

Reading Municipal Light Department (RMLD) Board of Commissioners
Power and Rate Committee
Regular Session
September 13, 2010

Start Time: 7:10 p.m.

End Time: 8:40 p.m.

Attendees:

Committee Members:

Messrs. Hahn, Soli and Ms. O'Neill

RMLD Commissioner:

Ms. Snyder

RMLD Staff:

Mr. Cameron, Ms. Parenteau and Mr. Seldon

Mr. Hahn called the meeting to order at 7:10 p.m. Mr. Hahn said that the Committee would take up Items 3 and 4 because Mr. Soli was not yet present at the meeting.

Concord Steam Project

Ms. Parenteau updated the Committee on the Concord Steam Project. Ms Parenteau stated that the project is still not fully subscribed, which is holding back progress on the project. The RMLD has had no activity on this project recently.

Discussion ensued.

Green House Gas Emissions

Mr. Seldon explained that the RMLD was required to file its non emitting power supply resources to the Massachusetts Department of Environmental Protection (MDEP). Mr. Seldon went onto explain that the non emitting resources include the RMLD's entitlements to the Millstone and Seabrook Nuclear power plants and the hydro power provided by the Power Authority of the State of New York. The energy provided by the non emitting resources makes approximately 17.0% of the RMLD's total energy requirements for the calendar year 2008.

Mr. Soli arrived at 7:29 pm. Mr. Hahn updated Mr. Soli about what had been discussed prior to his arrival.

Discussion ensued.

Cost of Service Study - School Rate

Mr. Hahn asked Mr. Soli to present and explain his concerns about the Cost of Service Study, which was circulated at the July RMLD Board Meeting.

Mr. Soli explained that the ISO-NE capacity charges should have been allocated in the most recent Cost of Service Study based on a one coincident peak demand allocator. Mr. Soli believes this to be true because Mr. Cameron had explained to him that the RMLD's Installed Capability Responsibility (ICR) is based on the RMLD portion of the ISO-NE annual peak demand. Mr. Soli went on to say that because all capacity and transmission charges are allocated using a twelve coincident peak allocator the school rate is 68.86% too high.

Discussion ensued.

Mr. Soli stated that he would like to see a complete explanation of each line item in the \$27 million power supply budget. Ms. Parenteau volunteered to prepare a written description of each item. There was also discussion of metering necessary to gather the data to be used in the cost of service study. Mr. Cameron said that information on a metering plan would be provided with the next budget.

Ms. O'Neill said that it would be a good idea for the Power and Rate Committee to meet six months prior to the next Cost of Service Study so the General Manager can present what would be included in the study. The Committee agreed.

Cost of Study Review of the Residential Time of Use Rate and Streetlight Rate

Mr. Cameron updated the committee about the need to revise the Residential Time of Use Rate and to increase the pricing differential between the Off-Peak and On-Peak periods. Ms. O'Neill asked if the Department was going to change the applicable hours associated with the periods. Mr. Cameron replied, no. Ms. O'Neill asked if the Department could look at the number of holidays that was associated with off-peak.

Mr. Cameron also informed the committee that he was going to examine the fixed costs associated with the street lights.

Motion to Adjourn

At 8:40 p.m. Ms. O'Neill made a motion seconded by Mr. Hahn to adjourn the meeting.

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

Motion carried 3:0:0.