

**CITIZENS' ADVISORY BOARD (CAB)  
MEETING MINUTES  
EXECUTIVE SESSION**

TIME: 7:05 P.M.  
DATE: Wednesday, May 18, 2011  
PLACE: Reading Municipal Light Department, AV/Spurr Room  
PRESENT: CAB: A. Carakatsane, Chairman (Lynnfield), G. Hooper (Wilmington), T. Ollila (Wilmington), T. Capobianco (Reading)  
RMLD Board: R. Hahn  
RMLD Staff: V. Cameron, J. Parenteau, Bill Seldon, J. Carpenter, P. O'Leary  
ABSENT: J. Norton (North Reading)

**1. Call Meeting to Order – A. Carakatsane**

Chairman Carakatsane called the meeting to order at 7:05 P.M.

**2. Minutes of Meeting – January 19, 2011 – A. Carakatsane**

Mr. Hooper made a motion seconded by Mr. Ollila to approve the CAB minutes of January 19, 2011 as written.

**Motion carried unanimously by a poll of the CAB: 4:0:0** – Mr. Capobianco – Aye; Mr. Ollila – Aye; Mr. Hooper – Aye; Mr. Carakatsane – Aye.

**3. Long Term Power Supply Option – V. Cameron, J. Parenteau**

Mr. Cameron stated that there has been a change of heart on this since looking at the analysis of a long term contract with Constellation Energy. There was a meeting of the Power and Rate Committee on Monday night, and they took no action. Ms. Parenteau stated that as result of the recent bankruptcies and the acquisition by Constellation Energy of Boston Generating Gas Fleet assets: Fore River and Mystic 7, 8, 9, and Mystic Jet, which were approved by the Federal Energy Regulatory Commission (FERC) on December 22, 2010, a potential contract with Constellation Energy is no longer attractive.

Ms. Parenteau explained that the RMLD had met with other municipalities and discussed approaching Constellation to ask if they would be interested in signing a long term contract. The contract would meet some of RMLD's base load requirements in its portfolio. The meeting with the municipalities brought to RMLD's attention that Energy New England (ENE) on behalf of some its clients had been working with two other suppliers, and received pricing for units with similar characteristics to Constellation's. (Note: Unit characteristics are listed on Table 2 in the packet.) RMLD had several conference calls with Constellation, who were very interested in providing pricing and negotiating a long term contract.

Ms. Parenteau explained the risks involved, the forward capacity market, a surplus of generation, the decrease in market prices since the February/March timeframe, energy savings, the current market costs, and the possibility of Salem Harbor shutting down. After analyzing this information and taking a portfolio approach, Ms. Parenteau stated that the RMLD was not overly excited about the overall risk hedge opportunity. She noted that based on the overview of pricing factors, risks, and uncertainty, the general consensus of the Power and Rate Committee members was not to pursue this contract. The Power and Rate Committee suggested that the Energy Services Division (ESD) look at capacity in a five to ten year period to get a sense of purchasing capacity without taking on the added risk. ESD will take that suggestion and report back as other options arise.

Discussion ensued.

Mr. Cameron stated that the attraction to deal diminished with the additional information received.

Mr. Carakatsane stated that the consensus of the CAB was to take no action on this item.

**4. Annual RFP**

Mr. Cameron stated that discussion on the Power Supply Annual RFP can be done in open session.

**5. Other Items for Discussion**

None.


**6. Adjournment**

Mr. Hooper made the following motion at 7:25 P.M. seconded by Mr. Ollila:

MOVE that the CAB return to Regular Session.

**Motion carried unanimously by a poll of the CAB: 4:0:0** – Mr. Capobianco – Aye; Mr. Hooper – Aye; Mr. Ollila – Aye; Mr. Carakatsane - Aye.

Respectfully submitted,



George Hooper

Minutes approved on: May 15, 2013

/pmo