

Reading Municipal Light Department (RMLD) Board of Commissioners
Power & Rate Committee
Regular Session
July 19, 2010

Start Time: 7:30 p.m.

End Time: 9:45 p.m.

Attendees:

Committee Members: Messrs. Hahn, Soli, and Ms. O'Neill

Citizens' Advisory Board Member: Mr. Vale

RMLD Staff: Mr. Cameron and Ms. Parenteau

Mr. Hahn called the meeting to order at 7:30 p.m. and stated that, at the request of the General Manager, the Committee takes up the Cost of Service Study after the presentation of the power supply issues.

Biomass Projects as Renewable Energy

Mr. Cameron stated that the Biomass Projects as a renewable energy resource was an issue the Board wanted to discuss. Ms. O'Neill said that she has concerns about the Concord Steam Project as well as the Manomet Study that was recently released. Ms. O'Neill stated that biomass generation may not be as beneficial as originally thought.

Concord Steam

Ms. Parenteau then updated the Committee on the Concord Steam Project.

Discussion followed.

It was the sense of the committee that the RMLD remain in negotiations with the principals of the Concord Steam project.

Behind the Meter Generation

Mr. Vale would like to discuss this issue to see if there were impediments to renewable energy projects locating in the RMLD service territory. Mr. Cameron explained how the RMLD meters its renewable projects.

Discussion followed.

Cost of Service Study

Mr. Soli commented that the Street Light Rate appeared to over recover by 55.9% and that concerns him. Mr. Soli commented that he received information from Mr. Cameron prior to the meeting and believes that the proposed rates are not cost of service because the demand charges in the commercial, industrial and school sectors do not recover the demand costs.

Discussion followed.

Mr. Cameron responded that the proposed rates are cost of service because they recover the cost assigned to each of the rate classes. What Mr. Soli believes to be cost of service is incorrect. If the RMLD rates were changed to recover the demand costs then the demand charges would have to increase 250%.

Discussion followed.

Ms. O'Neill stated that she would like Mr. Cameron to change the Residential Time of Use Rate in order that it is more attractive to customers. Mr. Cameron said that he would look into that after the new rates are filed. Ms. O'Neill said that she would also like Mr. Cameron to examine the street light rate after the proposed rates are filed. Mr. Cameron said that he would do that.

Ms. O'Neill made a motion seconded by Mr. Hahn to recommend the RMLD's FY 2011 Cost of Service as presented to the Power and Rate Committee.

Motion carried 2:1:0. Mr. Soli voted against this motion.

Motion to Adjourn

At 9:45 p.m. Ms. O'Neill made a motion seconded by Mr. Hahn to adjourn.

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

Motion carried 3:0:0.