



## Town of Reading Meeting Minutes

### Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2016-06-01

Time: 6:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Purpose: General Business

Session: General Session

#### Attendees: **Members - Present:**

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

#### **Members - Not Present:**

Mr. David Nelson, Vice Chair (Lynnfield)

#### **Others Present:**

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

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

A handwritten signature in black ink, appearing to be "G. Hooper".

### Topics of Discussion:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6. Public Comment – G. Hooper, Chair

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

7. Next Meeting – G. Hooper, Chair

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

8. Adjournment – G. Hooper, Chair

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

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

As approved on October 12, 2016.

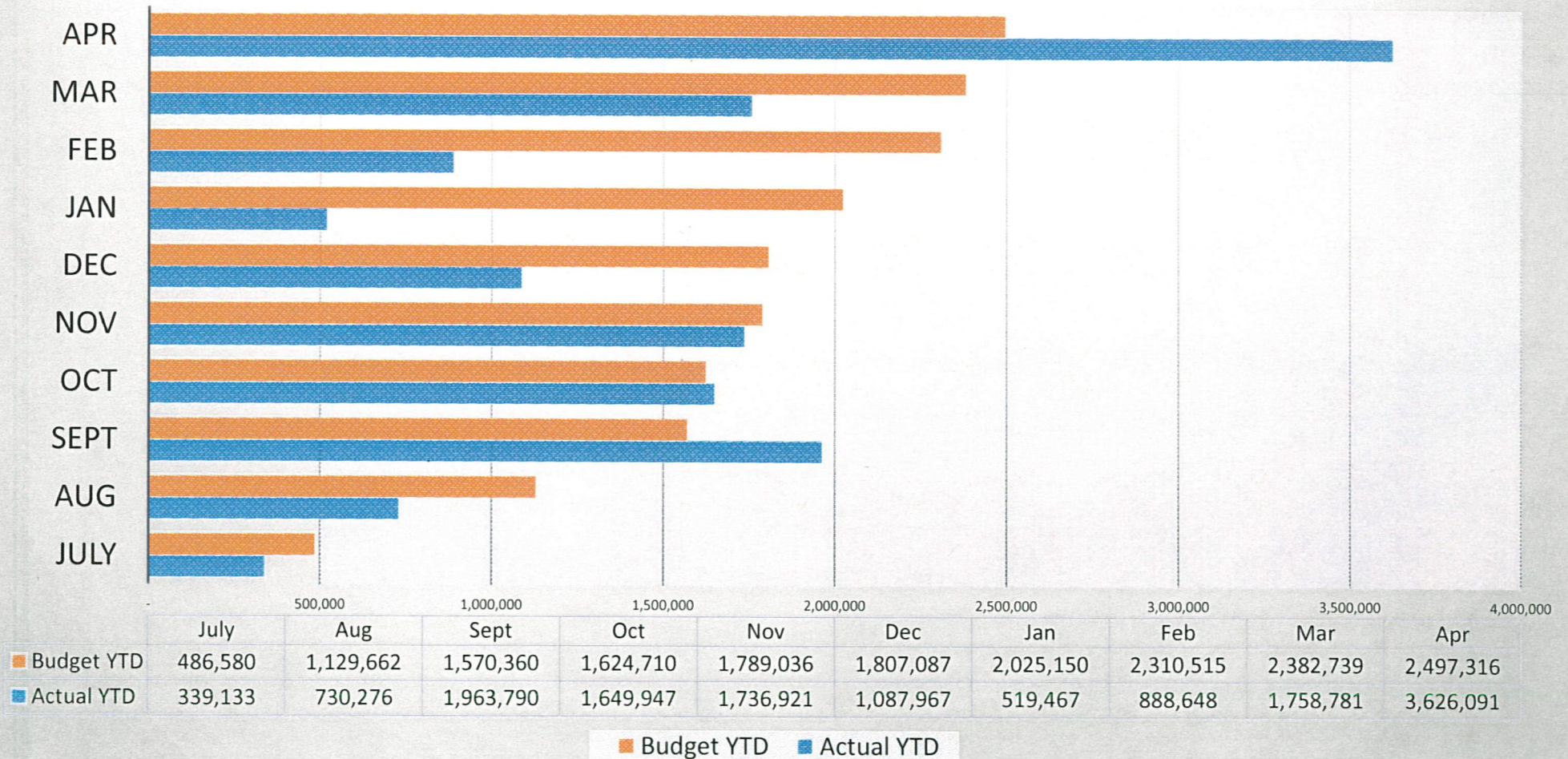


# FINANCIAL REPORT

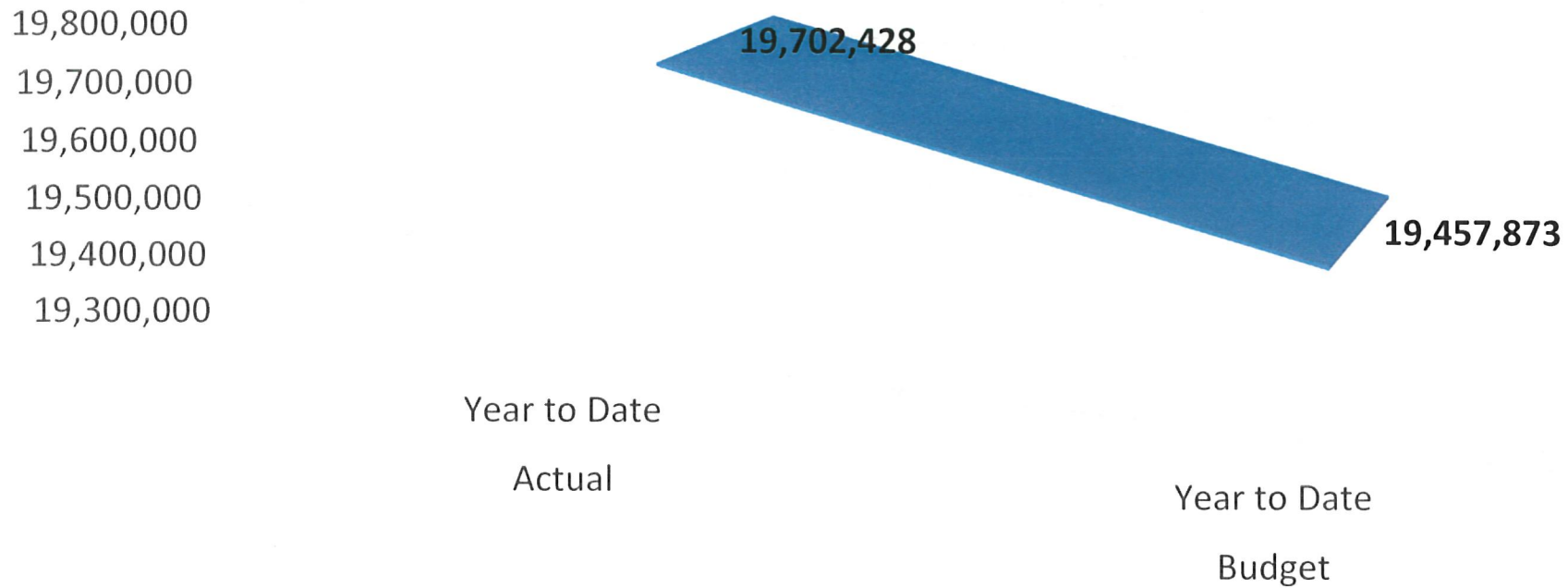
## APRIL 30, 2016

Wendy Markiewicz – Assistant Director Business Finance

## Change in Net Assets FY 16

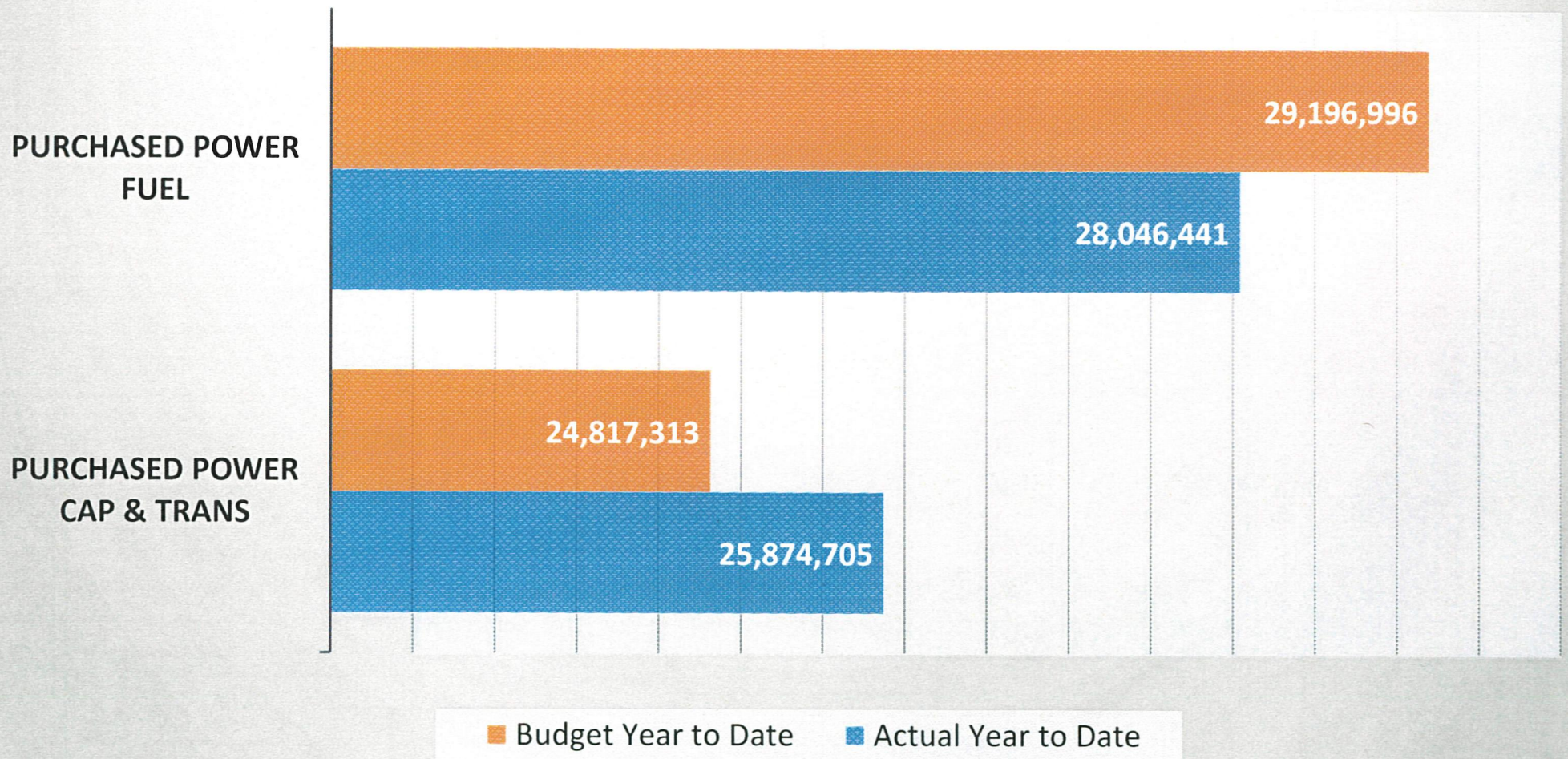


## Base Revenue FY 16

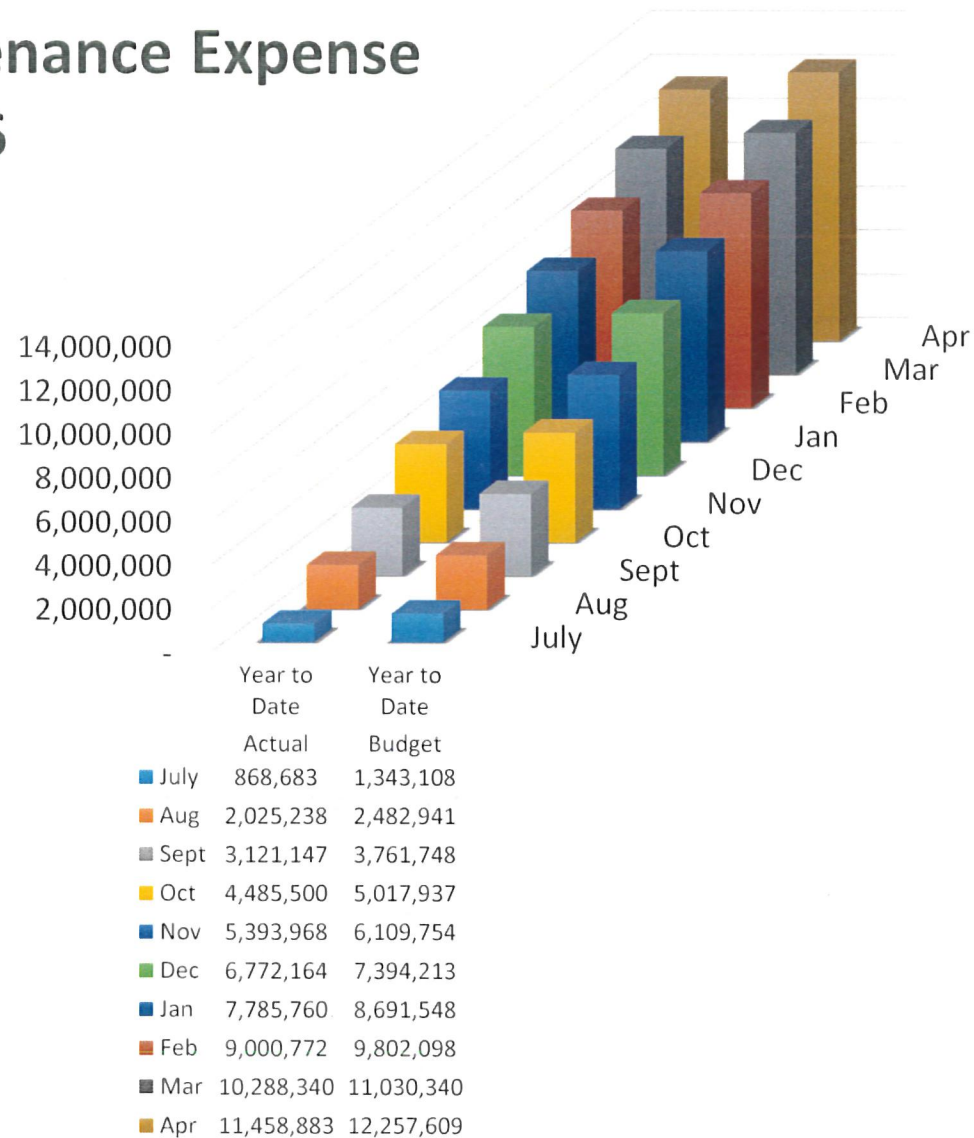




## Purchased Power Expenses FY 16



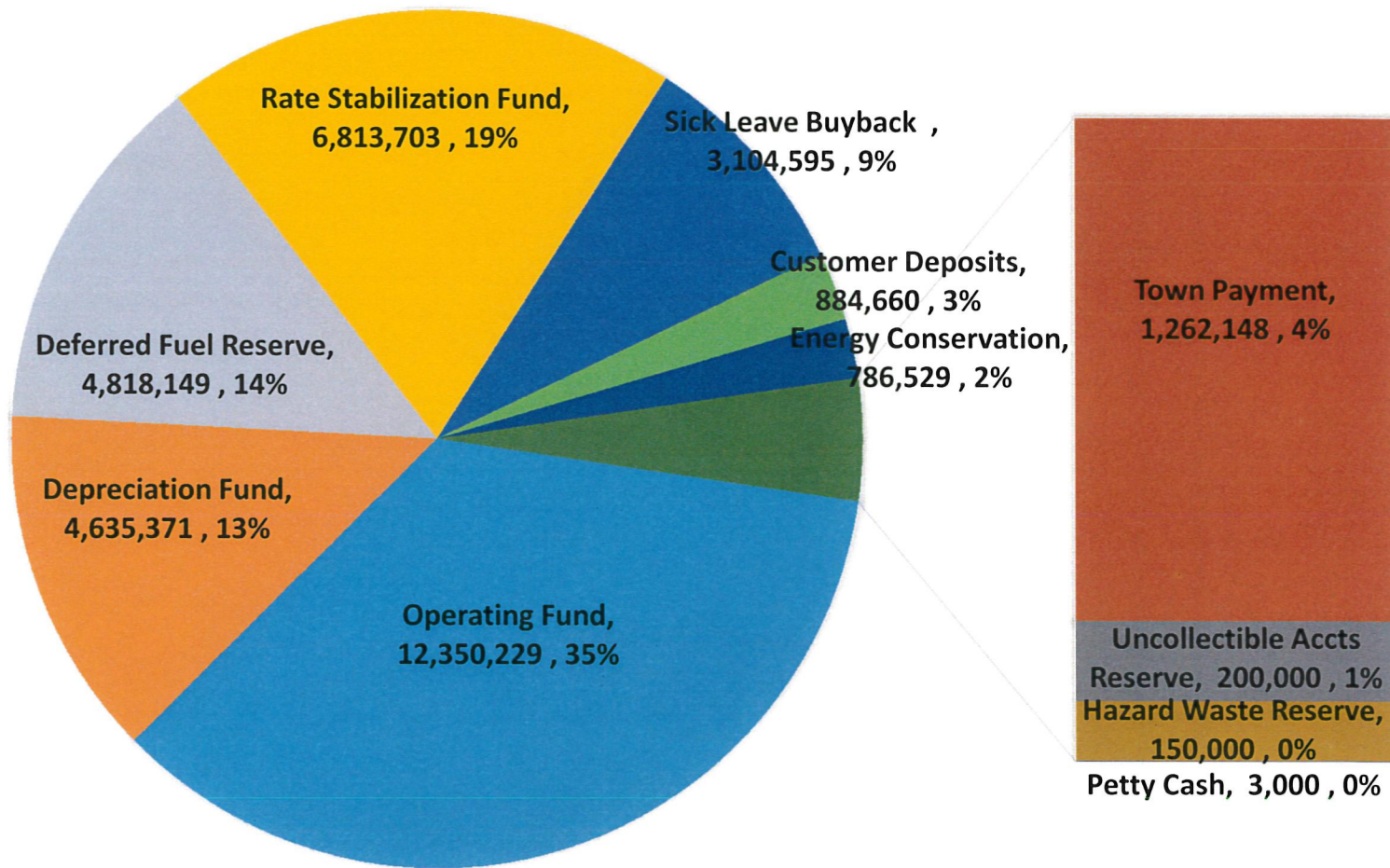
# Operating & Maintenance Expense FY 16





# CASH

**\$35,008,384**



# Citizens' Advisory Board Presentation

Rahul Shah, Integrated Resource Engineer





# RMLD's Electric Service Policy & Requirements Handbook

- Effective July 1, 2016
- Benefit to customers, architects, engineers, municipal inspectors, employees and, contractors
- Provides a convenient reference as an informational guide
- Addresses the safety, responsibility and, reliability aspects of electric service
- Improves communication and coordination between RMLD and customers
- Appendices include schematics, illustrations, forms, fees & charges, rates & tariffs and prevailing general terms & conditions
- Reflects RMLD's standard practices and procedures and does not necessarily address every requirement, limitation or particular situation
- Subject to periodic reviews and updates to the industry standards/practices
- Will be located on RMLD website ([www.RMLD.com](http://www.RMLD.com))