

**AGENDA***REGULAR SESSION*READING MUNICIPAL LIGHT DEPARTMENT
CITIZENS' ADVISORY BOARD (CAB) MEETINGWEDNESDAY, OCTOBER 12, 2016

6:30 PM

230 Ash Street, Winfred Spurr AV Room
Reading, MA 01867

1. Call Meeting to Order – G. Hooper, Chair
2. Approval of Minutes – G. Hooper, Chair

Suggested Motions:

Move that the Citizens' Advisory Board approve the Minutes of the February 24, 2016, meeting as written.

Move that the Citizens' Advisory Board approve the Minutes of the April 6, 2016, meeting as written.

Move that the Citizens' Advisory Board approve the Minutes of the April 27, 2016, meeting as written.

Move that the Citizens' Advisory Board approve the Minutes of the June 1, 2016, meeting as written.

Move that the Citizens' Advisory Board approve the Minutes of the July 13, 2016, meeting as written.

Move that the Citizens' Advisory Board approve the Minutes of the September 14, 2016, meeting as written.

3. June 2016 Financial Update – W. Markiewicz, Director of Business Finance
4. Rate Proposal for Solar Choice Program – J. Parenteau, Director of Integrated Resources

Suggested Motion: Move that the Reading Municipal Light Department Citizens' Advisory Board recommend to the RMLD Board of Commissioners the adoption of the Solar Choice rate MDPU number 269 to be effective on billings on or after December 1, 2016, on the recommendation of the General Manager.

5. Status Update
 - Reliability Study – H. Jaffari, Director of Engineering & Operations
 - Organizational Study – C. O'Brien, General Manager
6. CAB Reorganization – G. Hooper, Chair
7. Next Meeting – G. Hooper, Chair
8. Adjournment – G. Hooper, Chair

This Agenda has been prepared in advance and does not necessarily include all matters which may be taken up at this meeting.



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2016-02-24

Time: 6:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Purpose: General Business

Session: General Session

Attendees: **Members - Present:**

Mr. George Hooper, Chair (Wilmington); Mr. David Nelson, Vice Chair (Lynnfield); Mr. David Mancuso, Secretary (Reading); Mr. Mark Chrisos (North Reading); Mr. Dennis Kelley (Wilmington)

Members - Not Present:

Others Present:

Mr. Phil Pacino, Board of Commissioners
Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Michelle Lamson, Ms. Kathleen Rybak, Mr. William Seldon

Minutes Respectfully Submitted By: Mr. George Hooper, Chair

Topics of Discussion:

1. Call Meeting to Order – G. Hooper, Chair

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

2. Recent Storm, Related Outages and Communication to the Public – C. O'Brien, General Manager

Ms. O'Brien reported on recent storm related outages and noted that during that event RMLD implemented the use of Twitter (through a free mobile app) as a means to notify the public regarding key outage information, i.e., what area is out, what caused the outage, and an estimated time of restoration (ETR). The Twitter feed will also appear on the RMLD website. Ms. O'Brien noted the purpose is not only to keep customers informed about outages, but also to mitigate the number of calls that go to the Control Center. The mobile app can also be used to report an outage. Additional enhancements to the app such as "pay my bill" are being developed. Ms. O'Brien noted that there is a larger communication plan in the works.

The group discussed the functionality of the app and Twitter, and the plans to communicate the availability of this new feature to the public.

3. Home Electrical Safety Update – C. O'Brien, General Manager

Ms. O'Brien reported that RMLD will be working with a local electrician and RCTV to produce a YouTube video that talks about home electrical safety. The intent will be to explain what equipment the customer owns and recommended maintenance, and what equipment RMLD owns (the two meet where the service connects to the house at the

weatherhead). The video will cover different scenarios such as flickering lights (what causes it; what the customer should do; and what RMLD will do), proper grounding, etc. The electrician will represent the National Electric Code and RMLD the National Electric Safety Code. Ms. O'Brien noted that (once completed) we will post the video on the RMLD website for customers to view and reference.

Mr. Mancuso asked if RMLD has a disclaimer anywhere about who is responsible for what. Ms. O'Brien responded that it is part of the Terms and Conditions, which are currently being re-written and will be included in a full service handbook that is being developed.

4. Proposed Distributed Generator – H. Jaffari, Director of Engineering & Operations
Materials Included: Presentation Slides

Mr. Jaffari provided an update on the progress with the distributed generator unit, which is part of a pilot program aimed at off-setting some of the anticipated increases to capacity and transmission costs. RMLD is planning to install a 2 to 2.5 megawatt gas generator at Station 3 in North Reading, which will run primarily during the summer months to shave the peak. The credit received from running the unit will be spread across the board to all rate-payers. An RFP was issued for this unit previously, but it is being re-bid and the RFP should be published by the second week in March. An in-service date for the generator is anticipated for May or June 2017.

Mr. Jaffari and Mr. Ollila are working to address any potential zoning or permitting requirements. They have been in touch with Town representatives in North Reading. Mr. Chrisos asked about any potential noise generated from the unit. Mr. Jaffari noted that a noise study has been completed, and the addition of this unit should not have a significant impact on the noise level.

Chair Hooper asked about the gas supply. Mr. Jaffari confirmed that it was natural gas. National Grid will be upgrading the supply to the area to eight inch pipes to accommodate the unit(s).

Mr. Jaffari continue with a description of potential unit as depicted in Slide 4. Mr. Mancuso asked about the budget. The initial budget was somewhere in the neighborhood of \$2m in expense; we are now looking at possibly \$2.8. Mr. Jaffari responded that the revised (higher) estimate includes a differential to move from 2 to 2.5 megawatts. Slide 5 outlined installation, benefits and the expected return on investment. A single unit or smaller module units may be utilized depending on the cost analysis. The ISO credits in 2015 and 2016 are \$138,000 per megawatt-year. After 2017, it is estimated to go up to approximately \$290,000 per megawatt-year. Therefore, a return on investment of five years is expected. Anything after five years will basically be a credit to the ratepayers. Mr. Jaffari noted that the capacity and transmission charges are passed through to the customers. If the pilot is successful and we see the expected benefits (off-sets to capacity and transmission costs), we will then expand the program to other sites. Mr. Seldon added this is a two-pronged cost savings. Transmission costs (that we are billed on) are based on peaks that happen monthly, and the capacity costs (that we are going to be saving on) are based on the annual peak. The 600-hour estimate assumes that we are going to hit the overall system peak and that will be the capacity reduction. We are also assuming that we are going to hit approximately 75% of the monthly peaks.

The group discussed the mechanics of how the peak will be monitored and the unit operated. Mr. Chrisos noted that he had asked (via email) for an update about the forward capacity market. Mr. Seldon responded that the number does change a little bit in 2017 because the capacity market came in lower (at \$8.00 vs. \$10.55 as expected). The price is going up – its just not going up to where they thought it would.

Mr. Chrisos noted, we were all in favor of the project. However, it is increasing our carbon footprint, and it is important to offset that with what we are doing with demand side so that we become more neutral. Ms. O'Brien responded that RMLD is developing community solar and other programs aimed at the 15% renewables requirement. A solar system was just turned on in Wilmington, and we continue to work on programs that can help to offset the footprint. There are barriers to such initiatives, but RMLD continues to work with the communities.

Mr. Jaffari added that another option is the potential of installing battery storage in the service area. RMLD is monitoring the availability of grants for such initiatives.

5. Status Update: Reliability Study – H. Jaffari, Director of Engineering & Operations
Materials: Booth and Associates – 2015 Reliability Study Recommendations

Mr. Jaffari reviewed the progress on the projects identified by Booth and Associates, and UPG. As noted on the report, we have complete some of the items in-house and the rest are in progress. Items that needed to be taken care of immediately have been addressed and the rest are in progress (as noted in the status column).

Mr. Nelson asked about item 13. Mr. Jaffari responded that this item is near completion. Mr. Nelson noted that this was one of the safety issues brought up by Booth. Mr. Jaffari responded that the fence has been repaired and the middle section of the grounding grid (that was damaged) is going to be replaced. Special clamps were needed and they have just been received.

Status Update - Organizational Study: Coleen O'Brien, General Manager
Materials: Leidos – 2015 Organizational Study

Ms. O'Brien provided a worksheet in the same format provided by Leidos, which illustrates the progress on each of the items identified in the Organizational Study. Ms. O'Brien noted that some of the items such as "establish a planning culture" are ongoing processes. Everything that we do with strategic planning, career development, succession planning, procedures and policies, accountability – speak to moving the culture from reactive to proactive. These items are ongoing.

In Phase II, Leidos is triangulating the wage scale with the job descriptions and the career development plans to make sure that they all speak to each other and everything is consistent. Phase III includes Leidos coming in and helping with the employee satisfaction surveys, team leadership/culture initiatives, and writing the new strategic plan.

Ms. O'Brien highlighted some other accomplishments. Item 1.4 (Updated Six-year Plan) is completed and is updated annually with the Budget. Item 3.3, the Integrated Resources Division's (IRD) re-organization is complete. Item 7.3 (develop a succession plan for the Manager of Account and Business): That group has been redesigned, reconfigured and restructured.

Ms. O'Brien noted that much work has been accomplished and spoke about some of the challenges with implementing change. It is challenging for everyone, but it's moving in the right direction.

Mr. Chrisos asked about Items 8 and 8.2 and the timeline for both of those items. Ms. O'Brien responded that we are an electric utility and safety is our number one priority. We are adding components to our Safety Program including formalizing and adding policies and procedures, and staff training. We have adopted the APPA (American Public Power Association) Safety Manual. An audit of all the buildings will be scheduled and any issues identified will be fixed. On 8.1 Board Safety Policies – we are going through all the policies with the Board. The Board Policy on Safety is more of an operational issue. Mr. Jaffari highlighted some additional initiatives, including quarterly

safety meetings, the Arc Flash Study, tailboard reviews to include the arc flash level and protective gear requirements, the purchase of Category 4 arc flash suits, and pole testing. Ms. O'Brien added that we will also be sponsoring some employee health programs.

Mr. Nelson asked if RMLD has an existing manual – Injury and Illness Prevention Program (as noted in 8.2). Ms. O'Brien responded yes, the APPA manual, which governs not only OSHA, but also utility workers, is adopted as our safety manual. There are about 13 other safety components that make up our Safety Program including the quarterly safety meetings (of the Utility Committee and a general sub-committee.)

6. Next Meeting – G. Hooper, Chair

Ms. O'Brien presented a recommendation from the Business Finance Group relative to financial reporting. The monthly MMWEC billing is received approximately the 20th of each month, which does not provide ample time to carefully review the monthly financials (budget to actual) before presentation to the CAB and Board. If the CAB were to meet the first week of each month and the Commission the second week of each month, this would allow staff one week to process the MMWEC information, vet it, and meet with the senior managers to go through the financials prior to distribution. The CAB will then have an opportunity to review the financials and comment before the Commissioners meeting/review. The CAB agreed (once the FY17 Budget review in April is completed) to adjust the schedule moving forward. The next meeting of the CAB was scheduled for March 23.

Chair Hooper asked Commissioner Pacino if he had anything to add.

Mr. Pacino noted that he and Mr. Talbot are both up for re-election. Mr. Pacino commented on how thorough the discussion was for the generator.

7. Adjournment – G. Hooper, Chair

Mr. Nelson made a motion to adjourn the Citizens' Advisory Board meeting, seconded by Mr. Kelley. Hearing no further discussion, Motion carried 5:0:0.

The Citizens' Advisory Board Meeting adjourned at 8:18 pm.

As approved on _____



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2016-04-06

Time: 6:30 PM

Building: North Reading Town Hall

Location: Room 14

Address: 235 North Street, North Reading

Purpose: General Business

Session: General Session

Attendees: **Members - Present:**

Mr. George Hooper, Chair (Wilmington); Mr. David Nelson, Vice Chair (Lynnfield); Mr. David Mancuso, Secretary (Reading); Mr. Dennis Kelley (Wilmington)

Members - Not Present:

Mr. Mark Chrisos (North Reading)

Others Present:

Ms. Coleen O'Brien, Mr. Robert Fournier, Mr. Hamid Jaffari, Ms. Wendy Markiewicz, Ms. Jane Parenteau, Ms. Kathleen Rybak

Minutes Respectfully Submitted By: Mr. George Hooper, Chair

Topics of Discussion:

1. Call Meeting to Order – G. Hooper, Chair
Chair Hooper called the meeting of the Citizens' Advisory Board to order at 6:30 p.m. and noted that the meeting was being audio recorded.

2. FY17 Operating Budget – C. O'Brien, General Manager

Materials: Slide Presentation: RMLD Citizens' Advisory Board and Board of Commissioners Presentation of FY2017 Operating Budget; and FY2017 – Proposed Base Rate Increase (spreadsheet)

Ms. O'Brien expressed appreciation for the CAB support of the Department to move further and further in the direction of paperless by using the iPads. We want to be able to balance efficiency with reality. If there is something that you would rather have in paper, just let us know.

Ms. O'Brien announced that Mr. Fournier would be retiring in July of this year. His successor will be Ms. Wendy Markiewicz. The CAB members congratulated both Mr. Fournier and Ms. Markiewicz.

Mr. Fournier began the presentation with a review of the Six-Year Plan (Slide 3). Net Income for 2017 is projected to be \$3.9m, which will result in a 7.6% rate of return. To achieve this, Base Revenue requirements of approximately \$25.5m are necessary.

As discussed last year, any rate increase associated with the Budget would be tied into the budget presentation. Due to a lack of sales/growth and in order to achieve that Base Revenue, RMLD is proposing an overall rate increase to customers of 4.6% to 6.7%. Ms. Parenteau distributed and reviewed a rate analysis sheet. With this

increase, an average residential customer who uses 500 kilowatts per month will see an increase of \$4.81 per month.

Tied into this (overall increase) is the Capacity expense, which represents 30% of the power supply costs. Capacity costs for FY16 are estimated to come in at \$18.9m, which is higher than budgeted. A contributing factor to this increase is an estimated \$2m increase to the RMLD portion of the (MMWEC) projects. Additionally, Transmission is expected to increase from \$12.7m to about \$13.4m, and Energy is expected to increase approximately 1% overall.

Ms. O'Brien asked Ms. Parenteau to reiterate the major components for the increase in Capacity. Capacity costs are projected to be around \$7.00 per kilowatt month, which is more than doubled. New generation coming into the NEMA region will receive a \$15 per kilowatt month rate; existing generation will receive approximately \$6.66 per kilowatt month. Fortunately, the on-average cost for RMLD's portfolio is favorable because it includes resources (Stony Brook, Millstone, and Seabrook) that qualified as pool transmission and are counted as existing generation in the NEMA zone. Forecasted costs are not expected to go down in the near future.

Mr. Fournier continued the presentation with a review of the remaining fixed expenses and the semi-variable expenses. RMLD is a highly fixed-cost business and the percentages (of total budget) for these expenses are fairly consistent year to year.

Ms. O'Brien commented on some of the expense items as presented by Mr. Fournier. Property insurance went down as a result increased deductibles (from \$5k to \$25k). Legal expenses this year include negotiations and review of RMLD policies. Ms. O'Brien noted that the hourly rate for legal services for negotiations has gone down from \$780 per hour to \$275. Vehicle maintenance includes 51 vehicles in the RMLD fleet.

Mr. Kelley questioned the status of the Barbas building lease. Ms. O'Brien responded, that 230 Ash Street and the area behind is a target area for the Town of Reading economic development. Therefore, the master site facilities plan is on hold and we are only addressing major maintenance issues in the building.

The FY17 Staffing Summary (slide 6) was reviewed. Ms. O'Brien noted that the last column "Org Total" represents staffing levels based on the Organizational Study. The column "FY17 Plan" represents previously approved positions (vacancies), which will be filled in FY17, and any new positions budgeted for FY17. A total of four new positions are included in the Budget. Ms. O'Brien noted that the Line Department has five previously approved positions (or current vacancies). In FY17, three of the five vacancies will be filled.

The group discussed the various maintenance programs initiated (transformer replacement, tree trimming, in-house staffing for underground construction, etc.) and the impact this proactive approach will have on the budgets moving forward.

A motion on the Operating Budget will be presented at the next CAB meeting following the Capital Budget Presentation.

3. Next Meeting – G. Hooper, Chair

The Capital Budget presentation was re-scheduled for April 27th. The next regular meeting will remain as scheduled for May 4.

4. Adjournment – G. Hooper, Chair
Mr. Nelson made a motion to adjourn the meeting of the Citizens' Advisory Board, seconded by Mr. Kelley. Hearing no further discussion, Motion carried 4:0:1 (4 in favor, 0 opposed, 1 absent).

The Citizens' Advisory Board Meeting adjourned at 7:27 p.m.

As approved on _____.

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Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2016-04-27

Time: 6:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Purpose: General Business

Session: General Session

Attendees: **Members - Present:**

Mr. George Hooper, Chair (Wilmington); Mr. David Nelson, Vice Chair (Lynnfield); Mr. David Mancuso, Secretary (Reading); Mr. Mark Chrisos (North Reading); Mr. Dennis Kelley (Wilmington)

Members - Not Present:

Others Present:

Mr. Thomas O'Rourke, Board of Commissioners
Mr. Chris Pollart, Rubin and Rudman, LLP
Ms. Coleen O'Brien, Mr. Robert Fournier, Ms. Wendy Markiewicz, Mr. Paul McGonagle, Ms. Jane Parenteau, Ms. Kathleen Rybak

Minutes Respectfully Submitted By: Mr. George Hooper, Chair

Topics of Discussion:

1. Call Meeting to Order – G. Hooper, Chair

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

2. FY17 Capital Budget – C. O'Brien General Manager

Materials: FY2017 Capital Budget, CAB & RMLD Board Presentation Slides

Ms. O'Brien began the FY17 Capital Budget presentation with an overview of the Capital Improvements spreadsheet and the changes that have been included for FY17 (addition of Total Estimated Project Cost and Projected Project Variance columns). Ms. O'Brien then provided an update on the status of the major FY16 Capital projects (Slide 3) including a comparison of budget to actual (Slide 4 and 5). Projects not completed in FY16 are either rolled into FY17 or have been put on hold.

The group discussed the economic development initiatives in Reading, which may have an impact on the Ash Street campus. The Master Facilities Site plan and any major renovations to the buildings are on hold pending the outcome of the Town discussions.

Ms. O'Brien then provided a brief overview of the major capital projects planned for FY17. Slide 8 provides a status update for the Distributor Generator. The project budget has increased from \$2.164m to \$2.720m to accommodate an option to increase the unit from 2.0 to 2.5 megawatts and to include the cost to bring gas to the site. Staff reiterated that this project is a pilot. For the long-term, we will be evaluating all available options (such as battery storage) to shave the peak.

Ms. O'Brien concluded the presentation with a review of the projected project variances and the Plant Values and Depreciation fund balances.

3. Proposed Rate Adjustment – C. O'Brien, General Manager and J. Parenteau, Director of Integrated Resources (this Agenda item was taken out of order)

Materials: FY2017 Proposed Base Rate Increase spreadsheet; Rate Schedules MDP#259 – 267.

Ms. Parenteau provided an overview of the proposed rate increase. In FY16, RMLD projected a 1% decrease in sales. For FY16 year-to-date (through February), sales are down 2.5%. In FY17, capacity costs are estimated to be increasing by \$2m, transmission approximately \$800k, and energy cost should be flat.

As a result of declining sales and the anticipated increases in power supply costs, RMLD is proposing a rate increase of between 5-7% in order to achieve the FY17 budgeted Operating Revenue of \$25.5m. Ms. Parenteau reviewed Slide 9 which outlines the impact of the proposed rate increase on the various classes of customers (based on monthly usage assumptions). Ms. Parenteau noted that staff met with town administrators and selectmen from the four towns earlier this year, and at that time we had projected a 7-9% increase.

The group discussed the plan to communicate the new rates (including the Terms and Conditions) to commercial and residential customers, and the pros and cons of including rate comparisons to IOU's and other municipals in our communication to customers.

4. Revised Terms and Conditions – C. O'Brien, General Manager

Materials: Draft General Terms and Conditions for Electric Service

Ms. O'Brien stated that RMLD is working on a service requirements handbook, which is intended as a reference tool for customers, vendors, electricians and employees. The handbook will include the revised Terms and Conditions and will be presented to the CAB at an upcoming meeting. Ms. O'Brien introduced Attorney Chris Pollart from Rubin and Rudman to review the proposed changes to the Terms and Conditions.

Mr. Pollart noted that the Terms and Conditions is the governing document between RMLD and its customers. The draft has been restructured and reformatted to comply with current regulatory and legal requirements. The rights and responsibilities of the RMLD and its customers have been clarified. Mr. Pollart highlighted some of the changes:

- Customer fees have been removed and will be included as a schedule in the service requirements handbook.
- Net metering provisions have been eliminated from the General Terms and Conditions; RMLD has separate Net Metering Terms and Conditions.
- Clarification that the Terms and Conditions are effective when filed with the DPU. Previously, they stated that they were not effective with the customer until service commenced.
- A provision that prohibits customers from purchasing power from a third party in order to protect RMLD's exclusive franchise service territory.
- Additional provisions that address service to border customers.
- Additional language relative to security deposits.
- More comprehensive provisions as to when RMLD is required to provide service.
- Clarification of RMLD's right to refuse a new service.
- Language regarding RMLD's right to utilize a Cromwell waiver.
- A new section with provisions that address new services and imposes a requirement on customers to maintain their wiring in good condition.
- Clarified that RMLD is only required to provide an existing type of service.

- Added provisions that require the customer to provide space for the RMLD meter and equipment, and prohibits customers from hindering access to meters and equipment.
- Information regarding the duty of the customer to protect sensitive appliances and computers. Legally, RMLD's responsibility ends at the meter.

If approved by the Board, the Terms and Conditions will be filed with the DPU as part of the rates. Once filed, the Terms and Conditions take the effect of law.

Chair Hooper asked for motions relative to the Capital Budget, Operating Budget and Proposed Rate Changes.

Mr. Nelson made a motion that the Citizens' Advisory Board recommend to the RMLD Board of Commissioners the Fiscal Year 2017 Capital Budget dated March 31, 2016, in the amount of \$9,406,217 as presented. Any significant changes are to be submitted to the CAB for review and recommendation, seconded by Mr. Kelley. Hearing no further discussion, **Motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

Mr. Nelson made a motion that the Citizens' Advisory Board recommend to the RMLD Board of Commissioners the Fiscal Year 2017 Operating Budget with a Net Income of \$3,935,097 as presented at the April 6, 2016, meeting, seconded by Mr. Mancuso. Hearing no further discussion, **Motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

Mr. Nelson made a motion that the Citizens' Advisory Board recommend to the RMLD Board of Commissioners the approval of rates including revised Terms and Conditions, MDPU numbers 259, 260, 261, 262, 263, 264, 265, 266, 267 and 268 effective July 1, 2016, on the recommendation of the General Manager. Seconded by Mr. Chrisos. Hearing no further discussion, **Motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

5. Public Comment – G. Hooper, Chair
Chair Hooper asked if there were any comments. Mr. O'Rourke commented that he was glad to see both the Capital and Operating Budgets together and noted that he liked the process.

6. Adjournment – G. Hooper, Chair
Mr. Nelson made a motion to adjourn the Citizens' Advisory Board meeting, seconded by Mr. Chrisos. Hearing no further discussion, **Motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

The Citizens' Advisory Board Meeting adjourned at 7:57 pm.

As approved _____.



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2016-06-01

Time: 6:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Purpose: General Business

Session: General Session

Attendees: **Members - Present:**

Mr. George Hooper, Chair (Wilmington); Mr. Mark Chrisos (North Reading);
Mr. Dennis Kelley (Wilmington)

Members - Not Present:

Mr. David Nelson, Vice Chair (Lynnfield)

Others Present:

Mr. Phil Pacino, Board of Commissioners
Mr. David L. Williams, Reading Resident
Ms. Coleen O'Brien, Ms. Wendy Markiewicz, Mr. Tom Ollila, Ms. Jane
Parenteau, Ms. Kathleen Rybak; Mr. Rahul Shah

Minutes Respectfully Submitted By: Mr. George Hooper, Chair

Topics of Discussion:

1. Call Meeting to Order – G. Hooper, Chair

Chair Hooper called the meeting of the Citizens' Advisory Board to order at 6:30 p.m. and noted that the meeting was being audio recorded.

2. Financial Report: April – W. Markiewicz, Assistant Director of Business Finance *Materials: April Financial Report; Slide Presentation*

Ms. Markiewicz presented the April financials. April shows a positive change in net assets of \$1.8m thereby increasing the YTD net income to \$3.6m, which is over budget by \$1.1m or 45.2%. Year-to-date base revenues exceeded budget by \$244k or 1.26%.

The YTD purchase power base (capacity and transmission) expense was over budget by \$1m or 4.26%. Purchase power fuel expense was under budget by \$1.1m. The operating and maintenance expenses (combined) were under budget by approximately \$800k or 6.5%. The following programs represent that variance: energy conservation (\$193k), tree trimming (\$290k), hazardous waste (\$207k), and maintenance and garage, and stock room (\$114k).

Overall cash is a healthy \$35m, as represented on Slide 6. Year-to-date kilowatt hour sales were \$569.7m, which is 10.9m kilowatt hours or 1.88% behind last year's actual figure. Ms. O'Brien noted that revenue from kilowatt hour sales and the number of kilowatt hours sold are not proportionate; if prices go up, we could sell less and it would cost more. Chair Hooper asked if that was similar for purchase power fuel, and capacity and transmission, which is over budget for one and under budget for the other. Ms. Parenteau responded that those expenses are tracked on a monthly basis. For

the fuel expenses, spot prices are coming in lower than anticipated. Therefore, we have been lowering the fuel charge and depleting some of the deferred fuel reserve to stabilize the pricing. For Capacity, MMWEC submitted a re-forecast budget in December, which increased our fixed costs. We adjusted what we're collecting through the PPCT in an effort to net out close to budget. There's not as much fluctuation in capacity and transmission.

3. Community Solar Update – T. Ollila, Integrated Resources Engineer
Materials: Solar Choice Overview

Mr. Ollila provided an update on the RMLD Solar Choice program. The Department of Energy Resources has officially confirmed (via letter) that the RMLD program meets the requirements of the State's Community Shared Solar designation. This designation means any SREC's a project generates will be worth 10% more if they are roof-top arrays. Mr. Ollila reviewed the role of the various stake-holders, including RMLD, the site owner, the developer, the customers, and the town where a project may be located. The first project, a one-megawatt facility, will be located on a commercial roof-top at 326 Ballardvale Street in Wilmington. This project has already been approved under the SREC's II guideline. They expect to start installation of the arrays in August/September or October at the latest. The developer will own and operate this site, and will receive all of the federal and state tax incentives and SREC's (minus 5% which will go to RMLD as part of the Community Solar designation). The developer delivers not only the power generated, but also the performance data. RMLD will purchase all of the generation, and allocate it according to the participants that sign up for the Solar Choice Program.

The Solar Choice Program will replace RMLD's Green Choice Program, and will provide customers an opportunity to participate in clean, renewable solar energy located within the service territory. Customers will sign up for ten-year terms (the program will likely last 20 years). This first phase will be limited to 500 residential customers, and shares will be offered first to customers currently enrolled in the Green Choice Program. Mr. Ollila reviewed the details of the program and the anticipated cost/benefits to a typical customer. Mr. Ollila noted that the participant economics are not guaranteed and are based on our best (conservative) estimates.

The group discussed various aspects of the program. Mr. Ollila confirmed that the developer is responsible to ensure the array is maintained and operating. The Purchase Power Agreement includes strong economic incentives for the developer to maintain the hardware. There is a minimum generation requirement, and if they do not meet those requirements, there is a financial penalty. Staff continue to work on the details of the customer lease/share agreement. The agreement will be structured in a way that addresses various customer scenarios such as, opting out of, or buying into the 10-year term.

4. RMLD Electric Service Policy and Requirements Handbook – R. Shah Integrated Resources Engineer
Materials: Handbook Table of Contents, Presentation Slides

Mr. Shah reviewed the table of contents and presentation slides for the newly developed Electric Service Policy and Requirements Handbook. The Handbook is a collection of operating standards, which can be used as a reference tool for residential and commercial customers, electricians, developers, wire inspectors, and staff. DPU filed Rates, including the newly revised Terms and Conditions, are included as part of the Handbook. The final document is expected to be completed and effective July 1. The Handbook will be posted to the RMLD website.

5. NEPPA Annual Conference – C. O'Brien, General Manager

Ms. O'Brien noted that the 2016 NEPPA Annual Conference will be held at Lake Placid, New York, August 21-24. CAB members should consider whether they are interested and available to attend. CAB representation at the conference will be discussed at the July CAB meeting.

6. Public Comment – G. Hooper, Chair

Mr. Chrisos presented a formal request to the CAB from the Town of North Reading for paving upgrades to the access road leading from Chestnut Street, past the DPW and up to the substation. The road is currently packed gravel. A portion of the road will be dug up as part of the gas line upgrade for the generator project. Ms. O'Brien asked Mr. Ollila to follow-up on this request with the Town engineer. The group discussed the need for a public meeting regarding the distributed generator project. Mr. Chrisos noted that the Town engineer had requested a design review meeting with department heads and RMLD to discuss the project. At that time, they will determine the need for a public forum.

7. Next Meeting – G. Hooper, Chair

The next meeting of the CAB was schedule for July 13, 2016, at 6:30 p.m.

8. Adjournment – G. Hooper, Chair

Mr. Chrisos made a motion to adjourn the Citizens' Advisory Board meeting, seconded by Mr. Kelley. Hearing no further discussion, **Motion carried 3:0:1** (3 in favor, 0 opposed, 1 absent).

The Citizens' Advisory Board Meeting adjourned at 7:32 p.m.

As approved on _____.



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2016-07-13

Time: 6:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Purpose: General Business

Session: General Session

Attendees: **Members - Present:**

Mr. George Hooper, Chair (Wilmington); Mr. David Nelson, Vice Chair (Lynnfield); Mr. Dennis Kelley, Secretary (Wilmington)

Members - Not Present:

Mr. Mark Chrisos (North Reading)

Others Present:

Mr. Phil Pacino, Board of Commissioners

Ms. Coleen O'Brien, Ms. Jane Parenteau, Ms. Kathleen Rybak

Minutes Respectfully Submitted By: Mr. Dennis Kelley, Secretary

Topics of Discussion:

1. Call Meeting to Order – G. Hooper, Chair

Chair Hooper called the meeting of the Citizens' Advisory Board to order at 6:30 p.m. and noted that the meeting was being audio recorded.

2. Approval of Minutes – G. Hooper, Chair *Materials: Draft March 23, 2015 Minutes*

Mr. Nelson made a motion that the Citizens' Advisory Board approve the Minutes of the March 23, 2016, meeting as written, seconded by Mr. Kelley. Hearing no further discussion, **Motion carried 3:0:1** (3 in favor, 0 opposed, 1 absent).

3. General Manager's Report – C. O'Brien, General Manager

Ms. O'Brien asked to address the format of the minutes. The group agreed that the minutes should reflect the intent of what was discussed and not be verbatim documentation of the meeting. Moving forward, any member who would like their comment formally documented in the minutes should note that they would like their statement to go "on the record."

May Financials – *Materials: May 2016 Financial Report*

The May Financials were included with the Agenda packet for CAB review prior to the Board of Commissioners meeting. There were no questions or comments on the May Financials.

4. RMLD RFP for Wholesale Power Supply – J. Parenteau, Director of Integrated Resources
Materials: July 6, 2016 Memo

Ms. Parenteau reviewed the bid process the 2016 wholesale power supply for 2017-2020. Using a layering and laddering approach RMLD is able to lock in a portion of each year's energy costs and take advantage of current pricing, which is now in the low \$41 per Mwh range. We will also be asking for indicative pricing for the Fixed Heat Rate Index. Staff will monitor the energy prices and the NYMEX heat rate through the bidding period in an effort to lock in the best possible pricing.

Mr. Nelson made a motion that the RMLD Citizens' Advisory Board recommend to the RMLD Board of Commissioners to authorize the General Manager to execute one or more Power Supply Agreements in accordance with RMLD's Wholesale Power Supply Plan for power supply purchases for a period not to exceed 2017 through 2020 and in amounts not to exceed 13 megawatts in 2017, 16 megawatts in 2018, 20 megawatts in 2019, and 23 megawatts in 2020, as presented by the Director of Integrated Resources, seconded by Mr. Kelley. Hearing no further discussion, **Motion carried 3:0:1** (3 in favor, 0 opposed, 1 absent).

5. Election of Secretary – G. Hooper, Chair

Mr. Nelson made a motion to nominate Mr. Dennis Kelley for the position of CAB Secretary. Mr. Kelley accepted the nomination. Hearing no further discussion, **Motion carried 3:0:1** (3 in favor, 0 opposed, 1 absent).

6. NEPPA Annual Conference – C. O'Brien, General Manager

Ms. O'Brien noted that Mr. Chrisos will be presenting at the NEPPA Annual Conference, which will be held in Lake Placid, New York August 21-24. None of the other CAB members are available to attend.

7. Public Comment – G. Hooper, Chair

The group had a brief discussion regarding use of public facilities for solar and renewable energy. Ms. Parenteau reported that the Integrated Resources Division continues to work with each town to access their interest and ability to support alternative energy resources.

8. Next Meeting – G. Hooper, Chair

The next meeting of the CAB was schedule for September 14, 2016, at 6:30 p.m.

9. Adjournment – G. Hooper, Chair

Mr. Nelson made a motion to adjourn the Citizens' Advisory Board meeting, seconded by Mr. Kelley. Hearing no further discussion, **Motion carried 3:0:1** (3 in favor, 0 opposed, 1 absent).

The Citizens' Advisory Board Meeting adjourned at 6:55 p.m.

As approved on _____.



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2016-09-14

Time: 6:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Purpose: General Business

Session: General Session

Attendees: **Members - Present:**

Mr. George Hooper, Chair (Wilmington); Mr. David Nelson, Vice Chair (Lynnfield); Mr. Dennis Kelley, Secretary (Wilmington); Mr. Mark Chrisos (North Reading)

Members - Not Present:

Others Present:

Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Kathleen Rybak

Minutes Respectfully Submitted By: Mr. Dennis Kelley, Secretary

Topics of Discussion:

1. Call Meeting to Order – G. Hooper, Chair

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

2. General Manager's Report – C. O'Brien, General Manager

Materials: Flyer for Support EV with RMLD event; RMLD LED Street Light Upgrade Project summary; Flyer for Public Power Open House (hand-out)

Ms. O'Brien provided an update on a number of topics.

- The FY16 Audit was completed in August; everything was completed timely and efficiently. The actuarial on the Pension Fund, which is completed in conjunction with the Town, is pending completion. As soon as that is complete, the final numbers will be released. The results will be presented to the Board on October 20th.
- In celebration of Public Power Week (October 3-7), which celebrates the benefits of publicly-owned power companies, RMLD will hold an Open House on October 6th from 2:00 to 5:00 pm.
- As part of the 5th Annual Drive Electric Week, RMLD will hold a "Support EV with RMLD" event, sponsored by Plug-in-America, on Saturday, September 17, from 10:00 am to 2:00 pm. The group discussed the installation of electric charging stations in the service area and some of the initiatives that RMLD is taking to promote the use of electric vehicles.
- The Reading Town Meeting is scheduled to begin November 14th. Ms. O'Brien will be presenting the RMLD Annual Report. The message for this year's Annual Report will continue to focus on the peak.

- This year, RMLD will sponsor an art competition within the schools in place of the T-Shirt contest. The artwork will be displayed at the RMLD offices.
- Meetings with Town Managers/Administrators will be scheduled for late fall followed by presentation to the Selectmen. Staff will present a preliminary rate analysis at these meetings. A cost of service analysis will be performed for presentation in the spring.
- The LED Street Light Project is moving forward. Ms. O'Brien reviewed the provided spreadsheet, which outlines the progress on installation to date. There are 400 shut-offs in North Reading, and a decision on whether to replace those is still pending. Ms. O'Brien noted that the savings is less than anticipated because the previous rate did not capture the capital cost, and therefore, the towns were only being charged the energy cost. The new rate does include the capital cost. Ms. O'Brien agreed to forward the updated analysis to the CAB.

Mr. Chrisos asked for an update on the distributed generator project (DG) and to address, specifically, the Town's request for paving upgrades at the site, and the public forum that was held in July. Mr. Chrisos commented that the project is moving fine from the Town's perspective. Mr. Chrisos noted that he was disappointed in the article regarding the informational forum. He did not feel the article, which spoke about shaving the peak, was clear that the intent of the forum was to allow neighbors who would be impacted by this project to come and talk about it. Mr. Jaffari provided an update on the progress of the project. National Grid street work has been completed and RMLD has agreed to pay the cost of the DPW driveway paving upgrades. The contract to build the DG unit has been awarded and installation of the unit is scheduled for the end of April. The unit should be operational by mid-May.

Mr. Chrisos asked for clarification on the rates/savings for the Solar Choice Program as described in the September edition of *InBrief*. Mr. Jaffari responded that a participation fee is paid each month for the ten-year term. Solar credits begin the second year of the program. The net savings (credit minus the participation fee) over ten years is estimated to be \$300. Ms. O'Brien confirmed that the program will first be offered to Green Choice participants and then opened up to other customers (in order to reach the 500 participants).

3. NEPPA Annual Conference Presentation – M. Chrisos

Mr. Chrisos reviewed the key points of his presentation on solar development in Massachusetts, which he gave at the August Conference in Lake Placid, New York.

4. Public Comment – G. Hooper, Chair

No public comment was made.

5. Next Meeting – G. Hooper, Chair

The next meeting of the CAB was schedule for October 12, 2016, at 6:30 p.m.

6. Adjournment – G. Hooper, Chair

Mr. Nelson made a motion to adjourn the Citizens' Advisory Board meeting, seconded by Mr. Kelley. Hearing no further discussion, **Motion carried 4:0:0** (4 in favor, 0 opposed, 0 absent).

The Citizens' Advisory Board Meeting adjourned at 7:39 pm.

As approved on _____.

RMLD SOLAR CHOICE PROGRAM

Parameter	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Units
Key Assumptions:											
Solar Array Size in MW AC output	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	MW AC
Max Number of Participants	500	500	500	500	500	500	500	500	500	500	
Percentage of project output per Solar Share, %	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	%
Average Monthly Energy Use per Example Participant, kWhs/Month	750	750	750	750	750	750	750	750	750	750	kWhs/Month
Fuel Charge Rate, \$/kWh	\$0.0500	\$0.0508	\$0.0515	\$0.0523	\$0.0531	\$0.0539	\$0.0547	\$0.0555	\$0.0563	\$0.0572	\$/kWh
CSS Project PPA Rate, \$/kWh	\$0.0725	\$0.0736	\$0.0747	\$0.0758	\$0.0769	\$0.0781	\$0.0793	\$0.0805	\$0.0817	\$0.0829	\$/kWh
Average "Community Solar Supply", kWh/Month per Solar Share	267	267	267	267	267	267	267	267	267	267	kWhs/Month
Average "Community Solar Share Charge", \$/Month	\$5.00	\$6.03	\$6.06	\$6.09	\$6.12	\$6.15	\$6.18	\$6.21	\$6.24	\$6.27	\$/Month
Value of ICAP Peak Reduction Credit per Solar Share, \$/Month		-\$4.13	-\$5.92	-\$4.36	-\$4.36	-\$4.36	-\$4.36	-\$4.36	-\$4.36	-\$4.36	\$/Month
Value of Transmission Peak Reduction Credit per Solar Share, \$/Month		-\$1.81	-\$1.89	-\$1.96	-\$2.04	-\$2.12	-\$2.21	-\$2.30	-\$2.39	-\$2.49	\$/Month
Value of 5% of SREC Value per Solar Share, \$/Month		-\$3.33	-\$3.20	-\$3.07	-\$2.95	-\$2.83	-\$2.72	-\$2.61	-\$2.51	-\$2.41	\$/Month
Net Change in Monthly Bill =	\$5.00	-\$3.24	-\$4.95	-\$3.31	-\$3.24	-\$3.17	-\$3.11	-\$3.06	-\$3.02	-\$2.99	\$/Month
Net Change in Annual Bill =	\$60.00	-\$38.92	-\$59.43	-\$39.71	-\$38.83	-\$38.05	-\$37.36	-\$36.76	-\$36.26	-\$35.85	\$/Year
Running Total Payment/Savings =	\$60.00	\$21.08	-\$38.35	-\$78.05	-\$116.88	-\$154.93	-\$192.29	-\$229.05	-\$265.31	-\$301.16	
Percentage of Average Monthly Bill =	4.8%	-3.0%	-4.5%	-3.0%	-2.8%	-2.7%	-2.6%	-2.5%	-2.5%	-2.4%	%

SOLAR CHOICE RATE

Available in:

Reading, Lynnfield Center, North Reading, and Wilmington

Applicability:

The Solar Choice Program is RMLD's implementation of the Community Shared Solar model which meets Mass DOER eligibility criteria to qualify as a Community Shared Solar Generation Unit as defined under 225 CMR 14.02. The Solar Choice (SC) Rate is available to all customers of good credit standing receiving service under any rate schedule of the Department, subject to availability of solar array project capacity.

This rate will be an additional charge to the existing RMLD rate.

For the first twelve months of the Program, the SC Rate shall be \$5.00/month.

After the first twelve months of the Program, the SC Rate will be the total SC Component Charges/Credits calculated prior to each six month period based on budgeted expenses/savings from the SC Project and will be trued up to actual expenses/savings, with any adjustment being carried forward to the next six month period using the formulas defined below.

SC Energy Component Charge:

SC Energy Component, in \$/kWh/Month = (SC Project PPA Rate) – (Fuel Charge Rate)

Monthly SC Project Solar Production per SC share = (The total monthly solar production, in kWh, produced by the SC Project) / (Total number of SC shares for that SC Project)

SC Energy Component Charge, in \$/Month = (SC Energy Component) x (Monthly SC Project Solar Production per SC share)

Note: For any month where the Fuel Charge Rate is greater than or equal to the SC Project PPA Rate, the SC Energy Component Charge will be a Credit for that month.

SC Capacity Component Credit:

For each six month period, the SC Capacity Component Credit will be calculated based on the actual solar production output of the SC Project for that period and any Capacity Payment savings earned as a result of the SC Project output will be paid out as credits during the following six month period.

The SC Capacity Component Credit will be calculated as follows:

Rate Filed: October 28, 2016

Effective: On Billings on or After December 1, 2016

Filed By: Coleen M. O'Brien, General Manager

SC Capacity Component Credit per SC share, in \$ = (The total Capacity Payment or other Program savings, in \$, earned for that period as a result of the solar power produced by the SC Project during the Capacity Peak Hour) / (Total number of SC shares for that SC Project)

SC Transmission Component Credit:

For each six month period, the SC Transmission Component Credit will be calculated based on the actual solar production output of the SC Project for the completed six month period and any Transmission Payment savings earned for that period as a result of the SC Project output will be paid out as credits during the following six month period.

The SC Transmission Component Credit will be calculated as follows:

SC Transmission Component Credit per SC share, in \$ = (The total Transmission Payment savings, in \$, earned for that period as a result of the solar power produced by the SC Project during Transmission Peak Hours) / (Total number of SC shares for that SC Project)

SC Rate:

The SC Rate will be the total SC Charge/Credit, calculated as shown below. This Charge or Credit will be added to each participating customer's monthly bill.

SC Rate = (SC Energy Component Charge, in \$) – (SC Capacity Component Credit, in \$)
– (SC Transmission Component Credit, in \$)

Note: For any specific month, this total bill adjustment may be positive (cost to the customer) or negative (savings to the customer).

Term:

A customer electing to be billed under this rate must be of good credit standing and shall remain on this rate for a minimum of ten years. After ten years on this rate a customer may elect to remain on this rate or discontinue it. If the RMLD does not receive an SC Rate termination request from the customer, it will be assumed that the customer elects to continue to be billed under this rate.

A thirty-day notice is required from customers who will no longer be able to participate in the SC Rate.

Since the number of participants/SC shares are limited for each SC Project, shares will be issued on a "first come/first served" basis and/or through a "lottery" system at the discretion of the

Rate Filed: October 28, 2016

Effective: On Billings on or After December 1, 2016

Filed By: Coleen M. O'Brien, General Manager

RMLD. The RMLD will maintain a “waiting list” which will be used to replace any customers who must leave the program and/or for new SC Projects as they become available.

Any customers joining an SC Project after the first twelve months of that SC Project will be charged a one-time enrollment fee of \$60.00 and then begin receiving the current monthly SC Rate program billing adjustment.

This rate will be subject to termination in the event that the RMLD is unable to procure power from the SC Project, or costs become prohibitive.

General Terms and Conditions:

Service hereunder is subject to the General Terms and Conditions which are incorporated herein and are a part of this rate schedule.

RMLD
CITIZENS' ADVISORY BOARD


Chair Signature

3/11/15
Date

Per CAB Vote: 1/14/2015

I. PURPOSE

- A. To establish the role of the Reading Municipal Light Department ("RMLD") Citizens' Advisory Board ("CAB") as set forth in Paragraph 9 and Attachment 4 of the "20 Year" Agreement, and its relationship to RMLD's customers, the RMLD Board of Commissioners ("Commissioners"), and the RMLD General Manager.
- B. To establish administrative controls for certain CAB activities.
- C. The RMLD will provide a minimum annual budget of \$15,000 annually to pay for incurred CAB consultant expenses and other appropriate expenses deemed necessary by the CAB to fulfill its role as an advisor to RMLD on matters within its purview of the "20 Year" Agreement and the member towns it represents. The CAB agrees to prepare and submit a budget request for any additional costs above the \$15,000 by November 30th of each year to the RMLD General Manager for review and consideration.
- D. The CAB shall be provided reasonable access to and has the authority to request copies from RMLD of any and all operational and procedural documents relative to its responsibilities as specified in Paragraph 9 and Attachment 4 of the "20 Year" Agreement, except those documents that are exempt from disclosure under the public records law or under confidential attorney client privilege or other applicable law. CAB members shall become familiar with such public documents of the RMLD and provide their member town's input back into the RMLD Commission's decision making process.

II. GOVERNING LAWS AND LEGAL REQUIREMENTS

- A. M.G.L., Chapter 164, M.G.L. c. 4, § 7 (clause twenty-six), M.G.L. c. 30A, §§ 18 -25 and any and all other applicable federal and state statutes and regulations.
- B. The "20 Year" Agreement between the RMLD and the towns of Lynnfield, Reading, North Reading, and Wilmington.

III. CAB GOVERNANCE AND RESPONSIBILITIES

The CAB shall elect a chair, vice-chair and secretary, and such officers will be rotated among the CAB members not more than every two terms.

A. CAB Chair:

- 1. The Chair is responsible for calling regular, emergency, and executive session meetings of the CAB Board as needed, subject to the requirements of M.G.L. c. 30A, §§ 18 -25, the Open Meeting Law. In fulfilling its duties under the 20-Year Agreement, the CAB shall meet at a minimum of every two (2) months, and may do so without the attendance of RMLD management or staff at its discretion as long as there is a quorum of three (3) of the five (5) members in attendance and provided all other Open Meeting Law requirements are followed.

2. The Chair presides over the CAB meetings, sets the agenda with input from CAB members and recognizes all speakers, including other CAB members and attendees.
 3. The Chair nominates CAB members to represent the CAB at appropriate functions, events and meetings. Final decisions shall be made by a majority vote of the CAB members.
 4. The Chair nominates Board members to committees. Final appointments shall be made by a majority vote of the CAB members. Committees shall organize and select a chair and other officers by majority vote of said committee as required once appointed. All committees shall be conducted in accordance with this policy and applicable laws, including M.G.L. c. 30A, §§ 18 -25.
 5. The Chair may delegate some, none or all of the above responsibilities to the Vice-Chair at his/her discretion.
 6. The Chair will serve a two year term and will be eligible for re-election as Chair for two consecutive terms. Upon completion of such terms, one two-year term must pass prior to being eligible for re-election as Chair.
- B. CAB Vice-Chair:
1. The CAB Vice-Chair shall serve as chair in the absence of the Chair.
 2. The Vice Chair will serve a two year term and will be eligible for re-election as Vice Chair for two consecutive terms. Upon completion of such terms, one two-year term must pass prior to being eligible for re-election as Vice Chair.
- C. CAB Secretary:
1. Performs final review of Board minutes.
 2. Certifies, as required by law, votes of the CAB.
 3. Signs, upon direction of a majority vote of the CAB, documents and legal settlements on behalf of the CAB. Alternatively any CAB member may be authorized to perform this function by majority vote of the CAB.
 4. In the absence of the Secretary, any other CAB member may be assigned by the Chair, the duties of Secretary for that specific meeting.
- D. The CAB, as a whole, by majority vote, shall:
1. Provide decision-making input to the RMLD Commission on issues concerning:
 - a. Expansion or retirement of RMLD's transmission, distribution, general plant or generation that is normally submitted for approval to the RMLD Commission under the annual capital budget.
 - b. Power contracts and agreements and their mix for energy and/or capacity, which are either:
 - i. A minimum of 10 megawatts in energy or
 - ii. A minimum of 6 month term
 - c. Cost-of-service and rate making practices.

- d. Financial and accounting practices including but not limited to the creation of reserve accounts or any alteration to existing reserve accounts. Alterations are defined as a transfer to or from a reserve account that is not a posting of accrued interest.
 - e. RMLD's operating and capital budgets and recommend increases, decreases and alterations in accordance with M.G.L. c. 164, § 58 and generally accepted ratemaking principles. The CAB shall review the proposed budgets for both their ability to ensure the proper maintenance, reliability, safety and needed improvements to the physical plant of the RMLD, and for fiscal responsibility and impact on rates in accordance with M.G.L. c. 164.
 - f. Other issues as outlined in the "20 Year" Agreement, and as may be referred by the CAB Chair and RMLD Commission.
 - 2. Approve in advance, attendance by CAB members at any meeting, conference, training session or similar function that requires reimbursement of expenses by RMLD or the use of RMLD resources for CAB authorized activities.
- E. CAB Committees
- 1. Serve as a mechanism for the CAB to review and consider specific issues. Committees can recommend but not approve formal recommendations and input to the RMLD on behalf of the CAB unless the CAB, by majority vote, specifically delegates such authority with respect to a course of action.

IV. POLICY ELEMENTS

It is the policy of the CAB:

- A. To operate in accordance with the "20 Year" Agreement, and all applicable laws relating to the conduct of the CAB and its members, including but not limited to M.G.L. c. 30A, §§ 18-25 and M.G.L. c. 268A, all laws and requirements applicable to the business of the RMLD and its customers.
- B. All Members are required to act with the highest level of integrity, business ethics and objectivity in any CAB transaction or where a member represents the CAB, the Commission or the RMLD. No member is allowed to misuse the authority or influence of their CAB position.
- C. To operate in a respectful, businesslike and efficient manner in all aspects of the CAB meetings and all dealings with the RMLD Board and the RMLD.
- D. To hold regular open and public meetings to allow any and all customers of RMLD to express their views and to provide direct input on any open session matter before the CAB.
- E. To affirmatively and courteously respond to all requests for public information in the custody and control of the CAB, subject to the constraints of Policy 12 (attached), Board Document Dissemination and Massachusetts Public Records Law. All request responses will be arranged and approved through the CAB with the assistance of the RMLD General Manager.
- F. Solicit and consider input from member towns' Boards of Selectmen, businesses and residents on matters within the CAB's purview.