

**READING MUNICIPAL  
LIGHT DEPARTMENT**

**BOARD  
OF  
COMMISSIONERS**

**REGULAR SESSION**

**DECEMBER 15, 2016**

READING MUNICIPAL LIGHT DEPARTMENT  
BOARD OF COMMISSIONERS MEETING

230 Ash Street  
Reading, MA 01867  
December 15, 2016  
7:30 p.m.

1. Call Meeting to Order

2. Opening Remarks

3. Introductions

4. Public Comment

- RMLD Citizens' Advisory Board
- Liaisons to RMLD Board
- Public Comment

5. Report of the Committee

ACTION ITEMS

a. Policy Committee – Commissioner Hennessy

- i. RMLD Policy No. 4 Revision 6, Smoking Policy
- ii. RMLD Policy No. 9 Revision, 5, Procurement

b. General Manager Committee – Chairman O'Rourke

- i. Review of RMLD General Manager

6. Approval of Board Minutes (Attachment 1)  
May 12, 2016

7. Report RMLD Board Member Attendance at RMLD Citizens' Advisory Board Meeting

Note: Vice Chair Pacino attended the CAB meeting on December 14, 2016.

8. General Manager's Report – Ms. O'Brien

- a. Update on Meeting with Town Administrators and Town Managers
- b. Budget Process

9. Power Supply Report – October 2016 – Ms. Parenteau (Attachment 2)

10. Engineering and Operations Report – October 2016 – Mr. Jaffari (Attachment 3)

11. Financial Report – First Quarter Fiscal Year 2017 – Ms. Markiewicz

12. RMLD Procurement Requests Requiring Board Approval (Attachment 4)

ACTION ITEM

a. IFP 2017-27 Single Phase Pad Mounted FR3 Transformers

Suggested Motion:

Move that proposal 2017-27 for: Single Phase Pad Mounted FR3 Transformers be awarded to: WESCO for \$151,110 pursuant to Chapter 164 § 56D on the recommendation of the General Manager.

13. General Discussion

**BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED**

E-Mail responses to Account Payable/Payroll Questions  
Rate Comparisons, November 2016 and December 2016

**RMLD Board Meetings**

Thursday, January 12, 2017 and January 19, 2017 Art Award Ceremony  
Thursday, January 26, 2017  
Thursday, February 23, 2017

**RMLD Committee Meetings**

To be determined.

**CAB Meetings**

Will update the Board.

**14. Executive Session**

**ACTION ITEM**

**Suggested Motion:**

Move that the Board go into Executive Session to consider the purchase of real property and discuss strategy with respect to collective bargaining, Chapter 164 Section 47D exemption for competitively sensitive or other proprietary information provided in the course of proceedings conducted pursuant to this chapter when such municipal lighting plant board 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 pursuant to this chapter and return to Regular Session for the sole purpose of adjournment.

**15. Adjournment**

**ACTION ITEM**

**Suggested Motion:**

Move to adjourn the Regular Session.

APPROVAL OF REGULAR SESSION  
MEETING MINUTES  
ATTACHMENT 1

**Reading Municipal Light Board of Commissioners**  
**Regular Session**  
**230 Ash Street**  
**Reading, MA 01867**  
**May 12, 2016**

**Start Time of Regular Session: 6:30 p.m.**  
**End Time of Regular Session: 9:30 p.m.**

**Commissioners:**

<b>Thomas O'Rourke, Chairman</b>	<b>Philip Pacino, Vice Chair - Absent</b>
<b>David Talbot, Commissioner, Secretary Pro Tem</b>	<b>John Stempeck, Commissioner</b>
<b>Dave Hennessy, Commissioner</b>	

**Staff:**

<b>Coleen O'Brien, General Manager</b>	<b>Jeanne Foti, Executive Assistant</b>
<b>Robert Fournier, Accounting/Business Manager</b>	<b>Jane Parenteau, Integrated Resources Director</b>
<b>Wendy Markiewicz, Senior Accountant</b>	

**Citizens' Advisory Board (CAB):**

**Dennis Kelley, Member**

**Town of Reading Finance Committee**

**Peter Lydecker, Member**

**Guest:**

**Chris Pollart, Partner, Rubin and Rudman, LLP**

**Call Meeting to Order**

Chairman O'Rourke called the meeting to order and stated that the meeting was being videotaped; it is live in Reading only.

**Opening Remarks**

Chairman O'Rourke read the RMLD Board of Commissioners Code of Conduct. Chairman O'Rourke stated that Phil Pacino will not be in attendance at the meeting this evening.

Chairman O'Rourke acknowledged Citizens' Advisory Board Member, Dennis Kelley and Town of Reading Finance Committee, Member, Peter Lydecker.

Chairman O'Rourke stated that he received a letter from Citizens' Advisory Board (CAB), Chair George Hooper it states that on their meeting on Wednesday, April 27 there were two motions. One motion was to approve the fiscal year 2017 Capital Budget dated March 3, 2016 for \$9,406,217 recommending this to the RMLD Board, motion carried 5:0:0. The fiscal year 2017 Operating Budget with a Net Income of \$3,935,097 recommending this to the RMLD Board as presented on April 6, 2016, motion carried 5:0:0. The CAB also made motions to recommend the approval of rates and revisions to the Terms and Conditions.

Chairman O'Rourke stated that RMLD's Fiscal Year 2017 Operating Budget will be reviewed this evening with voting deferred until the next Board meeting when RMLD's Fiscal Year 2017 Capital Budget is discussed in which both budgets will be voted on.

**Public Comment**

There was no public comment.

Commissioner Talbot will be the Secretary this evening.

**Report RMLD Board Member Attendance at RMLD Citizens' Advisory Board Meeting April 27, 2016 – Chairman O'Rourke.**

Chairman O'Rourke said that he attended the April 27 CAB meeting which covered the review of the Capital Budget. The main portion of the meeting was devoted to a presentation of the fiscal year 2017 Capital Budget. There was a review of 2016 expenses and budget by way of background. There was a review of projects approved, those moving forward and projects put on hold. At the CAB meeting, there was discussion on the rate increase that will be discussed this evening. Also discussed was RMLD's Terms and Conditions that Mr. Pollart will be reporting on.

**Report of the Committee – Audit Committee – Vice Chair Pacino**

**Vice Chair Pacino attended the Town of Reading Audit Committee meeting on May 5, 2016.**

Report deferred to the next RMLD Board meeting in the absence of Vice Chair Pacino.

### **Review of RMLD's Fiscal Year 2017 Operating Budget (Attachment 1)**

Mr. Fournier stated that the RMLD's Fiscal Year 2017 Operating Budget will be presented. Mr. Fournier stated that The Six Year Plan shows Fiscal Year 2015 results and Fiscal Year 2016 eight months actual with four months budget. The fiscal year 2017 Operating Budget is shown as well as financial projections for the next four years. Mr. Fournier stated that the RMLD is allowed to make eight percent, per the Department of Public Utilities with the RMLD anticipated to make 7% to 7.5% rate of return in fiscal year 2017.

Mr. Fournier pointed out that the Base Revenue (Sale of Electricity) line demonstrates how much of an increase is required for RMLD based on projection in order that RMLD make its rate of return. Ms. Parenteau reported that the Base Revenue for this current fiscal year is \$23 million. RMLD sales for year to date compared to last year are down 1.8%. RMLD's forecast has projected flat sales compared to what is projected for the current year. In order to achieve the projected revenue of \$25,500,000 one of two things need to occur: increase in sales which is weather dependent, (this has been historically trending flat and down) or the only alternative to achieve the bottom line is to have a rate increase. Ms. Parenteau, Ms. O'Brien and Mr. Jaffari met with the four towns Board of Selectmen over the last fiscal year ending in December. In order for the respective towns to prepare for their budgets, the RMLD provided them a preliminary rate increase of 7% to 9% based on RMLD's fiscal year 2015 Six Year forecast. After reviewing the inputs and the numbers associated with the Fiscal Year 2017 budget, the average increase comes in between 5% to 7%. Ms. Parenteau stated that we are within the range that we informed the towns about. This includes all the maintenance programs and everything required in order to achieve what the RMLD needs to function. The rate increase varies by class and usage. A typical residential customer who uses 750 kilowatt hours will see an increase of approximately \$4.81. The schools increase is closer to 5%. The RMLD charges customers for what they use. The RMLD is working on programs to help customers to use our product efficiently and to mitigate that increase if they are able to. Mr. Stempeck pointed out that the RMLD rates are significantly lower than the investor owned utilities. Ms. Parenteau explained that deregulation applies to investor owned utilities where they procure power supply via a different paradigm because they go out for standard offers every six months. Historically, the RMLD has been significantly less. Currently, the RMLD rates are 45% less than National Grid and Eversource even with the 5% to 7% increase which is necessary. The RMLD has extremely attractive rates. The RMLD tries to maintain competitive rates and reliable power. Ms. O'Brien added to speak to Ms. Parenteau's point that this was also pointed out at the CAB meeting. Ms. O'Brien explained that the RMLD will put out a press release together with a narrative that speaks to a broad rate comparison. Ms. O'Brien said that with the nominal increases the RMLD remains one of the lowest in the state.

Chairman O'Rourke questioned if there was an unexpected revenue increase that mitigated the 5% to 7% increase, would the RMLD have the opportunity to adjust the rates during the fiscal year? Ms. Parenteau responded that it is very difficult to do because the RMLD needs the full fiscal year. Many factors have to be considered such as if there is a hot summer and a long winter storms; with consecutive outages impact the revenue. At the end of a full fiscal year the evaluation is performed. The RMLD has a Deferred Fuel Cash Reserve which levelizes energy costs and returns it to the customer. The RMLD is always checking to ensure that it is recovering the appropriate amount of revenue. Due to the nature of RMLD's business, it would not be fiducially responsible to do a mid-year refund. Chairman O'Rourke added you do not want it to be market pricing. Ms. Parenteau stated that is correct.

Mr. Fournier then addressed the Fiscal Year 2017 Operating Budget. Mr. Fournier stated that the total expenses that have to be approved is \$91,438,173. Of that amount \$75,610,858, 83% represent fixed costs. These costs include all of RMLD's power, depreciation expense, Town Payments and return on investment to the Town of Reading. There is no wiggle room with the expenses. Some of the other costs are semi variable. It may come at a price in which reliability or customer service will be forfeited or other negative impacts. The biggest semi variable cost the RMLD has is labor that is \$6,511,885 which takes into account the operating side not the capital side. The next big expense is Employee Pension/Benefits which is \$2,922,673 which represent the pension costs of \$1.5 million OPEB costs, Sick Leave Buyback and Insurances. The next category is Groups (All). Each department has unique expenses to itself which represents \$1,746,948. Mr. Fournier explained that for the Accounting Department part of the \$1.7 million represents their expense of \$350,000 that includes postage and town hall services \$160,000. The Line Department's cost is \$350,000 that includes underground crews, streetlight and maintenance as well as line general expense. The Station Department \$128,000 includes vegetation control, testing and infrared scanning. On the Facilities Department \$406,000 includes building maintenance and contracts for pest control, mowing and HVAC repairs. Integrated Resources Department conservation expenses are associated with RMLD's conservation programs. There is a rate on RMLD's bill that generates revenues in order that RMLD can perform its conservation programs, \$871,574. Tree Trimming that includes three crews which also can be used in storms and emergencies is \$786,958 which pays back in huge dividends. If there are no major storms or anything catastrophic all those funds may not be spent. Overtime Expense, \$561,520; Property Insurance, \$424,500 which consists of insurance any organization would have in place. Professional Services, \$418,100, consists mainly of legal expenses, also includes consultants and audit expense. Office Supplies, \$349,000, this amount does not reflect solely for pens, paper and pencils. Based on FERC rules, other items are expensed to this such as the credit card fees that are charged the RMLD. It is a sizeable amount, but from a credit and collections standpoint instead of rolling out a truck the credit card mitigates that need because full payment is secured. Customers also expect to have the option of paying with a credit card. Vehicle expenses \$260,267, represents repair and maintenance. Mr. Talbot asked what the credit card rate that the RMLD pays. Is it dependent on what customers use? Mr. Fournier responded that payments secured online the vendor RMLD utilized is Visa Utility Program. The RMLD pays around 2% because the RMLD is a utility. It is also able to use this low rate for its credit card activity.

### **Review of RMLD's Fiscal Year 2017 Operating Budget (Attachment 1)**

Rent Expense the RMLD rents space in the Barbas warehouse behind this building. Training/Tuition, \$232,175, is something that Ms. O'Brien has been pushing to ensure that all employees are properly trained. Also included is tuition reimbursement for employees, which is a Board approved policy.

Mr. Fournier reported on the Transformer Expense, \$300,000, in the event of a hazardous waste spill incident. Bad Debt Expense \$150,000, with RMLD's credit and collection process not much will not have to be written off. Injuries and Damages \$57,215, that is workers compensation and property damage. RMLD and CAB Board expenses combined \$22,500. Semi Variable Costs are \$15,827,315 or 17.31% of the Operating Budget, but most are necessary and kept as tight as possible. Chairman O'Rourke clarified the \$150,000 for Bad Debt is a provision for bad debt. Mr. Fournier explained that is in the event a large commercial customer goes out of business. Chairman O'Rourke asked what has happened over the last three years. Mr. Fournier responded that for the last three years it has been under \$75,000. With the economic bust, a few years before, there were a couple of commercial customers that did not fare well with the low six figures written off. Chairman O'Rourke questioned if a residential customer is behind on their billings for a couple of months, do they get shut off? Mr. Fournier explained that the DPU treats commercial and residential customers differently. The DPU is more stringent on the commercial side. After thirty days of nonpayment, the RMLD can shut off such customers. On the residential side, it is three billing cycles with nonpayment. Mr. Stempeck asked what is the comparison of RMLD's bad debt compared to other municipals, as well as sales, general and administrative. Mr. Fournier said that he can go online to look at other municipals financial statements to garner that information. Chairman O'Rourke asked if there is a MEAM survey that captures that data. Ms. O'Brien added that every utilities' financials are public information. Ms. O'Brien stated that APPA does operating ratios. Ms. O'Brien asked the Board to clarify the information they wanted. The Board requested sales, reports on administrative, the total expense ratio and bad debt.

Mr. Fournier then reported on the Staffing Summary for fiscal year 2017 with RMLD employees as of March 2016. Mr. Fournier said that the RMLD is trying to fill vacancies that have been approved in previous budgets. In fiscal year 2017, these positions are reflected. There will be eighty one employees for this year's operating budget. Ms. O'Brien explained that the vacancies the RMLD is actively trying to recruit, there is a number of them, but in a utility, the positions have unique skill sets. Based on the fact we are now developing succession planning, there are specific skill sets with specific types of experience to hit the ground running. Ms. O'Brien said that what Mr. Fournier is stating is that we are actively recruiting and interviewing. Chairman O'Rourke clarified that for fiscal year 2017 is at eighty one employees, but the total is eighty three. Ms. O'Brien explained that currently there are Linemen vacancies. As part of the organizational study, Ms. O'Brien is evaluating the RMLD's organizational needs. She put in for two replacements, but wanted a place holder to demonstrate four. The level of skill sets are being evaluated. At the same time, the RMLD was utilizing underground contractors which are no longer under contract. The RMLD linemen are being trained on underground in order that they will be encompassed as a journeymen. As this transition is being undertaken, it is hard to resolve a moving target until the training is completed. Chairman O'Rourke asked previously there were nine vacancies, but now it is eleven. Ms. O'Brien explained that there are two positions that are placeholders not in the budget. Chairman O'Rourke commented that if you map the Organizational Study, they called for certain resources. Does the budget reflect this? Ms. O'Brien responded that it is about spot on.

Chairman O'Rourke polled the Board for any further questions on the Fiscal Year 2017 Operating Budget. Ms. O'Brien thanked Mr. Fournier stating that this is Mr. Fournier's last Operating Budget presentation due to his retirement. Ms. O'Brien thanked Mr. Fournier for his service and stated that he has been helpful with the change. Ms. O'Brien explained that Mr. Fournier has been training Ms. Markiewicz who will be his replacement. Ms. O'Brien wanted to express her gratitude to Mr. Fournier for his assistance during this transition. Mr. Fournier pointed out that today is his twenty seventh anniversary at the RMLD. Chairman O'Rourke thanked Mr. Fournier for his support at the Board meetings. Mr. Fournier thanked Chairman O'Rourke. Mr. Fournier stated that you could not find a better employer than the RMLD and he is grateful.

Chairman O'Rourke stated that the vote for the Fiscal Year 2017 Operating Budget would be taken at the next RMLD Board meeting with the Fiscal Year 2017 Capital Budget.

### **Report of the General Manager – Ms. O'Brien (Attachment 2)**

Ms. O'Brien introduced Chris Pollart, from Rubin and Rudman, LLP. Ms. O'Brien reported that Mr. Pollart has assisted in the policy review for all thirty one RMLD policies. The Terms and Conditions are filed with rates at the DPU. Mr. Pollart has revised the Terms and Conditions up to the legal requirement. The Terms and Conditions will be filed to be effective July 1, 2016 along with RMLD's rates. In addition to the Terms and Conditions, a Service Requirements Handbook is being written which is a comprehensive handbook that contains all the operating requirements. Ms. O'Brien pointed out that Ms. Parenteau's group has been working on this. The Board will be receiving this at the next non budget meeting. Chairman O'Rourke commented that the Service Requirements Handbook is a great tool, but his concern is who will be responsible for the updates. Ms. O'Brien said that the updates will come out of Integrated Resources that is the group that ties everyone together. Ms. O'Brien said that the Service Requirements Handbook will not change that often. Schedule of fees are in there and could change annually based on prevailing wages. Ms. O'Brien said that it is with due diligence that this would be kept up to date and be posted on RMLD's website. It is a means of keeping internal and external processes consistent.

## **Report of the General Manager – Ms. O'Brien (Attachment 2)**

### **Revised Terms and Conditions**

Mr. Pollart stated that the General Terms and Conditions is a very important document for a utility because it has the force of rules and regulations once implemented. Mr. Pollart said that Ms. O'Brien asked him to go through the Terms and Conditions.

Mr. Pollart said that the Terms and Conditions needed to be restructured and reformatted to meet current legal and regulatory requirements. Mr. Pollart reported that some of the revisions included in the Terms and Conditions, the Fee Schedule was taken out and will be put in the Appendix in a different document. Fees change and the Board would have to vote on all the fees and then the RMLD would be required to file with the DPU. The net metering provisions were eliminated because there are separate net metering conditions. Mr. Pollart said that language was put in to reflect that the changes take effect when filed not when service is connected. Once the Terms and Conditions are filed with the DPU they take effect.

Mr. Pollart added that the RMLD has an express prohibition against allowing customers to purchase power from third party providers in order to protect the exclusive service franchise territory that RMLD has.

Mr. Pollart said that there were added provisions for service border customers. This is more important for RMLD than other municipalities because RMLD serves number of towns. Security deposit language that allows RMLD to condition service on obtaining a security deposit to protect RMLD's finances has been updated. Residential customers can be charged a deposit up to three months, the highest three months in a particular year. Security deposits for commercial customers is not regulated by the DPU and followed similar provisions which state a condition service on obtaining a security deposit similar to the residential customer.

Mr. Hennessy asked if RMLD currently does this. Ms. O'Brien said that currently it is not consistent that is why the Terms and Conditions are being revised. Obtaining the deposits ties back into the bad debt, before a customer comes into sign up for service there are processes that are done before a physical connection is made.

Mr. Pollart stated that more comprehensive provisions have been added when RMLD is required to initiate service. RMLD does not have to provide service until it receives the rights in order to provide service. This would have to do with private property rights and RMLD needs to cross the property by obtaining easements. Mr. Stempeck clarified that the easement has to be put in place with a contract to make this permanent. Mr. Pollart explained that it is a real estate interest and is recorded at the Registry of Deeds, it is a utility easement which gives the RMLD the permanent rights to have its poles and wires on the property. Language has been added in order that RMLD has the specific right to utilize Cromwell Waivers. Mr. Pollart stated that a Cromwell Waiver allows the RMLD to add a customer's overdue bills to a new account. An example of this is if a customer has service at one location in Reading with an overdue account on it then moves to new location in Reading the overdue monies can be transferred to the new account, a payment plan and terminate them for nonpayment. Chairman O'Rourke asked on the commercial side a company buys out the initial company with debt does this apply. Mr. Pollart responded that the Cromwell waiver is utilized on the residential side. Mr. Stempeck inquired on the residential side, the Cromwell Waiver would also apply to residential customers moving within towns in RMLD's service territory, Reading to Lynnfield. Mr. Pollart replied that is correct.

Mr. Pollart said that a new section was added to address new customer service issues, in which the location is run down and not safe to provide service, electric users must upgrade service such as a customer maintaining safe wire and equipment. If the RMLD is providing service to a location that becomes run down or dilapidated it is not safe to provide service. The RMLD would have the right to require the electric user to upgrade their service or terminate service if it presents a safety issue. Mr. Stempeck asked how would that be determined if you are looking from the outside in. Ms. O'Brien said that there are a number of components on the outside of the house that the customer owns such as the service entrance cable and the weatherhead and the meter box itself. For example, there can be excessive rusting of the meter box preventing the jaws from making a firm connecting. RMLD is making a YouTube video on who owns what with an electrician with adherence to the National Safety Code and the National Electric Code. In this educational training video, it would reiterate similar to HVAC maintenance, how is your grounding and neutral connection because this can cause the homeowner problems. Ms. O'Brien wants to ensure that customers understand what their areas of responsibility are as well as RMLD's. If there is an issue where a service is unsafe, the Terms and Conditions will allow RMLD to disconnect without the Wire Inspector. It is all about safety.

Mr. Pollart stated that the RMLD has added a specific provision that RMLD is not required to provide a service it does not provide. RMLD could discuss the customer's needs if this were to happen, but there would be no legal obligation for the RMLD to provide the service. Mr. Hennessy asked for an example. Mr. Pollart explained that if a customer decided to go off the grid entirely, but wants a backup and standby rate, if you do not have one you do not have a legal obligation to provide it.

Mr. Pollart stated that added in the Terms and Conditions was an expressed obligation for the customers to provide space for RMLD equipment. An example of this would be if the RMLD needs space for meter and equipment to run the service to the home or business.



**Report of the General Manager – Ms. O'Brien (Attachment 2)**

**Revised Terms and Conditions**

Chairman O'Rourke asked if there is a process to maintain the Terms and Conditions staying current is there a review process. Ms. O'Brien responded that in revising the thirty one policies up to date to meet the legal requirements they have review dates of three years.

Ms. O'Brien said that she is rolling the Terms and Conditions every three years into that unless the DPU comes up with something that would change RMLD's Terms and Conditions. Ms. O'Brien explained that RMLD's Terms and Conditions get filed with the rates.

Mr. Kelley asked how the Terms and Conditions affect existing customers. Ms. O'Brien said the Terms and Conditions will put on the website with a synopsis and the In Brief. Ms. O'Brien said that the Terms and Conditions are integral to the Service Requirements Handbook and will be in the appendix.

Chairman O'Rourke thanked Mr. Pollart for being a resource for the Board on legal side as well as his work on the policies. Mr. Pollart thanked Chairman O'Rourke.

**Northeast Public Power Association (NEPPA) Annual Conference**

**This will take place on August 21-24, 2016, Crowne Plaza Resort, Lake Placid, NY**

Ms. O'Brien said that she would like to attend the NEPPA Annual Conference in Lake Placid, NY and is inviting the commission members as well.

Mr. Hennessy made a motion seconded by Mr. Stempeck that the Board approve Ms. O'Brien's attendance at the 2016 NEPPA Annual Conference.

**Motion carried 4:0:0.**

**Power Supply Report – Ms. Parenteau (Attachment 3)**

Ms. Parenteau reported that as she had mentioned the overall rate increase depending on the class of customer is projected to increase 5% to 7%. The rate increase is associated with the Operating Budget. Ms. Parenteau said that her recommendation to the Board is that they vote the rate increase in conjunction with the approval of the Operating and Capital Budgets. Mr. Lydecker asked if the RMLD can control customer's air conditioning remotely. Mr. Talbot said no. The RMLD would need to build a smart grid communications system to accommodate that.

**Proposed Rate Adjustment**

No vote taken, vote to be taken up at the next RMLD Board meeting.

**RMLD Procurement Requests Requiring Board Approval (Attachment 4)**

**IFB 2016-28 Repair of 15kV McGraw Edison Switchgear at Substation 5**

Ms. O'Brien reported that Mr. Jaffari was not feeling well, therefore is not at the meeting, she will cover the bids.

Ms. O'Brien explained that the repair of 15kV McGraw Edison Switchgear at Substation 5 is being performed in order to get more life out of the existing switchgear. The insulation has to be removed and this is a repair to extend the life of the current switchgear.

Mr. Talbot asked how many bidders there were. Ms. O'Brien responded that Schneider was the only bidder although the bid was mailed out to seven vendors. Mr. Talbot asked if it makes sense that there was one bidder. Ms. O'Brien replied that it makes sense because the equipment is old, not all vendors can or want to make repairs. Ms. O'Brien stated that she will call the vendors solicited and provide the Board with the information as to why the vendors who received the bid chose not to bid.

Mr. Hennessy made a motion seconded by Mr. Stempeck that bid 2016-28 for Repair of 15kV McGraw Edison Switchgear at Substation 5 be awarded to Schneider Electric as the lowest responsible and eligible bidder on the recommendation of the General Manager for at total cost of \$28,342.78.

**Motion carried 4:0:0.**

**IFB 2016-29 HVAC Improvements Phase II**

Ms. O'Brien explained that this is for the second phase of the HVAC project that has been in the Capital Budget. This project was performed in two phases because the town is looking at economic development, the thought process is what is put in RMLD's building can be taken out and reused. The bid will be awarded to N.B. Kenney Company for a total of \$571,000 which include the electrical sub-bid amount of \$98,220.

**RMLD Procurement Requests Requiring Board Approval (Attachment 4)  
IFB 2016-29 HVAC Improvements Phase II**

Chairman O'Rourke asked what this project is for. Ms. O'Brien responded that the RMLD is replacing the entire HVAC system, the chillers, air handlers and controls which have come to the end of their useful life. Half being done this year and half next year. The total project was \$1.2 million.

Mr. Talbot said that he would like to understand this better. It is \$500,000 to refurbish the system in this building. Ms. O'Brien commented that the air handling units and chillers are left to be completed.

Ms. O'Brien said that the compressors, duct and vent work have been completed. At this point in time no definitive decision has been made by the town for economic development. Mr. Talbot said that he would like a presentation. Mr. Stempeck pointed out that he is comfortable with the bid because this was addressed in last year's Capital Budget and there were five bids received with pricing that were close with the highest at \$676,000

Mr. Kelley explained that for one unit you are looking at a cost of \$250,000 that has the air handlers and chilled water. The interconnection set up and engineering system create extra cost. The cost of the equipment HVAC adds up quickly. In Wilmington, they recently installed a chiller on the public safety building that cost \$200,000. Mr. Kelley pointed out that you can pay \$50,000 for a compressor then find out the whole unit needs to be replaced in a couple of years. It is more cost efficient to replace the whole unit. Ms. O'Brien said that the engineering for the HVAC project was performed over three years ago. Ms. O'Brien said that McRitchie performed the engineering. Mr. Talbot added that his concern was if there were a larger plan if something were to happen in the next five years. Ms. O'Brien explained that there has to be a working environment and before she came to work here the system had been already failing for quite a while.

Ms. O'Brien explained that the project began in fiscal year 2015 with the professional services including study/report phase, construction documents and bid/construction. Fiscal year 2016 replace the hot water boiler plant with condensing boilers. Replace DDC Control System. Replace VAV terminal box controllers. Replace Air Handler Unit 3 as an indoor unit with split system DX condensing unit on the roof. Fiscal year 2017 replace Air Handler Unit 1 and Air Handler Unit 2 as an indoor unit with split system DX condensing units on the roof. Fiscal year 2018, Enhance fin-tube radiation for higher output and to compensate for lower hot water temperatures. Enhance heating of the front lobby. Reconfigure ductwork serving the receiving area roll-up dock which has been brought into fiscal year 2017 reflecting two phases not three.

Mr. Kelley said that the system VAV boxes control the room. Air handlers can serve in multiple areas; it puts air through the ducts and it fits the temperature for the room it is going to cool or warm up. The HVAC has a repeat that can warm an individual room up. One room can be made cooler whereas another can be made warmer. Looking at the technology, you are changing out all of the controllers and blocks the costs add up quickly. The technology and communication creates energy efficiency, which gives you value on the other side. Ms. O'Brien said that Ms. Parenteau's group worked on the energy efficiency cost savings. Ms. O'Brien said that many employees were using space heater of which their elimination will save energy. Mr. Kelley noted that space heaters can be a safety risk and cause the system to cool down. Ms. O'Brien asked Mr. Talbot if his concerns are if there is a need for the HVAC system or is the RMLD getting charged too much money for it. Mr. Talbot said that his concern is the rezoning leading to a redevelopment of the building. Ms. O'Brien pointed out she is patching the roof. She is being conscientious looking at what needs to be repaired, what can have its life extended. With the assistance of the new Facilities Manager they are being conscientious of money spending for items the RMLD can take. Ms. O'Brien said that she saw conceptualls of this building and it is different when shown at the economic development forums. She is trying to be prepared.

Chairman O'Rourke said that going forward we can set guidelines what on equipment is deferred and reusable equipment. Perhaps at a future meeting we can look at the potential economic development impacts on the RMLD.

Mr. Hennessy made a motion seconded by Mr. Stempeck that bid 2016-29 for HVAC Improvements Phase II be awarded to N.B. Kenney Company, Inc. for a total of \$571,000, which includes the electrical sub-bid amount of \$98,220 as the lowest responsible and eligible bidder on the recommendation of the General Manager.

**Motion carried 4:0:0.**

**General Discussion**

Ms. O'Brien reported that the first week in October is National Public Power Safety Week. Ms. O'Brien said that the theme will be to "Shave the Peak." Mr. Talbot added that if the RMLD can cut two megawatts on a peak day that paid for the HVAC system. Mr. Talbot encouraged residential customers for the Time of Use Rate, it is a cost savings and helps mitigate the peak.

**BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED  
E-Mail responses to Account Payable/Payroll Questions  
Rate Comparisons, April 2016**

**RMLD Board Meetings**

**Thursday, May 19, 2016, 6:30 pm Capital Budget and Board Meeting**

**Thursday, June 9, 2016**

**Thursday, July 14, 2016**

**RMLD Board Policy Committee Meeting**

To be determined.

**RMLD Fiber Optic Committee Meeting**

To be determined. Fiber Optic Committee needs to be reinstated.

**CAB Meetings**

**Wednesday, June 1, 2016, Regular Meeting**

**Executive Session**

At 8:02 p.m. Mr. Hennessy made a motion seconded by Mr. Stempeck that the Board go into Executive Session to discuss strategy with respect to collective bargaining and return to Regular Session for the sole purpose of adjournment.

**Chairman O'Rourke called for a poll of the vote:**

Mr. Talbot, Aye; Chairman O'Rourke, Aye; Mr. Stempeck, Aye and Mr. Hennessy; Aye.

**Motion carried 4:0:0.**

**Adjournment**

At 9:30 p.m. Mr. Hennessy made a motion seconded by Mr. Stempeck that the Board adjourn the Regular Session.

**Motion carried 4:0:0.**

A true copy of the RMLD Board of Commissioners minutes  
as approved by a majority of the Commission.

David Talbot, Secretary Pro Tem  
RMLD Board of Commissioners

POWER SUPPLY REPORT  
ATTACHMENT 2

A decorative graphic on the left side of the slide, consisting of a network of light blue lines and circles resembling a circuit board or a neural network, set against a dark blue background.

# INTEGRATED RESOURCES

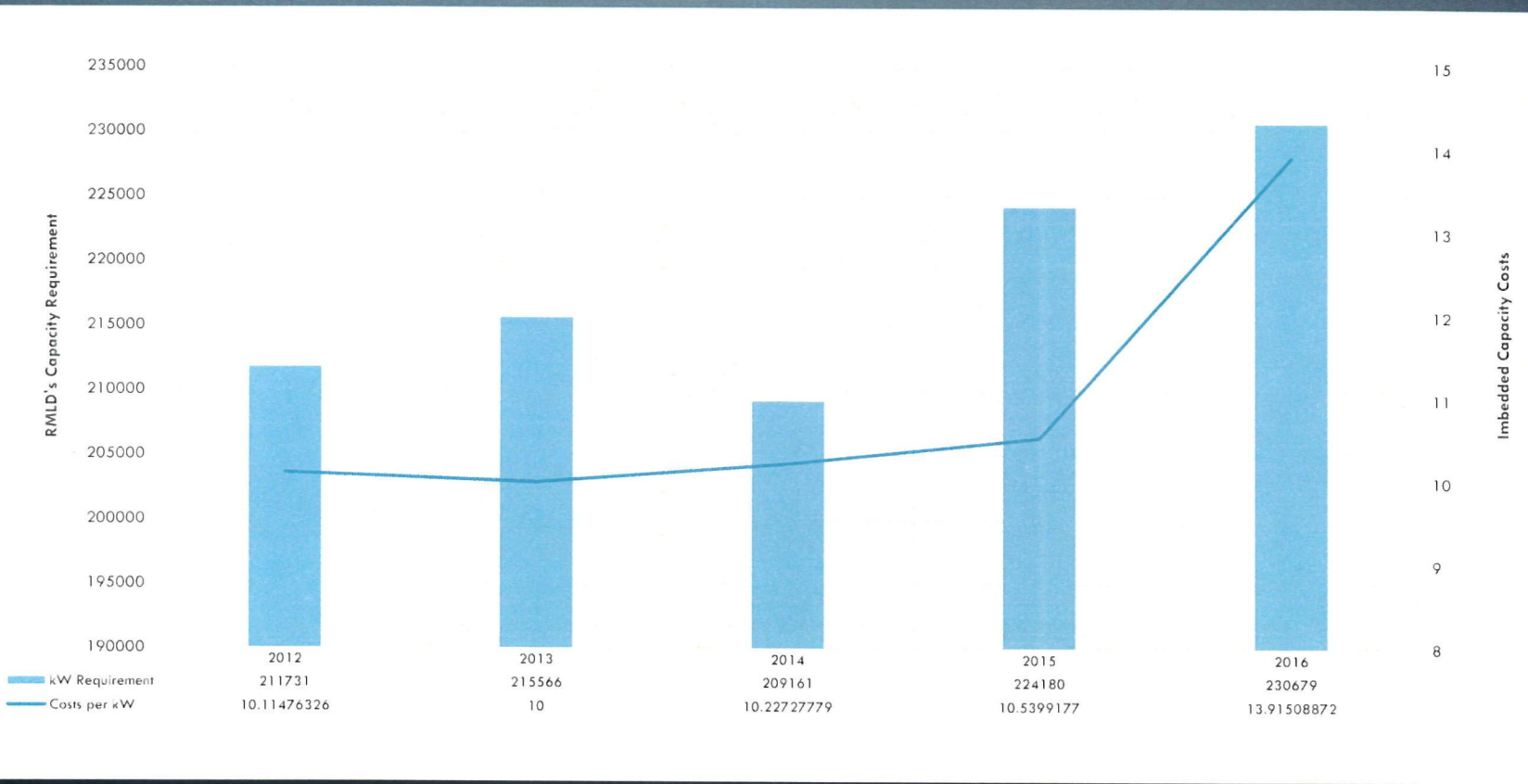
DECEMBER 15, 2016

RMLD BOARD OF COMMISSIONERS MEETING

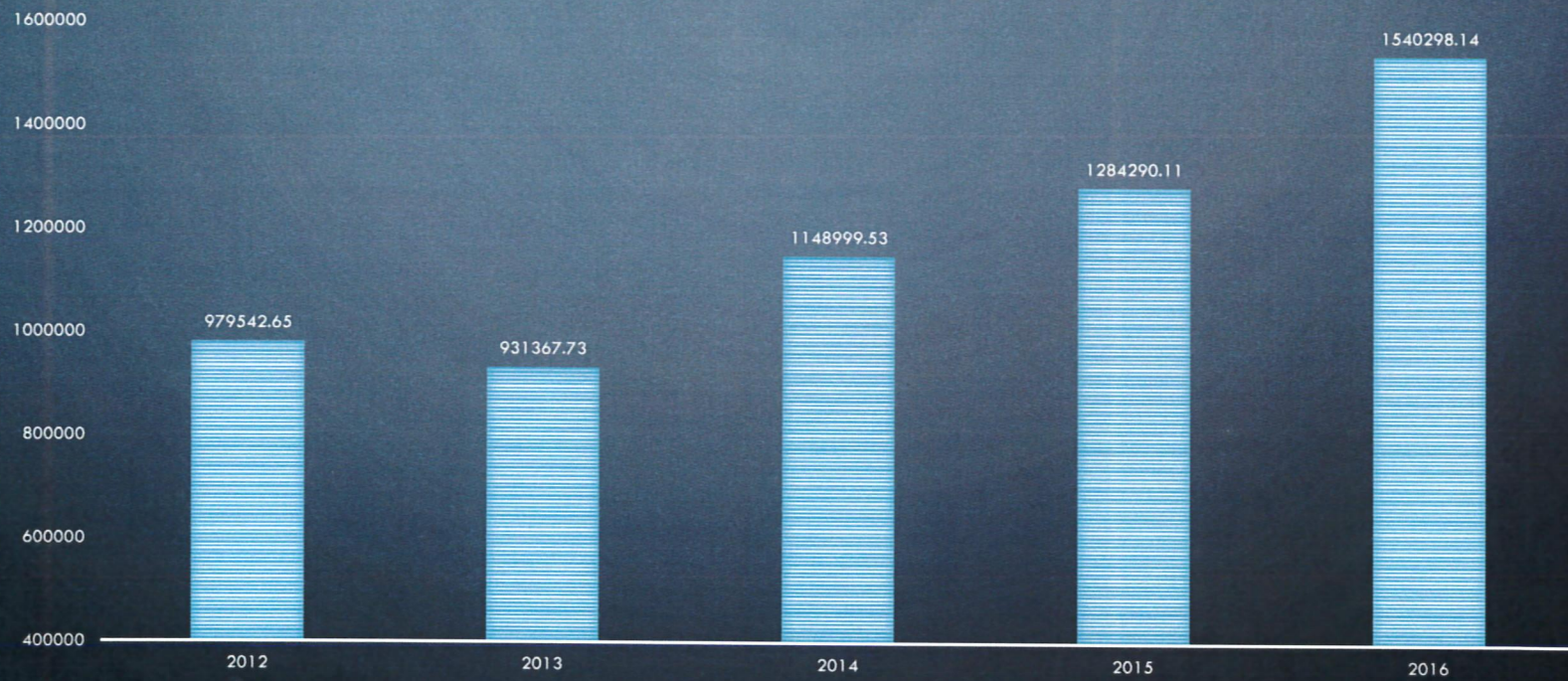
REPORTING FOR SEPTEMBER & OCTOBER 2016

Jane Parenteau  
Director of Integrated Resources

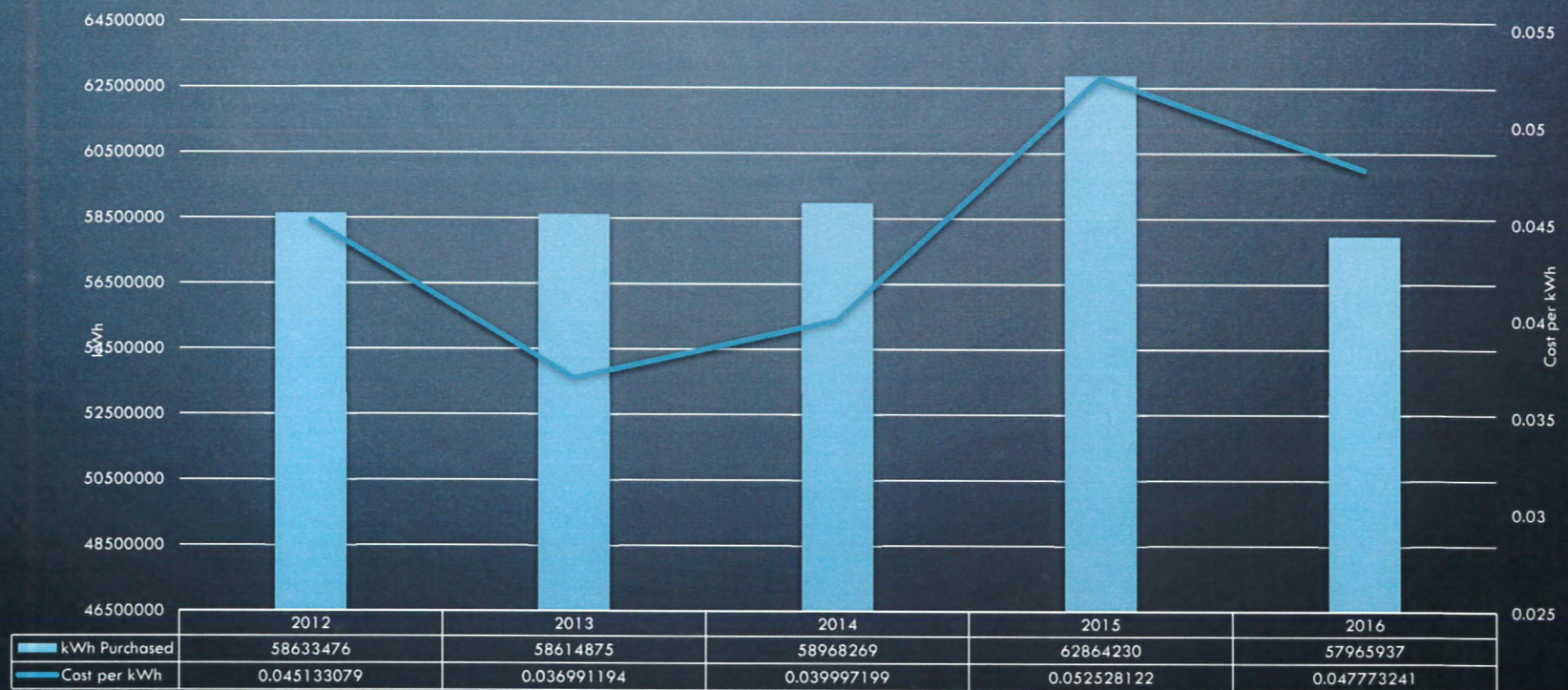
# CAPACITY REQUIREMENT AND IMBEDDED COSTS SEPTEMBER, 2012-2016



# HISTORICAL RMLD TRANSMISSION COSTS SEPTEMBER

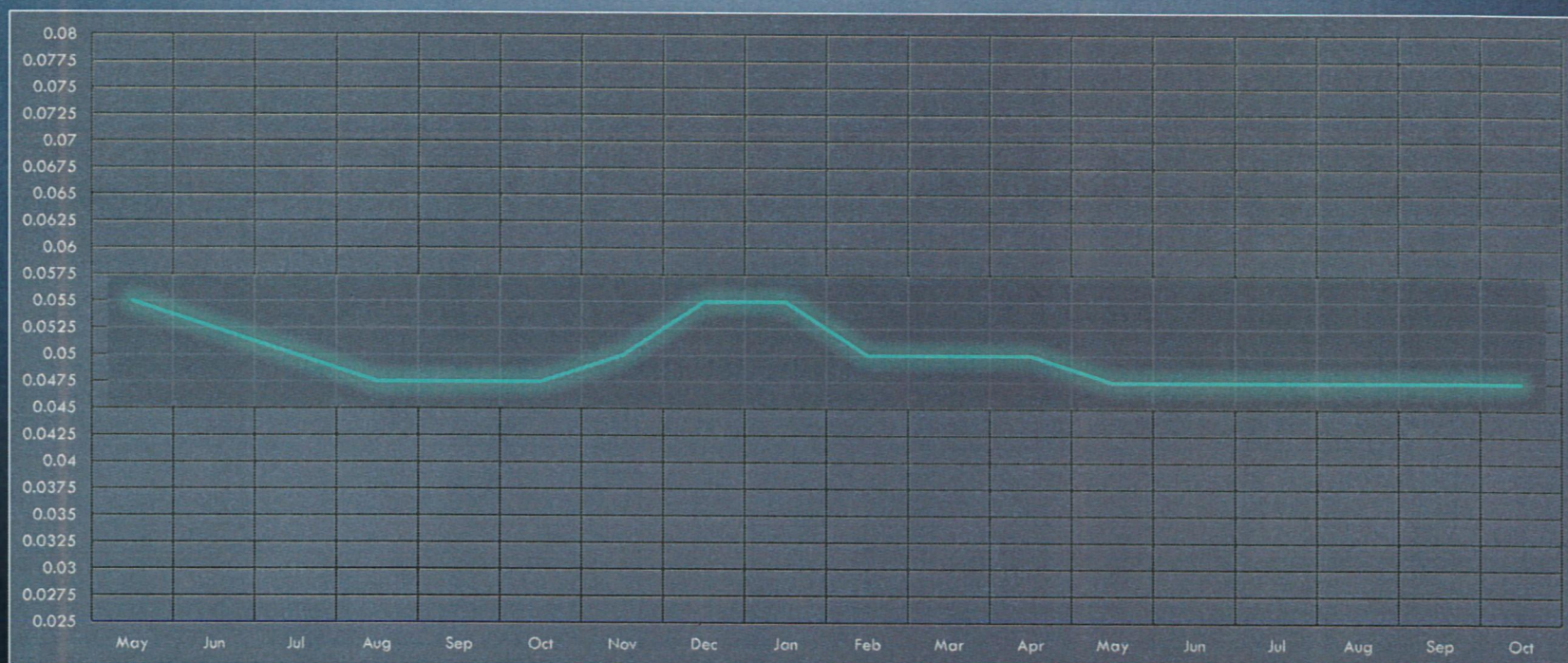


# PURCHASED KWH AND IMBEDDED COST PER KWH SEPTEMBER 5 YEAR PERIOD



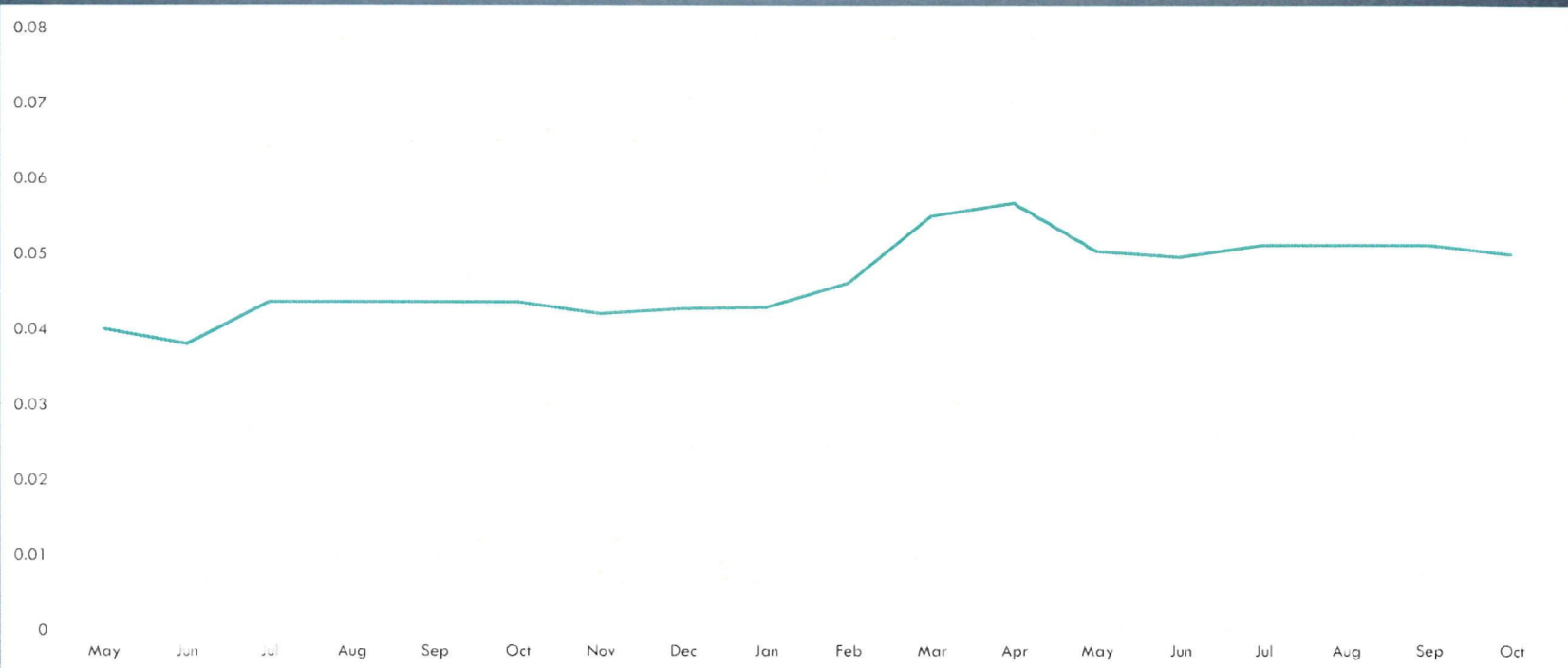


# MONTHLY FUEL CHARGE ADJUSTMENT TO RMLD CONSUMERS MAY 2015-OCTOBER 2016

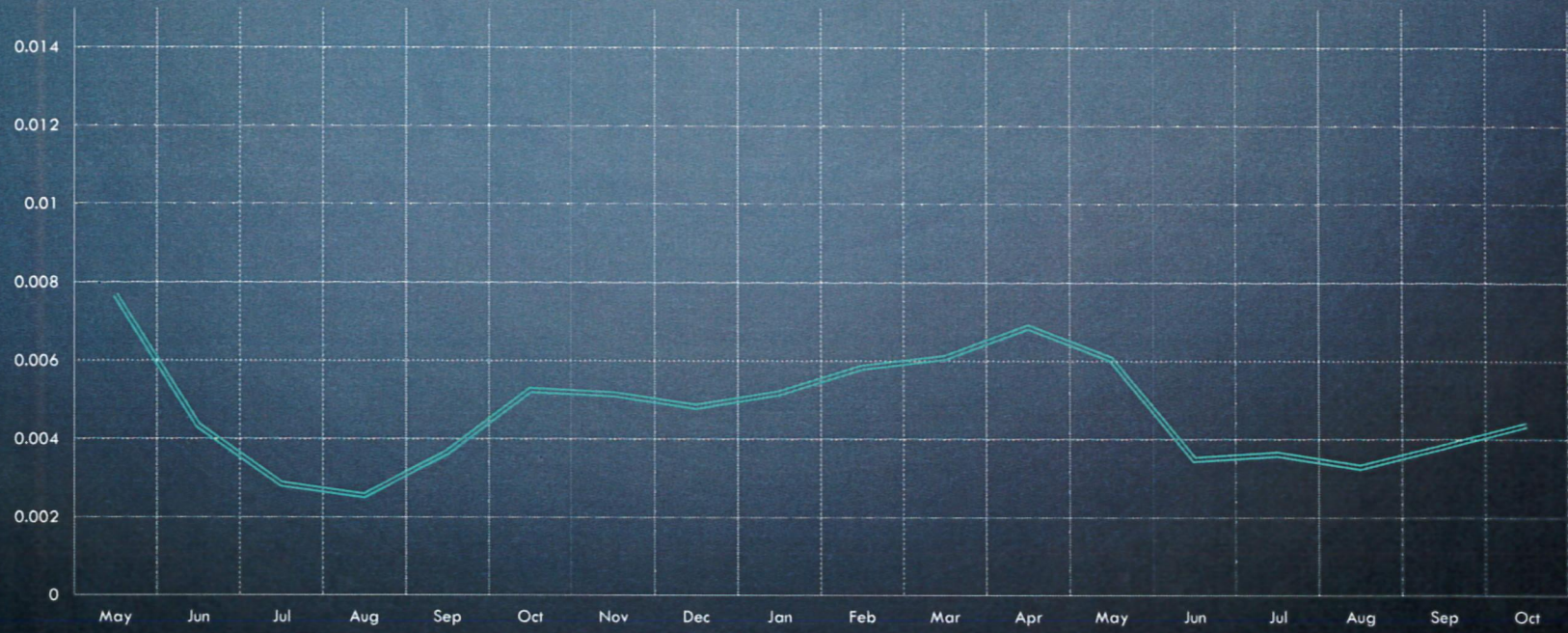


# MONTHLY PURCHASE POWER, CAPACITY & TRANSMISSION CHARGES (PPCT)

MAY 2015- OCTOBER 2016



# MONTHLY NEW YORK POWER AUTHORITY CREDIT (NYPA) RESIDENTIAL CONSUMERS MAY 2015- OCTOBER



To: Coleen O'Brien

From:  Maureen McHugh, Jane Parenteau 

Date: December 5, 2016

Subject: Purchase Power Summary – September, 2016

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of September, 2016.

## ENERGY

The RMLD's total metered load for the month was 57,671,462 kWh, which is a 7.76% decrease from the September, 2015 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	3,531,903	\$6.72	6.09%	\$23,740	0.86%
Seabrook	5,697,170	\$6.32	9.83%	\$36,006	1.30%
Stonybrook Intermediate	704,726	\$48.60	1.22%	\$34,253	1.24%
Shell Energy	9,716,400	\$63.53	16.76%	\$617,259	22.29%
NYPA	2,000,296	\$4.92	3.45%	\$9,841	0.36%
ISO Interchange	7,623,831	\$93.85	13.15%	\$715,512	25.84%
NEMA Congestion	0	\$0.00	0.00%	\$81,144	2.93%
Coop Resales	13,271	\$92.90	0.02%	\$1,233	0.04%
BP Energy	9,631,200	\$46.90	16.62%	\$451,703	16.31%
Hydro Projects*	160,091	\$74.38	0.28%	\$11,907	0.43%
Braintree Watson Unit	437,054	\$117.91	0.75%	\$51,535	1.86%
Saddleback/Jericho Wind	1,131,736	\$96.38	1.95%	\$109,073	3.94%
One Burlington Solar	281,136	\$70.00	0.49%	\$19,680	0.71%
Exelon	17,034,000	\$35.52	29.39%	\$604,998	21.85%
Stonybrook Peaking	3,123	\$428.22	0.01%	\$1,337	0.05%
Monthly Total	57,965,937	\$47.77	100.00%	\$2,769,221	100.00%

\*Pepperell, Woronoco, Indian River, Turner Falls, Collins, Pioneer, Hosiery Mills, Summit Hydro

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of September, 2016.

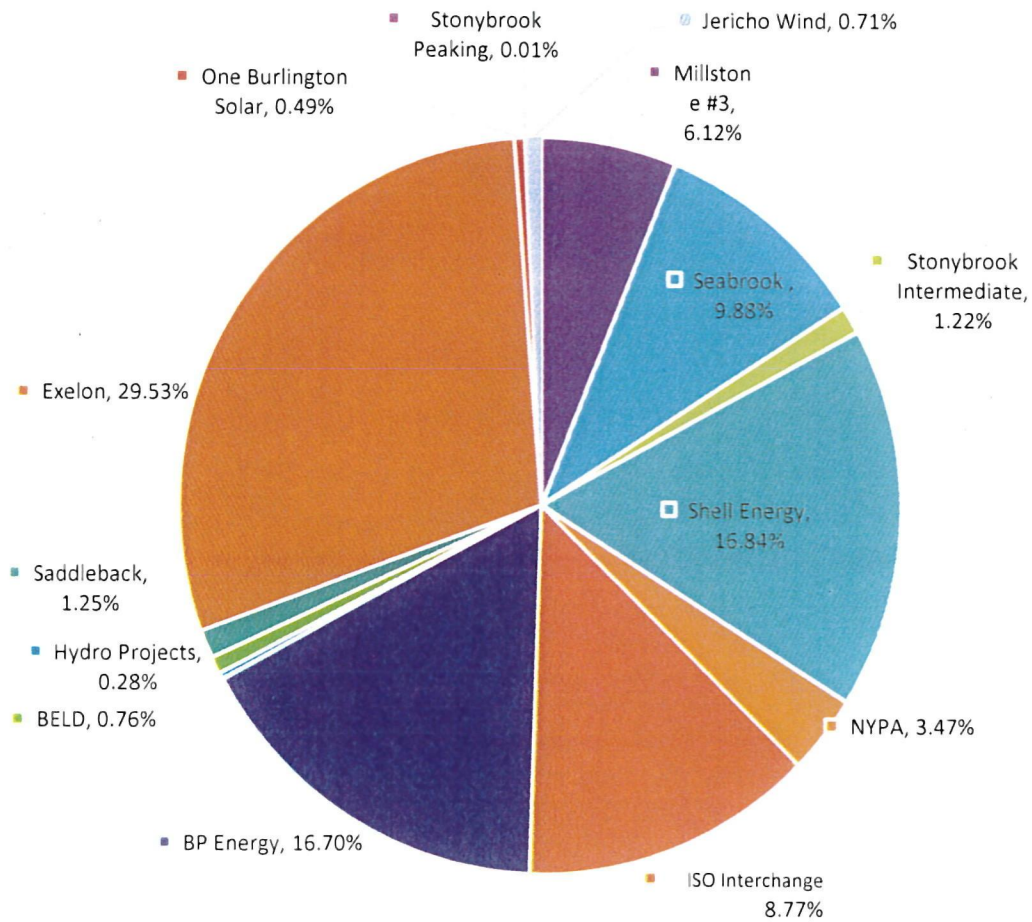
**Table 2**

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP * Settlement	11,080,131	\$74.55	19.11%
RT Net Energy ** Settlement	(3,456,300)	\$31.98	-5.96%
ISO Interchange (subtotal)	7,623,831	\$93.85	13.15%

\* Independent System Operator Day-Ahead Locational Marginal Price

\*\* Real Time Net Energy

**SEPTEMBER 2016 ENERGY BY RESOURCE**



## CAPACITY

The RMLD hit a demand of 143,166 kW, which occurred on September 9, at 4 pm. The RMLD's monthly UCAP requirement for September, 2016 was 230,679 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	33.59	\$166,254	9.94%
Seabrook	7,909	36.38	\$287,705	17.21%
Stonybrook Peaking	24,981	-1.21	-\$30,321	-1.81%
Stonybrook CC	42,925	7.07	\$303,636	18.16%
NYPA	0	0.00	\$16,834	1.01%
Hydro Quebec	0	0	-\$926	-0.06%
Nextera	60,000	6.15	\$369,000	22.07%
Braintree Watson Unit	0	0.00	\$83,115	4.97%
ISO-NE Supply Auction	89,914	5.30	\$476,618	28.51%
<b>Total</b>	<b>230,679</b>	<b>\$7.22</b>	<b>\$1,671,914</b>	<b>100.00%</b>

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	\$23,740	\$166,254	\$189,994	4.28%	3,531,903	0.0538
Seabrook	\$36,006	\$287,705	\$323,711	7.30%	5,697,170	0.0568
Stonybrook Intermediate	\$34,253	\$303,636	\$337,889	7.62%	704,726	0.4795
Hydro Quebec	\$0	-\$926	-\$926	-0.02%	-	0.0000
Shell Energy	\$617,259	\$0	\$617,259	13.92%	9,716,400	0.0635
NextEra	\$0	\$369,000	\$369,000	8.32%	-	0.0000
* NYPA	\$9,841	\$16,834	\$26,675	0.60%	2,000,296	0.0133
ISO Interchange	\$715,512	\$511,548	\$1,227,060	27.66%	7,623,831	0.1610
Nema Congestion	\$81,144	-\$34,930	\$46,213	1.04%	-	0.0000
BP Energy	\$451,703	\$0	\$451,703	10.18%	9,631,200	0.0469
* Hydro Projects	\$11,907	-\$5,567	\$6,339	0.14%	160,091	0.0396
Braintree Watson Unit	\$51,535	\$83,115	\$134,650	3.04%	437,054	0.3081
* Saddleback/Jericho	\$109,073	\$0	\$109,073	2.46%	1,131,736	0.0964
* One Burlington Solar	\$19,680	\$0	\$19,680	0.44%	281,136	0.0700
Coop Resales	\$1,233	\$0	\$1,233	0.03%	13,271	0.0929
Exelon Energy	\$604,998	\$0	\$604,998	13.64%	17,034,000	0.0355
Stonybrook Peaking	\$1,337	-\$30,321	-\$28,984	-0.65%	3,123	-9.2808
<b>Monthly Total</b>	<b>\$2,769,221</b>	<b>\$1,666,347</b>	<b>\$4,435,567</b>	<b>100.00%</b>	<b>57,965,937</b>	<b>0.0765</b>
<b>* Renewable Resources</b>						<b>6.16%</b>

## RENEWABLE ENERGY CERTIFICATES (RECs)

Table 5 shows the amount of banked and projected RECs for the Swift River Hydro Projects through September 2016, as well as their estimated market value.

**Table 5**  
**RECs Summary**  
**Period - January 2016 - September 2016**

	Banked RECs	Projected RECs	Total RECs	Est. Dollars
Woronoco	0	7,621	7,621	\$190,525
Pepperell	0	3,816	3,816	\$95,400
Indian River	0	1,702	1,702	\$42,550
Turners Falls	0	1,135	1,135	\$28,375
Saddleback	0	5,873	5,873	\$146,825
Jericho	0	4,389	4,389	\$109,725
<b>Sub total</b>	<b>0</b>	<b>24,536</b>	<b>24,536</b>	<b>613,400</b>
RECs Sold	\$0		0	\$0
<b>Grand Total</b>	<b>0</b>	<b>24,536</b>	<b>24,536</b>	<b>\$613,400</b>

## TRANSMISSION

The RMLD's total transmission costs for the month of September, 2016 were \$1,540,298. This is an increase of 12.42% from the August transmission cost of \$1,370,117. In September, 2015 the transmission costs were \$1,284,290.

**Table 6**

	Current Month	Last Month	Last Year
Peak Demand (kW)	143,166	163,134	154,933
Energy (kWh)	57,965,937	74,092,068	62,864,230
Energy (\$)	\$2,769,221	\$3,194,092	\$3,302,140
Capacity (\$)	\$1,666,347	\$1,915,137	\$1,346,792
Transmission(\$)	\$1,540,298	\$1,370,117	\$1,284,290
Total	\$5,975,866	\$6,479,345	\$5,933,222

To: Coleen O'Brien

From: Maureen McHugh, Jane Parenteau

Date: December 6, 2016

Subject: Purchase Power Summary – October, 2016

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of October, 2016.

### ENERGY

The RMLD's total metered load for the month was 52,407,904 kWh, which is a 2.09% decrease from the October, 2015 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	3,665,166	\$6.72	6.97%	\$24,636	1.00%
Seabrook	5,895,894	\$6.32	11.21%	\$37,262	1.51%
Stonybrook Intermediate	0	\$0.00	0.00%	\$10,117	0.41%
Shell Energy	7,638,000	\$65.91	14.52%	\$503,447	20.44%
NYPA	2,246,209	\$4.92	4.27%	\$11,051	0.45%
ISO Interchange	3,594,284	\$68.44	6.83%	\$245,981	9.99%
NEMA Congestion	0	\$0.00	0.00%	\$247,548	10.05%
Coop Resales	15,710	\$126.43	0.03%	\$1,986	0.08%
BP Energy	9,729,600	\$46.90	18.50%	\$456,318	18.52%
Hydro Projects*	522,216	\$92.13	0.99%	\$48,110	1.95%
Braintree Watson Unit	382,459	\$118.65	0.73%	\$45,380	1.84%
Saddleback/Jericho Wind	2,161,967	\$99.87	4.11%	\$215,906	8.76%
One Burlington Solar	231,497	\$70.00	0.44%	\$16,205	0.66%
Exelon	16,498,200	\$36.20	31.37%	\$597,282	24.25%
Stonybrook Peaking	9,758	\$229.82	0.02%	\$2,243	0.09%
Monthly Total	52,590,960	\$46.84	100.00%	\$2,463,471	100.00%

\*Pepperell, Woronoco, Indian River, Turner Falls, Collins, Pioneer, Hosiery Mills, Summit Hydro



Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of October, 2016.

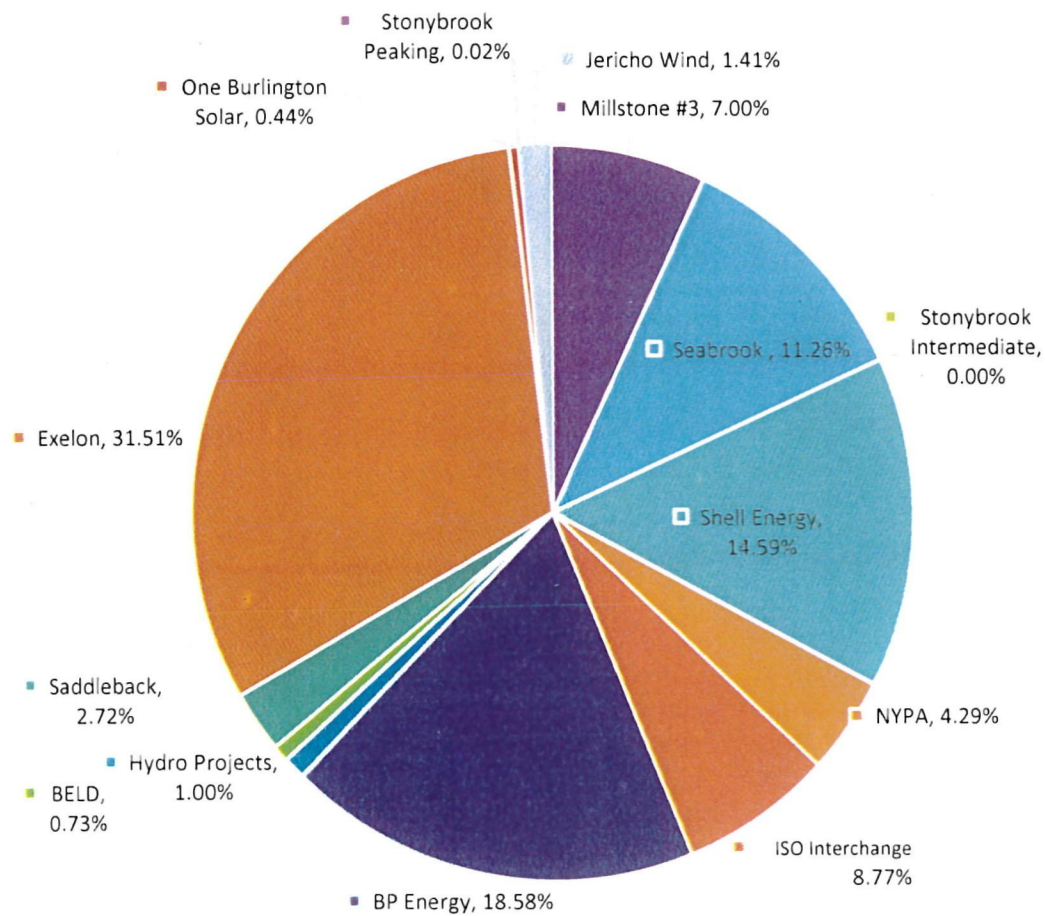
**Table 2**

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP * Settlement	7,727,644	\$46.78	14.69%
RT Net Energy ** Settlement	(4,133,360)	\$27.96	-7.86%
ISO Interchange (subtotal)	3,594,284	\$68.40	6.83%

\* Independent System Operator Day-Ahead Locational Marginal Price

\*\* Real Time Net Energy

**OCTOBER 2016 ENERGY BY RESOURCE**



## CAPACITY

The RMLD hit a demand of 91,673 kW, which occurred on October, at 7 pm. The RMLD's monthly UCAP requirement for October, 2016 was 232,349 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	33.46	\$165,607	9.49%
Seabrook	7,909	36.45	\$288,320	16.51%
Stonybrook Peaking	24,981	1.06	\$26,387	1.51%
Stonybrook CC	42,925	7.00	\$300,337	17.20%
NYPA	0	0.00	\$6,554	0.38%
Hydro Quebec	0	0	-\$15,089	-0.86%
Nextera	60,000	6.15	\$369,000	21.13%
Braintree Watson Unit	0	0.00	\$83,166	4.76%
ISO-NE Supply Auction	91,584	5.70	\$521,664	29.88%
<b>Total</b>	<b>232,349</b>	<b>\$7.51</b>	<b>\$1,745,945</b>	<b>100.00%</b>

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	\$24,636	\$165,607	\$190,243	4.52%	3,665,166	0.0519
Seabrook	\$37,262	\$288,320	\$325,582	7.73%	5,895,894	0.0552
Stonybrook Intermediate	\$10,117	\$300,337	\$310,454	7.38%	-	0.0000
Hydro Quebec	\$0	-\$15,089	-\$15,089	-0.36%	-	0.0000
Shell Energy	\$503,447	\$0	\$503,447	11.96%	7,638,000	0.0659
NextEra	\$0	\$369,000	\$369,000	8.77%	-	0.0000
* NYPA	\$11,051	\$6,554	\$17,605	0.42%	2,246,209	0.0078
ISO Interchange	\$245,981	\$521,664	\$767,645	18.24%	3,594,284	0.2136
Nema Congestion	\$247,548	\$0	\$247,548	5.88%	-	0.0000
BP Energy	\$456,318	\$0	\$456,318	10.84%	9,729,600	0.0469
* Hydro Projects	\$48,110	\$0	\$48,110	1.14%	522,216	0.0921
Braintree Watson Unit	\$45,380	\$83,166	\$128,546	3.05%	382,459	0.3361
* Saddleback/Jericho	\$215,906	\$0	\$215,906	5.13%	2,161,967	0.0999
* One Burlington Solar	\$16,205	\$0	\$16,205	0.38%	231,497	0.0700
Coop Resales	\$1,986	\$0	\$1,986	0.05%	15,710	0.1264
Exelon Energy	\$597,282	\$0	\$597,282	14.19%	16,498,200	0.0362
Stonybrook Peaking	\$2,243	\$26,387	\$28,629	0.68%	9,758	2.9339
Monthly Total	\$2,463,471	\$1,745,945	\$4,209,416	100.00%	52,590,960	0.0800
* Renewable Resources						<b>9.82%</b>

## RENEWABLE ENERGY CERTIFICATES (RECs)

Table 5 shows the amount of banked and projected RECs for the Swift River Hydro Projects through October 2016, as well as their estimated market value.

**Table 5**  
**RECs Summary**

Period - January 2016 - October 2016

	Banked RECs	Projected RECs	Total RECs	Est. Dollars
Woronoco	0	7,659	7,659	\$191,469
Pepperell	0	3,981	3,981	\$99,525
Indian River	0	1,702	1,702	\$42,550
Turners Falls	0	1,135	1,135	\$28,375
Saddleback	0	7,299	7,299	\$182,475
Jericho	0	5,125	5,125	\$128,125
<b>Sub total</b>	<b>0</b>	<b>26,901</b>	<b>26,901</b>	<b>672,519</b>
RECs Sold	\$0		0	\$0
<b>Grand Total</b>	<b>0</b>	<b>26,901</b>	<b>26,901</b>	<b>\$672,519</b>

## TRANSMISSION

The RMLD's total transmission costs for the month of October, 2016 were \$1,236,067. This is a decrease of 19.75% from the September transmission cost of \$1,540,298. In October, 2015 the transmission costs were \$1,276,977.

**Table 6**

	Current Month	Last Month	Last Year
Peak Demand (kW)	91,673	143,166	92,325
Energy (kWh)	52,590,960	57,965,937	53,541,382
Energy (\$)	\$2,463,471	\$2,769,221	\$2,543,917
Capacity (\$)	\$1,745,945	\$1,666,347	\$1,442,001
Transmission(\$)	\$1,236,067	\$1,540,298	\$1,276,977
Total	\$5,445,482	\$5,975,866	\$5,262,895

ENGINEERING AND OPERATIONS  
REPORT  
ATTACHMENT 3



# Engineering & Operations Report

RMLD Board of Commissioners Meeting

December 15, 2016

September/October 2016 Reporting Period

Hamid Jaffari, Director of Engineering & Operations

# Capital Improvement Projects

Construction Projects:		% Complete Status	Sept	Oct	YTD
100	Distributed Gas Generation Pilot	20%		\$1,833	\$42,101
106	Underground Facilities Upgrades (URDs, Manholes, etc.) - All Towns <ul style="list-style-type: none"> <li>• Lucaya Estates, Wilmington</li> <li>• Clorinda Road, Wilmington</li> <li>• Earles Row, Wilmington</li> <li>• Crestwood Drive, North Reading</li> <li>• Bishop Way, North Reading</li> </ul>	On-going	\$47,571	\$33,605	\$187,986
107	13.8kV Upgrade (Stepdown Areas, etc.)	On-going	\$502	\$231	\$4,581
108	Relay Replacement – Station 4 (GAW)	98%	\$7,455	\$2,218	\$13,475
120	Station 4: Relay/SCADA Integration for Bus A&B	10%		\$10,184	\$16,064
133	Station 3: Relay Upgrades and SCADA Integration	5%		\$55,616	\$55,616
	Service Installations – Residential and Commercial: This item includes new or upgraded overhead and underground services.	On-going	\$8,870	\$10,578	\$38,424
103	Grid Modernization and Optimization	On-going	\$6,628	\$453	\$7,166
112	AMI Mesh Network Expansion	30%	\$2,192		\$100,200
116	Transformers and Capacitors Purchase	n/a	\$9,102		\$9,102
117	Meter Purchases	n/a	\$5,640	\$10,500	\$16,140
125	GIS	10%		\$4,323	\$4,323
131	LED Street Light Conversion	54%	\$97,915	\$68,392	\$260,503

## Routine Construction

	SEPT	OCT	YTD
Pole Setting/Transfers	\$41,849	\$26,349	\$103,500
Overhead/Underground	\$26,469	\$26,627	\$205,651
Projects Assigned as Required			
<ul style="list-style-type: none"> <li>• McDonald Road Conversion, Wilmington</li> <li>• Lopez Road, Wilmington</li> <li>• Solar Project – Ballardvale Street, Wilmington</li> <li>• AT&amp;T, Wilmington</li> <li>• Wilmington Recreation Facility</li> </ul>	\$36,183	\$20,278	\$73,911
Pole Damage/Knockdowns - Some Reimbursable			
<ul style="list-style-type: none"> <li>• Work was done to repair or replace ten poles.</li> </ul>	\$16,028	\$3,927	\$33,874
Station Group	\$9,197	\$52,317	\$62,157
Hazmat/Oil Spills			
<ul style="list-style-type: none"> <li>• Clorinda Road, Wilmington</li> </ul>	\$4,468	\$0	\$5,296
Porcelain Cutout Replacement Program	\$0	\$0	\$0
Lighting (Street Light Connections)	\$4,176	\$1,225	\$9,905
Storm Trouble	\$3,616	\$0	\$10,743
Underground Subdivisions (new construction)			
<ul style="list-style-type: none"> <li>• Johnson Woods – Phase 2, Reading</li> <li>• North Wilmington Estates, Wilmington</li> </ul>	\$1,783	\$19,011	\$33,346
Animal Guard Installation	\$0	\$0	\$595
Miscellaneous Capital Costs	\$1,487	\$0	\$80,840
<b>TOTAL:</b>	<u>\$ 145,257</u>	<u>\$ 149,734</u>	<u>\$619,818</u>

# Routine Maintenance

## ► Transformer Replacement (through October 2016)

Pad mount 22.80%      Overhead 15.34%

## ► Pole Inspection (as of 11/30/2016)

194 poles have been replaced      112 of 194 transfers have been completed

## ► Visual Inspection of OH Lines (as of 10/13/2016)

Inspected circuits 5W8, 5W9, 5W5, 4W10, 5W4, 4W28, 4W5, 4W6, 3W8, 3W18, 4W13, 4W12, 3W15, 4W24, 4W28, 5W4, 3W6, 3W7, 3W14, 3W5, 4W7, 4W9, 4W4, 4W23, 5W6

## ► Manhole Inspection (through October 2016)

961 of 1,237 manholes have been inspected.

## ► Porcelain Cutout Replacements (through October 2016)

91% complete      256 remaining to be replaced

## ► Tree Trimming

September: 83 spans trimmed      October: 123 spans trimmed      YTD: 376 spans trimmed

## ► Substation Maintenance

Infrared Scanning – September and October complete - no hot spots found



# Double Poles

➤ Ownership: 16,000 (approximately)

50% RMLD

50% Verizon

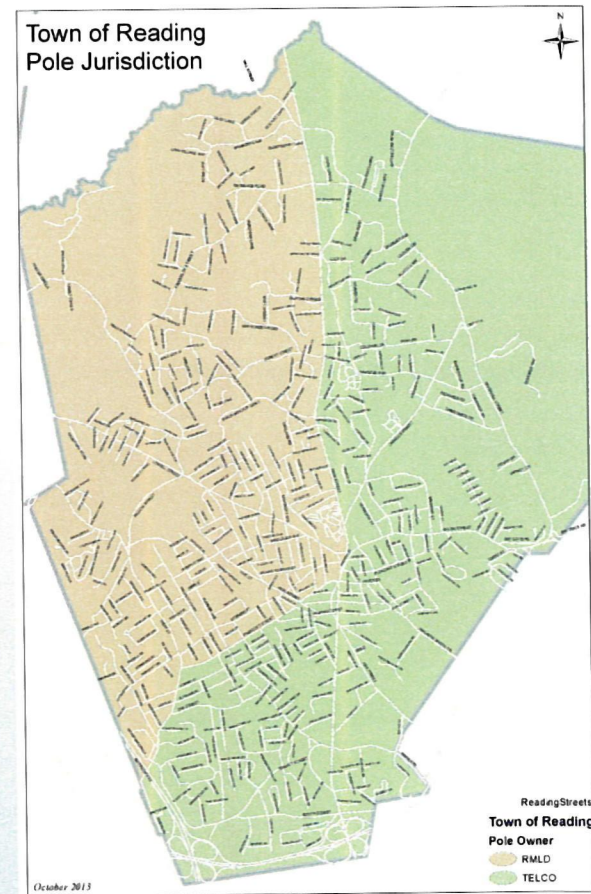
➤ Custodial:

Reading – split (see map)

North Reading – RMLD

Lynnfield – Verizon

Wilmington - Verizon



# NJUNS

"Next to Go" as of December 12, 2016

## LYNNFIELD

NTG Member and Job Type	Count of Ticket Numbers
LFLDFD	2
Lynnfield Fire Department	2
TRANSFER	
RMLD	4
Reading Municipal Light Department	4
TRANSFER	
VZNESEA	14
Verizon	8
TRANSFER	
PULL POLE	6
(blank)	
<b>Grand Total</b>	<b>20</b>

## NORTH READING

NTG Member and JobType	Count of Ticket Numbers
CMCTNR	8
Comcast	8
TRANSFER	
NGMA	1
National Grid	1
TRANSFER	
NRDGFDD	44
North Reading Fire Department	44
TRANSFER	
RMLD	60
Reading Municipal Light Department	15
TRANSFER	45
PULL POLE	
VZNEEDR	108
Verizon	98
TRANSFER	10
PULL POLE	
(blank)	
<b>Grand Total</b>	<b>221</b>

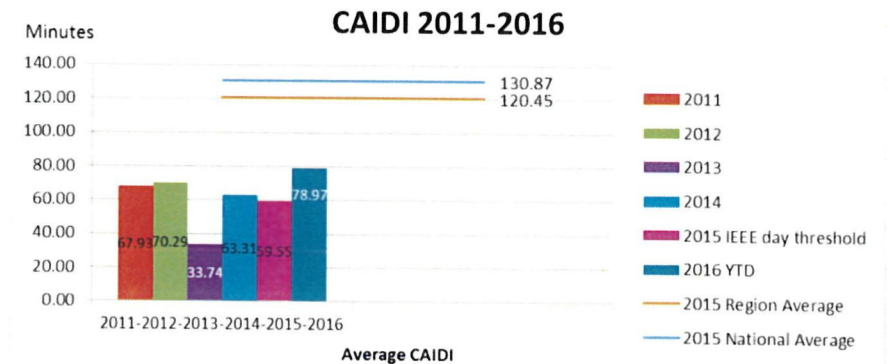
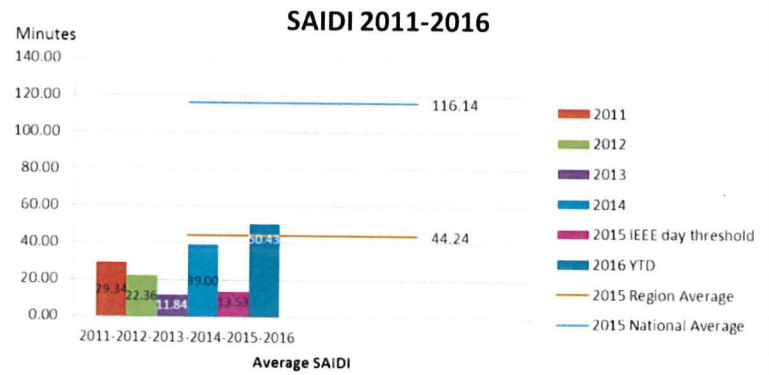
## READING

NTG Member and JobType	Count of Ticket Numbers
CMCTNR	20
Comcast	20
TRANSFER	
NP3PMA	11
Non-participating 3rd Party	11
Attacher - Massachusetts	
TRANSFER	
RDNGFD	2
Reading Fire Department	2
TRANSFER	
RMLD	93
Reading Municipal Light	48
TRANSFER	45
PULL POLE	
VZNESEA	95
Verizon	93
TRANSFER	2
PULL POLE	
(blank)	
<b>Grand Total</b>	<b>221</b>

## WILMINGTON

NTG Member and Job Type	Count of Ticket Number
CMCTNR	2
Comcast	2
TRANSFER	
NP3PMA	10
Non-participating 3rd Party	10
Attacher - Massachusetts	
TRANSFER	
RMLD	52
Reading Municipal Light Department	46
TRANSFER	1
ATTACH	4
PULL POLE	1
INSTL GUY	
VZNEEDR	75
Verizon	56
TRANSFER	19
PULL POLE	
WMGNFDD	72
Wilmington Fire Department	72
TRANSFER	
(blank)	
<b>Grand Total</b>	<b>211</b>

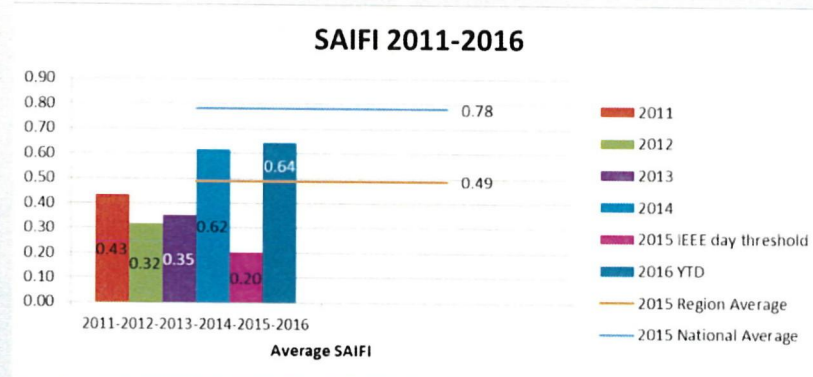
# RMLD Reliability Indices



$$SAIDI(\text{Minutes}) = \frac{\text{Total Duration of Customer Interruptions}}{\text{Total Number of Customers Served}}$$

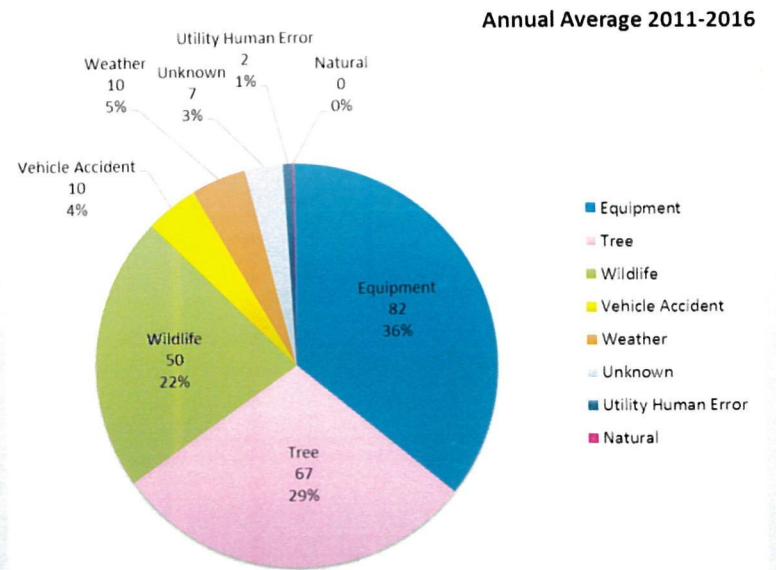
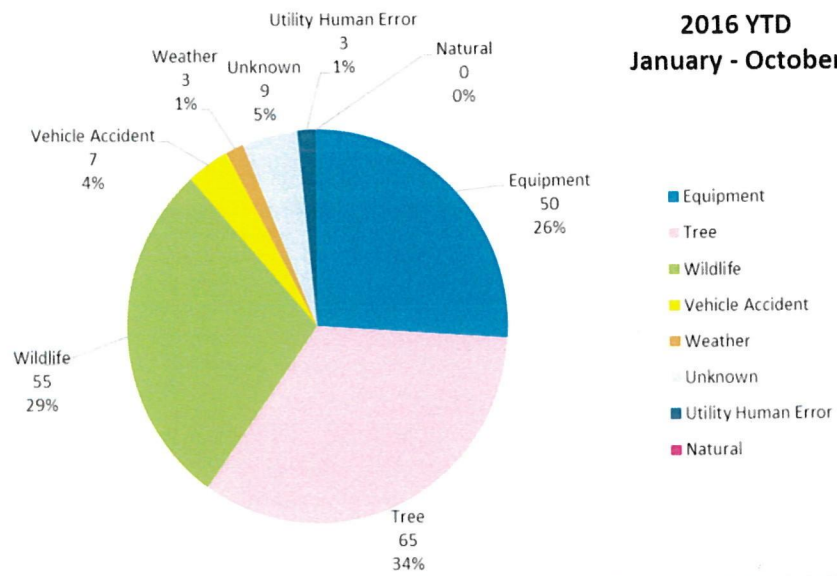
$$CAIDI(\text{Minutes}) = \frac{\text{Total Duration of Customer Interruptions}}{\text{Total Number of Customers Interruptions}}$$

$$SAIFI = \frac{\text{Total Number of Customer Interruptions}}{\text{Total Number of Customers Served}}$$



# Outages Causes

Outages Causes YTD (from eReliability website)



# Questions ?



RMLD REPORT FIRST QUARTER  
FISCAL YEAR 2017

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUSINESS-TYPE PROPRIETARY FUND  
STATEMENT OF NET ASSETS  
9/30/16

	PREVIOUS YEAR	CURRENT YEAR
<b>ASSETS</b>		
<b>CURRENT</b>		
UNRESTRICTED CASH (SCH A P.9)	10,504,383.61	15,779,554.95
RESTRICTED CASH (SCH A P.9)	22,784,514.36	22,779,550.64
RESTRICTED INVESTMENTS (SCH A P.9)	1,284,061.45	1,345,663.06
RECEIVABLES, NET (SCH B P.10)	9,750,201.71	9,535,148.75
PREPAID EXPENSES (SCH B P.10)	1,110,312.97	1,221,849.93
DEFERRED OUTFLOWS OF RESOURCES (SCH B P.10)	1,547,815.00	6,338,218.00
INVENTORY	1,629,353.82	1,559,509.06
<b>TOTAL CURRENT ASSETS</b>	<b>48,610,642.92</b>	<b>58,559,494.39</b>
<b>NONCURRENT</b>		
INVESTMENT IN ASSOCIATED CO (SCH C P.2)	26,993.75	26,993.75
CAPITAL ASSETS, NET (SCH C P.2)	69,912,215.61	72,380,004.50
<b>TOTAL NONCURRENT ASSETS</b>	<b>69,939,209.36</b>	<b>72,406,998.25</b>
<b>TOTAL ASSETS</b>	<b>118,549,852.28</b>	<b>130,966,492.64</b>
 <b>LIABILITIES</b>		
<b>CURRENT</b>		
ACCOUNTS PAYABLE	7,109,548.67	6,757,526.59
CUSTOMER DEPOSITS	863,919.67	920,196.89
CUSTOMER ADVANCES FOR CONSTRUCTION	904,188.35	1,013,604.84
ACCRUED LIABILITIES	3,192,834.75	9,430,938.63
<b>TOTAL CURRENT LIABILITIES</b>	<b>12,070,491.44</b>	<b>18,122,266.95</b>
<b>NONCURRENT</b>		
ACCRUED EMPLOYEE COMPENSATED ABSENCES	3,070,487.93	3,257,809.00
DEFERRED INFLOWS OF RESOURCES	0.00	883,172.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>3,070,487.93</b>	<b>4,140,981.00</b>
<b>TOTAL LIABILITIES</b>	<b>15,140,979.37</b>	<b>22,263,247.95</b>
 <b>NET ASSETS</b>		
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	69,912,215.61	72,380,004.50
RESTRICTED FOR DEPRECIATION FUND (P.9)	6,426,869.32	5,527,527.31
UNRESTRICTED	27,069,787.98	30,795,712.88
<b>TOTAL NET ASSETS (P.3)</b>	<b>103,408,872.91</b>	<b>108,703,244.69</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>118,549,852.28</b>	<b>130,966,492.64</b>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
NONCURRENT ASSET SCHEDULE  
9/30/16

SCHEDULE C

SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES	PREVIOUS YEAR	CURRENT YEAR
NEW ENGLAND HYDRO ELECTRIC	2,975.74	2,975.74
NEW ENGLAND HYDRO TRANSMISSION	24,018.01	24,018.01
TOTAL INVESTMENTS IN ASSOCIATED COMPANIES	26,993.75	26,993.75
SCHEDULE OF CAPITAL ASSETS		
LAND	1,265,842.23	1,265,842.23
STRUCTURES AND IMPROVEMENTS	6,035,452.03	7,541,231.87
EQUIPMENT AND FURNISHINGS	11,679,481.40	12,423,259.61
INFRASTRUCTURE	50,931,439.95	51,149,670.79
TOTAL CAPITAL ASSETS, NET	69,912,215.61	72,380,004.50
TOTAL NONCURRENT ASSETS	69,939,209.36	72,406,998.25



TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUSINESS-TYPE PROPRIETARY FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
9/30/16

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
<b>OPERATING REVENUES: (SCH D P.11)</b>					
BASE REVENUE	2,307,286.56	2,601,766.65	6,774,150.99	7,632,882.99	12.68%
FUEL REVENUE	3,385,022.47	3,313,075.69	9,640,963.29	9,568,447.25	-0.75%
PURCHASED POWER CAPACITY	3,131,926.41	3,565,602.15	8,696,014.94	10,282,673.57	18.25%
FORFEITED DISCOUNTS	71,838.93	75,132.46	195,863.12	245,526.20	25.36%
ENERGY CONSERVATION REVENUE	70,453.61	68,948.15	196,791.89	198,850.26	1.05%
NYPA CREDIT	(100,901.03)	(107,461.09)	(236,799.08)	(293,806.06)	24.07%
<b>TOTAL OPERATING REVENUES</b>	<b>8,865,626.95</b>	<b>9,517,064.01</b>	<b>25,266,985.15</b>	<b>27,634,574.21</b>	<b>9.37%</b>
<b>OPERATING EXPENSES: (SCH E P.12)</b>					
PURCHASED POWER CAPACITY	1,351,093.27	1,669,620.61	4,616,045.21	5,101,686.56	10.52%
PURCHASED POWER TRANSMISSION	1,284,290.11	1,540,298.14	3,774,337.74	4,125,707.12	9.31%
PURCHASED POWER FUEL	3,302,139.93	2,769,220.69	10,064,678.82	9,180,626.66	-8.78%
OPERATING	853,864.63	907,452.86	2,492,658.16	2,604,178.29	4.47%
MAINTENANCE	242,044.04	402,858.51	628,488.90	921,247.91	46.58%
DEPRECIATION	328,732.65	341,775.67	986,197.95	1,025,327.01	3.97%
VOLUNTARY PAYMENTS TO TOWNS	118,000.00	118,000.00	354,000.00	354,000.00	0.00%
<b>TOTAL OPERATING EXPENSES</b>	<b>7,480,164.63</b>	<b>7,749,226.48</b>	<b>22,916,406.78</b>	<b>23,312,773.55</b>	<b>1.73%</b>
<b>OPERATING INCOME</b>	<b>1,385,462.32</b>	<b>1,767,837.53</b>	<b>2,350,578.37</b>	<b>4,321,800.66</b>	<b>83.86%</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
CONTRIBUTIONS IN AID OF CONST	33,493.54	8,631.42	34,474.88	1,062.10	0.00%
RETURN ON INVESTMENT TO READING	(197,537.08)	(198,722.33)	(592,611.24)	(596,166.99)	0.60%
INTEREST INCOME	11,074.27	11,669.62	34,303.10	35,937.86	4.77%
INTEREST EXPENSE	(179.97)	(200.31)	(536.57)	(586.44)	9.29%
OTHER (MDSE AND AMORT)	1,201.00	(1,966.47)	137,581.14	126,710.26	-7.90%
<b>TOTAL NONOPERATING REV (EXP)</b>	<b>(151,948.24)</b>	<b>(180,588.07)</b>	<b>(386,788.69)</b>	<b>(433,043.21)</b>	<b>11.96%</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,233,514.08</b>	<b>1,587,249.46</b>	<b>1,963,789.68</b>	<b>3,888,757.45</b>	<b>98.02%</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>			<b>101,445,083.23</b>	<b>104,814,487.24</b>	<b>3.32%</b>
<b>NET ASSETS AT END OF SEPTEMBER</b>			<b>103,408,872.91</b>	<b>108,703,244.69</b>	<b>5.12%</b>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
RECONCILIATION OF CAPITAL FUNDS  
9/30/16

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 9/1/16	\$	5,183,345.71
CONSTRUCTION FUND BALANCE 9/1/16		773,145.10
INTEREST ON DEPRECIATION FUND TO DATE		7,247.44
DEPRECIATION TRANSFER TO DATE		<u>1,025,327.01</u>
TOTAL SOURCE OF CAPITAL FUNDS		6,989,065.26

USE OF CAPITAL FUNDS:

LESS PAID ADDITIONS TO PLANT THRU SEPTEMBER		
TOTAL USE OF CAPITAL FUNDS		1,202,918.99
GENERAL LEDGER CAPITAL FUNDS BALANCE 9/30/16	\$	<u><u>5,786,146.27</u></u>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF CASH AND INVESTMENTS  
9/30/16

SCHEDULE A

	PREVIOUS YEAR	CURRENT YEAR
<b>UNRESTRICTED CASH</b>		
CASH - OPERATING FUND	10,501,383.61	15,776,554.95
CASH - PETTY CASH	3,000.00	3,000.00
<b>TOTAL UNRESTRICTED CASH</b>	<u><u>10,504,383.61</u></u>	<u><u>15,779,554.95</u></u>
 <b>RESTRICTED CASH</b>		
CASH - DEPRECIATION FUND	6,426,869.32	5,527,527.31
CASH - CONSTRUCTION FUND	417,982.97	258,618.96
CASH - TOWN PAYMENT	946,611.00	950,166.99
CASH - DEFERRED FUEL RESERVE	4,519,770.54	5,210,889.20
CASH - RATE STABILIZATION FUND	6,784,114.10	6,835,216.32
CASH - UNCOLLECTIBLE ACCTS RESERVE	200,000.00	200,000.00
CASH - SICK LEAVE BENEFITS	1,791,428.02	1,926,058.60
CASH - HAZARD WASTE RESERVE	150,000.00	150,000.00
CASH - CUSTOMER DEPOSITS	863,919.67	920,196.89
CASH - ENERGY CONSERVATION	683,818.74	800,876.37
<b>TOTAL RESTRICTED CASH</b>	<u><u>22,784,514.36</u></u>	<u><u>22,779,550.64</u></u>
 <b>INVESTMENTS</b>		
SICK LEAVE BUYBACK	<u><u>1,284,061.45</u></u>	<u><u>1,345,663.06</u></u>
 <b>TOTAL CASH BALANCE</b>	 <u><u>34,572,959.42</u></u>	 <u><u>39,904,768.65</u></u>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF ACCOUNTS RECEIVABLE  
9/30/16

SCHEDULE B

SCHEDULE OF ACCOUNTS RECEIVABLE	PREVIOUS YEAR	CURRENT YEAR
RESIDENTIAL AND COMMERCIAL	4,731,364.33	3,563,300.23
ACCOUNTS RECEIVABLE - OTHER	251,462.03	649,031.80
ACCOUNTS RECEIVABLE - LIENS	6,837.76	8,173.91
ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES	543.53	543.53
SALES DISCOUNT LIABILITY	(184,488.64)	(136,915.65)
RESERVE FOR UNCOLLECTIBLE ACCOUNTS	(221,867.25)	(235,094.78)
TOTAL ACCOUNTS RECEIVABLE BILLED	<u>4,583,851.76</u>	<u>3,849,039.04</u>
UNBILLED ACCOUNTS RECEIVABLE	5,166,349.95	5,686,109.71
TOTAL ACCOUNTS RECEIVABLE, NET	<u><u>9,750,201.71</u></u>	<u><u>9,535,148.75</u></u>

SCHEDULE OF PREPAYMENTS

PREPAID INSURANCE	921,423.64	990,229.68
PREPAYMENT PURCHASED POWER	(396,811.75)	(380,870.38)
PREPAYMENT PASNY	307,572.50	307,572.50
PREPAYMENT WATSON	263,258.52	289,909.20
PURCHASED POWER WORKING CAPITAL	14,870.06	15,008.93
TOTAL PREPAYMENT	<u><u>1,110,312.97</u></u>	<u><u>1,221,849.93</u></u>

OTHER DEFERRED DEBITS	<u><u>1,547,815.00</u></u>	<u><u>6,338,218.00</u></u>
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ACCOUNTS RECEIVABLE AGING SEPTEMBER 2016:

RESIDENTIAL AND COMMERCIAL	3,563,300.23
LESS: SALES DISCOUNT LIABILITY	(136,915.65)
GENERAL LEDGER BALANCE	<u><u>3,426,384.58</u></u>

CURRENT	2,839,476.81	82.87%
30 DAYS	430,379.78	12.56%
60 DAYS	103,125.17	3.01%
90 DAYS	11,949.54	0.35%
OVER 90 DAYS	41,453.28	1.21%
TOTAL	<u><u>3,426,384.58</u></u>	<u><u>100.00%</u></u>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF OPERATING REVENUE  
9/30/16

SCHEDULE D

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	2,653,308.66	2,840,767.74	7,598,826.11	8,324,388.16	9.55%
COMM AND INDUSTRIAL SALES	2,871,325.15	2,844,592.06	8,209,110.72	8,221,873.89	0.16%
PRIVATE STREET LIGHTING	9,883.06	11,229.79	29,878.66	33,742.89	12.93%
<b>TOTAL PRIVATE CONSUMERS</b>	<u>5,534,516.87</u>	<u>5,696,589.59</u>	<u>15,837,815.49</u>	<u>16,580,004.94</u>	4.69%
<b>MUNICIPAL SALES:</b>					
STREET LIGHTING	(34,958.40)	27,102.28	21,205.57	81,306.84	283.42%
MUNICIPAL BUILDINGS	65,898.85	65,461.84	192,471.79	193,149.55	0.35%
<b>TOTAL MUNICIPAL CONSUMERS</b>	<u>30,940.45</u>	<u>92,564.12</u>	<u>213,677.36</u>	<u>274,456.39</u>	28.44%
SALES FOR RESALE	33,471.30	32,036.95	93,038.60	90,026.85	-3.24%
SCHOOL	93,380.41	93,651.68	270,582.83	256,842.06	-5.08%
<b>SUB-TOTAL</b>	5,692,309.03	5,914,842.34	16,415,114.28	17,201,330.24	4.79%
FORFEITED DISCOUNTS	71,838.93	75,132.46	195,863.12	245,526.20	25.36%
PURCHASED POWER CAPACITY	3,131,926.41	3,565,602.15	8,696,014.94	10,282,673.57	18.25%
ENERGY CONSERVATION - RESIDENTIAL	27,658.06	28,218.95	78,450.63	82,620.78	5.32%
ENERGY CONSERVATION - COMMERCIAL	42,795.55	40,729.20	118,341.26	116,229.48	-1.78%
NYPA CREDIT	(100,901.03)	(107,461.09)	(236,799.08)	(293,806.06)	24.07%
<b>TOTAL REVENUE</b>	<u>8,865,626.95</u>	<u>9,517,064.01</u>	<u>25,266,985.15</u>	<u>27,634,574.21</u>	9.37%

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF OPERATING EXPENSES  
9/30/16

SCHEDULE E

OPERATION EXPENSES:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
PURCHASED POWER CAPACITY	1,351,093.27	1,669,620.61	4,616,045.21	5,101,686.56	10.52%
PURCHASED POWER TRANSMISSION	1,284,290.11	1,540,298.14	3,774,337.74	4,125,707.12	9.31%
<b>TOTAL PURCHASED POWER</b>	<b>2,635,383.38</b>	<b>3,209,918.75</b>	<b>8,390,382.95</b>	<b>9,227,393.68</b>	<b>0.20</b>
OPERATION SUP AND ENGINEERING EXP	41,915.63	43,877.05	127,996.78	124,505.11	-2.73%
STATION SUP LABOR AND MISC	10,388.37	12,232.12	32,889.40	33,740.11	2.59%
LINE MISC LABOR AND EXPENSE	52,590.00	50,886.45	169,461.65	142,734.23	-15.77%
STATION LABOR AND EXPENSE	26,835.11	48,724.92	93,901.52	124,459.16	32.54%
STREET LIGHTING EXPENSE	11,757.77	17,022.66	25,300.13	32,132.77	27.01%
METER EXPENSE	17,301.55	20,033.40	51,269.41	47,044.52	-8.24%
MISC DISTRIBUTION EXPENSE	35,907.59	40,557.98	107,067.41	92,930.65	-13.20%
METER READING LABOR & EXPENSE	1,443.79	3,127.63	9,249.31	8,302.35	-10.24%
ACCT & COLL LABOR & EXPENSE	113,322.93	135,800.55	393,393.73	453,439.10	15.26%
UNCOLLECTIBLE ACCOUNTS	10,000.00	12,500.00	30,000.00	37,500.00	25.00%
ENERGY AUDIT EXPENSE	37,807.60	44,306.43	134,404.73	108,009.16	-19.64%
ADMIN & GEN SALARIES	54,399.88	93,546.12	190,095.49	245,575.68	29.19%
OFFICE SUPPLIES & EXPENSE	34,076.89	32,512.23	69,913.34	68,116.12	-2.57%
OUTSIDE SERVICES	53,975.15	28,220.16	86,789.48	58,231.80	-32.90%
PROPERTY INSURANCE	31,242.39	27,632.72	93,727.17	83,370.16	-11.05%
INJURIES AND DAMAGES	5,278.12	4,348.57	12,069.40	13,057.59	8.19%
EMPLOYEES PENSIONS & BENEFITS	227,733.83	234,433.43	691,802.99	751,039.29	8.56%
MISC GENERAL EXPENSE	13,097.37	10,229.07	31,841.23	23,296.61	-26.84%
RENT EXPENSE	13,855.09	13,904.67	43,905.88	41,301.75	-5.93%
ENERGY CONSERVATION	60,935.57	33,556.70	97,579.11	115,392.13	18.25%
<b>TOTAL OPERATION EXPENSES</b>	<b>853,864.63</b>	<b>907,452.86</b>	<b>2,492,658.16</b>	<b>2,604,178.29</b>	<b>4.47%</b>
<b>MAINTENANCE EXPENSES:</b>					
MAINT OF TRANSMISSION PLANT	227.08	227.08	681.24	681.24	0.00%
MAINT OF STRUCT AND EQUIPMT	29,658.62	44,387.63	79,293.08	124,285.78	56.74%
MAINT OF LINES - OH	76,309.51	195,109.50	322,003.59	333,765.41	3.65%
MAINT OF LINES - UG	35,646.33	54,129.43	39,394.04	104,900.84	166.29%
MAINT OF LINE TRANSFORMERS	38,239.81	5,654.65	46,450.90	9,608.90	0.00%
MAINT OF ST LT & SIG SYSTEM	(46.13)	41,304.46	(165.87)	149,421.09	-90183.25%
MAINT OF GARAGE AND STOCKROOM	53,087.61	45,016.95	114,839.08	128,908.40	12.25%
MAINT OF METERS	0.00	0.00	0.00	0.00	0.00%
MAINT OF GEN PLANT	8,921.21	17,028.81	25,992.84	69,676.25	168.06%
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>242,044.04</b>	<b>402,858.51</b>	<b>628,488.90</b>	<b>921,247.91</b>	<b>46.58%</b>
DEPRECIATION EXPENSE	328,732.65	341,775.67	986,197.95	1,025,327.01	3.97%
PURCHASED POWER FUEL EXPENSE	3,302,139.93	2,769,220.69	10,064,678.82	9,180,626.66	-8.78%
VOLUNTARY PAYMENTS TO TOWNS	118,000.00	118,000.00	354,000.00	354,000.00	0.00%
<b>TOTAL OPERATING EXPENSES</b>	<b>7,480,164.63</b>	<b>7,749,226.48</b>	<b>22,916,406.78</b>	<b>23,312,773.55</b>	<b>1.73%</b>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUDGETED OPERATING EXPENSE VARIANCE REPORT  
9/30/16

SCHEDULE G

OPERATION EXPENSES:	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
PURCHASED POWER CAPACITY	5,101,686.56	4,676,885.00	424,801.56	9.08%
PURCHASED POWER TRANSMISSION	4,125,707.12	3,684,553.00	441,154.12	11.97%
<b>TOTAL PURCHASED POWER</b>	<b><u>9,227,393.68</u></b>	<b><u>8,361,438.00</u></b>	<b><u>865,955.68</u></b>	<b>10.36%</b>
OPERATION SUP AND ENGINEERING EXP	124,505.11	161,891.00	(37,385.89)	-23.09%
STATION SUP LABOR AND MISC	33,740.11	22,580.99	11,159.13	49.42%
LINE MISC LABOR AND EXPENSE	142,734.23	226,727.98	(83,993.75)	-37.05%
STATION LABOR AND EXPENSE	124,459.16	116,245.58	8,213.58	7.07%
STREET LIGHTING EXPENSE	32,132.77	25,341.08	6,791.69	26.80%
METER EXPENSE	47,044.52	45,304.91	1,739.61	3.84%
MISC DISTRIBUTION EXPENSE	92,930.65	114,915.99	(21,985.34)	-19.13%
METER READING LABOR & EXPENSE	8,302.35	8,074.68	227.67	2.82%
ACCT & COLL LABOR & EXPENSE	453,439.10	431,963.89	21,475.21	4.97%
UNCOLLECTIBLE ACCOUNTS	37,500.00	37,500.00	0.00	0.00%
ENERGY AUDIT EXPENSE	108,009.16	155,730.86	(47,721.70)	-30.64%
ADMIN & GEN SALARIES	245,575.68	281,500.03	(35,924.35)	-12.76%
OFFICE SUPPLIES & EXPENSE	68,116.12	87,300.00	(19,183.88)	-21.97%
OUTSIDE SERVICES	58,231.80	144,125.00	(85,893.20)	-59.60%
PROPERTY INSURANCE	83,370.16	106,050.00	(22,679.84)	-21.39%
INJURIES AND DAMAGES	13,057.59	14,748.00	(1,690.41)	-11.46%
EMPLOYEES PENSIONS & BENEFITS	751,039.29	785,867.00	(34,827.71)	-4.43%
MISC GENERAL EXPENSE	23,296.61	72,051.73	(48,755.12)	-67.67%
RENT EXPENSE	41,301.75	53,001.00	(11,699.25)	-22.07%
ENERGY CONSERVATION	115,392.13	217,381.60	(101,989.47)	-46.92%
<b>TOTAL OPERATION EXPENSES</b>	<b><u>2,604,178.29</u></b>	<b><u>3,108,301.30</u></b>	<b><u>(504,123.01)</u></b>	<b>-16.22%</b>
<b>MAINTENANCE EXPENSES:</b>				
MAINT OF TRANSMISSION PLANT	681.24	750.00	(68.76)	-9.17%
MAINT OF STRUCT AND EQUIPMENT	124,285.78	101,396.47	22,889.31	22.57%
MAINT OF LINES - OH	333,765.41	507,967.94	(174,202.53)	-34.29%
MAINT OF LINES - UG	104,900.84	55,859.87	49,040.97	87.79%
MAINT OF LINE TRANSFORMERS	9,608.90	75,000.00	(65,391.10)	-87.19%
MAINT OF ST LT & SIG SYSTEM	149,421.09	2,539.32	146,881.77	5784.31%
MAINT OF GARAGE AND STOCKROOM	128,908.40	136,564.82	(7,656.42)	-5.61%
MAINT OF METERS	0.00	16,172.07	(16,172.07)	-100.00%
MAINT OF GEN PLANT	69,676.25	45,000.00	24,676.25	54.84%
<b>TOTAL MAINTENANCE EXPENSES</b>	<b><u>921,247.91</u></b>	<b><u>941,250.48</u></b>	<b><u>(20,002.57)</u></b>	<b>-2.13%</b>
DEPRECIATION EXPENSE	1,025,327.01	995,790.00	29,537.01	2.97%
PURCHASED POWER FUEL EXPENSE	9,180,626.66	9,413,918.00	(233,291.34)	-2.48%
VOLUNTARY PAYMENTS TO TOWNS	354,000.00	361,350.00	(7,350.00)	-2.03%
<b>TOTAL OPERATING EXPENSES</b>	<b><u>23,312,773.55</u></b>	<b><u>23,182,047.78</u></b>	<b><u>130,725.77</u></b>	<b>0.56%</b>

\* ( ) = ACTUAL UNDER BUDGET

RMLD PROCUREMENT  
REQUESTS FOR BOARD  
APPROVAL  
ATTACHMENT 4





**Reading Municipal Light Department**  
RELIABLE POWER FOR GENERATIONS

230 Ash Street  
P.O. Box 150  
Reading, MA 01867-0250

Tel: (781) 944-1340  
Fax: (781) 942-2409  
Web: www.rml.com

December 1, 2016

Town of Reading Municipal Light Board

Subject: IFP 2017-27 Single Phase Pad Mounted FR3 Transformers

Pursuant to M.G.L c. 164 § 56D, on November 16, 2016, a bid invitation was placed as a legal notice in the Middlesex East section of the Daily Times Chronicle and on the ECNE (Energy Council of the Northeast) website requesting sealed proposals for Single Phase Pad Mounted FR3 Transformers.

An invitation for proposals was sent to the following fifteen companies:

EDI	Graybar Electric	Hasgo Power
IF Gray	Irby	Jordan Transformer
Power Sales Group	Power Tech-UPSC	Robinson Sales
Shamrock Power Sales Inc.	Transformer Exchange	Ward Transformer Sales
Weidmann Electrical Technology	WESCO	Yale Electric Supply

Sealed proposals were received from four companies: Graybar Electric, Power Sales Group, Irby and WESCO.

The sealed proposals were publicly opened and read aloud at 11:00 a.m., November 30, 2016, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

The proposals were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that proposal 2017-27 for: Single Phase Pad Mounted FR3 Transformers be awarded to: **WESCO for \$151,110** pursuant to Chapter 164 § 56D on the recommendation of the General Manager.

The FY17 Capital Budget amount for these items is \$100,000.

Peter Price

Hamid Jaffari

Coleen O'Brien

**Single Phase Pad Mounted FR3 Transformers  
Bid 2017-27**

Bidder	Manufacturer	Delivery Date	Unit Cost	Qty	Total Net Cost	Meet Specification requirement	Specification Data Sheets	Firm Price	All forms filled out	Certified Check or Bid Bond	Exceptions to stated bid requirements	Authorized signature
<b>WESCO</b>						yes	yes	yes	yes	yes	yes	yes
Item 1 (25 kVa)	ERMCO	9-11 weeks ARO	\$1,916.00	10	\$19,160.00							
Item 2 (37 1/2 kVa)	ERMCO	9-11 weeks ARO	\$2,100.00	35	\$73,500.00		<b>Exemptions as stated:</b>			ERMCO does not supply door stops (pg PS		
Item 3 (50 kVa)	ERMCO	9-11 weeks ARO	\$2,338.00	25	\$58,450.00		<b>Engineering Note:</b>			This is acceptable.		
					<u>\$151,110.00</u>							
<b>Power Sales Group C/O Howard</b>						yes	yes	no	yes	yes	no	yes
Item 1 (25 kVa)	Howard	6-8 weeks ARO	\$2,639.00	10	\$26,390.00							
Item 2 (37 1/2 kVa)	Howard	6-8 weeks ARO	\$2,893.00	35	\$101,255.00							
Item 3 (50 kVa)	Howard	6-8 weeks ARO	\$3,120.00	25	\$78,000.00							
					<u>\$205,645.00</u>							

**Non responsive bidders:**

<b>Irby</b>	Disqualification based on more than one bid for the same work from an individual, firm, partnership or corporation.
<b>Graybar</b>	Rejected based on the following: <ol style="list-style-type: none"> <li>They did not quote a firm price. If there is a need to schedule the shipment later than the quoted lead-time, the price will be adjusted per the CPI in effect at the time of shipment.</li> <li>It is a conditional bid in that "orders are accepted <u>subject</u> to the manufacturer's (Eaton's) Terms and Conditions.</li> </ol>

BOARD MATERIAL AVAILABLE  
BUT NOT DISCUSSED

## Tracy Schultz

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**From:** Tracy Schultz  
**Sent:** Monday, December 12, 2016 10:36 AM  
**To:** RMLD Board Members Group  
**Cc:** Jeanne Foti  
**Subject:** Account Payable and Payroll Questions

Good morning,

There were no Account Payable Warrant questions for the following dates:  
October 14, October 21, October 28, November 11, November 18, December 2.

Commissioner Talbot had a question on the AP on November 4, which will be addressed in Executive Session.  
There was no AP on Friday, November 25 due to the holiday.

There were no Payroll questions for the following dates:  
October 17, October 31, November 14, November 28

This message will be printed for the Board Packet for the RMLD Board Meeting on Thursday, December 15, 2016.

### Tracy Schultz

Executive Assistant  
Reading Municipal Light Department  
230 Ash Street  
Reading, MA 01867  
Tel: (781) 942-6489  
Ext: 489

TOWN OF READING MUNICIPAL LIGHT DEPARTMENT  
RATE COMPARISONS READING & SURROUNDING TOWNS

November-16

	RESIDENTIAL 750 kWh's	RESIDENTIAL-TOU 1500 kWh's 75/25 Split	RES. HOT WATER 1000 kWh's	COMMERCIAL 7,300 kWh's 25,000 kW Demand	SMALL COMMERCIAL 1,080 kWh's 10,000 kW Demand	SCHOOL RATE 35000 kWh's 130.5 kW Demand	INDUSTRIAL - TOU 109,500 kWh's 250,000 kW Demand 80/20 Split
<b>READING MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	<b>\$114.74</b>	<b>\$198.00</b>	<b>\$140.02</b>	<b>\$1,021.83</b>	<b>\$201.37</b>	<b>\$4,749.50</b>	<b>\$764,772.16</b>
PER KWH CHARGE	\$0.15298	\$0.13200	\$0.14002	\$0.13998	\$0.18645	\$0.13570	\$0.11117
<b>NATIONAL GRID</b>							
TOTAL BILL	<b>\$146.32</b>	<b>\$311.18</b>	<b>\$182.69</b>	<b>\$1,452.70</b>	<b>\$223.44</b>	<b>\$5,595.27</b>	<b>\$1,513,955.46</b>
PER KWH CHARGE	\$0.19509	\$0.20745	\$0.18269	\$0.19900	\$0.20689	\$0.15986	\$0.22006
% DIFFERENCE	27.52%	57.16%	30.48%	42.17%	10.96%	17.81%	97.96%
<b>EVERSOURCE(NSTAR)</b>							
TOTAL BILL	<b>\$148.80</b>	<b>\$263.35</b>	<b>\$196.25</b>	<b>\$1,084.62</b>	<b>\$175.05</b>	<b>\$6,077.76</b>	<b>\$1,027,836.65</b>
PER KWH CHARGE	\$0.19839	\$0.17557	\$0.19625	\$0.14858	\$0.16208	\$0.17365	\$0.14940
% DIFFERENCE	29.68%	33.01%	40.16%	6.15%	-13.07%	27.97%	34.40%
<b>PEABODY MUNICIPAL LIGHT PLANT</b>							
TOTAL BILL	<b>\$92.81</b>	<b>\$179.22</b>	<b>\$121.61</b>	<b>\$988.74</b>	<b>\$156.46</b>	<b>\$4,883.88</b>	<b>\$672,615.67</b>
PER KWH CHARGE	\$0.12374	\$0.11948	\$0.12161	\$0.13544	\$0.14487	\$0.13954	\$0.09777
% DIFFERENCE	-19.11%	-9.48%	-13.15%	-3.24%	-22.30%	2.83%	-12.05%
<b>MIDDLETON MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	<b>\$98.74</b>	<b>\$201.66</b>	<b>\$132.75</b>	<b>\$959.51</b>	<b>\$168.44</b>	<b>\$4,762.93</b>	<b>\$807,171.40</b>
PER KWH CHARGE	\$0.13165	\$0.13444	\$0.13275	\$0.13144	\$0.15596	\$0.13608	\$0.11733
% DIFFERENCE	-13.95%	1.85%	-5.19%	-6.10%	-16.35%	0.28%	5.54%
<b>WAKEFIELD MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	<b>\$122.99</b>	<b>\$228.42</b>	<b>\$154.38</b>	<b>\$1,166.29</b>	<b>\$186.28</b>	<b>\$5,473.08</b>	<b>\$921,561.30</b>
PER KWH CHARGE	\$0.16398	\$0.15228	\$0.15438	\$0.15977	\$0.17249	\$0.15637	\$0.13396
% DIFFERENCE	7.19%	15.37%	10.26%	14.14%	-7.49%	15.23%	20.50%

TOWN OF READING MUNICIPAL LIGHT DEPARTMENT  
RATE COMPARISONS READING & SURROUNDING TOWNS

December-16

	RESIDENTIAL 750 kWh's	RESIDENTIAL-TOU 1500 kWh's 75/25 Split	RES. HOT WATER 1000 kWh's	COMMERCIAL 7,300 kWh's 25,000 kW Demand	SMALL COMMERCIAL 1,080 kWh's 10,000 kW Demand	SCHOOL RATE 35000 kWh's 130.5 kW Demand	INDUSTRIAL - TOU 109,500 kWh's 250,000 kW Demand 80/20 Split
<b>READING MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	\$112.40	\$193.32	\$136.90	\$1,004.74	\$198.84	\$4,667.60	\$748,963.67
PER KWH CHARGE	\$0.14986	\$0.12888	\$0.13690	\$0.13764	\$0.18411	\$0.13336	\$0.10887
<b>NATIONAL GRID</b>							
TOTAL BILL	\$146.32	\$311.18	\$182.69	\$3,030.16	\$456.82	\$5,595.27	\$1,513,955.46
PER KWH CHARGE	\$0.19509	\$0.20745	\$0.18269	\$0.41509	\$0.42298	\$0.15986	\$0.22006
% DIFFERENCE	30.18%	60.97%	33.45%	201.59%	129.74%	19.87%	102.14%
<b>EVERSOURCE(NSTAR)</b>							
TOTAL BILL	\$148.80	\$263.35	\$196.25	\$1,084.62	\$175.05	\$6,077.76	\$1,027,836.65
PER KWH CHARGE	\$0.19839	\$0.17557	\$0.19625	\$0.14858	\$0.16208	\$0.17365	\$0.14940
% DIFFERENCE	32.38%	36.23%	43.35%	7.95%	-11.97%	30.21%	37.23%
<b>PEABODY MUNICIPAL LIGHT PLANT</b>							
TOTAL BILL	\$92.81	\$179.22	\$121.61	\$988.74	\$156.46	\$4,883.88	\$672,615.67
PER KWH CHARGE	\$0.12374	\$0.11948	\$0.12161	\$0.13544	\$0.14487	\$0.13954	\$0.09777
% DIFFERENCE	-17.43%	-7.29%	-11.17%	-1.59%	-21.32%	4.63%	-10.19%
<b>MIDDLETON MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	\$98.74	\$201.66	\$132.75	\$959.51	\$168.44	\$4,762.93	\$807,171.40
PER KWH CHARGE	\$0.13165	\$0.13444	\$0.13275	\$0.13144	\$0.15596	\$0.13608	\$0.11733
% DIFFERENCE	-12.15%	4.32%	-3.03%	-4.50%	-15.29%	2.04%	7.77%
<b>WAKEFIELD MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	\$122.99	\$228.42	\$154.38	\$1,166.29	\$186.28	\$5,473.08	\$921,561.30
PER KWH CHARGE	\$0.16398	\$0.15228	\$0.15438	\$0.15977	\$0.17249	\$0.15637	\$0.13396
% DIFFERENCE	9.42%	18.16%	12.77%	16.08%	-6.31%	17.26%	23.04%