



## Town of Reading Meeting Minutes

2018-09-22 LAG

### Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2020-08-20

Time: 6:30 PM

Building:

Location:

Address:

Session:

Purpose:

Version:

Attendees: **Members - Present:**

Mr. Dennis Kelley, Chair (Wilmington); Mr. Jason Small, Vice Chair (North Reading); Mr. George Hooper, Secretary (Wilmington); Mr. Vivek Soni (Reading) Mr. Joseph Markey (Lynnfield)

**Members - Not Present:**

**Others Present:**

Mr. Philip Pacino, Board of Commissioners  
Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Wendy Markiewicz, Mr. John McDonagh, Ms. Kathleen Rybak, Mr. Charles Underhill  
Public: Mr. James Satterthwaite, 8 Hunt Street, Reading; Mr. John Rogers, 39 Tower Hill Road, North Reading

**Minutes Respectfully Submitted By:** Mr. George Hooper, Secretary

*George Hooper*  
George Hooper (Apr 26, 2021 13:15 EDT)

### Topics of Discussion:

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20 THIS MEETING WAS HELD REMOTELY VIA ZOOM.

#### 1. Call Meeting to Order – D. Kelley, Chair

Chair Kelley called the meeting of the Citizens' Advisory Board to order at 6:30 PM and noted the meeting was being audio recorded.

#### 2. Approval of Minutes – D. Kelley, Chair

*Materials: Draft Minutes from December 19, 2019, January 7, 2020, and February 27, 2020*

Mr. Hooper made a motion that the Citizens' Advisory Board approve the minutes of the December 19, 2019, January 7, 2020, and February 27, 2020, meetings as written, seconded by Mr. Soni. Hearing no objection, the minutes were approved as written.

#### 3. General Manager's Update – C. O'Brien, General Manager

*2021 Budget:* Ms. O'Brien reported that, in accordance with the 20-Year Agreement, the 2021 Budget will go out by October 1st for CAB review. The budget process is currently underway. A few capital projects will be pushed forward - the substation and the AMI upgrade project; a bid has been sent out for a consultant to help staff determine

technology for proper metering going forward. Other than those items, it will be fairly standard without major changes. The CAB budget review meeting (capital and expense) was scheduled for October 15 at 6:30 PM.

4. Small Cell Wireless – J. McDonagh, Assistant Director of Engineering & Operations  
*Materials: Wireless Communication Facilities – Highlights and Overview (Presentation Slides)*

Mr. McDonagh provided a high-level overview of the changes in FCC regulations, which now classifies wireless communications companies as utility companies. These wireless communication companies will utilize the FCC guidelines to install small cell wireless facilities in public and private right of ways. Mr. McDonagh noted there are quite a few rules they need to follow as far as getting permits and applications from the different municipalities, and utility or facility owners in those municipalities. The RMLD has drafted our Master Agreement (for these facilities/attachments), and this is something that each wireless company would need to enter into contract with RMLD.

Mr. McDonagh reviewed Slide 3: *Permitting (Town and RMLD)* noting that once the wireless company has completed the permitting process and has received a pole license from RMLD, RMLD will begin to perform an analysis for that structure/pole. Mr. McDonagh reviewed Slide 4 (*Small Cell Signaling 3<sup>rd</sup> Party Equipment Attachment Process*), which outlines the process that takes place when a wireless company makes a request to install a 5G facility within our service area. Mr. McDonagh noted RMLD will make every effort to work with the wireless company to install their equipment where they need it, but there may come a time when we are unable to accommodate that request (due to reserve capacity, pole capacity, or if the wireless company does not want to pay for the make-ready work) and the wireless company can exercise their right (with the town) for a pole petition for a sole-owned pole to install their equipment. RMLD will notify the towns when we are unable to accommodate a request for a license; RMLD wants to keep an open line of communication with the towns regarding these installations. Mr. McDonagh continued his presentation with review of Slide 5 (Notifications) and Slide 6 (Aesthetics). Mr. McDonagh reviewed examples of RMLD's technical specifications (Slide 7) showing (COMM35-1) a standard installation with all pole-mounted equipment, and (COMM36-1) showing an application where some of the equipment is pad-mounted. Slide 8 shows some pictures of typical 5G antenna installations. Mr. McDonagh noted there may be some installations that look "busier" than those pictured with more equipment included.

Mr. McDonagh asked if there were any questions. Chair Kelley noted that Mr. Soni had presented a few questions through "chat" during the presentation, and asked if the questions needed to be read into the record. These questions and answers as presented in "chat" are:

*Mr. Soni: What is pole loading calculation? Mr. Jaffari responded: Pole loading is done using PoleForeman software, which is the analysis of tension on the pole and breaking strengths calculation to ensure the pole can take the load. It also analyzes for proper guying. RMLD has this software.*

*Mr. Soni: What happens when RMLD needs to install a new pole for own work? Do Towns have to approve this? Mr. Jaffari responded: Yes, we petition to the Town for the new pole. Ms. O'Brien responded: New poles require a pole petition. Replacement poles within 3' of an existing pole do not. There is a formal process.*

Mr. McDonagh stated that RMLD uses PoleForeman (software) in order to look at the tension analysis on the pole and the weights of the equipment installed on the pole. We have some rules to work within and guying applications in order to make sure the pole is not going to break under too much strain or tension, and that it is guyed correctly so that it does not fall over. Regarding, if the RMLD needs to install a new pole for our own work – are you asking outside of the small cell application? Mr. Soni responded, yes. Mr.

McDonagh answered, right now we follow the same process if we need to install a new pole. Generally, the pole goes in the same location as the exiting pole (whether it be a cut and kick or a set beside) and we perform a pole foreman or loading calculation on every installation regardless of what is being installed on it to make sure that the new pole will handle the weights and the tension of the equipment being installed. If a wireless company is requesting space on that pole, even though we just performed a pole loading calculation, we have to perform a new calculation because new weight and strain is being added to that pole.

Ms. O'Brien thanked Mr. McDonagh for the presentation. Ms. O'Brien stated that the Master Agreement had been emailed to CAB members and each town manager/administrator. It is substantially done pending some language regarding liability for such things as damaged (communication) equipment due motor vehicle accidents. Ms. O'Brien noted that she had only heard back from the Town of Reading regarding the aesthetics policy, and that Mr. LeLacheur had asked her to convey that if a town does not have an aesthetic policy in place, there will be no rules that the wireless companies will need to follow when they come in; Ms. O'Brien noted this was not something she was aware of, but this may be something that each town may want to follow-up on. Ms. O'Brien noted the Town of Reading used Burlington's aesthetic policy as an example; however, their policy may not be geared toward an MLP (as they are not an MLP). Ms. O'Brien suggested Norwood's policy may be helpful as an example. Ms. O'Brien noted RMLD is more than willing to help the towns with their aesthetic policy, but it is not RMLD's job duty to develop town aesthetic policies. Ms. O'Brien noted that some communication providers may want to set their own poles in towns. For this reason, communication between the towns and RMLD is very important. Ms. O'Brien ask that CAB members follow-up with their town managers/administrators on the email sent from RMLD about setting up meetings to discuss these changes.

Chair Kelley noted it was a great presentation and asked if there were any other questions. Mr. Soni asked for verification that there was communication between the Town of Reading and RMLD. Ms. O'Brien confirmed that staff has been in communication with the Town of Reading. Ms. O'Brien noted that RMLD cannot put any (communication) equipment up unless the town issues a public permit for the company to be in the public right of way throughout the town.

#### 5. 2019 Audit Results – W. Markiewicz, Director of Business, Finance & Technology

Ms. Markiewicz presented the highlights of the 2019 financial audit. Ms. Markiewicz thanked Melanson and her team for their efforts during the "virtual" audit. The RMLD received a clean opinion, which means Melanson did not find anything in the financials that would make them think that the figures were not presented fairly by the RMLD. The RMLD did not receive a management letter, which is a good indicator of how good the internal controls are; the RMLD has not received a management letter in quite some time. This shows that the management team and the staff at RMLD are following processes and procedures for proper internal controls. Ms. Markiewicz reported that the RMLD is in a good financial and cash position. Capital infrastructure increased by ~\$6.5m; overall, in the comparison to prior year it is about a \$1.9m increase due to the depreciation factor of prior year purchased assets. Net pension liability of ~\$14.6m is offset by the pension fund of \$6.4m, which leaves ~\$8.2m of unfunded liability, and the payroll is about 27.35% covered; according to Melanson, this is a pretty good position to be in. Net OPEB liability of \$11.2m has \$4.1m of cash in the OPEB fund, leaving \$7.1M of unfunded liability and that covers about 36.55% of the health insurance of other post-employment benefits. Purchase power operating expenses of \$61m is a \$9m decrease from the prior year. RMLD ended the year with a change in net position (net income) of ~\$4.3m.

Chair Kelley asked if there were any questions; there were none. Chair Kelley asked (unrelated to the 2019 audit) how COVID-19 has impacted revenue. Ms. Markiewicz responded that revenue has decreased, but it may be a timing issue and it may end up becoming flat overall. Accounts receivables has decreased about 5% for of the current

receivables. We typically run 90-days current at ~98%; we are seeing a small dip in the payments from customers and are running at 93% current (at 90 days). There is a decrease in kWh sales; but at this time, we are about flat. Net income is down slightly, but that could be timing.

6. Integrated Resources Report – C. Underhill, Director of Integrated Resources  
*Materials: Citizens Advisory Board Presentation Slides (Reporting for June 2020)*

*Power Supply:* Mr. Underhill reviewed the *Power Supply* (Slides 2-7). *RMLD 2020 Wholesale Loads* (Slide 2) shows that for Jan-April actual loads were below forecast; June and July were above forecast; this speaks to the warmer winter with lower heating loads and a warmer summer with higher cooling loads. Overall, load is running about 3% below the forecast YTD; however, we have not suffered a dramatic loss of load associated with COVID-19. *Purchase Power Expense* (Slide 3) year-to-date is coming in below budget; this is a pass-through expense, so it has no effect on the operations portion of the budget. *Energy Costs* (Slide 4) are tracking very closely to budget. *Capacity Costs* (Slide 5) shows a significant savings in capacity expense. Some of that is due to the way that we budgeted MWEK expenses early in the year; we are looking to see whether we need to do anything to adjust for that expense. Loads are down so the capacity cost are down a little bit. *Transmission Cost* (Slide 6) demonstrated (in May and June) the successful operation of our peak mitigation efforts (generator, battery and shed the peak programs). *Actual kWh Purchases by Resources* (Slide 7) shows we are tracking very well for the year in terms of our wholesale market costs, and our loads. Mr. Underhill noted where the ISO NE Spot Market (yellow) is below the line our loads were below forecast (RMLD was a net seller), and where it is above the line our loads were above forecast (RMLD was a net purchaser).

*Clean Energy Update:* Mr. Underhill provided an update on the Golden Bill (Slide 8), which was supported by all 41 of the Massachusetts municipal light plants. It has passed the house and is conference committee. Staff is feeling confident that this clean energy standard bill, which will apply to the municipal light plant, is likely to make it through the conference committee, and will be effective once it is signed by the Governor. Once that happens, we will be able to prepare an assessment and present that to the CAB and Commission for consideration.

Mr. Underhill reviewed Slide 9 (*RMLD Power Supply: Outlook Through 2040*) which shows that the RMLD has resources in place to meet compliance requirements of the Golden Bill through 2032 without making any additional adjustments to our portfolio. The result of the Golden Bill will be an 80% carbon-free portfolio by 2050. The slope of the line to the right-hand side is the line that applies to the IOUs. The municipal light plants for the first ten years will be doing catchup and then we will be on the same track as the investor-owned utilities (IOUs). Slide 10 (*RMLD RECs Estimated Impacts on Retail Rates*) shows the rate impacts of complying with the requirements of the Golden Bill. Mr. Underhill then reviewed Slide 11 (*Clean Energy Standard Next Steps*).

*Generator/BESS Performance:* Mr. Underhill reviewed Slide 12 (*RMLD Peak Demand Assets Performance*). Mr. Underhill noted that Solar Choice 2 impact to date is negative because the project started at a challenging point in time and we were accruing some losses (on it), most of which have been reversed out at this point.

Chair Kelley asked if there were any questions.

Mr. Soni asked what the message is that should be taken from slide 10. Mr. Underhill responded, if RMLD elects to retire RECs rather than sell them, this would be the rate impact in any given year for retiring the RECs in that year; the blue line corresponds to the rate impact of retiring sufficient resource RECs to comply with the Golden Bill.

Mr. Soni stated there were some members from GRACE in the meeting. They had a request to understand what it would take for RMLD to be consistent with the IOUs. Is the slope from 2030 onward pretty much matching what the IOUs are doing? Mr. Underhill responded (yes) that would be the same slope for all distribution utilities. Mr. Soni responded, you are saying, going 2030 onward, we would be consistent with IOUs. Today are we (other than the RECs), in terms of the energy supply, consist with the IOUs? Mr. Underhill responded that the structure is different; the IOUs do not have a portfolio. Every six months they send their residual load out to the market to bid. Whoever the low bidder is delivers the energy within that utility's service territory. They buy sufficient RECs to then filter that power through their distribution system and it comes out green. RMLD actually has the resources in our portfolio. If we retire the RECs associated with our portfolio, then our portfolio is green. Because they are structured differently, it is not comparable.

Chair Kelley asked about the impact on rates as we move toward that model; will there be rate increases of up to 10%? Mr. Underhill responded it would be a function of the sustainability policy and what the Commission directs in terms of the portfolio. If instructed to retire all of the RECs that are produced by our contractual resources, then (yes) the green lines are what the rate impacts would be of doing that.

Chair Kelley asked if there were any other questions; there were none.

7. CAB Reorganization: Appointment of Chair – D. Kelley, Chair

Chair Kelley stated that his two-year term would be ending soon, and asked if there was a nomination for a new Chair.

Mr. Hooper made a motion to nominate Mr. Small for Chair, seconded by Mr. Soni. Mr. Small accepted the nomination. Hearing no further discussion, **motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

Mr. Hooper made a motion to nominate Mr. Soni for Vice Chair, seconded by Mr. Kelley. Mr. Soni accepted the nomination. Hearing no further discussion, **motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

8. Scheduling: CAB Meetings & Coverage for Commissioners Meetings – D. Kelley, Chair

CAB meeting and BOC coverage scheduled as follows:

- *September 17th CAB Meeting, 6:30 pm* – Mr. Markey to cover the Commissioner's meeting scheduled for that same evening.
- *October 15 CAB Meeting, 6:30 pm* - 2021 Budget Review
- *BOC meeting on October 21* – Chair Kelley (tentatively) to cover

9. Adjournment – D. Kelley, Chair

Mr. Hooper made a motion to adjourn, seconded by Mr. Small. **Motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

The CAB meeting adjourned at 7:36 PM.

As approved on April 22, 2021