERENCE	33.93%	83.51%	36.15%	101.06%	55.14%	23.89%	120.47%
EVERSOURCE(NSTAR)							
TOTAL BILL	\$143.50	\$253.51	\$189.19	\$1,233.41	\$204.73	\$6,692.17	\$882,679.70
PER KWH CHARGE	\$0.19133	\$0.16901	\$0.18919	\$0.16896	\$0.18956	\$0.19120	\$0.12830
% DIFFERENCE	26.22%	29.41%	36.48%	20.84%	1.75%	41.06%	18.18%
PEABODY MUNICIPAL LIGHT PLANT							
TOTAL BILL	\$89.37	\$177.53	\$120.42	\$988.74	\$156.46	\$4,883.88	\$672,615.67
PER KWH CHARGE	\$0.11916	\$0.11835	\$0.12042	\$0.13544	\$0.14487	\$0.13954	\$0.09777
% DIFFERENCE	-21.39%	-9.37%	-13.13%	-3.13%	-22.24%	2.94%	-9.94%
MIDDLETON MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$98.74	\$201.66	\$132.75	\$959.51	\$168.44	\$4,762.93	\$807,171.40
PER KWH CHARGE	\$0.13165	\$0.13444	\$0.13275	\$0.13144	\$0.15596	\$0.13608	\$0.11733
% DIFFERENCE	-13.15%	2.94%	-4.24%	-6.00%	-16.29%	0.39%	8.07%
WAKEFIELD MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$119.24	\$220.92	\$149.38	\$1,129.79	\$180.88	\$5,298.08	\$887,163.30
PER KWH CHARGE	\$0.15898	\$0.14728	\$0.14938	\$0.15477	\$0.16749	\$0.15137	\$0.12896
% DIFFERENCE	4.88%	12.77%	7.76%	10.68%	-10.10%	11.67%	18.78%