

**Reading Municipal Light Board of Commissioners**  
**Executive Session**  
**230 Ash Street**  
**Reading, MA 01867**  
**October 26, 2011**

**Start Time of Regular Session: 8:45p.m.**  
**End Time of Regular Session: 9:15 p.m.**

**Attendees:**

**Commissioners:**

**Richard Hahn, Chairman**  
**Mary Ellen O'Neill, Secretary**  
**Gina Snyder, Commissioner**

**Philip B. Pacino, Vice Chair**  
**Robert Soli, Commissioner**

**Staff:**

**Vinnie Cameron, General Manager**

**MMWEC Arbitration Update**

Mr. Cameron updated the Board on the recent events surrounding the MMWEC arbitration and the Power Sales Agreements (PSAs). Mr. Cameron said that he and Mr. Pacino were initially being deposed on October 31, 2011, however, that date has been rescheduled. Mr. Cameron explained that his original estimate of Outside Services for the General Manager Division in the FY12 budget was \$50,000, which was based on settling the arbitration in late summer or early fall. Attempts at settlement by Mr. Cameron and others in the group (Hingham, Danvers, Middleton, Georgetown, Littleton, and Braintree) have been unsuccessful. Mr. Cameron said that he needed another \$100,000 in his Outside Services budget for the arbitration going the full route.

Mr. Cameron stated that since 2008 through the present the RMLD had spent \$222,000 on outside services in the arbitration, including legal services and Melanson and Heath consultants. Mr. Cameron said that he has calculated that the RMLD has saved approximately \$225,000 in 2008 and 2009 in the PSAs through decreases in direct and indirect labor billings. The savings were calculated based on MMWEC data. Mr. Cameron said that these savings are linked to the arbitration case actions. Mr. Cameron cautioned that the savings he has seen in 2008 and 2009 could be reversed. The RMLD and others in the group need to find a solution to controlling the labor charged to the PSAs in the future and that is why the arbitration may go to hearing with no settlement. It is not in MMWEC's interest to settle and cap labor charges in the PSAs

Discussion followed.

Ms. O'Neill asked that Mr. Cameron mention this issue in his report at the next Regular Session meeting. Mr. Cameron agreed.

**NStar Radial Line Support Update**

Mr. Cameron said that he has been in discussions with legal counsel in Washington and Boston concerning the unrecovered transmission payments to NStar between 2003 and 2009. Mr. Cameron reported that when this issue came up he had discussions with John Coyle of Duncan and Allen. Mr. Coyle didn't think there was a legal argument to be made that could be used either at the FERC or in court to recoup the unrecovered funds. Mr. Cameron and Ms. Parenteau had discussions over this issue and decided to have a conference call with Rubin and Rudman and Duncan and Allen concerning the prospect of litigation for the unrecovered transmission payments. The sense of the conference call was that litigation would be unsuccessful given the language in Rate 125. Mr. Cameron has decided to set up a meeting with NStar to discuss the issue with them directly.

**Adjournment**

At 9:15 p.m. Mr. Soli made a motion seconded by Ms. O'Neill to adjourn the Regular Session.

**Motion carried 5:0:0.**

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

Mary Ellen O'Neill, Secretary  
RMLD Board of Commissioners