

AGENDA

REGULAR SESSION

CITIZENS' ADVISORY BOARD (CAB) MEETING

WEDNESDAY, NOVEMBER 19, 2014

6:30 pm

230 Ash Street, Winfred Spurr/Audio Visual Room
Reading, MA 01867

1. CALL MEETING TO ORDER: G. Hooper, Chair
2. ORGANIZATIONAL AND RELIABILITY STUDIES: C. O'Brien, General Manager
3. FINANCIAL REPORT–SEPTEMBER 2014: R. Fournier, Accounting/Business Manager
4. INTEGRATED RESOURCES REPORT–SEPTEMBER 2014: J. Parenteau, Director of Integrated Resources
5. LED STREET LIGHTS: J. Parenteau, Director of Integrated Resources
Suggested Motion: Move that the Citizens' Advisory Board recommend to the RMLD Board of Commissioners approval of the proposed LED street light rate for the towns of Reading, North Reading, Wilmington and Lynnfield.
6. ENGINEERING & OPERATIONS REPORT–SEPTEMBER 2014: H. Jaffari, Director of E&O
7. REVIEW OF CAB POLICIES: D. Nelson, Vice Chair
8. NEXT MEETING: G. Hooper, Chair
9. EXECUTIVE SESSION: G. Hooper, Chair
Suggested Motion: Move that the Citizens' Advisory Board go into Executive Session based on Chapter 164, Section 47D exemption from public records and open meeting requirements in certain instances to discuss competitively sensitive issues and return to regular session for the sole purpose of adjournment. *Note: Roll call vote required.*
10. ADJOURNMENT: G. Hooper, Chair

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



Organizational Assessment

Reading Municipal Light Department

Presented by: Patricia Cruz & Steve Rupp
November 6, 2014





Agenda

- › Introduction
- › Project Team
- › Relevant Qualifications
- › Scope of Work
- › Q&A

The Leidos Engineering Legacy

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Who We Are

SAIC

R.W. BECK

**PATRICK
ENERGY SERVICES**

1969

Founded in 1969, SAIC has a history of transforming science to solutions with systems integration, energy, and environmental expertise.

2009

SAIC acquired R.W. Beck Group, Inc., a 67-year-old engineering, energy, and infrastructure consultancy, comprised of 550 technical and business consultants.

2011

SAIC acquired Patrick Energy Services, a 45-year-old leader in power system solutions, comprised of 200 transmission and distribution specialists.

2007

SAIC acquired Benham Investment Holdings, LLC., a 98-year-old architecture, engineering, and DesignBuildSM firm, comprised of 900 technical professionals.

BENHAM

2010

SAIC Energy, Environment & Infrastructure, LLC was established.

SAIC

2013

SAIC separates into two independent, publicly traded companies, launching Leidos. Leidos' engineering business focuses on making 'What If' possible for commercial and industrial, government, lenders and developers, oil and gas, and utility clients.

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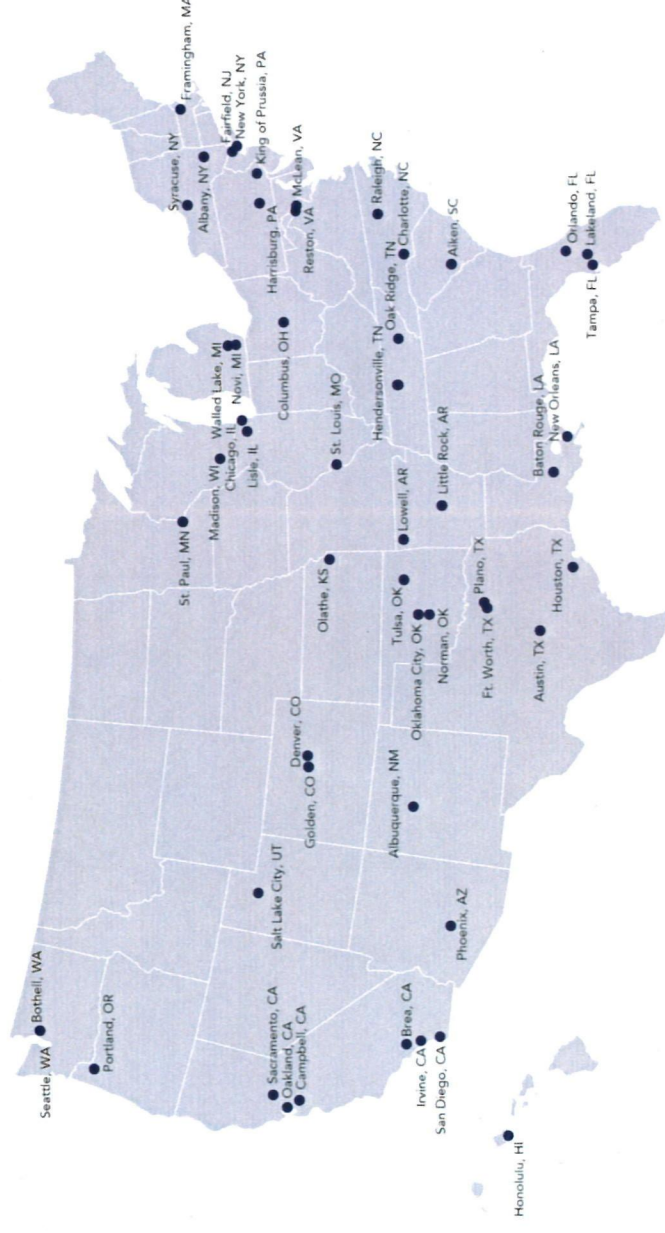
We Have Breadth Over Industry Issues



We Have Depth For Varying Levels Of Effort

Leidos Engineering

- > Over 3,300 employees dedicated to engineering solutions
- > More than 1,000 employees with advanced degrees
- > More than 4,500 active engineering contracts
- > Approximately 75 office locations



Consulting Team



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Team Members

Team Member	Role	Experience
Patricia Cruz	Project Manager	Senior Project Manager 18+ years of experience
Steve Rupp	Client Liaison	Vice President 30 years of experience
Lisa Vedder	Organizational Effectiveness	Senior Utility Consultant 28 years of experience
Matthew Eckhart	Organizational Effectiveness	Analyst Recent graduate
Rebecca Shiflea	Industry Best Practices	Senior Project Manager 25 years of experience

Capability Matrix

	Key Team Members				Supporting Subject Matter Expert
	Patricia Cruz	Rebecca Shiflea	Lisa M. Vedder, MPA, CIA	Matthew Eckhart	Daryl Pullin
Organizational Studies	✓	✓	✓		✓
Operations Assessment and Budgets			✓		✓
Safety Assessment	✓		✓		
Outage Analysis and Reliability Studies					
Capital Budgets and Planning Studies			✓		✓

Relevant Qualifications Organizational Assessments

Brownsville Public Utilities Board Organizational Assessment and Strategic Planning



Assessment of organizational structure, strategic and business planning, financial management, O&M, and overall effectiveness of multi-service utility

Issues

- › Board policies not defined or understood
- › Needed planning
- › Organizational structure was limiting
- › Needed resources in certain functional areas

Keys to Success

- › Provided actionable set of specific, prioritized recommendations and detailed activities to address governance issues, need for strategic planning, organizational structure, staffing, financial services, and rate design

Leidos successfully integrates business and financial acumen with technical expertise to facilitate strategic planning and improved organizational and operational performance of our utility clients.

Fortis Turks & Caicos Islands Organizational Assessment



Objective assessment of island utility aimed at improving organizational effectiveness and efficiency

Issues

- › Needed organizational performance improvement
- › Corporate culture and organizational structure was limiting performance
- › Needed succession planning for key positions

Keys to Success

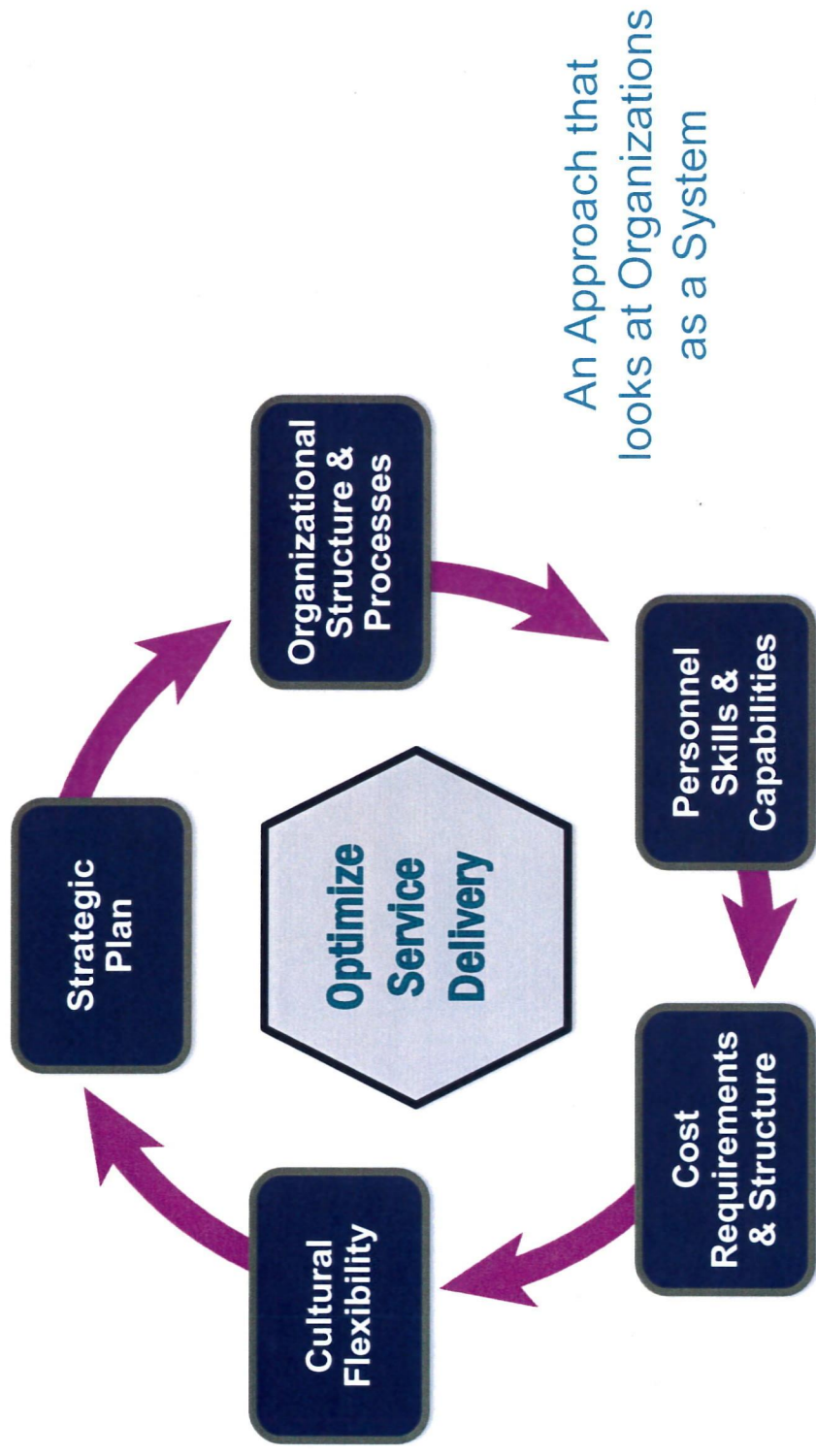
- › Provided actionable set of specific, prioritized recommendations on organizational structure, cultural transformation, leadership, career development, and process mapping

Approach & Scope of Work

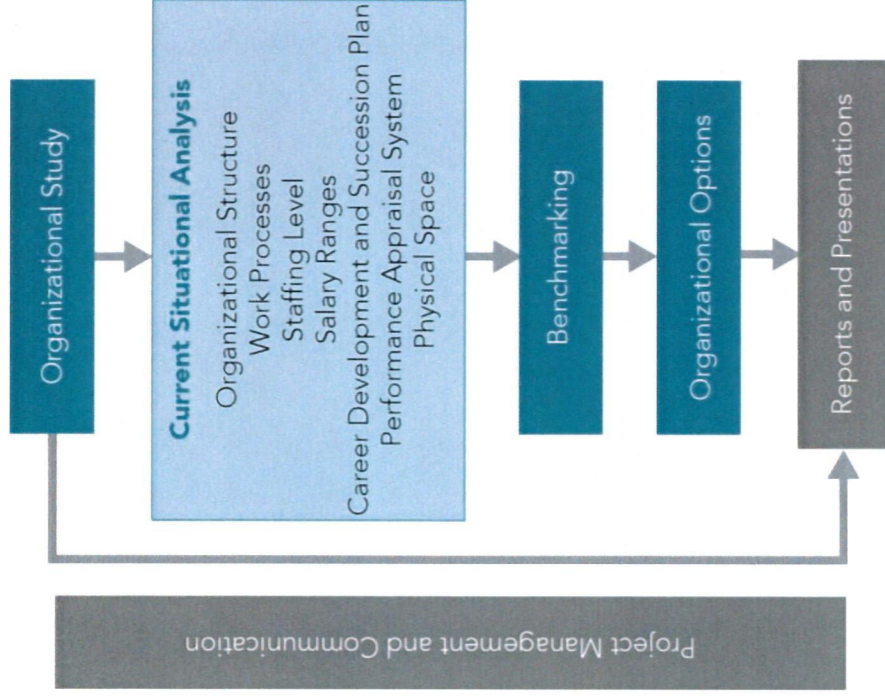
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Relevant Qualifications Organizational Assessments



Scope of Work



Project Scope Highlights – Project Kick-Off

- > Discuss and finalize:
 - > Project scope
 - > Schedule
 - > Fee
 - > Time commitments for RMLD staff
 - > Initial request for information

Activities:

- Kick-off meetings
- Presentation to Board
- Interviews
- Initial request for information

Task Duration: 2 weeks
Deliverables: Meeting notes & revisions agreed upon

Project Scope Highlights - CSA

- > Current Situational Analysis
 - > Organizational structure
 - > Key business processes
 - > Staffing
 - > Talent management initiatives
 - > Physical arrangement & space

Activities:

- Interviews
- Data collection
- Research
- Documentation review
- Employee meetings
- Physical space review

Task Duration: 6 – 7 weeks
Deliverables: CSA report

Project Scope Highlights – Industry Best Practices

- > Best practices comparison examples:
 - > Revenue per kWh
 - > Operating Ratio - ratio of operating income per revenue dollar
 - > Liquidity – ratio of current assets to current liabilities
 - > Labor Productivity - retail customer per employee & per circuit mile

Activities:

- List of utilities
- Parameters to compare
- Survey instrument

Task Duration: 4 to 6 weeks
Deliverables: Benchmarking report

Project Scope Highlights – Organizational Options

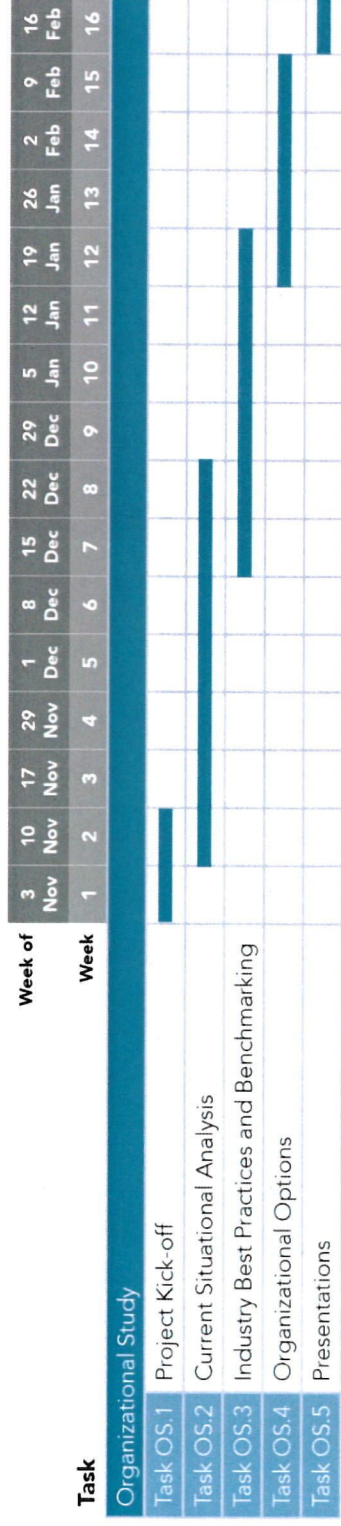
- > Findings and recommendations
 - > Organizational structure
 - > Key business processes
 - > Staffing
 - > Talent management initiatives
 - > Physical space arrangements
 - > Industry best practices

Activities:

- Draft report
- Feedback from RMLD
- Final report
- Presentation

Task Duration: 4 weeks for reports, 1 week for presentation
Deliverables: Draft /final reports , presentation

Project Schedule



Payment Schedule

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Not-to-Exceed Estimate

Task	Cost	Payment per Deliverable
1: Project Kick-off	\$7,000	November 2014 <i>*Kick-off meetings & summary</i>
2. CSA	\$40,000	December 2014 <i>*CSA report</i>
3. Best Practices	\$12,000	January 2015 <i>*Benchmarking report</i>
4. Organizational Options	\$18,000	February 2015 <i>*Draft report</i>
5. Reports & Presentation	\$14,000	March 2015 <i>*Final report & presentation</i>
6. Project Management	\$8,200	Included in each Task

Q&A



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Point of Contact

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SENIOR PROJECT MANAGER

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RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

ELECTRICAL SYSTEM RELIABILITY PROJECT

Booth
& Associates
CONSULTING ENGINEERS

October 2014

Booth & Associates, LLC

CONSULTING ENGINEERS

- Founded in 1960
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- Has Served over 400 Clients
- Licensed in 34 States
- 70 Employees

5811 Glenwood Avenue

Raleigh, NC 27612

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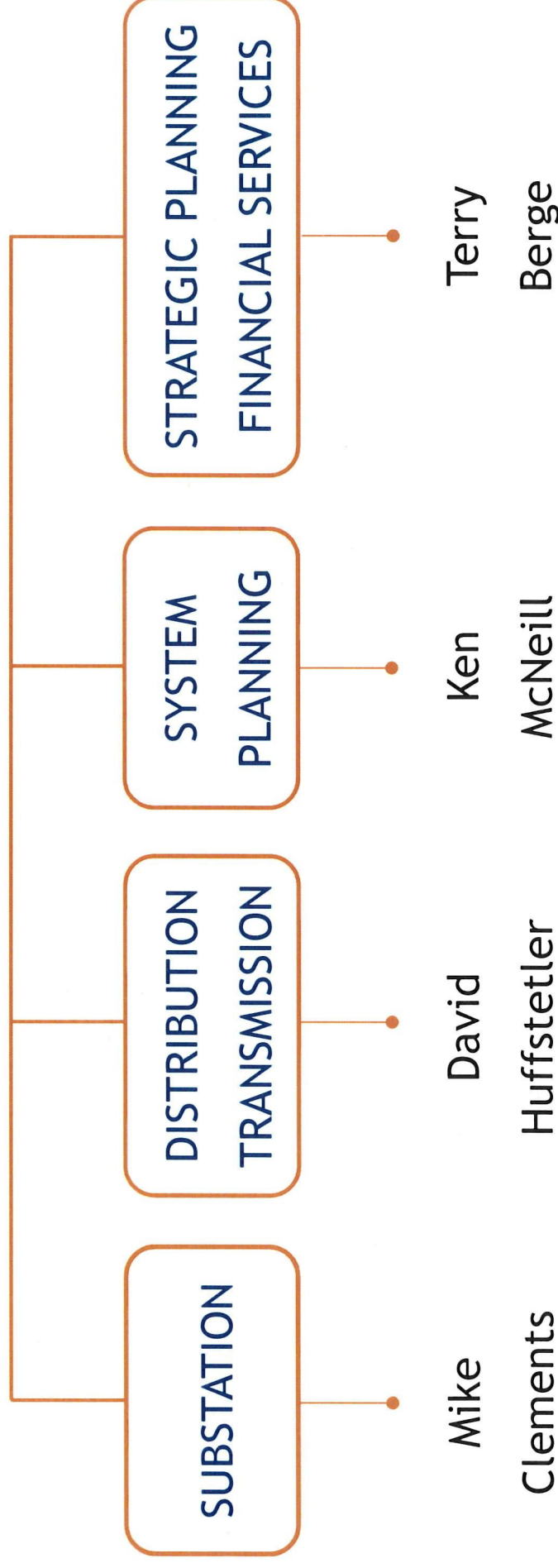
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PROJECT APPROACH

Project Approach

SYSTEM CONDITION ASSESSMENT



Project Approach

- Compile system data
- Interview Management, Engineering and Operations staff
- Gain understanding of system operations

Project Approach

- Review Maintenance Programs
- Review System Protection Setting
- Evaluate System Losses
- Technical and Operations Organization
- Reliability Indices
- Safety Practices and Programs
- System Reliability and Flexibility

Project Approach

- Engineering and Planning Functions
- System Design vs Good Utility Practice
- System Automation and Smart Grid
- GIS Functionality
- Existing Fiber Loop
- Historical Investment

Final Report

- Specifically address each line item
- Provide recommendations
 - Program Cost Estimate
 - Project Priority
 - Projected Timeline

Proposed Schedule

Condition Assessment	thru December 12, 2014
System Analysis	thru January 26, 2015
Report Preparation	thru February 12, 2015
Draft Report Delivered	February 13, 2015
RMLD Review	February 16 - March 1, 2015
Final Report Delivered	March 13, 2015

Proposed Payment Schedule

TASK	COST	PAYMENT PER DELIVERABLE
Condition Assessment	\$ 64,436	end December 2014
Draft Report	\$ 64,436	end February 2015
Final Report	\$ 32,218	end March 2015

Questions?

Adjourn

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Dt: October 31, 2014

To: RMLB, Coleen O'Brien, Jeanne Foti

Fr: Bob Fournier

Sj: September 30, 2014 Report

The results for the first three months ending September 30, 2014, for the fiscal year 2015 will be summarized in the following paragraphs.

1) Change in Net Assets: (Page 3A)

For the month of September, the net income or the positive change in net assets was \$639,851, increasing the year to date net income to \$3,490,677. The year to date budgeted net income was \$3,408,662, resulting in net income being over budget by \$82,015 or 2.4%. Actual year to date fuel revenues exceeded fuel expenses by \$1,814,414.

2) Revenues: (Page 11B)

Year to date operating revenues were under budget by \$958,758 or 3.7%. Actual operating revenues were \$24.8 million compared to the budgeted amount of \$25.8 million.

3) Expenses: (Page 12A)

*Year to date purchased power base expense was under budget by \$11,069 or .14%. Actual purchased power base costs and budgeted power base costs were \$7.9 million.

*Year to date operating and maintenance (O&M) expenses combined were under budget by \$398,007 or 10.8%. Actual O&M expenses were \$3.2 million compared to the budgeted amount of \$3.6 million.

*Depreciation expense and voluntary payments to the Towns were on budget.

4) Cash: (Page 9)

- *Operating Fund was at \$11,038,619.
- * Capital Fund balance was at \$5,363,336.
- * Rate Stabilization Fund was at \$6,741,757.
- * Deferred Fuel Fund was at \$5,947,109.
- * Energy Conservation Fund was at \$582,350.

5) General Information:

Year to date kwh sales (Page 5) were 194,770,081 which is 7.4 million kwh or 3.6%, BEHIND last year's actual figure.

Budget Variance:

Cumulatively, the five divisions were under budget by \$405,606 or 7.2%.

FINANCIAL REPORT

SEPTEMBER 30, 2014

ISSUE DATE: OCTOBER 31, 2014

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF NET ASSETS
9/30/2014

		PREVIOUS YEAR	CURRENT YEAR
ASSETS			
CURRENT			
UNRESTRICTED CASH	(SCH A P.9)	8,229,356.39	11,038,619.90
RESTRICTED CASH	(SCH A P.9)	20,202,747.62	22,414,031.53
RESTRICTED INVESTMENTS	(SCH A P.9)	0.00	1,292,906.26
RECEIVABLES, NET	(SCH B P.10)	8,195,375.49	7,561,825.18
PREPAID EXPENSES	(SCH B P.10)	1,411,727.14	1,406,716.39
INVENTORY		1,521,933.75	1,439,446.41
TOTAL CURRENT ASSETS		39,561,140.39	45,153,545.67
NONCURRENT			
INVESTMENT IN ASSOCIATED CO	(SCH C P.2)	37,060.48	26,993.75
CAPITAL ASSETS, NET	(SCH C P.2)	70,009,019.31	69,964,993.35
TOTAL NONCURRENT ASSETS		70,046,079.79	69,991,987.10
TOTAL ASSETS		109,607,220.18	115,145,532.77
LIABILITIES			
CURRENT			
ACCOUNTS PAYABLE		4,906,426.64	5,472,573.61
CUSTOMER DEPOSITS		746,358.61	807,738.14
CUSTOMER ADVANCES FOR CONSTRUCTION		427,384.15	455,965.98
ACCRUED LIABILITIES		170,301.90	126,372.34
TOTAL CURRENT LIABILITIES		6,250,471.30	6,862,650.07
NONCURRENT			
ACCRUED EMPLOYEE COMPENSATED ABSENCES		3,132,560.84	2,918,870.73
TOTAL NONCURRENT LIABILITIES		3,132,560.84	2,918,870.73
TOTAL LIABILITIES		9,383,032.14	9,781,520.80
NET ASSETS			
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT		70,009,019.31	69,964,993.35
RESTRICTED FOR DEPRECIATION FUND (P.9)		3,679,743.06	5,099,591.58
UNRESTRICTED		26,535,425.67	30,299,427.04
TOTAL NET ASSETS	(P.3)	100,224,188.04	105,364,011.97
TOTAL LIABILITIES AND NET ASSETS		109,607,220.18	115,145,532.77

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
NONCURRENT ASSET SCHEDULE
9/30/2014

SCHEDULE C

	PREVIOUS YEAR	CURRENT YEAR
SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES		
NEW ENGLAND HYDRO ELECTRIC	3,261.87	2,975.74
NEW ENGLAND HYDRO TRANSMISSION	33,798.61	24,018.01
TOTAL INVESTMENTS IN ASSOCIATED COMPANIES	<u>37,060.48</u>	<u>26,993.75</u>
 SCHEDULE OF CAPITAL ASSETS		
LAND	1,265,842.23	1,265,842.23
STRUCTURES AND IMPROVEMENTS	6,430,802.65	6,078,471.99
EQUIPMENT AND FURNISHINGS	12,464,470.46	12,322,184.73
INFRASTRUCTURE	<u>49,847,903.97</u>	<u>50,298,494.40</u>
TOTAL CAPITAL ASSETS, NET	<u>70,009,019.31</u>	<u>69,964,993.35</u>
 TOTAL NONCURRENT ASSETS	<u>70,046,079.79</u>	<u>69,991,987.10</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
9/30/2014

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
OPERATING REVENUES: (SCH D P.11)					
BASE REVENUE	4,388,093.22	1,925,013.36	13,155,956.58	6,085,527.36	-53.74%
FUEL REVENUE	3,096,134.62	2,758,999.30	9,434,647.92	10,386,553.45	10.09%
PURCHASED POWER CAPACITY	23,406.80	2,542,665.72	68,739.15	8,099,597.29	11683.09%
FORFEITED DISCOUNTS	76,781.85	108,263.18	223,391.10	249,020.22	11.47%
ENERGY CONSERVATION REVENUE	67,828.50	59,812.67	199,262.86	190,585.45	-4.35%
GAW REVENUE	68,822.22	0.00	202,191.02	0.00	100.00%
NYPA CREDIT	(61,811.13)	(73,836.15)	(149,297.25)	(157,619.41)	5.57%
TOTAL OPERATING REVENUES	7,659,256.08	7,320,918.08	23,134,891.38	24,853,664.36	7.43%
OPERATING EXPENSES: (SCH E P.12)					
PURCHASED POWER BASE	2,424,682.96	2,576,986.27	7,811,025.76	7,909,530.96	1.26%
PURCHASED POWER FUEL	2,168,234.24	2,358,565.60	8,399,833.69	8,414,519.55	0.17%
OPERATING	778,965.79	772,492.30	2,567,919.66	2,439,760.44	-4.99%
MAINTENANCE	280,641.65	351,060.97	673,512.51	821,822.59	22.02%
DEPRECIATION	314,969.55	321,788.79	944,908.65	965,366.37	2.17%
VOLUNTARY PAYMENTS TO TOWNS	116,666.67	118,000.00	350,000.01	354,000.00	1.14%
TOTAL OPERATING EXPENSES	6,084,160.86	6,498,893.93	20,747,200.28	20,904,999.91	0.76%
OPERATING INCOME	1,575,095.22	822,024.15	2,387,691.10	3,948,664.45	65.38%
NONOPERATING REVENUES (EXPENSES)					
CONTRIBUTIONS IN AID OF CONST	(280.37)	395.20	4,937.38	395.20	0.00%
RETURN ON INVESTMENT TO READING	(191,768.41)	(194,405.25)	(575,305.25)	(583,215.75)	1.38%
INTEREST INCOME	2,285.65	10,097.40	7,361.47	32,355.54	339.53%
INTEREST EXPENSE	(254.60)	(261.92)	(770.38)	(782.66)	1.59%
OTHER (MDSE AND AMORT)	78,804.93	2,002.00	83,094.93	93,261.03	12.23%
TOTAL NONOPERATING REV (EXP)	(111,212.80)	(182,172.57)	(480,681.85)	(457,986.64)	-4.72%
CHANGE IN NET ASSETS	1,463,882.42	639,851.58	1,907,009.25	3,490,677.81	83.04%
NET ASSETS AT BEGINNING OF YEAR			98,317,178.79	101,873,334.16	3.62%
NET ASSETS AT END OF SEPTEMBER			100,224,188.04	105,364,011.97	5.13%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
9/30/2014

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE*	% CHANGE
OPERATING REVENUES: (SCH F P.11B)				
BASE REVENUE	6,085,527.36	14,709,336.00	(8,623,808.64)	-58.63%
FUEL REVENUE	10,386,553.45	10,752,311.00	(365,757.55)	-3.40%
PURCHASED POWER CAPACITY	8,099,597.29	0.00	8,099,597.29	100.00%
FORFEITED DISCOUNTS	249,020.22	323,605.00	(74,584.78)	-23.05%
ENERGY CONSERVATION REVENUE	190,585.45	202,170.00	(11,584.55)	-5.73%
NYPA CREDIT	(157,619.41)	(174,999.00)	17,379.59	-9.93%
TOTAL OPERATING REVENUES	24,853,664.36	25,812,423.00	(958,758.64)	-3.71%
OPERATING EXPENSES: (SCH G P.12A)				
PURCHASED POWER BASE	7,909,530.96	7,920,600.00	(11,069.04)	-0.14%
PURCHASED POWER FUEL	8,414,519.55	9,056,605.00	(642,085.45)	-7.09%
OPERATING MAINTENANCE	2,439,760.44	2,855,299.00	(415,538.56)	-14.55%
DEPRECIATION	821,822.59	804,292.00	17,530.59	2.18%
VOLUNTARY PAYMENTS TO TOWNS	965,366.37	972,999.00	(7,632.63)	-0.78%
	354,000.00	354,000.00	0.00	0.00%
TOTAL OPERATING EXPENSES	20,904,999.91	21,963,795.00	(1,058,795.09)	-4.82%
OPERATING INCOME	3,948,664.45	3,848,628.00	100,036.45	2.60%
NONOPERATING REVENUES (EXPENSES)				
CONTRIBUTIONS IN AID OF CONST	395.20	50,000.00	(49,604.80)	-99.21%
RETURN ON INVESTMENT TO READING	(583,215.75)	(583,215.00)	(0.75)	0.00%
INTEREST INCOME	32,355.54	24,999.00	7,356.54	29.43%
INTEREST EXPENSE	(782.66)	(750.00)	(32.66)	4.35%
OTHER (MDSE AND AMORT)	93,261.03	69,000.00	24,261.03	35.16%
TOTAL NONOPERATING REV (EXP)	(457,986.64)	(439,966.00)	(18,020.64)	4.10%
CHANGE IN NET ASSETS	3,490,677.81	3,408,662.00	82,015.81	2.41%
NET ASSETS AT BEGINNING OF YEAR	101,873,334.16	101,873,334.16	0.00	0.00%
NET ASSETS AT END OF SEPTEMBER	105,364,011.97	105,281,996.16	82,015.81	0.08%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
RECONCILIATION OF CAPITAL FUNDS
9/30/2014

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 7/1/14	4,130,584.59
CONSTRUCTION FUND BALANCE 7/1/14	1,000,000.00
INTEREST ON DEPRECIATION FUND FY 15	3,640.62
DEPRECIATION TRANSFER FY 15	<u>965,366.37</u>
TOTAL SOURCE OF CAPITAL FUNDS	6,099,591.58

USE OF CAPITAL FUNDS:

LESS PAID ADDITIONS TO PLANT THRU SEPTEMBER	736,254.92
GENERAL LEDGER CAPITAL FUNDS BALANCE 9/30/14	<u><u>5,363,336.66</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SALES OF KILOWATT HOURS
9/30/2014

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	25,540,399	22,939,398	80,169,552	75,043,290	-6.39%
COMM. AND INDUSTRIAL SALES	40,557,855	35,714,805	114,464,916	112,076,532	-2.09%
PRIVATE STREET LIGHTING	73,957	78,696	222,003	236,838	6.68%
TOTAL PRIVATE CONSUMERS	<u>66,172,211</u>	<u>58,732,899</u>	<u>194,856,471</u>	<u>187,356,660</u>	-3.85%
MUNICIPAL SALES:					
STREET LIGHTING	239,515	242,669	718,505	729,038	1.47%
MUNICIPAL BUILDINGS	875,317	750,172	2,461,219	2,416,962	-1.80%
TOTAL MUNICIPAL CONSUMERS	<u>1,114,832</u>	<u>992,841</u>	<u>3,179,724</u>	<u>3,146,000</u>	-1.06%
SALES FOR RESALE	365,264	347,064	1,089,486	1,085,516	-0.36%
SCHOOL	1,159,553	1,036,921	3,044,297	3,181,905	4.52%
TOTAL KILOWATT HOURS SOLD	<u>68,811,860</u>	<u>61,109,725</u>	<u>202,169,978</u>	<u>194,770,081</u>	-3.66%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
KILOWATT HOURS SOLD BY TOWN
9/30/2014

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	22,939,398	7,293,294	3,582,043	5,175,288	6,888,773
COMM & IND	35,714,805	4,460,805	299,833	5,481,548	25,472,619
PVT ST LIGHTS	78,696	13,102	1,524	24,826	39,244
PUB ST LIGHTS	242,669	81,549	32,770	42,644	85,706
MUNI BLDGS	750,172	176,606	177,483	144,132	251,951
SALES/RESALE	347,064	347,064	0	0	0
SCHOOL	1,036,921	391,422	248,605	92,360	304,534
TOTAL	61,109,725	12,763,842	4,342,258	10,960,798	33,042,827

YEAR TO DATE					
RESIDENTIAL	75,043,290	23,125,980	11,194,762	17,317,923	23,404,625
COMM & IND	112,076,532	13,954,255	908,358	17,557,728	79,656,191
PVT ST LIGHTS	236,838	39,938	4,572	74,280	118,048
PUB ST LIGHTS	729,038	244,994	98,448	128,113	257,483
MUNI BLDGS	2,416,962	546,624	525,872	476,890	867,576
SALES/RESALE	1,085,516	1,085,516	0	0	0
SCHOOL	3,181,905	1,208,432	726,715	340,560	906,198
TOTAL	194,770,081	40,205,739	13,458,727	35,895,494	105,210,121

LAST YEAR TO DATE					
RESIDENTIAL	80,169,552	24,831,914	11,854,932	18,651,433	24,831,273
COMM & IND	114,464,916	14,024,549	961,054	17,719,602	81,759,711
PVT ST LIGHTS	222,003	39,387	4,080	66,526	112,010
PUB ST LIGHTS	718,505	241,986	97,500	125,018	254,001
MUNI BLDGS	2,461,219	567,020	505,645	495,125	893,429
SALES/RESALE	1,089,486	1,089,486	0	0	0
SCHOOL	3,044,297	1,111,061	726,618	358,960	847,658
TOTAL	202,169,978	41,905,403	14,149,829	37,416,664	108,698,082

KILOWATT HOURS SOLD TO TOTAL					
MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	37.54%	11.93%	5.86%	8.47%	11.28%
COMM & IND	58.44%	7.30%	0.49%	8.97%	41.68%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.04%	0.06%
PUB ST LIGHTS	0.40%	0.13%	0.05%	0.07%	0.15%
MUNI BLDGS	1.23%	0.29%	0.29%	0.24%	0.41%
SALES/RESALE	0.57%	0.57%	0.00%	0.00%	0.00%
SCHOOL	1.70%	0.64%	0.41%	0.15%	0.50%
TOTAL	100.00%	20.88%	7.10%	17.94%	54.08%

YEAR TO DATE					
RESIDENTIAL	38.53%	11.87%	5.75%	8.89%	12.02%
COMM & IND	57.54%	7.16%	0.47%	9.01%	40.90%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.04%	0.06%
PUB ST LIGHTS	0.38%	0.13%	0.05%	0.07%	0.13%
MUNI BLDGS	1.24%	0.28%	0.27%	0.24%	0.45%
SALES/RESALE	0.56%	0.56%	0.00%	0.00%	0.00%
SCHOOL	1.63%	0.62%	0.37%	0.17%	0.47%
TOTAL	100.00%	20.64%	6.91%	18.42%	54.03%

LAST YEAR TO DATE					
RESIDENTIAL	39.65%	12.28%	5.86%	9.23%	12.28%
COMM & IND	56.62%	6.94%	0.48%	8.76%	40.44%
PVT ST LIGHTS	0.11%	0.02%	0.00%	0.03%	0.06%
PUB ST LIGHTS	0.36%	0.12%	0.05%	0.06%	0.13%
MUNI BLDGS	1.21%	0.28%	0.25%	0.24%	0.44%
SALES/RESALE	0.54%	0.54%	0.00%	0.00%	0.00%
SCHOOL	1.51%	0.55%	0.36%	0.18%	0.42%
TOTAL	100.00%	20.73%	7.00%	18.50%	53.77%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
FORMULA INCOME
9/30/2014

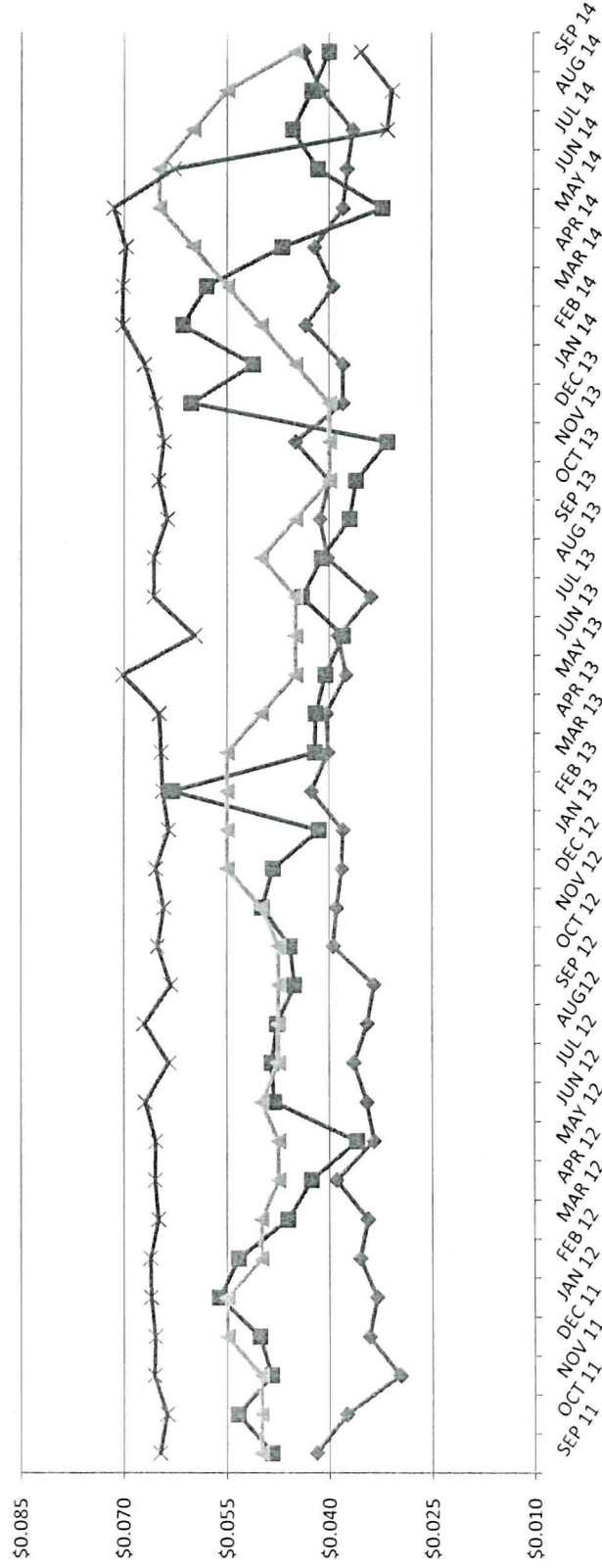
TOTAL OPERATING REVENUES	(P.3)	24,853,664.36
ADD:		
POLE RENTAL		0.00
INTEREST INCOME ON CUSTOMER DEPOSITS		788.68
LESS:		
OPERATING EXPENSES	(P.3)	(20,904,999.91)
CUSTOMER DEPOSIT INTEREST EXPENSE		(782.66)
FORMULA INCOME (LOSS)		<u>3,948,670.47</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
GENERAL STATISTICS
9/30/2014

		MONTH OF SEP 2013	MONTH OF SEP 2014	% CHANGE		YEAR SEP 2013	THRU SEP 2014
				2013	2014		
SALE OF KWH	(P.5)	68,811,860	61,109,725	-3.05%	-3.66%	202,169,978	194,770,081
KWH PURCHASED		58,649,074	58,968,269	-3.68%	-1.66%	199,904,885	196,595,839
AVE BASE COST PER KWH		0.041342	0.043701	396.00%	2.96%	0.039074	0.040232
AVE BASE SALE PER KWH		0.063769	0.031501	0.89%	-51.99%	0.065074	0.031245
AVE COST PER KWH		0.078312	0.083698	-4.41%	2.39%	0.081093	0.083034
AVE SALE PER KWH		0.108764	0.076649	-0.19%	-24.31%	0.111741	0.084572
FUEL CHARGE REVENUE (P.3)		3,096,134.62	2,758,999.30	-4.65%	10.09%	9,434,647.92	10,386,553.45
LOAD FACTOR		51.42%	53.71%				
PEAK LOAD		156,230	150,405				

kwh analysis

- base cost
- fuel cost
- fuel revenue
- base revenue



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF CASH AND INVESTMENTS
9/30/2014

SCHEDULE A

	PREVIOUS YEAR	CURRENT YEAR
UNRESTRICTED CASH		
CASH - OPERATING FUND	8,226,356.39	11,035,619.90
CASH - PETTY CASH	3,000.00	3,000.00
TOTAL UNRESTRICTED CASH	<u>8,229,356.39</u>	<u>11,038,619.90</u>
RESTRICTED CASH		
CASH - DEPRECIATION FUND	3,679,743.06	5,099,591.58
CASH - CONSTRUCTION FUND	740,489.65	263,745.08
CASH - TOWN PAYMENT	925,305.27	937,215.75
CASH - DEFERRED FUEL RESERVE	3,495,004.36	5,947,109.45
CASH - RATE STABILIZATION FUND	6,695,667.22	6,741,747.60
CASH - UNCOLLECTIBLE ACCTS RESERVE	200,000.00	200,000.00
CASH - SICK LEAVE BENEFITS	3,133,039.93	1,684,533.64
CASH - HAZARD WASTE RESERVE	150,000.00	150,000.00
CASH - CUSTOMER DEPOSITS	746,358.61	807,738.14
CASH - ENERGY CONSERVATION	437,139.52	582,350.29
TOTAL RESTRICTED CASH	<u>20,202,747.62</u>	<u>22,414,031.53</u>
INVESTMENTS		
SICK LEAVE BUYBACK	<u>0.00</u>	<u>1,292,906.26</u>
TOTAL CASH BALANCE	<u>28,432,104.01</u>	<u>34,745,557.69</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF ACCOUNTS RECEIVABLE
9/30/2014

SCHEDULE B

SCHEDULE OF ACCOUNTS RECEIVABLE	PREVIOUS YEAR	CURRENT YEAR
RESIDENTIAL AND COMMERCIAL	4,382,722.72	2,315,435.44
ACCOUNTS RECEIVABLE - OTHER	191,098.46	36,729.23
ACCOUNTS RECEIVABLE - LIENS	28,097.35	18,531.86
ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES	892.14	892.14
SALES DISCOUNT LIABILITY	(336,183.12)	(189,055.47)
RESERVE FOR UNCOLLECTIBLE ACCOUNTS	(229,274.56)	(242,977.30)
TOTAL ACCOUNTS RECEIVABLE BILLED	<u>4,037,352.99</u>	<u>1,939,555.90</u>
UNBILLED ACCOUNTS RECEIVABLE	4,158,022.50	5,622,269.28
TOTAL ACCOUNTS RECEIVABLE, NET	<u><u>8,195,375.49</u></u>	<u><u>7,561,825.18</u></u>

SCHEDULE OF PREPAYMENTS

PREPAID INSURANCE	878,713.48	892,934.06
PREPAYMENT PURCHASED POWER	45,427.17	(11,355.59)
PREPAYMENT PASNY	242,260.90	259,957.39
PREPAYMENT WATSON	230,801.89	252,480.42
PURCHASED POWER WORKING CAPITAL	14,523.70	12,700.11
TOTAL PREPAYMENT	<u><u>1,411,727.14</u></u>	<u><u>1,406,716.39</u></u>

ACCOUNTS RECEIVABLE AGING SEPTEMBER 2014:

RESIDENTIAL AND COMMERCIAL	2,315,435.44
LESS: SALES DISCOUNT LIABILITY	(189,055.47)
GENERAL LEDGER BALANCE	<u><u>2,126,379.97</u></u>

CURRENT	1,652,618.50	76.71%
30 DAYS	362,982.61	17.07%
60 DAYS	53,086.64	2.50%
90 DAYS	12,274.62	0.58%
OVER 90 DAYS	45,417.60	2.14%
TOTAL	<u><u>2,126,379.97</u></u>	<u><u>100.00%</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE
9/30/2014

SCHEDULE D

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
SALES OF ELECTRICITY:					
RESIDENTIAL SALES	3,132,641.80	2,056,407.30	9,961,643.09	7,350,485.41	-26.21%
COMM AND INDUSTRIAL SALES	4,057,260.29	2,427,140.29	11,788,188.40	8,449,224.57	-28.32%
PRIVATE STREET LIGHTING	5,595.73	9,023.30	17,178.79	29,082.19	69.29%
TOTAL PRIVATE CONSUMERS	<u>7,195,497.82</u>	<u>4,492,570.89</u>	<u>21,767,010.28</u>	<u>15,828,792.17</u>	-27.28%
MUNICIPAL SALES:					
STREET LIGHTING	27,072.58	29,860.45	82,409.26	89,581.35	8.70%
MUNICIPAL BUILDINGS	95,737.98	57,058.21	278,037.77	197,228.47	-29.06%
TOTAL MUNICIPAL CONSUMERS	<u>122,810.56</u>	<u>86,918.66</u>	<u>360,447.03</u>	<u>286,809.82</u>	-20.43%
SALES FOR RESALE	41,577.45	27,694.90	125,818.59	95,864.70	-23.81%
SCHOOL	<u>124,342.01</u>	<u>76,828.21</u>	<u>337,328.60</u>	<u>260,614.12</u>	-22.74%
SUB-TOTAL	7,484,227.84	4,684,012.66	22,590,604.50	16,472,080.81	-27.08%
FORFEITED DISCOUNTS	76,781.85	108,263.18	223,391.10	249,020.22	11.47%
PURCHASED POWER CAPACITY	23,406.80	2,542,665.72	68,739.15	8,099,597.29	11683.09%
ENERGY CONSERVATION - RESIDENTIAL	25,554.01	22,939.09	80,206.52	75,062.94	-6.41%
ENERGY CONSERVATION - COMMERCIAL	42,274.49	36,873.58	119,056.34	115,522.51	-2.97%
GAW REVENUE	68,822.22	0.00	202,191.02	0.00	-100.00%
NYPA CREDIT	(61,811.13)	(73,836.15)	(149,297.25)	(157,619.41)	5.57%
TOTAL REVENUE	<u><u>7,659,256.08</u></u>	<u><u>7,320,918.08</u></u>	<u><u>23,134,891.38</u></u>	<u><u>24,853,664.36</u></u>	7.43%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE BY TOWN
9/30/2014

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	2,056,407.30	657,792.23	317,429.89	463,595.43	617,589.75
INDUS/MUNI BLDG	2,484,198.50	342,598.54	35,267.54	445,864.82	1,660,467.60
PUB. ST. LIGHTS	29,860.45	10,014.23	4,024.08	5,267.05	10,555.09
PRV. ST. LIGHTS	9,023.30	1,490.07	177.54	2,948.23	4,407.46
CO-OP RESALE	27,694.90	27,694.90	0.00	0.00	0.00
SCHOOL	76,828.21	29,151.06	18,118.10	7,051.78	22,507.27
TOTAL	<u>4,684,012.66</u>	<u>1,068,741.03</u>	<u>375,017.15</u>	<u>924,727.31</u>	<u>2,315,527.17</u>

THIS YEAR TO DATE

RESIDENTIAL	7,350,485.41	2,273,055.54	1,087,962.49	1,692,603.84	2,296,863.54
INDUS/MUNI BLDG	8,646,453.04	1,190,908.22	118,411.39	1,480,385.94	5,856,747.49
PUB. ST. LIGHTS	89,581.35	30,042.69	12,072.24	15,801.15	31,665.27
PRV. ST. LIGHTS	29,082.19	4,834.10	570.72	9,434.80	14,242.57
CO-OP RESALE	95,864.70	95,864.70	0.00	0.00	0.00
SCHOOL	260,614.12	98,770.33	58,546.49	29,513.10	73,784.20
TOTAL	<u>16,472,080.81</u>	<u>3,693,475.58</u>	<u>1,277,563.31</u>	<u>3,227,738.84</u>	<u>8,273,303.08</u>

LAST YEAR TO DATE

RESIDENTIAL	9,961,643.09	3,102,957.12	1,463,052.89	2,319,914.15	3,075,718.93
INDUS/MUNI BLDG	12,066,226.17	1,606,957.16	161,557.73	1,926,936.10	8,370,775.18
PUB. ST. LIGHTS	82,409.26	26,828.72	10,600.31	14,582.09	30,398.14
PRV. ST. LIGHTS	17,178.79	3,025.09	310.43	5,319.37	8,523.90
CO-OP RESALE	125,818.59	125,818.59	0.00	0.00	0.00
SCHOOL	337,328.60	123,798.95	78,654.72	40,968.64	93,906.29
TOTAL	<u>22,590,604.50</u>	<u>4,989,385.63</u>	<u>1,714,176.08</u>	<u>4,307,720.35</u>	<u>11,579,322.44</u>

PERCENTAGE OF OPERATING INCOME TO TOTAL

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	43.90%	14.04%	6.78%	9.90%	13.18%
INDUS/MUNI BLDG	53.04%	7.31%	0.75%	9.52%	35.46%
PUB. ST. LIGHTS	0.64%	0.21%	0.09%	0.11%	0.23%
PRV. ST. LIGHTS	0.19%	0.03%	0.00%	0.06%	0.10%
CO-OP RESALE	0.59%	0.59%	0.00%	0.00%	0.00%
SCHOOL	1.64%	0.62%	0.39%	0.15%	0.48%
TOTAL	<u>100.00%</u>	<u>22.80%</u>	<u>8.01%</u>	<u>19.74%</u>	<u>49.45%</u>

THIS YEAR TO DATE

RESIDENTIAL	44.62%	13.80%	6.60%	10.28%	13.94%
INDUS/MUNI BLDG	52.50%	7.23%	0.72%	8.99%	35.56%
PUB. ST. LIGHTS	0.54%	0.18%	0.07%	0.10%	0.19%
PRV. ST. LIGHTS	0.18%	0.03%	0.00%	0.06%	0.09%
CO-OP RESALE	0.58%	0.58%	0.00%	0.00%	0.00%
SCHOOL	1.58%	0.60%	0.36%	0.18%	0.44%
TOTAL	<u>100.00%</u>	<u>22.42%</u>	<u>7.75%</u>	<u>19.61%</u>	<u>50.22%</u>

LAST YEAR TO DATE

RESIDENTIAL	44.10%	13.74%	6.48%	10.27%	13.61%
INDUS/MUNI BLDG	53.41%	7.11%	0.72%	8.53%	37.05%
PUB. ST. LIGHTS	0.36%	0.12%	0.05%	0.06%	0.13%
PRV. ST. LIGHTS	0.08%	0.01%	0.00%	0.02%	0.05%
CO-OP RESALE	0.56%	0.56%	0.00%	0.00%	0.00%
SCHOOL	1.49%	0.55%	0.35%	0.18%	0.41%
TOTAL	<u>100.00%</u>	<u>22.09%</u>	<u>7.60%</u>	<u>19.06%</u>	<u>51.25%</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED REVENUE VARIANCE REPORT
9/30/2014

SCHEDULE F

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
SALES OF ELECTRICITY:				
RESIDENTIAL	3,332,955.01	6,813,173.00	(3,480,217.99)	-51.08%
COMM AND INDUSTRIAL SALES PRIVATE STREET LIGHTING MUNICIPAL BUILDINGS	2,573,429.90	7,522,401.00	(4,948,971.10)	-65.79%
PUBLIC STREET LIGHTING	50,754.31	55,349.00	(4,594.69)	-8.30%
SALES FOR RESALE	37,765.79	97,824.00	(60,058.21)	-61.39%
SCHOOL	<u>90,622.35</u>	<u>220,589.00</u>	<u>(129,966.65)</u>	-58.92%
TOTAL BASE SALES	6,085,527.36	14,709,336.00	(8,623,808.64)	-58.63%
TOTAL FUEL SALES	<u>10,386,553.45</u>	<u>10,752,311.00</u>	<u>(365,757.55)</u>	-3.40%
TOTAL OPERATING REVENUE	16,472,080.81	25,461,647.00	(8,989,566.19)	-35.31%
FORFEITED DISCOUNTS	249,020.22	323,605.00	(74,584.78)	-23.05%
PURCHASED POWER CAPACITY	8,099,597.29	0.00	8,099,597.29	100.00%
ENERGY CONSERVATION - RESIDENTIAL	75,062.94	80,170.00	(5,107.06)	-6.37%
ENERGY CONSERVATION - COMMERCIAL	115,522.51	122,000.00	(6,477.49)	-5.31%
NYPA CREDIT	(157,619.41)	(174,999.00)	17,379.59	-9.93%
TOTAL OPERATING REVENUES	<u><u>24,853,664.36</u></u>	<u><u>25,812,423.00</u></u>	<u><u>(958,758.64)</u></u>	-3.71%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING EXPENSES
9/30/2014

SCHEDULE E

OPERATION EXPENSES:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
PURCHASED POWER BASE EXPENSE	2,424,682.96	2,576,986.27	7,811,025.76	7,909,530.96	1.26%
OPERATION SUP AND ENGINEERING EXP	44,470.64	43,416.10	132,154.69	129,050.92	-2.35%
STATION SUP LABOR AND MISC	6,742.17	12,483.78	27,001.79	34,898.30	29.24%
LINE MISC LABOR AND EXPENSE	42,755.50	45,564.01	160,485.30	141,194.39	-12.02%
STATION LABOR AND EXPENSE	35,871.02	34,024.06	121,955.72	109,539.88	-10.18%
STREET LIGHTING EXPENSE	6,799.51	9,779.82	16,627.25	28,406.76	70.84%
METER EXPENSE	12,591.25	14,795.33	42,963.09	43,856.56	2.08%
MISC DISTRIBUTION EXPENSE	30,154.36	31,795.62	81,911.70	86,260.06	5.31%
METER READING LABOR & EXPENSE	3,254.48	1,045.58	11,026.42	5,040.36	-54.29%
ACCT & COLL LABOR & EXPENSE	104,316.38	122,722.86	364,441.99	390,661.82	7.19%
UNCOLLECTIBLE ACCOUNTS	10,500.00	10,000.00	31,500.00	30,000.00	-4.76%
ENERGY AUDIT EXPENSE	32,558.81	29,055.55	107,744.30	92,531.23	-14.12%
ADMIN & GEN SALARIES	67,215.62	63,891.79	225,991.98	204,242.87	-9.62%
OFFICE SUPPLIES & EXPENSE	27,251.18	26,624.13	61,434.14	64,221.07	4.54%
OUTSIDE SERVICES	61,252.60	13,599.10	70,634.39	78,658.45	11.36%
PROPERTY INSURANCE	29,926.02	29,863.73	89,778.06	89,591.19	-0.21%
INJURIES AND DAMAGES	3,305.95	4,511.34	9,480.60	10,631.92	12.14%
EMPLOYEES PENSIONS & BENEFITS	172,913.94	221,356.62	832,793.43	764,003.11	-8.26%
MISC GENERAL EXPENSE	23,952.65	15,311.42	44,291.16	30,198.87	-31.82%
RENT EXPENSE	27,323.71	13,907.10	54,558.65	41,276.52	-24.34%
ENERGY CONSERVATION	35,810.00	28,744.36	81,145.00	65,496.16	-19.29%
TOTAL OPERATION EXPENSES	778,965.79	772,492.30	2,567,919.66	2,439,760.44	-4.99%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	227.08	227.10	681.24	681.30	0.01%
MAINT OF STRUCT AND EQUIPMT	14,459.58	73,545.52	40,968.41	158,982.20	288.06%
MAINT OF LINES - OH	121,256.10	158,559.21	359,467.03	415,951.27	15.71%
MAINT OF LINES - UG	17,856.13	24,553.53	49,853.69	37,745.23	-24.29%
MAINT OF LINE TRANSFORMERS	71,367.07	20,945.46	73,450.55	27,842.96	0.00%
MAINT OF ST LT & SIG SYSTEM	(64.26)	(16.34)	(235.11)	(138.04)	-41.29%
MAINT OF GARAGE AND STOCKROOM	39,282.19	38,101.83	109,480.40	108,446.40	-0.94%
MAINT OF METERS	3,026.99	0.00	7,602.46	0.00	-100.00%
MAINT OF GEN PLANT	13,230.77	35,144.66	32,243.84	72,311.27	124.26%
TOTAL MAINTENANCE EXPENSES	280,641.65	351,060.97	673,512.51	821,822.59	22.02%
DEPRECIATION EXPENSE	314,969.55	321,788.79	944,908.65	965,366.37	2.17%
PURCHASED POWER FUEL EXPENSE	2,168,234.24	2,358,565.60	8,399,833.69	8,414,519.55	0.17%
VOLUNTARY PAYMENTS TO TOWNS	116,666.67	118,000.00	350,000.01	354,000.00	1.14%
TOTAL OPERATING EXPENSES	6,084,160.86	6,498,893.93	20,747,200.28	20,904,999.91	0.76%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
9/30/2014

SCHEDULE G

OPERATION EXPENSES:	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
PURCHASED POWER BASE EXPENSE	<u>7,909,530.96</u>	<u>7,920,600.00</u>	<u>(11,069.04)</u>	-0.14%
OPERATION SUP AND ENGINEERING EXP	129,050.92	143,690.00	(14,639.08)	-10.19%
STATION SUP LABOR AND MISC	34,898.30	26,837.00	8,061.30	30.04%
LINE MISC LABOR AND EXPENSE	141,194.39	166,761.00	(25,566.61)	-15.33%
STATION LABOR AND EXPENSE	109,539.88	97,640.00	11,899.88	12.19%
STREET LIGHTING EXPENSE	28,406.76	21,097.00	7,309.76	34.65%
METER EXPENSE	43,856.56	55,826.00	(11,969.44)	-21.44%
MISC DISTRIBUTION EXPENSE	86,260.06	97,601.00	(11,340.94)	-11.62%
METER READING LABOR & EXPENSE	5,040.36	7,805.00	(2,764.64)	-35.42%
ACCT & COLL LABOR & EXPENSE	390,661.82	433,610.00	(42,948.18)	-9.90%
UNCOLLECTIBLE ACCOUNTS	30,000.00	30,000.00	0.00	0.00%
ENERGY AUDIT EXPENSE	92,531.23	120,324.00	(27,792.77)	-23.10%
ADMIN & GEN SALARIES	204,242.87	208,646.00	(4,403.13)	-2.11%
OFFICE SUPPLIES & EXPENSE	64,221.07	75,300.00	(11,078.93)	-14.71%
OUTSIDE SERVICES	78,658.45	114,155.00	(35,496.55)	-31.10%
PROPERTY INSURANCE	89,591.19	113,352.00	(23,760.81)	-20.96%
INJURIES AND DAMAGES	10,631.92	12,714.00	(2,082.08)	-16.38%
EMPLOYEES PENSIONS & BENEFITS	764,003.11	798,924.00	(34,920.89)	-4.37%
MISC GENERAL EXPENSE	30,198.87	83,846.00	(53,647.13)	-63.98%
RENT EXPENSE	41,276.52	53,001.00	(11,724.48)	-22.12%
ENERGY CONSERVATION	65,496.16	194,170.00	(128,673.84)	-66.27%
TOTAL OPERATION EXPENSES	<u>2,439,760.44</u>	<u>2,855,299.00</u>	<u>(415,538.56)</u>	-14.55%
MAINTENANCE EXPENSES:				
MAINT OF TRANSMISSION PLANT	681.30	750.00	(68.70)	-9.16%
MAINT OF STRUCT AND EQUIPMENT	158,982.20	120,283.00	38,699.20	32.17%
MAINT OF LINES - OH	415,951.27	419,235.00	(3,283.73)	-0.78%
MAINT OF LINES - UG	37,745.23	32,739.00	5,006.23	15.29%
MAINT OF LINE TRANSFORMERS	27,842.96	39,000.00	(11,157.04)	-28.61%
MAINT OF ST LT & SIG SYSTEM	(138.04)	2,470.00	(2,608.04)	-105.59%
MAINT OF GARAGE AND STOCKROOM	108,446.40	132,001.00	(23,554.60)	-17.84%
MAINT OF METERS	0.00	15,607.00	(15,607.00)	-100.00%
MAINT OF GEN PLANT	72,311.27	42,207.00	30,104.27	71.33%
TOTAL MAINTENANCE EXPENSES	<u>821,822.59</u>	<u>804,292.00</u>	<u>17,530.59</u>	2.18%
DEPRECIATION EXPENSE	965,366.37	972,999.00	(7,632.63)	-0.78%
PURCHASED POWER FUEL EXPENSE	8,414,519.55	9,056,605.00	(642,085.45)	-7.09%
VOLUNTARY PAYMENTS TO TOWNS	354,000.00	354,000.00	0.00	0.00%
TOTAL OPERATING EXPENSES	<u>20,904,999.91</u>	<u>21,963,795.00</u>	<u>(1,058,795.09)</u>	-4.82%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
9/30/2014

OPERATION EXPENSES:	RESPONSIBLE SENIOR MANAGER	2015 ANNUAL BUDGET	ACTUAL YEAR TO DATE	REMAINING BUDGET BALANCE	REMAINING BUDGET %
PURCHASED POWER BASE EXPENSE	JP	<u>28,889,014.00</u>	<u>7,909,530.96</u>	<u>20,979,483.04</u>	72.62%
OPERATION SUP AND ENGINEERING EXP	KS	583,668.00	129,050.92	454,617.08	77.89%
STATION SUP LABOR AND MISC	KS	108,848.00	34,898.30	73,949.70	67.94%
LINE MISC LABOR AND EXPENSE	KS	657,259.00	141,194.39	516,064.61	78.52%
STATION LABOR AND EXPENSE	KS	398,849.00	109,539.88	289,309.12	72.54%
STREET LIGHTING EXPENSE	KS	82,907.00	28,406.76	54,500.24	65.74%
METER EXPENSE	KS	247,938.00	43,856.56	204,081.44	82.31%
MISC DISTRIBUTION EXPENSE	KS	402,885.00	86,260.06	316,624.94	78.59%
METER READING LABOR & EXPENSE	KS	30,922.00	5,040.36	25,881.64	83.70%
ACCT & COLL LABOR & EXPENSE	RF	1,705,333.00	390,661.82	1,314,671.18	77.09%
UNCOLLECTIBLE ACCOUNTS	RF	120,000.00	30,000.00	90,000.00	75.00%
ENERGY AUDIT EXPENSE	JP	488,284.00	92,531.23	395,752.77	81.05%
ADMIN & GEN SALARIES	CO	842,170.00	204,242.87	637,927.13	75.75%
OFFICE SUPPLIES & EXPENSE	CO	301,000.00	64,221.07	236,778.93	78.66%
OUTSIDE SERVICES	CO	351,650.00	78,658.45	272,991.55	77.63%
PROPERTY INSURANCE	KS	453,200.00	89,591.19	363,608.81	80.23%
INJURIES AND DAMAGES	KS	49,059.00	10,631.92	38,427.08	78.33%
EMPLOYEES PENSIONS & BENEFITS	KS	2,746,619.00	764,003.11	1,982,615.89	72.18%
MISC GENERAL EXPENSE	CO	240,727.00	30,198.87	210,528.13	87.46%
RENT EXPENSE	KS	212,000.00	41,276.52	170,723.48	80.53%
ENERGY CONSERVATION	JP	778,812.00	65,496.16	713,315.84	91.59%
TOTAL OPERATION EXPENSES		<u>10,802,130.00</u>	<u>2,439,760.44</u>	<u>8,362,369.56</u>	77.41%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	KS	3,000.00	681.30	2,318.70	77.29%
MAINT OF STRUCT AND EQUIPMT	KS	484,026.00	158,982.20	325,043.80	67.15%
MAINT OF LINES - OH	KS	1,675,794.00	415,951.27	1,259,842.73	75.18%
MAINT OF LINES - UG	KS	130,694.00	37,745.23	92,948.77	71.12%
MAINT OF LINE TRANSFORMERS	KS	156,000.00	27,842.96	128,157.04	82.15%
MAINT OF ST LT & SIG SYSTEM	KS	9,745.00	(138.04)	9,883.04	101.42%
MAINT OF GARAGE AND STOCKROOM	KS	567,531.00	108,446.40	459,084.60	80.89%
MAINT OF METERS	KS	43,290.00	0.00	43,290.00	100.00%
MAINT OF GEN PLANT	RF	170,180.00	72,311.27	97,868.73	57.51%
TOTAL MAINTENANCE EXPENSES		<u>3,240,260.00</u>	<u>821,822.59</u>	<u>2,418,437.41</u>	74.64%
DEPRECIATION EXPENSE	RF	3,892,000.00	965,366.37	2,926,633.63	75.20%
PURCHASED POWER FUEL EXPENSE	JP	36,249,653.00	8,414,519.55	27,835,133.45	76.79%
VOLUNTARY PAYMENTS TO TOWNS	RF	1,416,000.00	354,000.00	1,062,000.00	75.00%
TOTAL OPERATING EXPENSES		<u>84,489,057.00</u>	<u>20,904,999.91</u>	<u>63,584,057.09</u>	75.26%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
PROFESSIONAL SERVICES
9/30/2014

PROFESSIONAL SERVICES BY PROJECT

ITEM	DEPARTMENT	ACTUAL	BUDGET
1 RMLD AND PENSION TRUST AUDIT FEES	ACCOUNTING	4,647.24	35,000.00
2 LEGAL-FERC/ISO/POWER/OTHER	INTEGRATED RESOURCES	13,800.06	34,575.00
3 NERC COMPLIANCE AND AUDIT	E & O	3,270.00	2,625.00
4 LEGAL	ENGINEERING	0.00	3,375.00
5 LEGAL-GENERAL	GM	50,013.95	13,251.00
6 LEGAL SERVICES	HR	6,927.20	15,999.00
7 SURVEY RIGHT OF WAY/ ENVIRONMENTAL	BLDG. MAINT.	0.00	2,580.00
8 INSURANCE CONSULTANT/OTHER	GEN. BENEFIT	0.00	6,750.00
TOTAL		<u>78,658.45</u>	<u>114,155.00</u>

PROFESSIONAL SERVICES BY VENDOR

	ACTUAL
MELANSON HEATH & COMPANY	2,170.00
PLM ELECTRIC POWER COMPANY	2,230.00
RUBIN AND RUDMAN	58,720.40
UTILTIY SERVICES INC.	3,270.00
CHOATE HALL & STEWART	1,117.20
WILLIAM F. CROWLEY- ATTORNEY	2,477.24
DUNCAN & ALLEN	8,673.61
TOTAL	<u>78,658.45</u>

RMLD
DEFERRED FUEL CASH RESERVE ANALYSIS
9/30/14

DATE	GROSS CHARGES	REVENUES	NYP& CREDIT	MONTHLY DEFERRED	TOTAL DEFERRED
Jun-14					4,132,694.96
Jul-14	3,287,589.94	3,782,699.41	(35,898.34)	459,211.13	4,591,906.09
Aug-14	2,768,364.01	3,844,854.74	(47,884.92)	1,028,605.81	5,620,511.90
Sep-14	2,358,565.60	2,758,999.30	(73,836.15)	326,597.55	5,947,109.45

RMLD
BUDGET VARIANCE REPORT
FOR PERIOD ENDING SEPTEMBER 30, 2014

DIVISION	ACTUAL	BUDGET	VARIANCE	% CHANGE
BUSINESS DIVISION	2,472,060	2,531,391	(59,332)	-2.34%
INTEGRATED RESOURCES AND PLANNING	171,827	349,069	(177,242)	-50.78%
ENGINEERING AND OPERATIONS	1,188,179	1,212,605	(24,426)	-2.01%
FACILITY	1,138,216	1,260,707	(122,491)	-9.72%
GENERAL MANAGER	<u>194,665</u>	<u>216,782</u>	<u>(22,116)</u>	-10.20%
SUB-TOTAL	5,164,947	5,570,554	(405,606)	-7.28%
 PURCHASED POWER BASE	 7,909,531	 7,920,600	 (11,069)	 -0.14%
PURCHASED POWER FUEL	8,414,520	9,056,605	(642,085)	-7.09%
TOTAL	<u><u>21,488,998</u></u>	<u><u>22,547,759</u></u>	<u><u>(1,058,761)</u></u>	-4.70%

To: Coleen O'Brien

From:  Maureen McHugh, Jane Parenteau 

Date: October 30, 2014

Subject: Purchase Power Summary – September, 2014

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of September, 2014.

ENERGY

The RMLD's total metered load for the month was 58,960,559 kWh, which is a .61% increase from the September, 2013 figures.

Table 1 is a breakdown by source of the energy purchases.

Table 1

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy	Total \$ Costs	\$ as a %
Millstone #3	3,509,708	\$6.41	5.95%	\$22,502	0.95%
Seabrook	5,695,492	\$6.69	9.66%	\$38,081	1.61%
Stonybrook Intermediate	1,919,931	\$50.53	3.26%	\$97,005	4.11%
JP Morgan	6,848,400	\$62.39	11.61%	\$427,289	18.12%
NextEra	9,602,000	\$49.40	16.28%	\$474,323	20.11%
NYP&A	1,822,126	\$4.92	3.09%	\$8,965	0.38%
ISO Interchange	9,997,965	\$38.42	16.95%	\$384,145	16.29%
NEMA Congestion	0	\$0.00	0.00%	-\$41,235	-1.75%
Coop Resales	14,838	\$139.81	0.03%	\$2,075	0.09%
BP Energy	9,804,000	\$48.27	16.63%	\$473,239	20.06%
Summit Hydro/Collins/Pioneer	196,972	\$80.03	0.33%	\$15,764	0.67%
Braintree Watson Unit	537,400	\$182.73	0.91%	\$98,201	4.16%
Swift River Projects	103,611	\$80.30	0.18%	\$8,319	0.35%
Exelon	8,908,800	\$39.10	15.11%	\$348,291	14.77%
Stonybrook Peaking	7,026	\$227.75	0.01%	\$1,600	0.07%
Monthly Total	58,968,269	\$40.00	100.00%	\$2,358,566	100.00%

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of September, 2014.

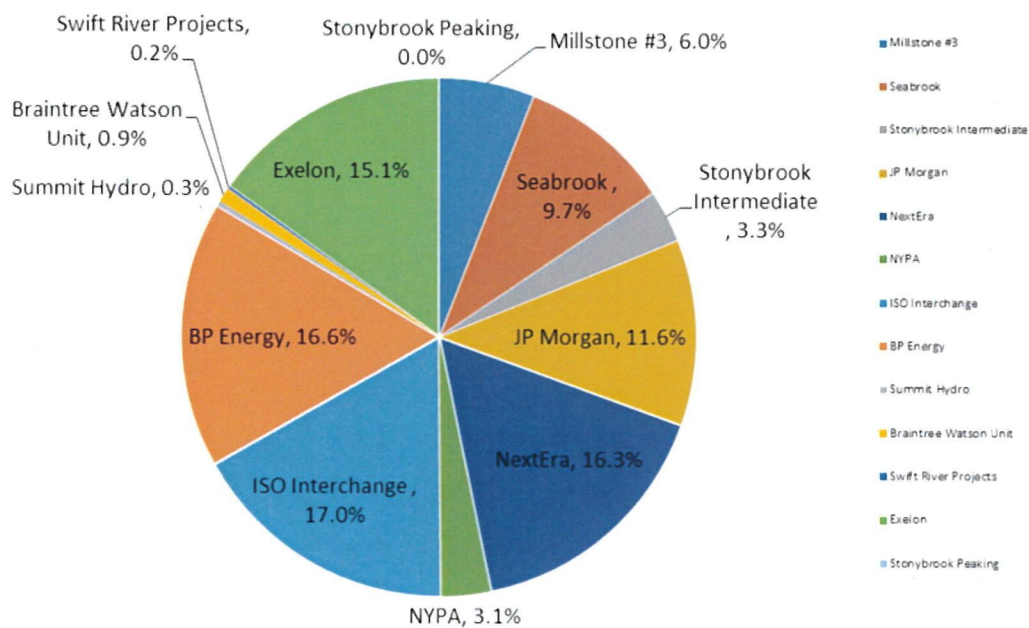
Table 2

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP *	9,491,454	38.35	14.56%
Settlement			
RT Net Energy **	506,511	39.82	0.78%
Settlement			
ISO Interchange (subtotal)	9,997,965	38.42	15.34%

* Independent System Operator Day-Ahead Locational Marginal Price

** Real Time Net Energy

SEPTEMBER 2014 ENERGY BY RESOURCE



CAPACITY

The RMLD hit a demand of 150,405 kW, which occurred on September 2, at 3 pm. The RMLD's monthly UCAP requirement for September, 2014 was 208,440 kW.

Table 3 shows the sources of capacity that the RMLD utilized to meet its requirements.

Table 3

Source	Amount (kW)	Cost (\$/kW-month)	Total Cost \$	% of Total Cost
Millstone #3	4,950	42.94	\$212,575	14.97%
Seabrook	7,919	41.70	\$330,243	23.26%
Stonybrook Peaking	24,981	1.97	\$49,182	3.46%
Stonybrook CC	42,925	3.53	\$151,616	10.68%
NYPA	4,019	4.19	\$16,834	1.19%
Hydro Quebec	4,673	4.57	\$21,345	1.50%
Nextera	60,000	5.65	\$339,000	23.87%
Braintree Watson Unit	10,520	11.05	\$116,291	8.19%
ISO-NE Supply Auction	48,453	3.77	\$182,892	12.88%
Total	208,440	\$6.81	\$1,419,977	100.00%

Table 4 shows the dollar amounts for energy and capacity per source.

Table 4

Resource	Energy	Capacity	Total cost	% of Total Cost	Amt of Energy (kWh)	Cost of Power (\$/kWh)
Millstone #3	\$22,502	\$212,575	\$235,078	6.22%	3,509,708	0.0670
Seabrook	\$38,081	\$330,243	\$368,323	9.75%	5,695,492	0.0647
Stonybrook Intermediate	\$97,005	\$151,616	\$248,621	6.58%	1,919,931	0.1295
Hydro Quebec	\$0	\$21,345	\$21,345	0.56%	-	0.0000
JP Morgan	\$427,289	\$0	\$427,289	11.31%	6,848,400	0.0624
NextEra	\$474,323	\$339,000	\$813,323	21.52%	9,602,000	0.0847
* NYPA	\$8,965	\$16,834	\$25,799	0.68%	1,822,126	0.0142
ISO Interchange	\$384,145	\$183,786	\$567,931	15.03%	9,997,965	0.0568
Nema Congestion	-\$41,235	\$0	-\$41,235	-1.09%	-	0.0000
BP Energy	\$473,239	\$0	\$473,239	12.52%	9,804,000	0.0483
* Summit Hydro/Collins/Pioneer	\$15,764	\$0	\$15,764	0.42%	196,972	0.0800
Braintree Watson Unit	\$98,201	\$116,291	\$214,492	5.68%	537,400	0.3991
* Swift River Projects	\$8,319	-\$894	\$7,426	0.20%	103,611	0.0717
Coop Resales	\$2,075	\$0	\$2,075	0.05%	14,838	0.1398
Constellation Energy	\$348,291	\$0	\$348,291	9.22%	8,908,800	0.0391
Stonybrook Peaking	\$1,600	\$49,182	\$50,782	1.34%	7,026	7.2277
Monthly Total	\$2,358,566	\$1,419,977	\$3,778,543	100.00%	58,968,269	0.0641
* Renewable Resources					3.60%	

RENEWABLE ENERGY CERTIFICATES (RECs)

Table 5 shows the amount of banked and projected RECs for the Swift River Hydro Projects through September 2014, as well as their estimated market value.

Table 5
Swift River RECs Summary
Period - January 2014 - September 2014

	Banked RECs	Projected RECs	Total RECs	Est. Dollars
Woronoco	3,613	0	3,613	\$173,424
Pepperell	3,179	1,342	4,521	\$217,008
Indian River	1,711	638	2,349	\$112,752
Turners Falls	1,389	220	1,609	\$0
RECs Sold			0	\$0
Grand Total	9,892	2,200	12,092	\$503,184

TRANSMISSION

The RMLD's total transmission costs for the month of September, 2014 were \$1,149,000. This is a decrease of 9.12% from the August transmission cost of \$1,264,244. In September, 2013 the transmission costs were \$931,368.

Table 6

	Current Month	Last Month	Last Year
Peak Demand (kW)	150,405	147,012	156,230
Energy (kWh)	58,968,269	65,160,895	58,614,875
Energy (\$)	\$2,358,566	\$2,768,364	\$2,168,234
Capacity (\$)	\$1,419,977	\$1,414,711	\$1,489,738
Transmission(\$)	\$1,149,000	\$1,264,244	\$931,368
Total	\$4,927,542	\$5,447,319	\$4,589,340

ENERGY EFFICIENCY

Table 7 shows the comprehensive results from the Energy Conservation program. The amount of savings is broken down by both demand and energy for the Commercial and Residential sectors.

Table 7											
Commercial	Year	Capacity Saved (kW)	Energy Saved (kwh)	Total \$		Total		Total \$			
				Capacity	\$/kW	Energy	\$/kWh	Rebate	Rebate/kWh	Rebate/kW	Cost Benefit
Total to date	FY07-13	11,346	46,338,741	\$ 1,053,256		2592993		\$ 1,455,819	\$ 0.03	\$ 128.31	\$ 2,190,431
Current	FY14	76	319,351	\$ 10,485	\$ 11.45	15968	\$ 0.05	\$ 28,670	\$ 0.09	\$ 375.72	\$ (2,218)
Residential											
Total to date	FY07-13	1,795	1,593,066	\$ 168,790		83,191		\$ 568,591	\$ 0.36	\$ 316.79	\$ (316,610)
Current	FY14	58	47,676	\$ 7,911	\$ 11.45	2,384	\$ 0.05	\$ 42,440	\$ 0.89	\$ 737.11	\$ (32,145)
Total											
Total to date	FY07-13	13,141	47,931,807	\$ 1,222,046		2,676,184		\$ 2,049,410	\$ 0.04	\$ 155.96	\$ 1,848,820.24
Current	FY14	134	367,027	\$ 18,396	\$ 11.45	18,351	\$ 0.05	\$ 71,110	\$ 0.19	\$ 531.14	\$ (34,363)

Table 8 shows the breakdown for residential appliance rebates by type and year.

Year	Washing Machine		Refrigerator		Dishwasher		Dehumidifier		Central A/C		Window A/C		Thermostat		Audits		Renewable		Air Source Heat Pump		HP Water Heater		Fan	
	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars
2007																								
2008	86	\$ 4,300	47	\$ 2,350	55	\$ 2,750	7	\$ 2,750	17	\$ 1,700	10	\$ 250	23	\$ 230	107	\$ 14,940								
2009	406	\$ 20,300	259	\$ 12,950	235	\$ 11,750	40	\$ 1,000	41	\$ 4,100	50	\$ 1,250	114	\$ 1,140	107	\$ 14,940								
2010	519	\$ 25,950	371	\$ 18,550	382	\$ 19,100	37	\$ 925	64	\$ 6,400	49	\$ 1,225	127	\$ 1,270	64	\$ 8,960	6	\$ 20,700						
2011	425	\$ 21,250	383	\$ 19,150	313	\$ 15,650	47	\$ 1,175	57	\$ 5,700	65	\$ 1,625	118	\$ 1,180	180	\$ 26,960	4	\$ 18,000						
2012	339	\$ 16,950	354	\$ 17,700	289	\$ 14,450	38	\$ 950	44	\$ 4,400	56	\$ 1,400	105	\$ 1,050	219	\$ 32,731	3	\$ 14,000			9	\$ 2,250	3	\$ 30
2013	285	\$ 14,250	336	\$ 16,800	311	\$ 15,550	29	\$ 725	24	\$ 2,400	54	\$ 1,350	57	\$ 570	375	\$ 75,000	3	\$ 15,000	\$ 19	\$ 1,900	4	\$ 1,000	5	\$ 50
2014	71	\$ 3,550	79	\$ 3,950	56	\$ 2,800	15	\$ 375	10	\$ 1,000	54	\$ 1,350	19	\$ 285	56	\$ 11,200	4	\$ 17,250	\$ 4	\$ 400	1	\$ 250	3	\$ 30
Total	2131	\$ 106,550	1829	\$ 91,450	1641	\$ 82,050	213	\$ 5,325	257	\$ 25,700	338	\$ 8,450	563	\$ 5,725	1108	\$ 184,731	20	\$ 84,950	23	\$ 22,300	14	\$ 3,500	11	\$ 110



ELECTRIC POWER ENGINEERING

35 MAIN STREET HOPKINTON, MA 01748 TELEPHONE (508) 435-9377

To: Coleen O'Brien, General Manager
Cc: Jane Parenteau, Bob Fournier, Bill Selden
From: Mayhew D. Seavey, Jr.
Date: November 14, 2014
Subject: LED Street Light Schedule

As you requested I have prepared a rate schedule for LED municipal street lights based on my analysis dated June 12, 2014 and revised September 18th. This rate schedule is suitable for filing with the Massachusetts Department of Public Utilities (MDPU). I have made the effective date December 1, 2014 but that date can be changed if desired. I have also left the tariff number blank since I am not sure of the last sequential rate schedule that RMLD has filed.

In developing these rates, I relied on fixture capital and installation costs provided by RMLD. The attached Exhibit 1 shows the development of each fixture rate. The total capital cost, including the cost of the fixture, arm, photocell and installation labor is assumed to be recovered over a 25-year economic life at a depreciation rate of 4%.

For the O&M cost I began with the FY15 budget number of \$92,652. I subtracted the approximately \$60 thousand in maintenance savings from the Pilot Study and added 29% for Administrative and General expenses, which is the level of A&G as a percentage of total O&M excluding purchased power. This resulted in a total O&M plus A&G expense of \$42,354. Divided by the total projected number of fixtures, this gives an annual O&M charge of \$5.87 per fixture. I recommend using a per-fixture charge rather than a per-kWh charge because the amount of maintenance required does not seem to vary with the wattage of the fixture.

These rates should provide savings of around 40% to the towns compared with the present charges for high pressure sodium fixtures with comparable lumen output under the present rate.

If there are any questions regarding this, please do not hesitate to contact me.

LED Street Light Fixture Carrying Charges

Exhibit 1
0% Return

Wattage HPS Equivalent	Street Light		Floodlight	
	25	101	93	134
	50	250	250	400
Capital Cost				
Equipment				
Fixture	\$ 145.00	\$ 318.00	\$ 664.00	\$ 815.00
Arm	37.00	37.00	37.00	37.00
Photocell	17.00	17.00	17.00	17.00
Subtotal Equipment	199.00	372.00	718.00	869.00
Labor	150.00	150.00	150.00	150.00
Total Capital Cost	\$ 349.00	\$ 522.00	\$ 868.00	\$ 1,019.00
Annual Carrying Charge				
Depreciation @ 4%	\$ 13.96	\$ 20.88	\$ 34.72	\$ 40.76
O&M @ \$5.87 per fixture	5.87	5.87	5.87	5.87
Return @ 0%	-	-	-	-
Total Carrying Charge	\$ 19.83	\$ 26.75	\$ 40.59	\$ 46.63
Monthly Carrying Charge	\$ 1.65	\$ 2.23	\$ 3.38	\$ 3.89
Annual kWh per Fixture	100	404	372	536
Number of Fixtures	6957	137	6	75
Total kWh	695,700	55,348	2,232	40,200

LED Street Lighting Rate

Designation:

LED Street Light Rate

Available:

Reading, Lynnfield Center, North Reading, and Wilmington

Applicable to:

Street Light service using LED fixtures on all public, private, and unaccepted streets where the Department has private facilities for supplying electricity and where the installation work involved is limited to the necessary lighting unit and connection on the same pole.

Energy Charge:

The rate per year for the standard 4,000-hour schedule is as follows:

<u>Fixture Type</u>	<u>Annual Rate</u>	<u>Annual kWh</u>
25 Watt LED	\$19.83	100
101 Watt LED	26.75	404
93 Watt LED Flood	40.59	372
134 Watt LED Flood	46.63	536

Fuel Adjustment:

The bill for service hereunder may be increased or decreased as provided by the Standard fuel Adjustment Clause. The Fuel Adjustment will appear on the bill as the monthly fuel charge multiplied by one twelfth of the Annual kWh shown above for each Fixture Type.

Purchase Power Adjustment:

The bill for service hereunder may be increased or decreased as provided by the Purchase Power Adjustment. The Purchase power Adjustment will appear on the bill as the monthly charge multiplied by one twelfth of the Annual kWh shown above for each Fixture Type.

Rate Filed: December 1, 2014

Effective: On Billings on or After December 1, 2014

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

**Town of Reading, Massachusetts
Municipal Light Department**

MDPU # _____

Extra Pole Cost

When an extra pole is required, specifically for street lighting, there will be an extra cost based upon pole size, including up to 100 feet of secondary.

30 foot or 35 foot Class 4 pole	\$44.00 per year
40 foot Class 4 pole	\$48.00 per year

Meter Reading and Billing:

Bills under this schedule will be rendered monthly. A prompt payment discount of 10% will be allowed on the current bill, excluding fuel adjustment charges, only if the entire bill is paid-in-full by the discount due date.

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.

Rate Filed: December 1, 2014

Effective: On Billings on or After December 1, 2014

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

READING MUNICIPAL LIGHT DEPARTMENT

Engineering and Operations Monthly Report

September 2014

CAPITAL IMPROVEMENTS

		% Complete FY14-15 Status	PROJECT SPENDING	
Construction Projects:			Month	YTD
106	URD Upgrades – All Towns: <ul style="list-style-type: none">Snowcrest Run, NRThistle Lane, LC	On-going	\$6,671	\$34,545
107	Step-down Area Upgrades – All Towns: <ul style="list-style-type: none">McDonald Road, WVine Street, R	On-going	\$3,842	\$15,142
New Customer Service Connections:				
112	Service Installations – Commercial/Industrial: <ul style="list-style-type: none">Main Street – Agostino Drive, W		\$2,554	\$6,442
113	Service Installations – Residential: This item includes new or upgraded overhead and underground services.		\$15,314	\$44,348

Routine Construction:

	Month	YTD
Pole Setting/Transfers	19,982	59,445
Overhead/Underground	63,161	188,980
Projects Assigned as Required <ul style="list-style-type: none"> Wildwood School, W (transformer replacement) North Reading High/Middle School (road widening) Wilmington High School (new service) Mark Avenue, R (area upgrade) Lynnfield High Athletic Field (lights) Ballardvale St, W (transformer replacement) 	40,344	160,942
Pole Damage/Knockdowns - Some Reimbursable <ul style="list-style-type: none"> Work was done to repair or replace one (1) damaged pole. 	1,455	10,762
Station Group	19,247	19,247
Hazmat/Oil Spills		3,831
Porcelain Cutout Replacement Program	1,428	3,149
Lighting (Street Light Connections)	1,105	4,170
Storm Trouble	7,148	24,231
Underground Subdivisions (new construction) <ul style="list-style-type: none"> Amherst Road, W Cheyenne Estates, W Rahnden Terrace, N 	7,215	19,079
Animal Guard Installation	753	1,763
Miscellaneous Capital Costs	13,490	47,953
TOTAL:	<u>\$ 175,329</u>	<u>\$ 543,551</u>

		% Complete FY14-15 Status	Month	YTD
Special Projects/Capital Purchases:				
131	LED Street Light Pilot Program	100%	\$1,335	\$1,335
137	SCADA System Upgrade (server)	100%	\$12,832	\$12,832

MAINTENANCE PROGRAMS

Aged/Overloaded Transformer Replacement

Padmount:

Single-Phase: 10.71% replaced through 10/31/14

Three-Phase: 6.41% replaced through 10/31/14

Overhead:

Single-Phase: 8.23% replaced through 10/31/14

Three-Phase: 2.22% replaced through 10/31/14

Pole Testing System-wide (600-1,000 poles/year)

Contract awarded to mPower Technologies. Inspection underway - 640 poles are scheduled for inspection this year; 435 have been inspected as of 11/7/14.

13.8kV/35kV Feeders – Quarterly Inspections

3W8, 3W18, 5W4, 5W8, 5W9, 5W4, 5W5, 4W7, 4W23, 3W8, 3W18, 3W6, 3W13, 3W5, 3W15, 4W5, 4W6, 4W13, 4W10, 4W12, 4W16

Miscellaneous branches and vines were found and removed.

Manhole Inspections

Pending.

Porcelain Cutout Replacements (with Polymer)

A total of 20 cutouts were changed out in September. Six (6) were changed as part of the Porcelain Cutout Replacement Program and an additional 14 were replaced because of damage. 87% complete.

Substations:

Infrared Scanning (Monthly)

<i>Station 3</i>	<i>Scanning complete through October – no hot spots found</i>
<i>Station 4</i>	<i>Scanning complete through October – no hot spots found</i>
<i>Station 5</i>	<i>Scanning complete through October – no hot spots found</i>

Substation Maintenance Program

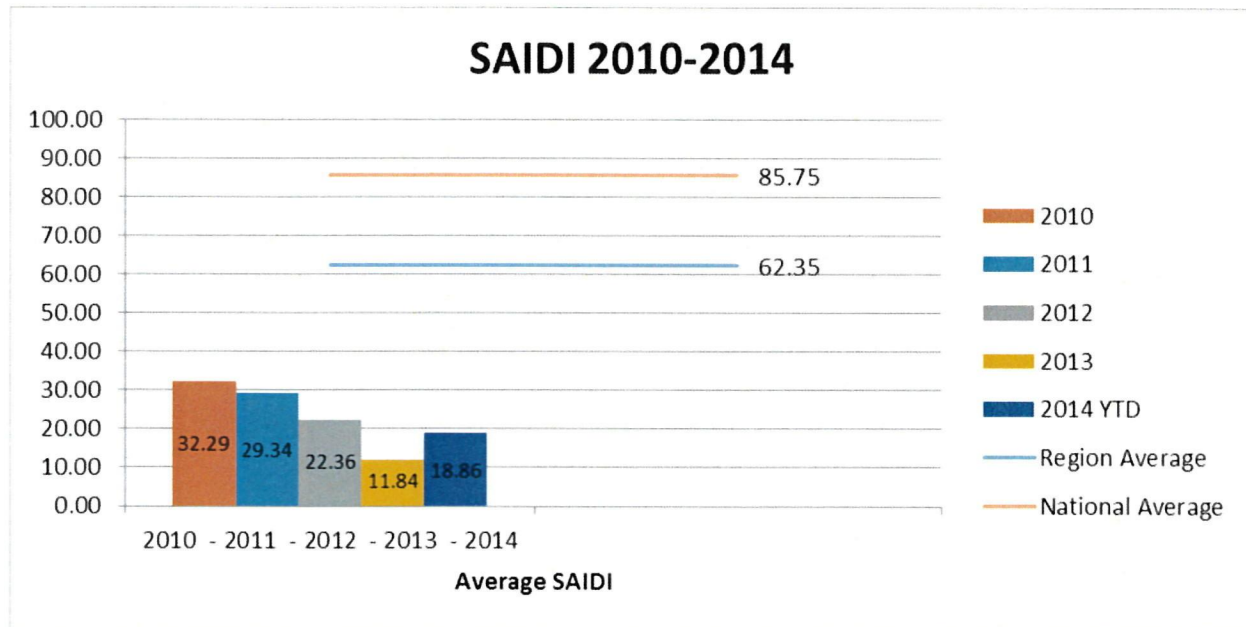
- Inspection of all three stations by UPG in progress. 90% complete.*
-

SYSTEM RELIABILITY

Key industry standard metrics have been identified to enable the RMLD to measure and track system reliability.

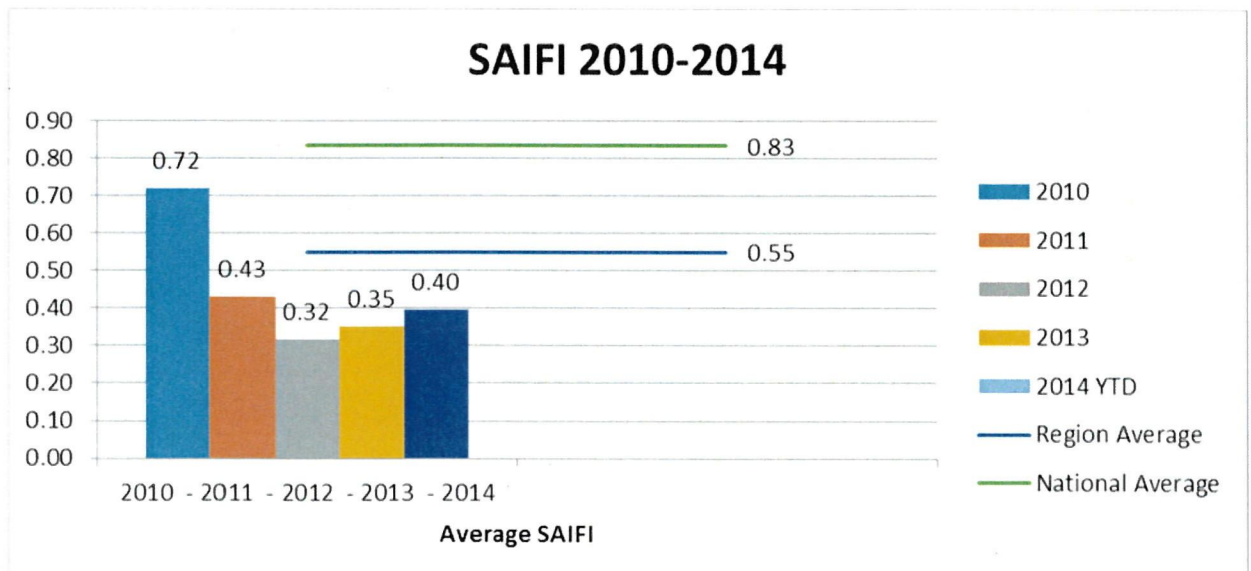
SAIDI (System Average Interruption Duration Index) is defined as the average interruption duration (in minutes) for customers served by the utility system during a specific time period.

SAIDI = the sum of all customer interruption durations within the specified time frame ÷ by the average number of customers served during that period.



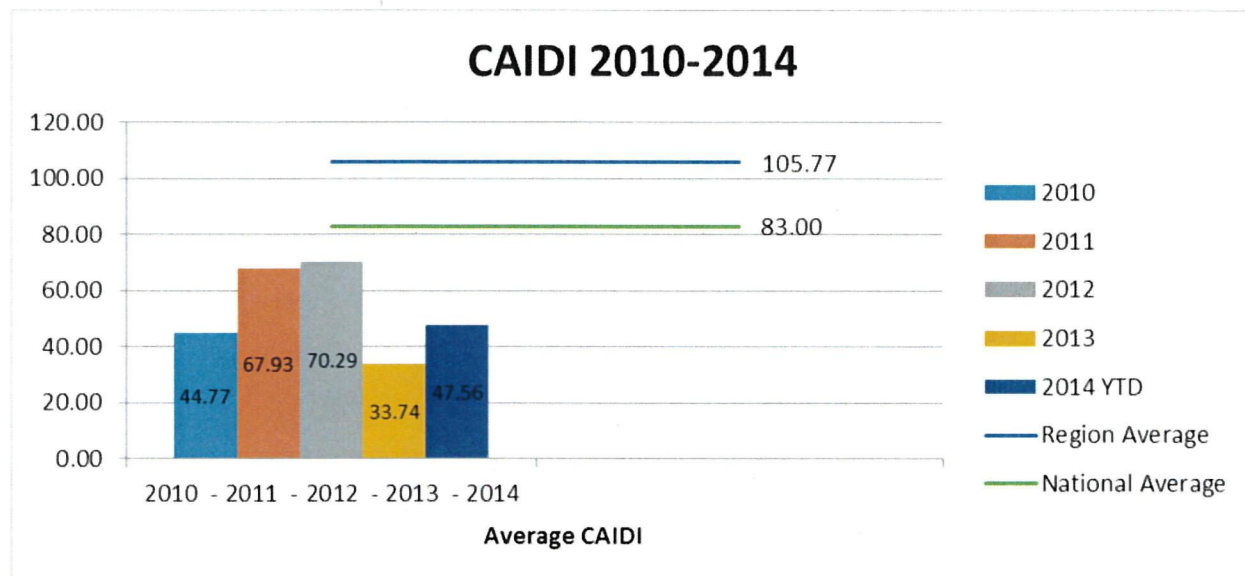
SAIFI (System Average Interruption Frequency) is defined as the average number of instances a customer on the utility system will experience an interruption during a specific time period.

SAIFI = the total number of customer interruptions ÷ average number of customers served during that period.



CAIDI (Customer Average Interruption Duration Index) is defined as the average duration (in minutes) of an interruption experienced by customers during a specific time frame.

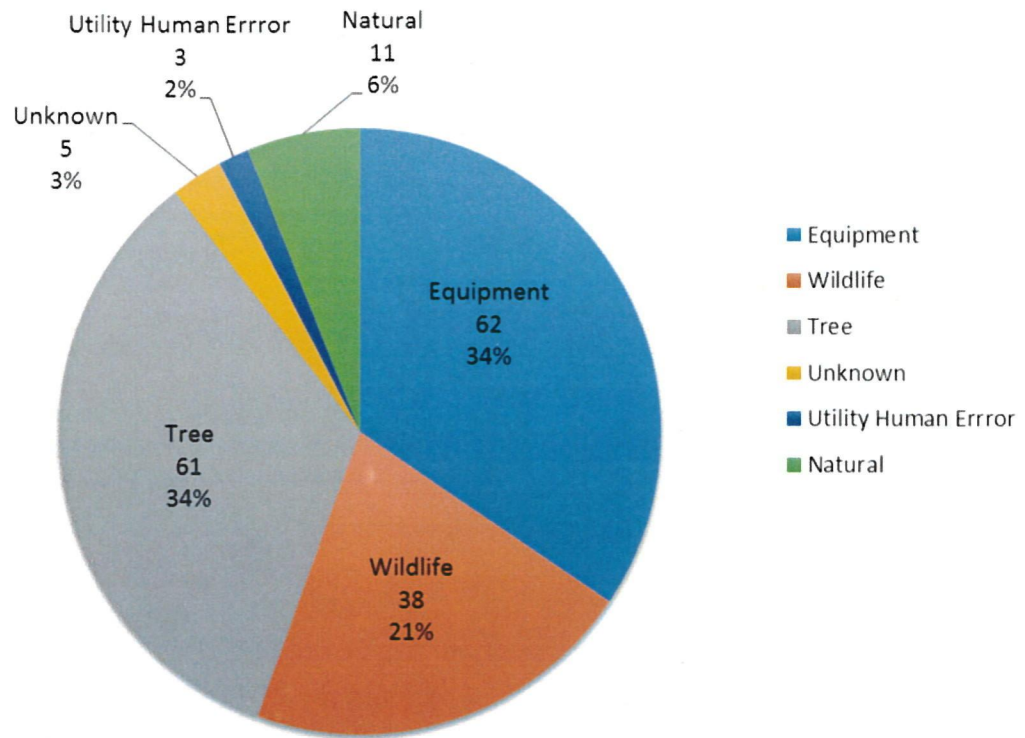
CAIDI = the sum of all customer interruption durations during that time period ÷ the number of customers that experienced one or more interruptions during that time period

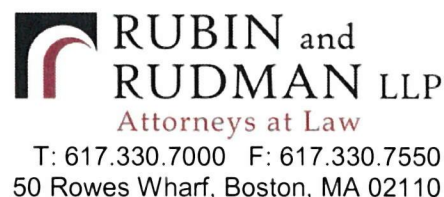


This metric reflects the average customer experience (minutes of duration) during an outage.

Note: Since SAIDI, SAIFI and CAIDI are sustained interruption indices; only outages lasting longer than one minute are included in the calculations.

2014 Outage Causes Types YTD September 30, 2014





MEMORANDUM

By Email

To: Coleen O'Brien, General Manager
Reading Municipal Light Department

From: Christopher Pollart, Karla Doukas

Re: CAB Policies Nos. 1 and 2

Date: November 7, 2014

INTRODUCTION

Pursuant to your request, we have reviewed the policies of the Citizens Advisory Board ("CAB") relating to its governance and authority (CAB Policy No. 1) and the release of executive session minutes (CAB Policy No. 2). Both policies raise open meetings and public records issues. CAB Policy No. 1 implicates the CAB's access to Reading Municipal Light Department's ("RMLD") documents and information and CAB Policy No. 2 involves the CAB's obligations to release information relating to the conduct of its own business. Accordingly, this memorandum provides guidance on whether certain RMLD information is public and available to the CAB, including whether information constitutes exempt personnel records. This memorandum also provides guidance on CAB's obligations to review and make available for disclosure its own confidential minutes and information. We also have attached markup versions of these CAB policies and have explained our proposed changes below. We accepted the existing edits and reflected our proposed changes in redline format.

DISCUSSION

I. LEGAL BACKGROUND AND AUTHORITY

A. CAB's Authority Under 20-Year Agreement

As you are aware, the 20-Year Agreement establishes the role of the CAB and defines the scope of its authority. Pursuant to Attachment 4 of the "20 Year" Agreement, the CAB's role is to review RMLD's operating and capital budgets and to provide recommendations on certain other financial and accounting practices of RMLD, power supply purchases, infrastructure expansion and plant retirement plans, cost-of-service and ratemaking issues, and other RMLD

matters that are generally available to public. With regard to RMLD's financial and accounting practices, the CAB may review and make non-binding recommendations with respect to "significant actions" involving RMLD's:

- Reserve accounts;
- Customer rebates;
- Annual depreciation request filing to the Department of Public Utilities ("DPU"); and
- Annual operating and capital budget.

The CAB also may review and provide recommendations on long-term purchases of electric power and capacity, which typically involve 10MW or more and in excess of a six month term. In addition, the CAB may review and provide recommendations on proposed rates schedules and cost of service studies.

To carry out its duties, Attachment 4 expressly gives the CAB access to all information available to the RMLD Board under the Open Meeting Law and specifies that the CAB may make recommendations based on such material. Specifically, Attachment 4 states in relevant part:

Other Issues: All information made available to the RMLD Board, in accordance with the Open Meeting Law, will be made available to the Advisory Board. The Advisory Board has the right to make recommendations on that material within the schedule allowed for the RMLD Board.

Article 9 of the "20 Year" Agreement further defines the CAB's access to RMLD documents and information and specifically clarifies that the CAB "shall not be entitled to attend executive sessions of the Board and shall not have access to Board records which are not public records." Accordingly, under the "20 Year" Agreement, the CAB is not entitled to access to any RMLD documents that are exempt under the public records law or to information which is not subject to disclosure under the Open Meeting Law.

B. Access to Information Under the Open Meeting Law

Pursuant to M.G.L. c. 30A, § 22, the minutes of meetings held in open session and all documents considered in open session are subject to disclosure to the public. As such, the CAB would have access to such RMLD Board information to the same extent as any other member of the general public. However, there are certain exemptions to this disclosure requirement and the following information and materials may be withheld from the public and the CAB as "personnel" information:

1. materials (other than those that were created by members of the public body for the purpose of the evaluation) used in a performance evaluation of an individual bearing on his professional competence, and

2. materials (other than any resume submitted by an applicant which is always subject to disclosure) used in deliberations about employment or appointment of individuals, including applications and supporting materials.

G.L. c. 30A, § 22(e). Documents created by members of the public body for the purpose of performing an evaluation, however, are subject to disclosure. In other words, for such documents to be subject to disclosure, they must have been created by the RMLD Board and not by the General Manager or other RMLD employee. Otherwise, they are not deemed to be public records and are not subject to disclosure to the CAB or any other member of the general public.

Executive session minutes and documents or exhibits reviewed in executive session are not subject to disclosure under the public records and open meeting laws unless and until the purposes for holding an executive session have been served and the documents no longer are eligible for an exemption under the public records law. Under the Open Meeting Law, the RMLD Board only may meet in executive session for certain purposes, as discussed below. *See* M.G.L. c. 30A, § 21. In addition, the RMLD Board first must convene in open session and a majority of the Board must vote to go into executive session. *Id.* The Chairperson is required to state the purpose for the executive session, disclosing all subjects that may be revealed without compromising the purpose for which the executive session was called. *Id.* When the RMLD Board goes into executive session, it has an obligation to create and maintain accurate records. *Id.* The RMLD Board, or the Chairperson or his designee, shall, at reasonable intervals, review the minutes of executive sessions to determine if continued non-disclosure is warranted. *See* M.G.L. c. 30A, § 22(g)(1). When the purpose for which a valid executive session was held has been served, the minutes, preparatory materials and documents and exhibits of the session shall be disclosed unless the attorney-client privilege or one or more other exemptions apply. *See* M.G.L. c. 30A, § 22(f).

Pursuant to the “20 Year” Agreement, the CAB is not entitled to attend executive sessions of the RMLD Board, and thus, the CAB would not be entitled to any executive session minutes or documents considered in closed session unless and until they become public records. In most cases, however, budgets, financial reports, RMLD accounts and accounting-related matters, general power supply and plant-related discussions, would be held in open session. As you may be aware, executive sessions may be held only on the following topics:

- **Competitively Sensitive Information** (M.G.L. c. 164, § 47D). The RMLD Board may meet in executive session when necessary for protecting trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings conducted pursuant to M.G.L. c. 164. The RMLD Board must determine that such disclosure will adversely affect its ability to conduct business in relation to other entities making, selling, or distributing electric power and energy pursuant M.G.L. c. 164.

We note that to the extent these discussions and documents relate to power supply matters, this information would fall within the purview of the CAB’s authority under the “20-Year” Agreement but pursuant to Article 9, the CAB is not entitled to attend any executive sessions involving such competitively sensitive information. A confidentiality agreement with prospective parties to specific transactions, such as power supply or other information that comes

under M.G.L. c. 164, § 47D, also may prohibit RMLD from discussing certain proprietary matters in open session or sharing such information with others. However, the CAB would be entitled to review the redacted documents and general industry information in order to perform its functions under the 20-Year Agreement.

- **Reputation, Character, Discipline or Dismissal of a Particular Individual** (M.G.L. c. 30A, § 21(a)(1)). The RMLD Board may, but is not required under the Open Meeting Law, to discuss in executive session, the reputation, character, physical condition or mental health of an individual, or the discipline or dismissal of, or complaints or charges brought against, a public officer, employee, staff member or individual. However, the Board should consider the privacy interests of the individual involved in determining whether holding the discussion in open session is appropriate. The individual also would have the right to require that any such discussions be held in open session. Discussions concerning the professional competence of an individual are not permitted in executive session and must be conducted in open session.

We note that such matters generally do not fall within the purview of the CAB's authority under Article 9 and Attachment 4 of the "20 Year" Agreement. However, to the extent that such matters are considered in open session, the CAB may have access to such information.

- **Preliminary Screening of Employment Applicants** (M.G.L. c. 30A, § 21(a)(8)). A preliminary screening committee appointed by the RMLD Board may meet in executive session to consider or interview applicants for employment or appointment, if the RMLD Chairperson declares that an open meeting will have a detrimental effect in obtaining qualified applicants. An executive session may not be held for any meeting, including meetings of a preliminary screening committee, to consider and interview applicants who have passed a prior preliminary screening. Thus, while not specifically in the CAB's purview, the CAB would have access to interviews conducted by the RMLD Board but not by any preliminary screening committee.
- **Strategy Sessions for Employment Negotiations** (M.G.L. c. 30A, § 21(a)(2)): The RMLD Board may go into executive session for the purposes of conducting strategy sessions in preparation for negotiations with nonunion personnel.

While such negotiations ultimately may affect RMLD's budget, the CAB would not be entitled to attend such strategy sessions or review those employment-related materials if the RMLD Board decides to conduct the sessions in closed session. The CAB would have access to resumes and may comment on applicants based on their resumes or other public information, at any open session of the RMLD Board. Also, even if an executive session is held, the vote approving the contract must be in open session and the CAB may attend that meeting and would have access to all materials considered in open session, including the employment contract. The evaluative materials prepared outside of RMLD Board meetings, employment applications and other personal information relating to the candidates may continue to be withheld under the "personnel materials" exemption as discussed above.

- **Strategy with Respect to Collective Bargaining Sessions** (M.G.L. c. 30A, § 21(a)(3)). Discussions in executive session to develop strategy in connection with collective

bargaining sessions are allowed if an open meeting may have a detrimental effect on the bargaining position of the RMLD Board.

See comments under “Strategy Sessions for Employment Negotiations” although this process typically will not involve any individual personnel information. Nonetheless, the sessions may be closed to CAB members and the public until a vote is taken.

- **Collective Bargaining Sessions** (M.G.L. c. 30A, § 21(a)(2)). Collective bargaining sessions also may be conducted executive session.

See comments under “Strategy Sessions for Employment Negotiations” and “Strategy Sessions for Collective Bargaining Sessions.”

- **Strategy with Respect to Litigation** (M.G.L. c. 30A, § 21(a)(3)). Discussions in executive session relating to pending or threatened litigation are allowed if an open meeting may have a detrimental effect on the litigation position of the RMLD Board. In most instances, such discussions would be held in executive session in order to protect the information from disclosure to opposing parties. Disclosure of any work product or attorney-client information to the CAB, particular where litigation is outside the purview of the CAB’s authority would destroy the confidentiality of such information.
- **Meetings with a Mediator** (M.G.L. c. 30A, § 21(a)(9)). The RMLD Board may go into executive session to meet or confer with a mediator, as defined by M.G.L. c. 233, § 23C, with respect to any litigation or decision on any public business within the RMLD Board’s jurisdiction involving another party, group or entity. *See* comments regarding “Strategy with Respect to Litigation.”
- **Property Transactions** (M.G.L. c. 30A, § 21(a)(6)). The RMLD Board may engage in discussions in executive session in consideration of the purchase, exchange, lease or value of real property if an open meeting may have a detrimental effect on RMLD’s negotiating position. The CAB would have access to any public information, such as solicitations and proposals submitted under M.G.L. c. 30B, § 16.
- **As Required by Law** (M.G.L. c. 30A, § 21(a)(7)). The RMLD Board may meet in executive session to comply with, or act under the authority of, any general or special law or federal grant-in-aid requirements.

C. Access to Documents Under the Public Records Law

Under Article 9 of the 20-Year Agreement, the CAB’s access to RMLD records is restricted to public records. Public records generally include papers, photographs, recorded tapes, financial statements, statistical tabulations, or other documentary materials or data, regardless of physical form or characteristics, made or received by RMLD, unless such materials or data fall within the an exemption. In general, the CAB would have access to RMLD’s

budgets, financial statements, accounting records, reports, procurement records, contracts, studies, and other such information, including any documents or materials considered in an open meeting of the RMLD Board. The following types of documents, however, are not subject to disclosure under M.G.L. c. 4, § 7 (cl. Twenty-sixth) (or other law) and would not be available to the CAB:

- Documents which are **specifically or by necessary implication exempt from disclosure by statute**. This exemption applies to those documents where another statute either: (a) expressly states that such a record either “shall not be a public record,” “shall be kept confidential” or “shall not be subject to the disclosure provision of the Public Records Law” or (2) expressly limit the dissemination of particular records to a defined group of individuals or entities. An example of this exemption is the exemption found in M.G.L. c. 164, § 47D applicable to confidential and competitively sensitive municipal light plant documents (which is discussed separately below).
- **Medical files or information regarding RMLD employees or customers.**
- **Personnel information** is exempt although whether employee-related information falls in this category depends on whether the information is deemed to be sufficiently personal. *See A Guide to the Massachusetts Public Records Law*, published by the Secretary of the Commonwealth (2013) (“*Public Records Guide*”). The Legislature has not explicitly defined the term “personnel information” in the public records law. Court decisions indicate that the term is not rigid or exact and that the determination of whether information constitutes exempt personnel information often is case-specific. *Id.* In general, however, personnel information that is useful in making employment decisions regarding an employee is sufficiently personal to be exempt. Such information would include employment applications, employee work evaluations, disciplinary documentation, and promotion, demotion, or termination information. *Id.*; *see also* M.G.L. c. 30A, § 22(e); *Wakefield Teachers Association v. School Committee of Wakefield*, 431 Mass. 793, 798 (2000); *Globe Newspaper Co. v. Police Comm’r of Boston*, 419 Mass. 852, 858 (1995). In contrast, salary information and resumes are not exempt, although some personal information contained in resumes may be redacted and withheld from disclosure. *Id.* Settlement agreements executed to resolve personnel-related matters are public records, subject to certain limitations. For instance, the settlement amount would be public, but certain other personal details may be redacted. *See Public Records Guide*, at 14.
- Information that would constitute an **unwarranted invasion of personal privacy** also is exempt. Here, the court considers whether the information contains “intimate details” of a “highly personal nature.” *See, e.g., Pottle v. School Comm. of Braintree*, 395 Mass. 861, 865 (1985); *Wakefield Teachers Association, supra*. Often whether information may be withheld on privacy grounds falls within a gray

area. If the information sought rises to the level of intimate details of a highly personal nature, the court then balances the claimed invasion of privacy against the interest of the public in determining whether the document should be made public. *See Wakefield Teachers Assn., supra.*, at 801; *Globe Newspaper Co., supra.*, at 858. In general, names and addresses of RMLD's customers, as well as certain other types of information, do not meet this standard and typically are subject to disclosure. *See Public Records Guide*, at 14. Information not associated with any particular individual, such as usage data, also would be subject to disclosure. However certain specific customer information, such as medical certifications, financial hardship forms, and debt information may be withheld.

- **Inter-agency or intra-agency memoranda** or letters relating to **policy positions** being developed by RMLD are exempt. This "deliberative process" exemption also would cover "work product" materials during litigation. Such documents, however, may become public records once the policy decision is made. Moreover, reasonably completed factual studies and reports, even if policy positions rely on such information, would be subject to disclosure as a public record. Accordingly, the CAB would be entitled to access to those completed factual studies and reports pending policy decisions, but not to draft studies and reports, or intra-agency memoranda relating to the RMLD Board's policy-making authority until such policies are established.
- **Employee notebooks and materials**, such as an employee's notes and personal reflections on work-related matters, are not considered to be public records unless the notes are shared with other employees or are maintained as part of RMLD's files.
- **Trade secrets or commercial or financial information** voluntarily provided to RMLD for use in developing governmental policy and upon a promise of confidentiality; but not including information submitted as required by law or as a condition of receiving a governmental contract or other benefit. This exemption may encompass certain confidential customer or proprietary industry information.
- **Proposals and bids** submitted to RMLD in connection with a competitive solicitation process may be withheld until the time for opening. In addition, all evaluative materials may be withheld until a procurement decision is bid.
- **Appraisals of real property** may be withheld for a limited duration to protect RMLD's (or the Town's) bargaining position.
- Documents that may **jeopardize public safety** are not public records. Such documents include, but are not limited to, blueprints, plans, policies, procedures and schematic drawings, which relate to internal layout and structural elements, security measures, emergency preparedness, threat or vulnerability assessments, or any other records relating to the security or safety of persons or buildings, structures, facilities, utilities. This exemption would encompass Critical Energy Infrastructure Information ("CEII") (*i.e.*, specific engineering, vulnerability, or detailed design information

about proposed or existing critical infrastructure), which also may not be disclosed pursuant to Federal Energy Regulatory Commission (“FERC”) regulations.

- **Home addresses and home telephone numbers** of employees and their family members are not subject to disclosure to the public.
- Documents protected by the **attorney-client privilege** are not public records.
- **Competitively sensitive or confidential information** is not a public record under G.L. c. 164, § 47D to the extent RMLD determines that such disclosure will adversely affect its ability to conduct business in relation to other entities making, selling, or distributing electric power and energy.

II. DISCUSSION OF PROPOSED CHANGES TO CAB’S POLICIES

CAB Policy No. 1

This section is organized consistent with the format of CAB Policy No. 1. Our comments reflect proposed changes to the corresponding section of the policy.

Section I – Purpose.

- A. We added a reference to Article 9 of the 20-Year Agreement, which addresses the CAB’s functions and its entitlement to RMLD information. The remaining proposed edits are for clarification purposes.
- C. We referenced the 20-Year Agreement for clarification purposes.
- D. The proposed edits are for consistency with the 20-Year Agreement, which limits the CAB’s access to public records of RMLD. Under the public records and open meeting laws, personnel records are generally exempt. In addition, the CAB does not have any specific authority under the 20-Year Agreement to review personnel matters. Accordingly, we deleted the reference to personnel documents.

Section II – Governing Laws and Legal Requirements. We added the phrase “Legal Requirements” to the heading given that the 20-Year Agreement is not technically a law, although it is a contractual legal requirement.

- A. We added statutory references to the public records and open meeting laws, which will govern the CAB’s meetings and its role with respect to RMLD information.

Section III – CAB Governance and Responsibilities. We added a reference to “CAB Governance” in the heading given that several of the provisions address governance issues and the conduct of CAB meetings.

- A. **CAB Chair:**

1. We added a reference to the Open Meeting Law to indicate that the proper procedures will be followed when calling CAB meetings. In general, executive session meetings are not called when the meeting is scheduled. Rather, the CAB must meet in open session and then follow a statutory process to convene in executive session. The remaining edits are for clarification purposes and are not intended to change the overall intent of this provision.
 2. We added a reference to “attendees” given that RMLD staff may participate in CAB meetings.
 3. The proposed edits are non-substantive and are for grammatical purposes.
 4. We added language to clarify that CAB committee meetings also must comply with the CAB policy and Open Meeting Law. The remaining edits are for grammatical purposes.
 5. We corrected a typographical error.
- B. **Vice Chair.** The proposed changes are non-substantive and are for clarification and formatting purposes. The added section reflects an organizational edit (relocation of paragraph 5).
- C. **CAB Secretary:**
3. We clarified the procedure for delegating authority to sign CAB documents, which should be by majority vote of the CAB to confer the requisite legal authority on the signatory to bind the CAB.
 4. The proposed edits are non-substantive and are for clarification purposes and consistency with terms.
- D. The CAB, as a whole, by majority vote:
1. The edits to this section are primarily for clarification and formatting purposes. In subsection (e), we added a reference to G.L. c. 164, § 58 and ratemaking principles to provide guidance to the CAB. RMLD rates must be cost-based and comply with certain statutory and regulatory requirements.
 2. The proposed edits are for clarification purposes. We note that M.G.L. c. 268A prohibits the use of public resources for private purposes. Accordingly, we added a reference to CAB authorized activities to reflect the limitations on the use of RMLD’s resources.

Section IV. Policy Elements

1. We added references to statutes that would govern CAB meetings and the conduct of its members. The reference to M.G.L. c. 30A is the Open Meeting Law and the reference to M.G.L. c. 268A is the Conflict of Interest Law.

3. The proposed edits are non-substantive.
4. The proposed edits are for clarification purposes are non-substantive.
5. The proposed edits are for clarification purposes. The CAB's public records obligation only applies to records in its custody and control. The CAB would not have any authority over RMLD records for which RMLD is the custodian. We note that we do not have, and thus, we have not reviewed CAB Policy No. 12.
6. The proposed edits are for clarification purposes and are non-substantive.

CAB Policy No. 2 - RELEASE OF EXECUTIVE SESSION MINUTES

The Open Meeting Law has been amended since the CAB adopted this policy. The Legislature clarified various open meeting requirements and transferred authority over open meetings-related issues from the district attorneys to the Attorney General in order to provide educational guidance and a centralized complaint and enforcement process. The proposed changes are intended to comply with the amended Open Meeting Law requirements. We note, however, that because the CAB is permitted to consider only public information (no access to RMLD executive sessions and non-public records under Article 9 of the 20-Year Agreement), there should be very few, if any instances, in which the CAB would meet in executive session. See also the discussion in Section I.B. above relating to executive sessions and access to information under the Open Meeting Law.

Section II – Governing Laws and Legal Requirements

- Heading - We added the phrase “Legal Requirements” given that the “20 Year” Agreement is referenced.
- Paragraph A. We reorganized this section to reference the primary authority governing the release of Executive Session minutes, which is M.G.L. c. 30A, § 22. M.G.L. c. 39, §§ 23A, *et seq.*, no longer governs open meetings. M.G.L. c. 164 does not govern open meetings *per se*, but includes an open meetings exemption applicable only to municipal light plant boards.
- Paragraph B. The proposed edits are for clarification purposes. M.G.L. c. 164, § 47D is the statutory reference to the exemption for competitively sensitive and proprietary information available to the RMLD Board. Technically, this exemption does not apply to the CAB, but to the extent that the CAB utilizes RMLD Board information which is exempt under M.G.L. c. 164, § 47D, the CAB arguably may maintain its confidentiality until the RMLD Board releases the information for public disclosure.
- Paragraph C. The proposed edits are non-substantive and are for clarification purposes.

Section III - Responsibilities

Paragraph A. We clarified when and how often executive session minutes should be reviewed and the factors that should be considered to ensure compliance with M.G.L. c. 30A, § 22. M.G.L. c. 30A, § 22 requires that executive session minutes be reviewed on a regular basis and pursuant to a request for the minutes. While the law does not define the term “regularly,” a quarterly review, as provided in the original policy should be sufficient. We referenced the quarterly periods for clarification purposes. The CAB also would have the discretion to review the minutes more frequently on an as-needed basis.

We also included a list of factors for the Chair and Secretary to consider when reviewing Executive Session minutes. Under M.G.L. c. 30A, § 22(f), the minutes of any executive session, as well as the notes, recordings or other materials used in the preparation of such minutes and all documents and exhibits used at the session, may be withheld from disclosure to the public under the public records exemption in M.G.L. c. 4, § 7, c. Twenty-sixth (a) only as long as publication will defeat the lawful purposes of the executive session. However, the minutes and materials only may be withheld to the extent that the executive session was held in compliance with Section 21. Thus, the CAB will need to review whether there was any legal basis to conduct the executive session. If the executive session was validly held and the purpose of the executive session no longer justifies continued confidentiality, the minutes and/or materials still may receive continuing confidentiality if they include attorney-client privileged information, another public records exemption applies, or the information constitutes protected personnel information. We note that the CAB generally is not entitled under the “20 Year” Agreement to RMLD’s confidential information, but to the extent RMLD shares confidential power supply information with the CAB, the CAB would continue to protect the confidentiality of such information until the RMLD Board of Commissioners determines whether continued confidential treatment is warranted.

- Paragraph B. We added language consistent with the statutory process, which requires that the reviewers (*i.e.*, the Chair and Secretary) to announce their determination or findings at the next CAB meeting. The CAB still may vote on whether to release the minutes or the materials, but the results of the review must be disclosed to the full CAB. We also included a reference to the process for reviewing requests for executive session minutes and materials, which includes specific time deadlines and a response requirement. We made some additional edits for clarification purposes.
- Paragraph C. The proposed edits are non-substantive and are for clarification purposes.

Section IV – Policy Elements

- Paragraph A. The proposed edits are for clarification purposes. Because this policy addresses the release of CAB executive session minutes (as opposed to meetings of the RMLD Board of Commissioners), we clarified that access by CAB members relates to CAB meeting minutes. All CAB members would have access to minutes of their own meetings, although individual members would need to observe the confidentiality of the minutes and related materials. Under Paragraph 9 of the “20-Year” Agreement, the CAB does not have access to confidential documents of RMLD. (We note that most matters within the CAB’s purview generally would not be entitled to confidential treatment. Financial and accounting information generally is not considered to be confidential under public records and open meeting laws, although certain power supply transactions may be afforded to confidential protection by the RMLD Board of Commissioners.) We note that M.G.L. c. 268A, § 23(c)(2) would prohibit CAB members from disclosing executive session minutes and related materials, which are exempt under the public records law until they are released. That provision makes it unlawful for any municipal employee (which includes persons serving on boards) to:

improperly disclose materials or data within the exemptions to the definition of public records as defined by section seven of chapter four, and were acquired by him in the course of his official duties nor use such information to further his personal interest.

- Paragraph B. We corrected the statutory reference. Also, under the amended Open Meeting Law, the district attorneys no longer have oversight authority. That authority has been transferred to the Attorney General.
- Paragraph C. The proposed edits are intended to comply with the process for responding to public record requests for executive session minutes and materials. M.G.L. c. 30A, § 22(g)(2) states:

Upon request by any person to inspect or copy the minutes of an executive session or any portion thereof, the body shall respond to the request within 10 days following receipt and shall release any such minutes not covered by an exemption under subsection (f); provided, however, that if the body has not performed a review pursuant to paragraph (1), the public body shall perform the review and release the non-exempt minutes, or any portion thereof, not later than the body’s next meeting or 30 days, whichever first occurs. A public body shall not assess a fee for the time spent in its review.

Please do not hesitate to contact us if you have any questions or comments. We look forward to discussing these matters with you.

DRAFT

Revision No.3c

CAB POLICY NO. 1

Effective Date XXX

RMLD
CITIZENS' ADVISORY BOARD

Per Board Vote
Chairman/Date

I. PURPOSE

- A. To establish the role of the ~~RMLD~~ (Reading Municipal Light Department) ("~~RMLD~~") Citizens' Advisory Board ("~~CAB~~") as set forth in relative to Paragraph 9 and Attachment 4 of the "20 Year" Agreement, and its relationship to RMLD's the 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/~~personnel~~ 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 itsthe duties under the 20-Year Agreement, of conducting

~~business~~ the CAB ~~shall~~~~must~~ 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~~ ~~to~~ Open meeting ~~law~~ ~~guideline~~~~requirements~~ are ~~followed~~~~observed~~.

2. The Chair presides over the CAB meetings, sets the agenda with inputs 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~~~~is~~ by a majority vote of the ~~CAB~~~~Board~~ members.

CAB Policy No. 1

Page 2

4. ~~_____~~ The Chair nominates Board members to ~~committees~~. Final appointments ~~shall be made~~~~is~~ by a majority vote of the ~~CAB~~~~Board~~ 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.

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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.

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B. CAB Vice-Chair:

~~1. _____~~ The CAB ~~Vice-Chair~~ shall ~~act~~~~serve~~ as chair in the absence of the ~~C~~Chair.

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- ~~1. _____~~ 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. _____~~ 3. _____ Signs, upon direction of a majority vote of the CAB ~~members~~, documents and legal settlements on behalf of the CAB. Alternatively any ~~CAB~~ ~~M~~ember may be authorized to perform this function by majority vote of the CAB.
- ~~4. _____~~

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~~5.~~ ^{4.} In the absence of the ~~s~~Secretary, any other CAB member may be assigned by the Chair, the duties of ~~s~~Secretary for that specific meeting.

~~5 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.~~

D. The CAB, as a whole, by majority vote, shall:

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1. Provide decision-making inputs 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 ~~Power contracts is defined as any energy and/or capacity contracts that comply with any of the following conditions are either:~~

~~1.) A~~ ^{i.)} A minimum of 10 megawatts in energy or
~~ii. 2.)~~ A minimum of 6 month terms in duration
~~3.)~~

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c. Cost-of-service and rate making practices.

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~~d.~~
~~Financial and accounting practices including but not limited to the following:~~

~~i.~~
~~C~~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.~~

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CAB Policy No. 1
Page 3

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~~e.~~ Review the 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 its 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. Approves, in advance, attendance by CAB members at any meeting, conference, training session or similar function that requires reimbursement of expenses by RMLD expense compensation or the use of RMLD Resources for CAB authorized activities.

BE. CAB Committees

1. Serve as a mechanism for the CAB ~~Board~~ 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 to the Board.
2.

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IV. POLICY ELEMENTS

A. It is the policy of the CAB:

1. To operate in accordance with the "20 Year" Agreement, and all applicable laws relataffecting 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.
2. 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.
3. To operate in a respectful, businesslike and efficient manner in all aspects of the CAB meetings and all dealings with the RMLD BoardCommission and the RMLD.
4. 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 CABBoard.
5. 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 RMLDand General Manager.
6. Solicit and considerbe open to input from member town's Boards of Selectmen, businesses and residents as agon matters within the CAB's

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~~purview applicable and to the benefit of informing CAB deliberations and decisions.~~

RELEASE OF EXECUTIVE SESSION MINUTES

Per CAB Vote: _____
Date

Chairman/Date _____

I. PURPOSE

To establish the procedure for Release of Executive Session Minutes.

II. GOVERNING LAWS AND LEGAL REQUIREMENTS

- A. ~~M.G.L. Chapter 30A, § 22.~~ A. M.G.L. Chapter 30A, § 22.
- B. ~~M.G.L. c. Chapter 164, § 47D, to the extent applicable to CAB meetings, and other applicable federal and state statutes and regulations and guidelines governing the confidentiality of meeting minutes, information, and documentation; and~~
- C. The most current "20 Year" Agreement between the Reading Municipal Light Department ("RMLD") and the towns of Lynnfield, Reading, North Reading, and Wilmington.
- C. ~~M.G.L. Chapter 39, §§ 23A, 23B, and 24.~~

IV. RESPONSIBILITIES

- A. The Chair and the Secretary of the Citizens' Advisory Board ("CAB") will review approved Executive Session minutes in their entirety and related materials that are still in confidential status on a ~~minimum of a quarterly~~ regular basis ~~(no later each January 15, April 15, July 15, October 15) and in response to a public records request for such minutes, but not less than once per quarter, to determine if continued non-disclosure is warranted under M.G.L. c. 30A, § 22. In conducting the review, the Chair and the Secretary shall consider whether:~~
- ~~(1) the executive session was held in compliance with M.G.L. c. 30A, § 21;~~
 - ~~(2) publication of the minutes or materials would defeat the lawful purposes of the executive session;~~
 - ~~(3) the minutes or materials include information protected by the attorney-client privilege;~~
 - ~~(4) the information or materials are subject to one or more of the exemptions under the public records law, M.G.L. c. 4, § 7 (clause twenty-sixth) or M.G.L. c. 164, § 47D;~~
 - ~~(5) the RMLD Board has voted to disclose such information (to the extent that the Executive Session was held to consider RMLD's competitively sensitive information which was entitled to confidentiality under M.G.L. c. 164, § 47D); and~~
 - ~~(6) The minutes or materials are entitled to confidentiality as personnel information as set forth in M.G.L. c. 30A, § 22(e).~~
- B. The Chair and the Secretary shall announce the findings of their quarterly review at the next CAB meeting following the completion of such review. Such announcement shall be included in the minutes of that meeting. The Chair and the Secretary shall make a recommendation to the members of the CABitizens' Advisory Board to release for publication those minutes or portions of minutes and related materials in which continued confidential treatment is not warranted under M.G.L. c. 30A, § 22, which need not be confidential due to

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Saturday, March 1, 2014

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~~resolution of the issues discussed and decided upon in Executive Session. The procedure and timeframe for conducting and voting on reviews in response to a request for Executive Session minutes are set forth in Section IV.C.~~
~~A.~~

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~~BC.~~ Executive Session minutes, or ~~portions~~~~sections~~ thereof, will be released only by an affirmative majority vote of at least three (3) members of the ~~CAB~~~~itizens' Advisory Board~~.

IV. POLICY ELEMENTS

- A. Executive Session minutes ~~of CAB meetings and related documents~~ are available to all members of the ~~CAB~~~~itizens' Advisory Board~~. ~~All CAB members shall be bound, who are bound to maintain their confidentiality until such minutes and/or related materials are released for disclosure as provided in Section III.~~
- B. Executive Session minutes will be released in accordance with Massachusetts General Laws and the Open Meeting Law Guidelines as outlined by M.G.L. c. 30A, § 22 and the ~~Middlesex District Attorney's Office Guidelines~~ Massachusetts Attorney General.
- C. All requests for unreleased ~~e~~Executive ~~s~~Session minutes will be forwarded to the Chair of the Citizens' Advisory Board immediately following receipt, and shall be placed on the next available CAB meeting agenda for resolution. ~~If the minutes have not been previously subject to a quarterly review, the Chair and the Secretary shall review the minutes as provided in Section III.A prior to the next CAB meeting. The Chair and the Secretary shall present the findings on whether continued confidentiality is warranted to CAB and the CAB shall take a vote on whether to release the minutes or portions thereof at its next regularly scheduled meeting following the request or within 30 days, whichever occurs first. Notwithstanding the foregoing, upon request by any person to inspect or copy the minutes of an Executive Session or any portion thereof, the Chair, on behalf of the Citizens' Advisory Board, shall respond to the request within 10 days following receipt and shall release any such non-exempt minutes or portions thereof in which the CAB previously voted to release.~~

Saturday, March 1, 2014
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