

Reading Municipal Light Board of Commissioners
Executive Session
230 Ash Street
Reading, MA 01867
June 27, 2007

Start Time of Executive Session: 9:00 p.m.
End Time of Executive Session: 10:30 p.m.

Commissioners:

Ellen Kearns, Chair
Mary Ellen O'Neill, Secretary
Robert Soli

Richard Hahn, Vice Chair
Philip Pacino

Staff:

Peter Dion, Energy and Operations Manager
Jeanne Foti, Executive Assistant
Patricia Mellino, Operational Assistant
Mark Uvanni, MIS Manager

Beth-Ellen Antonio, Human Resources Manager
Robert Fournier, Accounting/Business Manager
Bill Seldon, Senior Energy Analyst

Power Supply Update

Mr. Seldon reported that Energy Services went out to bid last week on its power supply. The RMLD received pricing from six entities relative to firm, off and on peak energy, as well as heat rate power supply options. Firm, on peak power was procured from JP Morgan for the six-month period of November 2007 to April 2008. Because the heat rate product prices were more attractive, a heat rate index contract with Constellation was signed for 40 megawatts per month beginning in November 2007, decreasing in ten-megawatt increments annually until 2011. Since the execution of the contract with Constellation, Energy Services has exercised an option to lock in a portion of this heat rate contract, thereby achieving a lower price than originally quoted. Mr. Seldon explained that the Department is endeavoring to stick to its strategy of a diversified approach, which includes laddering and layering contracts and using more than one power supplier. He also noted that the Department has procured almost half of its power supply needs at this point.

Discussion followed on the gas prices and the need for a solid risk management strategy. Mr. Seldon informed the Board that he and Ms. Parenteau will be meeting in July with a risk management firm, RMI, to discuss developing a strategy for the RMLD to pursue with regard to gas pricing.

Data Security Update

Mr. Uvanni updated the Board on where the Department stands with its data security measures as well as what the potential vulnerabilities are that need to be addressed. The Department continues to ensure that its safeguards are monitored and updated on a regular basis. The Department will also be hiring an outside firm to conduct an external vulnerability audit.

Chair Kearns asked Mr. Uvanni to answer Mr. Soli's questions that he had presented via e-mail.

| Mr. Uvanni responded that he would answer Mr. Soli's questions and ensure that the Board receives this information also.

Update on Union Negotiations

Ms. Antonio updated the Board on the status of the Professional Management (IBEW Union) negotiations. She stated that management is currently at 10.25% over three years and the union is at 12%. The Board indicated to Ms. Antonio to continue with the direction they had previously determined during prior meetings which is not to exceed 11% over three years.

Approval of Minutes of April 25, 2007 Executive Board Meeting

Mr. Pacino made a motion seconded by Mr. Soli to approve the Executive Session meeting minutes of April 25, 2007 as presented.

Motion carried 5:0:0

Approval of Minutes of May 30, 2007 Executive Board Meeting

Mr. Pacino made a motion seconded by Ms. O'Neill to approve the Executive Session meeting minutes of May 30, 2007 as presented.

Motion carried 4:0:1. Mr. Soli voted against this motion.

Motion to Adjourn

At 10:30 p.m. Mr. Soli made a motion seconded by Mr. Hahn that the Board return to Regular Session for the sole purpose adjournment.

Motion carried 5:0:0.

Chair Kearns called for a poll of the vote:

Mr. Soli, Aye; Ms. O'Neill, Aye; Mr. Hahn, 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.

Mary Ellen O'Neill, Secretary
RMLD Board of Commissioners