

Reading Municipal Light Board of Commissioners
Executive Session
230 Ash Street
Reading, MA 01867
December 1, 2004

Start Time of Executive Session: 9:28 p.m.
End Time of Executive Session: 9:55 p.m.

Attendees:

Commissioners: Pacino, Soli, Herlihy and Kearns
RMLD Staff: Mr. Cameron

Calpine Negotiations Update

Mr. Cameron updated the Board on the status of the Calpine negotiations.

Mr. Cameron refreshed the Board by informing them that he, Ms. Parenteau and Mr. Seldon, in conjunction with RMLD's counsel Ken Barna of Rubin and Rudman, had met with representatives from Calpine a few weeks ago at the RMLD. Mr. Cameron explained that, since this meeting, Calpine has been in contact with the Department. The subsequent offer proposed by Calpine is not satisfactory to the Department. Mr. Cameron found this offer disappointing. A letter was sent to Calpine requesting them to send the remainder of the information requested by the Department.

The Board discussed strategy on this matter. It was the consensus of the Board to do nothing at this time. They would like the information the Department requested to be delivered..

Mr. Herlihy made a motion seconded by Mr. Soli to put the motion made at the November 10, 2004 Executive Session meeting be put back on the table.

Motion carried 4:0:0.

Mr. Herlihy made a motion seconded by Mr. Soli that the RMLD Board of Commissioners instructs the General Manager to execute the waiver to Article 15 of the Calpine contract and let Calpine show the contract to one third party. This procedural motion was made in order to record the feelings of the Board in this matter.

Motion failed 0:4:0.

Seabrook Update

Mr. Cameron updated the Board on the Department's current status with Seabrook. Mr. Cameron met last week with the General Managers of Light Departments in West Boylston, Hingham and Braintree in which they discussed the possibility of trying to sell their interest in Seabrook to Florida Power and Light, the owners of the Seabrook Nuclear Plant. Mr. Cameron explained the Power Sales Agreement (PSA's) from Seabrook was negotiated by MMWEC in the late 1970's. Selling Seabrook may reduce the Department's power supply costs because of the high capital cost of Seabrook and the Administrative and General costs MMWEC imposes on the Department through the PSA's.

The Board addressed concerns relative to the tax-exempt bonds if Florida Power and Light were to buy out the Department's interest in Seabrook.

Motion to Adjourn

At 9:55 p.m. Mr. Soli made a motion seconded by Mr. Pacino to return to Regular Session.

Motion carried 4:0:0.

Mr. Pacino called for a poll of the vote:

Mr. Soli Aye; Mr. Herlihy, Aye; Mr. Pacino, Aye; and Ms. Kearns, Aye.

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

Andrew K. Herlihy, Secretary Pro Tem
RMLD Board of Commissioners