



Town of Reading Meeting Posting with Agenda

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2021-04-22

Time: 6:00 PM

Building:

Location:

Address:

Agenda:

Purpose: General Business

Meeting Called By: Jason Small, Chair

Notices and agendas are to be posted 48 hours in advance of the meetings excluding Saturdays, Sundays and Legal Holidays. Please keep in mind the Town Clerk's hours of operation and make necessary arrangements to be sure your posting is made in an adequate amount of time. A listing of topics that the chair reasonably anticipates will be discussed at the meeting must be on the agenda.

All Meeting Postings must be submitted in typed format; handwritten notices will not be accepted.

Topics of Discussion:

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20, THIS MEETING WILL BE HELD REMOTELY UTILIZING WEB TECHNOLOGY.

FOR PUBLIC PARTICIPATION PLEASE EMAIL: krybak@rmlid.com. INCLUDE YOUR FULL NAME, ADDRESS, AND PHONE #

1. Call Meeting to Order – J. Small, Chair
2. Approval of Minutes – J. Small, Chair

Suggested Motion: Move that the Citizens' Advisory Board approve the minutes of the May 21, 2020, June 18, 2020, and August 8, 2020, meetings as written.

Suggested Motion: Move that the Citizens' Advisory Board approve the Executive Session minutes of the February 24, 2021, meeting as written.

Note: CAB should not discuss Executive Session minutes during Regular Session. If anyone is not prepared to vote to approve minutes, please table vote until the next Executive Session.

3. Report from the Board of Commissioners – P. Pacino, Commissioner
4. General Manager's Report – C. O'Brien, General Manager
 - Community Update
5. Power Supply Update– C. Underhill, Director of Special Projects



Town of Reading Meeting Posting with Agenda

6. Power Portfolio Addition/Policy30 - G. Phipps, Director of Integrated Resources

Suggested Motion: Move that the Citizens' Advisory Board recommend that the Board of Commissioners vote to accept the General Manager's recommendation to execute a contract with Gravity Renewables for energy, including associated certificates, from a hydro facility in New York.

7. Engineering & Operations Report – H. Jaffari, Director of Engineering & Operations
8. Business & Finance Update through February 28, 2021 – W. Markiewicz, Director of Business and Finance
9. Scheduling – J. Small, Chair
 - Next CAB Meeting
 - BOC Meeting Coverage for May Meeting

10. Adjournment – J. Small, Chair
Suggested Motion: Move that the Citizens' Advisory Board adjourn regular session.

ATTACHMENT 1

Agenda Item 2: Approval of Minutes

Minutes From: May 21, 2020



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2020-05-21

Time: 6:30 PM

Building:

Location:

Address:

Session:

Purpose: General Business

Version:

Attendees: **Members - Present:**

Mr. Jason Small, Vice Chair (North Reading); Mr. George Hooper, Secretary (Wilmington); Mr. Vivek Soni (Reading); Mr. Joseph Markey (Lynnfield)

Members - Not Present:

Mr. Dennis Kelley, Chair (Wilmington)

Others Present:

Mr. John Stempeck, Board of Commissioners
Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Wendy Markiewicz, Ms. Kathleen Rybak, Mr. Charles Underhill
Public: Mr. James Satterthwaite, 8 Hunt Street, Reading

Minutes Respectfully Submitted By: Mr. George Hooper, Secretary

Topics of Discussion:

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20 THIS MEETING WAS HELD REMOTELY VIA ZOOM.

1. Call Meeting to Order and Introductions – J. Small, Vice Chair

Vice Chair Small called the meeting of the Citizens' Advisory Board to order at 6:30 PM and noted the meeting was being audio recorded.

2. General Manager's Update – C. O'Brien, General Manager
Materials: Infections Disease Outbreak Plan (EOP-20-03 HR)

COVID-19: Ms. O'Brien reported that the RMLD has developed a comprehensive Infectious Disease Outbreak Plan (EOP 20-03 HR), which is being shared with the Town's incident command as it is updated. The Plan is stamped a "living document" due to the regularity of the updates (as information is received from the Board of Health, Governor's office, etc.). The emergency response team comprised of senior management has been meeting daily at 10:00 AM since March 3rd working diligently to ensure that all matters related to COVID 19 and its impact on RMLD as an essential energy provider align with employee and customer safety. RMLD is currently under remobilization toward normal operations and approaching back to Phase A. Ms. O'Brien reviewed some of the safety measures in place to accommodate public opening of the Ash Street offices once allowed, as well as some of the ongoing practices in place to accommodate business under current conditions. Ms. O'Brien reported that the RMLD remains in full business and electric continuity. Everyone's diligence in following the strict safety protocols, which are mandated and monitored in accordance with EOP 20-03 HR, continues to result in no illnesses. Ms. O'Brien thanked the staff who have been working on-site or remotely for

this essential business, and especially during the two storms since COVID began - RMLD customers were restored in record time. Ms. O'Brien wished all RMLD staff, as well as all RMLD customers, continued good health.

20-Year Agreement Extension: Ms. O'Brien reported that Reading and North Reading have voted through their boards of selectmen; a certified letter from each town is pending receipt. Wilmington voted through their board of selectmen. Ms. O'Brien noted that Wilmington changed from town meeting to a board of selectmen vote; their certified letter has been received. Lynnfield is still listed as using their town meeting for the vote. However, they have reported that they are trying to go to a board of selectmen vote; they will keep us informed of their progress. Mr. Stempeck asked when the Town Meeting would take place. Mr. Markey responded that Mr. Dolan had reported (to him) that the Board of Selectmen had approved the extension, and they just had to send a letter. Mr. Markey agreed to follow-up with Mr. Dolan. If it does need approval at town meeting, it will be Saturday, June 20th.

3. Integrated Resources Report – C. Underhill, Director of Integrated Resources
Materials: Revised IRD Monthly Report and Variance Analysis Report for March 2020

IRD Monthly Report and Variance Analysis: Mr. Underhill began his report with a review of the 2020 RMLD Total System Loads (Slide 3), which shows the actual 2019 results, forecasted loads for 2020, and YTD through the first four months of the year. RMLD experienced the warmest January on record, and our loads came in a bit below what was projected (January-March). Mr. Underhill noted the February (2020) load is ~3% higher than normal because 2020 is a leap year. In April, the loads are down a bit; social isolation protocols in Massachusetts began in late March. Mr. Underhill noted that we had anticipated a baseline reduction of about 8% due to COVID 19; however, that estimate for the magnitude of the COVID impact were high (YTD).

Mr. Underhill then reviewed the *Heating Degree Day (HDD) Analysis* (Slide 4). The top line is the average or normalized heating degree days – it is either a 15 or a 20-year average for RMLD. Mr. Underhill noted that for a swing month like April, the percentage (variance) is a bit misleading because it is over a much smaller base, and the temperature swings do not always result in additional heating or cooling because the thermal mass of the buildings do not change as dramatically when the temperatures are closer to the balance point - not quite a direct correlation for heating degree days and heating requirements. For comparison purpose heating degree days for 2019 were included. Looking at the variance, this shows how weather can impact the (load) forecast. Mr. Underhill noted that he would be running the forecasting model to normalize the data in the next few days.

Mr. Underhill reviewed *RMLD Non-Power Supply Revenue* (Slide 5). There is a bubble in February because the load data is for a calendar month basis, but the billing revenue is based on billing cycles throughout the month; you could have two weeks' worth of data from one month appearing with a revenue adjustment in the next month. Mr. Underhill reported that RMLD is billing better than 95% of what we did a year ago. *RMLD Aging of Accounts* (slide 6) shows that for this period this year, as opposed to this period last year, we had a higher percentage of money actually come in the first 30 days and we've been holding our own with the aging of accounts. Slide 5 and Slide 6 tell us that our revenue position is better than we expected it to be at this point in the COVID-19 pandemic. Mr. Hooper asked if the load reflected an increase in residential use. Mr. Underhill noted that he had not been able to complete a class disaggregate assessment (due to staffing), but that will be completed soon. Mr. Underhill reviewed *Actual kWh Purchase by Resource* (Slide 7). Because the loads were down (through March), RMLD had sales into the wholesale market; our power costs remain stable.

EV Impact Assessment: Mr. Underhill stated that he was asked to look at the impact of electric vehicles (EV) on the RMLD system over time. *RMLD EV Impact Assessment* (Slide 8) illustrates this expected impact (with some assumptions on usage, number of EV units,

charging location, etc.). Mr. Underhill noted RMLD has an indeterminate number of EVs in the system. The estimate provided last year shows RMLD has ~250-400 EVs in the territory; 250 units was used for this analysis. Ms. O'Brien added that Energy New England (ENE) is trying to see if we can retrieve data on location of EVs from the RMV. Additionally, we are working with a couple of companies on the data that comes off of the meter to determine if there is an EV at the home. We continue to try to get better data on the number of EVs in our territory. Mr. Underhill stated we will be tracking those numbers as the program develops, but we have a way to go to reach 1% load impact on our system (2,260 vehicles).

IRD Program Activity: Mr. Underhill completed his presentation with a reviewed *IRD Program Activity* (slide 9) and progress on customer opt-in for the *Customer Notification System* (slide 10). Mr. Underhill noted some issues with the link for customers with Gmail accounts. Staff is working to correct the problem. Mr. Small and Mr. Hooper noted that they had signed up and found it very user-friendly, no problems.

4. CAB Input on Town of Reading Payment – J. Small, Vice Chair
Materials: RMLD Payments to the Town of Reading (document) and Revised Motions

Mr. Stempeck noted that there was alternate language put forth for the second suggested motion. What will be discussed is if that second motion is appropriate or not as an add-on or change to the original motion. Mr. Stempeck suggested we address the first motion, and then the second motion.

Mr. Hooper stated, as the most senior member on the CAB, that he had been following this issue for some time. Through the CPI they tried to develop something that was fair to all. Mr. Hooper noted that he and the Town of Wilmington are always concerned with what is best for the RMLD, the service they provide, and the way everything is operating in the community. Mr. Hooper noted that everybody has looked through this - the CAB has cooperated; from what he had seen, this is probably what is most fair for all involved. Mr. Hooper stated that he was ready to make the motion. Vice Chair Small asked if there was any additional feedback; there was none.

Mr. Hooper made a **motion** that the Citizens' Advisory Board recommend to the Board of Commissioners that the current annual Town of Reading, below-the-line, payment of \$2,480,506, be extended for payment dates of 6/30/2021 and 12/31/2021, in the amount of \$1,240,253 each, seconded by Mr. Markey. **Motion carried 4:0:1** (4 in favor, 0 opposed, 1 absent). Chair Kelley was not present.

Vice Chair Small asked if there was any other feedback or discussion regarding the second motion. Mr. Soni asked if Mr. Stempeck could explain the difference in the revised second motion. Mr. Stempeck reported that Mr. Pacino had suggested a revision to the motion. The top part of the motion is identical to the previous second suggested motion. The difference on the "revised" second motion is the addition of three sentences: "The annual result of the calculation formula will be annually presented to the RMLD Board of Commissioners 60 days in advance of the June 30 payment. In the event of any catastrophic event or events, as declared by the Department's General Manager, the RMLD's Board of Commissioners and the Department can adjust the payment to address the emergency. Catastrophic event or events will be defined by the General Manager of RMLD." Mr. Stempeck noted the Board of Commissioners would be looking at the motion at their meeting later in the evening. Mr. Stempeck stated that his comment would be that we do not need those three sentences because the 60 days in advance does not really do anything; we see what it is anyway - it is part of our function. As far as a catastrophic event, Mr. Stempeck stated he did not think that we should be prescriptive in terms of what the General Manager's job is already. She (or he) would already tell us if there is a catastrophic event, or assessed it as such. Mr. Stempeck noted his recommendation was to use the previous motion. Mr. Soni asked if Ms. O'Brien had any thoughts. Ms. O'Brien noted she agreed with Mr. Stempeck; you are just

reiterating what the law is and the General Manager's responsibilities under Chapter 164. However, whatever pleases the boards would be fine.

Vice Chair Small asked if anyone from the CAB had any comments. Mr. Soni responded that (as Mr. Hooper had said), he thought the CAB was pretty much in agreement with the first version as written. Vice Chair Small agreed, stating the first version and the plan that is laid out is very representative of being fair to both sides. The second half of the revised motion does seem a little redundant.

Vice Chair Small stated if everyone was in agreement, he would take the original motion from the Agenda unless anyone felt strongly enough to change it.

Mr. Markey made a **motion** that the Citizens' Advisory Board recommend to the Board of Commissioners that the annual Town of Reading, below-the-line, payment calculation, continue as two half payments on 6/30 and 12/31, and become that of 3.875 mils/kWh sale of the previous 3-year average of kWh sales from audited financial statements, starting with payment date 6/30/2022, seconded by Mr. Soni. **Motion carried 3:0:2**; (three in favor, 0 opposed, 2 absent). Chair Kelley was not present; Mr. Hooper had left the meeting prior to the vote.

5. Scheduling: CAB Meetings & Commissioners Meetings Coverage – J. Small, Vice Chair

The next CAB meeting was scheduled for June 18th at 6:30 pm, prior to the Board of Commissioners meeting. Mr. Small will cover the June BOC meeting.

The July meeting was tentatively set for July 16th at 6:30 pm

6. Adjournment – J. Small, Vice Chair

Mr. Soni made a motion to adjourn the Citizens' Advisory Board meeting, seconded by Mr. Small. **Motion carried 3:0:2** (3 in favor, 0 opposed, 2 absent).

The CAB meeting adjourned 7:27 PM.

As approved on _____

Minutes From: June 18, 2020



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2020-06-18

Time: 6:30 PM

Building:

Location:

Address:

Session:

Purpose:

Version:

Attendees: **Members - Present:**

Mr. Jason Small, Vice Chair (North Reading); Mr. George Hooper, Secretary (Wilmington); Mr. Vivek Soni (Reading)

Members - Not Present:

Mr. Dennis Kelley, Chair (Wilmington); Mr. Joseph Markey (Lynnfield)

Others Present:

Mr. Robert Coulter, Board of Commissioners
Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Wendy Markiewicz, Mr. John McDonagh, Ms. Kathleen Rybak, Mr. Charles Underhill
Public: Ms. Lynne Champion, 8 Franklin Avenue, Wilmington; Mr. James Satterthwaite, 8 Hunt Street, Reading

Minutes Respectfully Submitted By: Mr. George Hooper, Secretary

Topics of Discussion:

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20 THIS MEETING WAS HELD REMOTELY VIA ZOOM.

1. Call Meeting to Order – J. Small, Vice Chair

Vice Chair Small called the meeting of the Citizens' Advisory Board to order at 6:30 PM, and noted the meeting was being audio recorded.

Vice Chair Small welcomed Robert Coulter the new RMLD Commissioner.

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

COVID-19 Update: Ms. O'Brien provided a brief update on the RMLD response to COVID-19. RMLD remains in Phase A.5 of the Infections Disease Operating Procedure (EOP-20-03 HR). Staff will be returned to the office gradually, and the building remains closed to the public. Ms. O'Brien noted that everyone is still healthy.

20-Year Agreement: Ms. O'Brien reported that Lynnfield is the only outstanding vote. They will keep their vote with Town Meeting (rather than going with Board of Selectmen), but will need to push it out until the fall Town Meeting. Ms. O'Brien noted nothing (in the Agreement) ends - this is just an extension of another 10 years. As far as we know, there is no legislative issue having to do with

changing the agreement – it is purely a COVID-related delay. Once the Lynnfield letter is received, the extension will be sent out for signature.

Ms. O'Brien updated the CAB on some Facilities projects at 230 Ash Street. The parking lot (including EV charging stations) and roof repairs are complete. The deck replacement is nearly complete.

3. Finance Report – W. Markiewicz, Director of Business, Finance & Technology

Materials: *RMLD Financial Review (Presentation Slides)*

Ms. Markiewicz reported that the 2019 Financial Audit had been delayed due to COVID-19 complications; draft financial statements will be issued at the beginning of July. Ms. Markiewicz reviewed *Financial Highlights CY2019 (Slide 2)*. RMLD ended 2019 with a 9.33% rate of return (ROR) – \$1,078k over the allowed 8% ROR (due to underspending). Ms. Markiewicz reviewed the factors that contributed to the underspending. The \$1,078k was transferred to the rate stabilization fund (RSF). Ms. Markiewicz noted the transfer is not required; we did it because we felt with COVID hitting peoples' lives and businesses, we want to give back to the customers. The RSF is intended to stabilize rate fluctuations.

Ms. Markiewicz went on to review *Strategic Planning (Slide 3)*, which includes re-forecasting of the six-year plan with COVID impacts and the decrease in kWh sales. Management is (preliminarily) planning to supplement rate increases with \$2m from the RSF; there will be no rate increase in CY21. Going forward, RMLD will continue to supplement a portion of any intended rate increase at ~2% for CY22 and CY23. RMLD will continue to stay on target with capital projects (spending).

Ms. Markiewicz reviewed *Operating Cash in Relation to Operating Expenses – Six Year Plan (Slide 4)*, which shows the ratio (in months) of cash available to cover the average monthly operating expense. We are trying to stabilize this and remain consistent. *Rate Stabilization Fund Balance (Slide 4)* shows for 2019 the additional \$1,078k (noted earlier). For CY20 we will not take any action; in CY21 funds are coming out (\$2,000k) to supplement the rate increase, and the same thing in CY22 (\$560k) and CY23 (\$587k). We want to stay at about \$6.5m in that rate stabilization fund. Ms. Markiewicz reviewed *Capital Funds Balances (Slide 6)*, which shows spending (on the right) and funding source (on the left). Spending for the two major projects that are in the budget (the Wilmington Substation and the Meter Replacement) are identified in color to show exactly when those projects start and end. In CY22 we are dipping below where we want to be; this is a bit concerning, but we want to try to balance everything, so it does not put us in a situation to add any excess burden to customers. Vice Chair Small asked if there were any questions; there were none.

4. Integrated Resources Report – C. Underhill, Director of Integrated Resources

Materials: *Citizens' Advisory Board Meeting Presentation Slides*

Ms. O'Brien provided an update on the *Green Communities Program (Slides 2-4)* from the perspective of RMLD. Green Communities is primarily a program for towns. One qualification for application is that towns served by an MLP must have at least one IOU metered customer (residential or commercial) within the town making application. It appears that all four towns within the MLP must join (have an IOU meter in each town) or all four towns would have to pay-into the trust. Ms. O'Brien discussed the challenges for an MLP as a franchise; compliance with the statute and identification of IOU meters within the RMLD franchise territory. Ms. O'Brien stated that she and the BOC Chair would be participating in a conference call with the Town of Reading and the DOER around this criteria and member benefits of the Green Communities Program. Ms. O'Brien noted that RMLD staff wants to support whatever ideas the towns have as long as they are within our business model.

Mr. Soni said that he would also be on that call. Mr. Soni noted that there is a group called GRACE (Greater Reading Alliance for Clean Energy) that has reached out to all of the RMLD towns. We are

trying to make sure all of these voices are integrated and that anything that is asked of RMLD can be coordinated.

Mr. Underhill continued with the Integrated Resources report. *RMLD New Programs Update (Slide 5)* outlines the three new programs launched recently. Mr. Underhill noted the programs have been very successful and are likely to exceed the budget targets. *Purchase Power Expense (Slide 6)* continues to track below budget; sales are down, and therefore, our energy costs are down. Loads are expected to increase dramatically with heat and humidity. *Energy Costs (Slide 7)* are staying on track with where we expected our portfolio costs to be through the year. *Capacity Costs (Slide 8)* are tracking well. Mr. Underhill noted that the bump in the blue (Budget) line is due to the single capacity payment that is made to the Watson facility. RMLD is an owner in that project, and has a balloon payment due every February. *Transmission Costs (Slide 9)* (based on our billed load every month) is coming in low due in part to the performance of the battery system; we have taken ~2.5 to 3 megawatts off the monthly peaks and save that as avoided transmission expense.

Mr. Underhill then reviewed *Actual kWh Purchases by Resources (Slide 10)* noting that because loads have been below expectation, RMLD has actually had a net-sell position on the spot market for the first four months. That tells us that RMLD is getting paid at market costs and it is keeping our energy costs on track.

Mr. Underhill reviewed RMLD Power Supply: Outlook Through 2030 (slide 11), which illustrate the portfolio of RMLD resource commitments. The light blue line at the top is a current contract under negotiation; all other contracts have been executed. Everything up through the light blue is non-carbon portfolio resources. For all of them, we have either the RECs or the right of first refusal on the RECs, or we have the option to buy emission-free energy certificates for non-nuclear units. All those units are standing by and can be put into a portfolio once we understand from the legislature what our obligations are going to be under the Golden Bill. Stoney Brook (the thin gray bar at the top) is a fuel oil and natural gas unit, but with the loads down in New England we do not see that unit operating very much. Mr. Underhill pointed out that Exelon is due to expire soon. The hatched blue is market exposure, which we can fill above our current policy designation. The yellow is the 15% annual market position that we keep as part of our risk mitigation strategy; overtime, we eat into that a little bit with the TFA purchases where the price is below the four-year average, so we lock that price in – it is a risk trade-off that we make in the near term. Mr. Underhill pointed out the two lines: blue is the average cost of our portfolio just under \$40 per megawatt hour. That cost represents the portfolio reflecting the benefit of selling the RECs. The red line shows the cost if we stop selling the RECs and retire them. That becomes the embedded cost of buying the RECs or at least not selling the RECs and retiring them; that it is about \$0.01 a kilowatt hour. Our average price is about \$0.14 per kilowatt hour (or 7.5%) increase in rates.

Mr. Underhill then reviewed the *RMLD Power Supply: Outlook through 2040 (Slide 12)*. The red dotted line is the old renewable portfolio standard, which is still on the books, but has been supplanted by the CES (dark grey). The gold line is the Golden Bill currently in front of the legislature. The colored components on the chart represent units that can comply with the Golden Bill (as it is currently structured); that gives us the opportunity to retire RECs and meet the Golden Bill when it passes and we know what our obligation is going to be. The commitment to the non-carbon resources is significantly above the Golden Bill. RMLD has taken very aggressive action in the portfolio to get there while still holding the cost of energy to just below \$40 per megawatt hours. We are balancing our portfolio with cost considerations and environmental considerations.

Ms. O'Brien noted that on Slide 12, the Golden Bill (GGES): Policy 30 is the proposed Policy 30 (or the Golden Bill). The current Policy 30 is a little bit different. Ms. O'Brien asked Mr. Underhill to review some of the requirements of the Golden Bill as it relates to retiring RECs. Mr. Underhill responded that under the Golden Bill, RMLD would retire RECs or a percentage of our portfolio from qualifying

facilities in order to meet the environmental standards for each of those years. The RPS defines (by statute) “renewable resources” - those are not necessarily carbon free or non-carbon resources. The Golden Bill defines “clean energy” – energy produced from non-carbon resources. It is a slightly different pool of resources. One of the caveats that we insisted on with the Golden Bill was that our prior investments in nuclear fuel be included under the clean energy portions of the bill. There are units (in our portfolio) that qualify under the original RPS as renewables; those same units qualify as clean energy because they are non-carbon emitting, but there is also a mix of other resources that come into play under the Golden Bill.

Ms. O’Brien noted the Golden Bill (crafted by the MLPs) is how RMLD can achieve even cleaner energy with the long-term contracts that our customers invested in without putting all our customers’ rates at risk. We want to invest and collaborate with other municipalities (and in some cases IOUs) to build the projects. Eventually there is not going to be any RECs to buy because no one is building. We have 3-4 projects that we are in now; once you get the permitting it takes about four years to build. There is not a lot in the queue, so we have been working hard to put them there.

Vice Chair Small asked if there were any questions; there were none.

Mr. Underhill reviewed *COVID 19 2020 Retail Revenue Expectations (Slide 13)*, which illustrates the impact of COVID 19. Mr. Underhill noted the 2020 projection is based on YTD actuals through April. The 2020 Budget was originally just over \$29m, which was ~10% reduction in our retail revenues from 2019. Mr. Underhill noted that Ms. Markiewicz has updated forecasts through the end of the year; this will be integrated with the revenue numbers and we will do a revised cost of service/rate design study.

5. Scheduling: CAB Meetings & Coverage for Commissioners Meetings – J. Small, Vice Chair

The next CAB meeting was scheduled for July 16th. BOC coverage to be determined.

6. Adjournment – J. Small, Vice Chair

Mr. Hooper made a motion to adjourn the Citizens’ Advisory Board meeting, seconded by Mr. Soni. Motion carried 3:0:2 (3 in favor, 0 opposed, 2 absent).

The CAB meeting adjourned at 7:32 PM.

As approved _____

Minutes From: August 8, 2020



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2020-08-20

Time: 6:30 PM

Building:

Location:

Address:

Session:

Purpose:

Version:

Attendees: **Members - Present:**

Mr. Dennis Kelley, Chair (Wilmington); Mr. Jason Small, Vice Chair (North Reading); Mr. George Hooper, Secretary (Wilmington); Mr. Vivek Soni (Reading) Mr. Joseph Markey (Lynnfield)

Members - Not Present:

Others Present:

Mr. Philip Pacino, Board of Commissioners
Ms. Coleen O'Brien, Mr. Hamid Jaffari, Ms. Wendy Markiewicz, Mr. John McDonagh, Ms. Kathleen Rybak, Mr. Charles Underhill
Public: Mr. James Satterthwaite, 8 Hunt Street, Reading; Mr. John Rogers, 39 Tower Hill Road, North Reading

Minutes Respectfully Submitted By: Mr. George Hooper, Secretary

Topics of Discussion:

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20 THIS MEETING WAS HELD REMOTELY VIA ZOOM.

1. Call Meeting to Order – D. Kelley, Chair

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

2. Approval of Minutes – D. Kelley, Chair
Materials: Draft Minutes from December 19, 2019, January 7, 2020, and February 27, 2020

Mr. Hooper made a motion that the Citizens' Advisory Board approve the minutes of the December 19, 2019, January 7, 2020, and February 27, 2020, meetings as written, seconded by Mr. Soni. Hearing no objection, the minutes were approved as written.

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

2021 Budget: Ms. O'Brien reported that, in accordance with the 20-Year Agreement, the 2021 Budget will go out by October 1st for CAB review. The budget process is currently underway. A few capital projects will be pushed forward - the substation and the AMI upgrade project; a bid has been sent out for a consultant to help staff determine

technology for proper metering going forward. Other than those items, it will be fairly standard without major changes. The CAB budget review meeting (capital and expense) was scheduled for October 15 at 6:30 PM.

4. Small Cell Wireless – J. McDonagh, Assistant Director of Engineering & Operations
Materials: Wireless Communication Facilities – Highlights and Overview (Presentation Slides)

Mr. McDonagh provided a high-level overview of the changes in FCC regulations, which now classifies wireless communications companies as utility companies. These wireless communication companies will utilize the FCC guidelines to install small cell wireless facilities in public and private right of ways. Mr. McDonagh noted there are quite a few rules they need to follow as far as getting permits and applications from the different municipalities, and utility or facility owners in those municipalities. The RMLD has drafted our Master Agreement (for these facilities/attachments), and this is something that each wireless company would need to enter into contract with RMLD.

Mr. McDonagh reviewed Slide 3: *Permitting (Town and RMLD)* noting that once the wireless company has completed the permitting process and has received a pole license from RMLD, RMLD will begin to perform an analysis for that structure/pole. Mr. McDonagh reviewed Slide 4 (*Small Cell Signaling 3rd Party Equipment Attachment Process*), which outlines the process that takes place when a wireless company makes a request to install a 5G facility within our service area. Mr. McDonagh noted RMLD will make every effort to work with the wireless company to install their equipment where they need it, but there may come a time when we are unable to accommodate that request (due to reserve capacity, pole capacity, or if the wireless company does not want to pay for the make-ready work) and the wireless company can exercise their right (with the town) for a pole petition for a sole-owned pole to install their equipment. RMLD will notify the towns when we are unable to accommodate a request for a license; RMLD wants to keep an open line of communication with the towns regarding these installations. Mr. McDonagh continued his presentation with review of Slide 5 (Notifications) and Slide 6 (Aesthetics). Mr. McDonagh reviewed examples of RMLD's technical specifications (Slide 7) showing (COMM35-1) a standard installation with all pole-mounted equipment, and (COMM36-1) showing an application where some of the equipment is pad-mounted. Slide 8 shows some pictures of typical 5G antenna installations. Mr. McDonagh noted there may be some installations that look "busier" than those pictured with more equipment included.

Mr. McDonagh asked if there were any questions. Chair Kelley noted that Mr. Soni had presented a few questions through "chat" during the presentation, and asked if the questions needed to be read into the record. These questions and answers as presented in "chat" are:

Mr. Soni: What is pole loading calculation? Mr. Jaffari responded: Pole loading is done using PoleForeman software, which is the analysis of tension on the pole and breaking strengths calculation to ensure the pole can take the load. It also analyzes for proper guying. RMLD has this software.

Mr. Soni: What happens when RMLD needs to install a new pole for own work? Do Towns have to approve this? Mr. Jaffari responded: Yes, we petition to the Town for the new pole. Ms. O'Brien responded: New poles require a pole petition. Replacement poles within 3' of an existing pole do not. There is a formal process.

Mr. McDonagh stated that RMLD uses PoleForeman (software) in order to look at the tension analysis on the pole and the weights of the equipment installed on the pole. We have some rules to work within and guying applications in order to make sure the pole is not going to break under too much strain or tension, and that it is guyed correctly so that it does not fall over. Regarding, if the RMLD needs to install a new pole for our own work – are you asking outside of the small cell application? Mr. Soni responded, yes. Mr.

McDonagh answered, right now we follow the same process if we need to install a new pole. Generally, the pole goes in the same location as the exiting pole (whether it be a cut and kick or a set beside) and we perform a pole foreman or loading calculation on every installation regardless of what is being installed on it to make sure that the new pole will handle the weights and the tension of the equipment being installed. If a wireless company is requesting space on that pole, even though we just performed a pole loading calculation, we have to perform a new calculation because new weight and strain is being added to that pole.

Ms. O'Brien thanked Mr. McDonagh for the presentation. Ms. O'Brien stated that the Master Agreement had been emailed to CAB members and each town manager/administrator. It is substantially done pending some language regarding liability for such things as damaged (communication) equipment due motor vehicle accidents. Ms. O'Brien noted that she had only heard back from the Town of Reading regarding the aesthetics policy, and that Mr. LeLacheur had asked her to convey that if a town does not have an aesthetic policy in place, there will be no rules that the wireless companies will need to follow when they come in; Ms. O'Brien noted this was not something she was aware of, but this may be something that each town may want to follow-up on. Ms. O'Brien noted the Town of Reading used Burlington's aesthetic policy as an example; however, their policy may not be geared toward an MLP (as they are not an MLP). Ms. O'Brien suggested Norwood's policy may be helpful as an example. Ms. O'Brien noted RMLD is more than willing to help the towns with their aesthetic policy, but it is not RMLD's job duty to develop town aesthetic policies. Ms. O'Brien noted that some communication providers may want to set their own poles in towns. For this reason, communication between the towns and RMLD is very important. Ms. O'Brien ask that CAB members follow-up with their town managers/administrators on the email sent from RMLD about setting up meetings to discuss these changes.

Chair Kelley noted it was a great presentation and asked if there were any other questions. Mr. Soni asked for verification that there was communication between the Town of Reading and RMLD. Ms. O'Brien confirmed that staff has been in communication with the Town of Reading. Ms. O'Brien noted that RMLD cannot put any (communication) equipment up unless the town issues a public permit for the company to be in the public right of way throughout the town.

5. 2019 Audit Results – W. Markiewicz, Director of Business, Finance & Technology

Ms. Markiewicz presented the highlights of the 2019 financial audit. Ms. Markiewicz thanked Melanson and her team for their efforts during the "virtual" audit. The RMLD received a clean opinion, which means Melanson did not find anything in the financials that would make them think that the figures were not presented fairly by the RMLD. The RMLD did not receive a management letter, which is a good indicator of how good the internal controls are; the RMLD has not received a management letter in quite some time. This shows that the management team and the staff at RMLD are following processes and procedures for proper internal controls. Ms. Markiewicz reported that the RMLD is in a good financial and cash position. Capital infrastructure increased by ~\$6.5m; overall, in the comparison to prior year it is about a \$1.9m increase due to the depreciation factor of prior year purchased assets. Net pension liability of ~\$14.6m is offset by the pension fund of \$6.4m, which leaves ~\$8.2m of unfunded liability, and the payroll is about 27.35% covered; according to Melanson, this is a pretty good position to be in. Net OPEB liability of \$11.2m has \$4.1m of cash in the OPEB fund, leaving \$7.1M of unfunded liability and that covers about 36.55% of the health insurance of other post-employment benefits. Purchase power operating expenses of \$61m is a \$9m decrease from the prior year. RMLD ended the year with a change in net position (net income) of ~\$4.3m.

Chair Kelley asked if there were any questions; there were none. Chair Kelley asked (unrelated to the 2019 audit) how COVID-19 has impacted revenue. Ms. Markiewicz responded that revenue has decreased, but it may be a timing issue and it may end up becoming flat overall. Accounts receivables has decreased about 5% for of the current

receivables. We typically run 90-days current at ~98%; we are seeing a small dip in the payments from customers and are running at 93% current (at 90 days). There is a decrease in kWh sales; but at this time, we are about flat. Net income is down slightly, but that could be timing.

6. Integrated Resources Report – C. Underhill, Director of Integrated Resources
Materials: Citizens Advisory Board Presentation Slides (Reporting for June 2020)

Power Supply: Mr. Underhill reviewed the *Power Supply* (Slides 2-7). *RMLD 2020 Wholesale Loads* (Slide 2) shows that for Jan-April actual loads were below forecast; June and July were above forecast; this speaks to the warmer winter with lower heating loads and a warmer summer with higher cooling loads. Overall, load is running about 3% below the forecast YTD; however, we have not suffered a dramatic loss of load associated with COVID-19. *Purchase Power Expense* (Slide 3) year-to-date is coming in below budget; this is a pass-through expense, so it has no effect on the operations portion of the budget. *Energy Costs* (Slide 4) are tracking very closely to budget. *Capacity Costs* (Slide 5) shows a significant savings in capacity expense. Some of that is due to the way that we budgeted MWEC expenses early in the year; we are looking to see whether we need to do anything to adjust for that expense. Loads are down so the capacity cost are down a little bit. *Transmission Cost* (Slide 6) demonstrated (in May and June) the successful operation of our peak mitigation efforts (generator, battery and shed the peak programs). *Actual kWh Purchases by Resources* (Slide 7) shows we are tracking very well for the year in terms of our wholesale market costs, and our loads. Mr. Underhill noted where the ISO NE Spot Market (yellow) is below the line our loads were below forecast (RMLD was a net seller), and where it is above the line our loads were above forecast (RMLD was a net purchaser).

Clean Energy Update: Mr. Underhill provided an update on the Golden Bill (Slide 8), which was supported by all 41 of the Massachusetts municipal light plants. It has passed the house and is conference committee. Staff is feeling confident that this clean energy standard bill, which will apply to the municipal light plant, is likely to make it through the conference committee, and will be effective once it is signed by the Governor. Once that happens, we will be able to prepare an assessment and present that to the CAB and Commission for consideration.

Mr. Underhill reviewed Slide 9 (*RMLD Power Supply: Outlook Through 2040*) which shows that the RMLD has resources in place to meet compliance requirements of the Golden Bill through 2032 without making any additional adjustments to our portfolio. The result of the Golden Bill will be an 80% carbon-free portfolio by 2050. The slope of the line to the right-hand side is the line that applies to the IOUs. The municipal light plants for the first ten years will be doing catchup and then we will be on the same track as the investor-owned utilities (IOUs). Slide 10 (*RMLD RECs Estimated Impacts on Retail Rates*) shows the rate impacts of complying with the requirements of the Golden Bill. Mr. Underhill then reviewed Slide 11 (*Clean Energy Standard Next Steps*).

Generator/BESS Performance: Mr. Underhill reviewed Slide 12 (*RMLD Peak Demand Assets Performance*). Mr. Underhill noted that Solar Choice 2 impact to date is negative because the project started at a challenging point in time and we were accruing some losses (on it), most of which have been reversed out at this point.

Chair Kelley asked if there were any questions.

Mr. Soni asked what the message is that should be taken from slide 10. Mr. Underhill responded, if RMLD elects to retire RECs rather than sell them, this would be the rate impact in any given year for retiring the RECs in that year; the blue line corresponds to the rate impact of retiring sufficient resource RECs to comply with the Golden Bill.

Mr. Soni stated there were some members from GRACE in the meeting. They had a request to understand what it would take for RMLD to be consistent with the IOUs. Is the slope from 2030 onward pretty much matching what the IOUs are doing? Mr. Underhill responded (yes) that would be the same slope for all distribution utilities. Mr. Soni responded, you are saying, going 2030 onward, we would be consistent with IOUs. Today are we (other than the RECs), in terms of the energy supply, consist with the IOUs? Mr. Underhill responded that the structure is different; the IOUs do not have a portfolio. Every six months they send their residual load out to the market to bid. Whoever the low bidder is delivers the energy within that utility's service territory. They buy sufficient RECs to then filter that power through their distribution system and it comes out green. RMLD actually has the resources in our portfolio. If we retire the RECs associated with our portfolio, then our portfolio is green. Because they are structured differently, it is not comparable.

Chair Kelley asked about the impact on rates as we move toward that model; will there be rate increases of up to 10%? Mr. Underhill responded it would be a function of the sustainability policy and what the Commission directs in terms of the portfolio. If instructed to retire all of the RECs that are produced by our contractual resources, then (yes) the green lines are what the rate impacts would be of doing that.

Chair Kelley asked if there were any other questions; there were none.

7. CAB Reorganization: Appointment of Chair – D. Kelley, Chair

Chair Kelley stated that his two-year term would be ending soon, and asked if there was a nomination for a new Chair.

Mr. Hooper made a motion to nominate Mr. Small for Chair, seconded by Mr. Soni. Mr. Small accepted the nomination. Hearing no further discussion, **motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

Mr. Hooper made a motion to nominate Mr. Soni for Vice Chair, seconded by Mr. Kelley. Mr. Soni accepted the nomination. Hearing no further discussion, **motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

8. Scheduling: CAB Meetings & Coverage for Commissioners Meetings – D. Kelley, Chair

CAB meeting and BOC coverage scheduled as follows:

- *September 17th CAB Meeting, 6:30 pm* – Mr. Markey to cover the Commissioner's meeting scheduled for that same evening.
- *October 15 CAB Meeting, 6:30 pm* - 2021 Budget Review
- *BOC meeting on October 21* – Chair Kelley (tentatively) to cover

9. Adjournment – D. Kelley, Chair

Mr. Hooper made a motion to adjourn, seconded by Mr. Small. **Motion carried 5:0:0** (5 in favor, 0 opposed, 0 absent).

The CAB meeting adjourned at 7:36 PM.

As approved _____

ATTACHMENT 2

Agenda Item 5: Power Supply Update

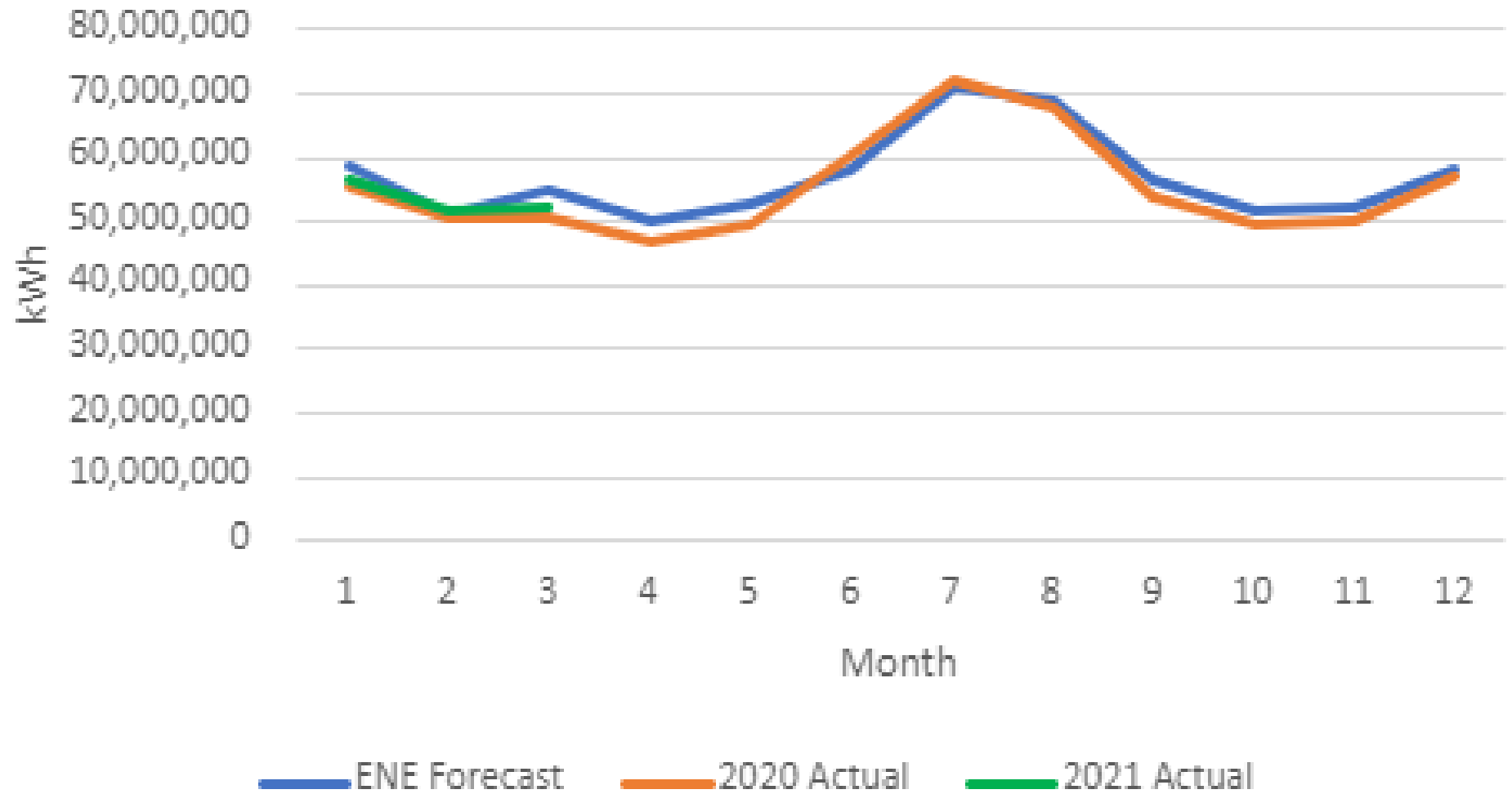
POWER SUPPLY UPDATE

Citizens' Advisory Board Meeting
April 22, 2021

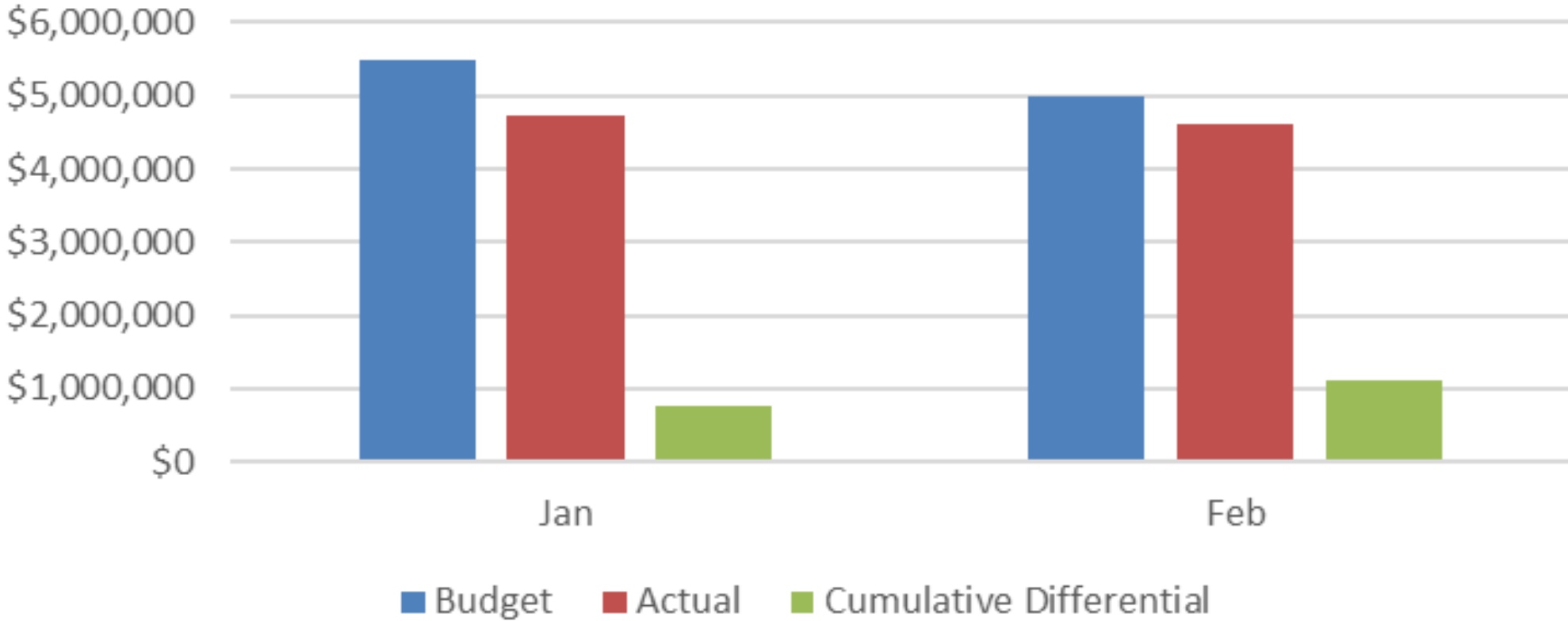
***Charles Underhill, Director
of Special Projects***

***Reporting for February
2021.***

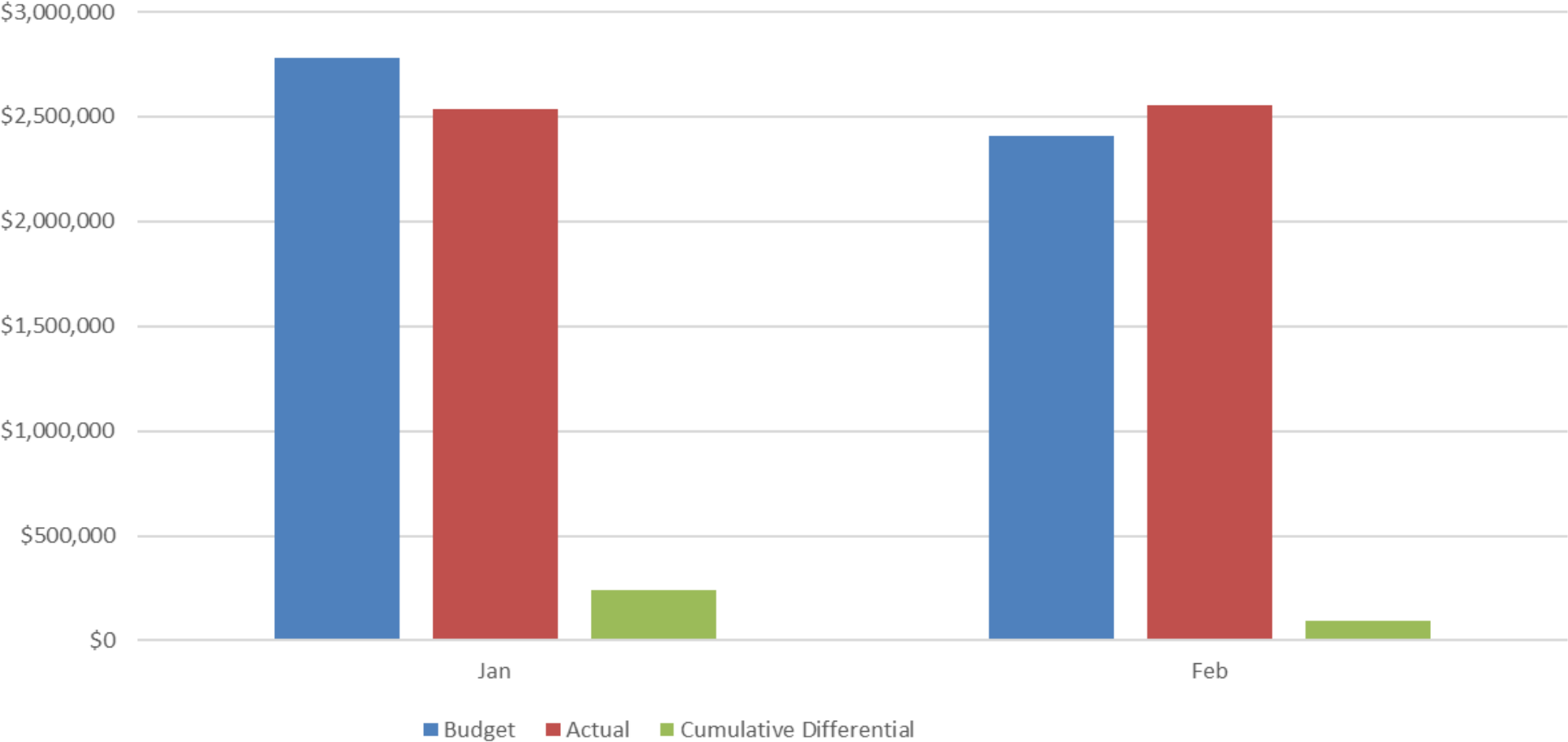
2021 RMLD Total System Loads



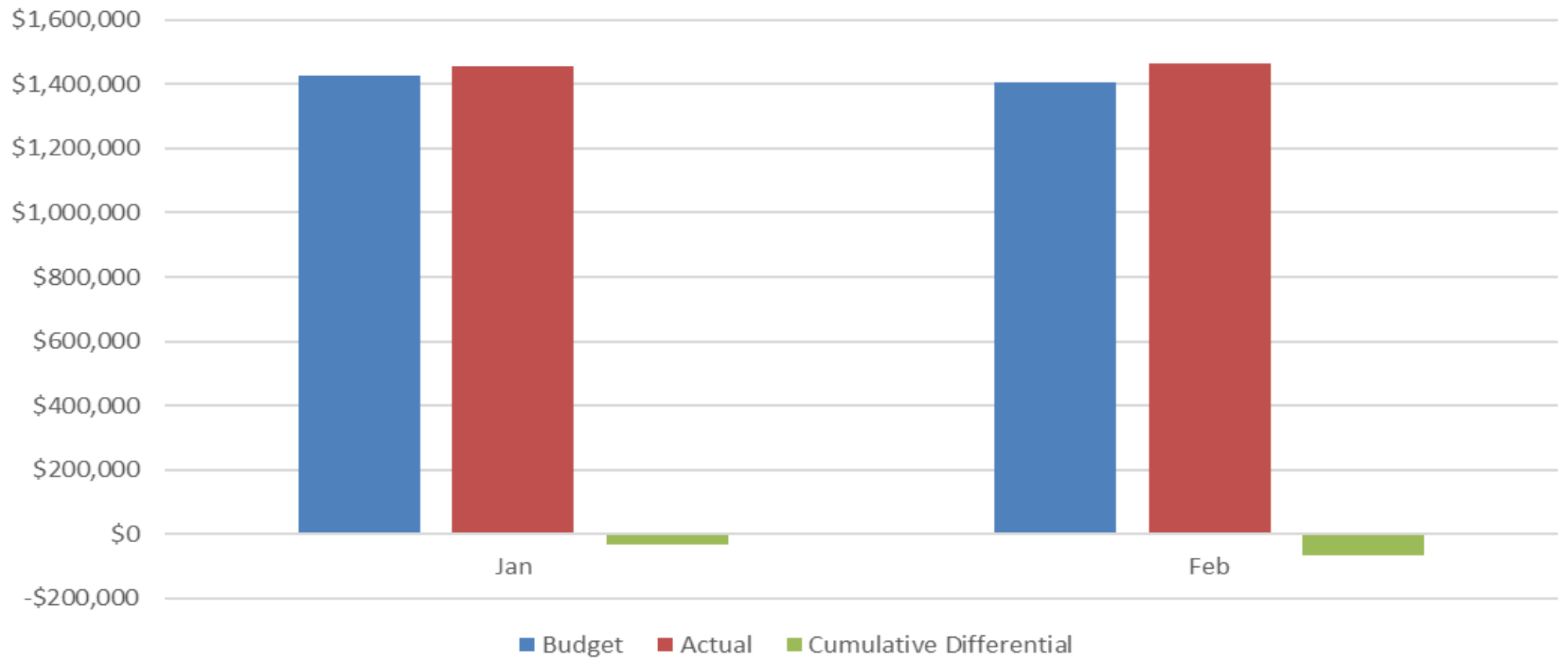
Purchase Power Expense January - February 2020



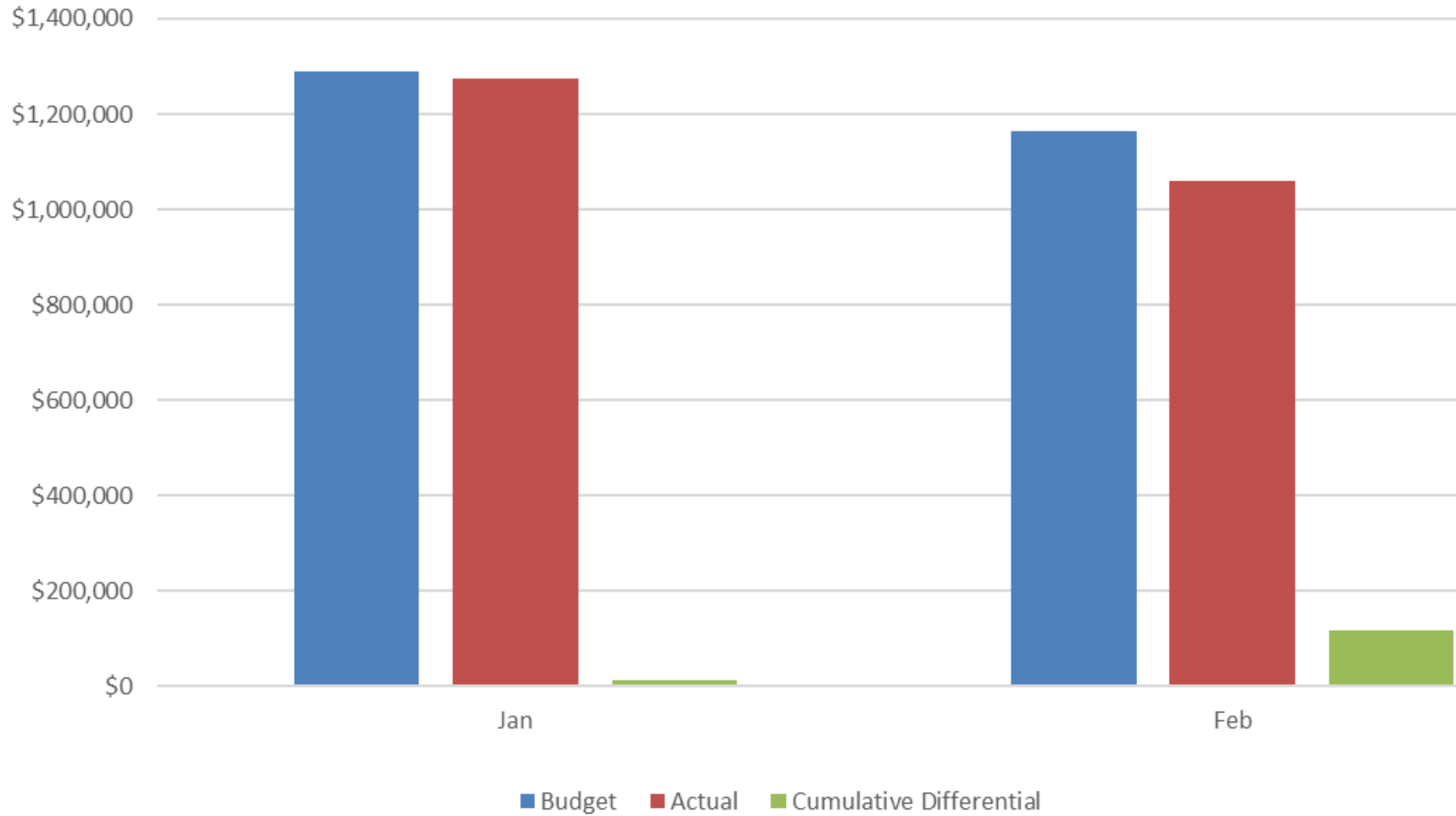
Energy Costs Budget vs. Actual January - February 2021



Capacity Costs Budget vs Actual January - February 2021



Transmission Costs Budget vs Actual January - February 2021



ATTACHMENT 3

Agenda Item 6: Power Portfolio Addition/Policy 30 Update



Power Portfolio Addition Policy 30

Citizens' Advisory Board Meeting
22 April 2021

Outline

Power Portfolio Addition – NY Hydro

Climate Bill / Policy 30 Update

Renewable Choice - update



New York Hydro Power Supply Opportunity

Dahowa facility built in 1925 on ~100 ft natural waterfall near confluence of Hudson and Battenkill rivers (rural recreation area)

New powerhouse in 1991 (under a 40 year FERC license)

Gravity acquired plant in 2019, completing multiyear upgrade this year

Non-carbon and no known environmental issues (publicly filed docs)

Volume - 36,000 MWh/yr (~5.5% RMLD total load)
with CT Class 1 associated certificates (starting 2024)

Term - 25 year, starting summer 2021

Pricing – similar to CT hydro approved last meeting (average of hydro portfolio and ~80% higher than RMLD total portfolio average)

Retail - observations



Climate Bill driving noteworthy load **increase** at RMLD, rebates already impacting load

- **Electrification** driving load increase (example 10% anticipated increase to residential by 2030)

Rebate incentives **accelerating** in 2021 → promoting electrification/non-carbon activity

- HVAC (air-sourced heat pumps) rebate applications increasing from **10 to 30 per month**
- Solar incentives from DOER ending; RMLD will see cost increase to sustain incentive levels

Cost of service study – **upward pressure** on rates (more details next month) – examples:

- a) Base operating cost increasing ~3% annually
- b) Energy Conservation and Electrification program costs (rate increase from \$0.001 to \$0.003 / kwh)
- c) Increased certificate retirements per Policy 30 Rev 1
- d) Review solar net-metering and off-peak EV rates

Renewable Choice - update



History - Green Choice, Solar Choice

Goal for Renewable Choice – offer 100% non-carbon option for rate payers (customer choice); incremental to existing annualized non-carbon compliance (Policy 30 Rev1)

Name – considering “*Non-Carbon Choice*”

Status – Green Tariff discussion with two large industrials; part of Cost of Service Study; DPU filing considerations; implementation / administration of this rate, ...

Guardrail – Certificates retired or sold from RMLD account to support compliance requirements; Climate Bill and Policy 30 Rev 1 compliance applies to all ratepayers

Mechanism options:

- a) Retire more - use additional rate to directly offset fewer certificate sales
- b) Buy more – use additional rate to buy unassociated certificates; issue credentials

Certificate update



Working to have EFEC's and NYPRA posted into RMLD account with NEPOOL GIS (compliance)

Going forward, we will **retire** certificates up to annualized Policy 30 line, sell the balance

Quarterly BOC/CAB reporting early in transaction windows (Jul, Oct, Jan, and Apr meetings)

Q4 2020 certificates (15,400) – **selling** under Rev 0 of Policy 30; \$460,000 of NE Class I, Class II

Thank You

ATTACHMENT 4

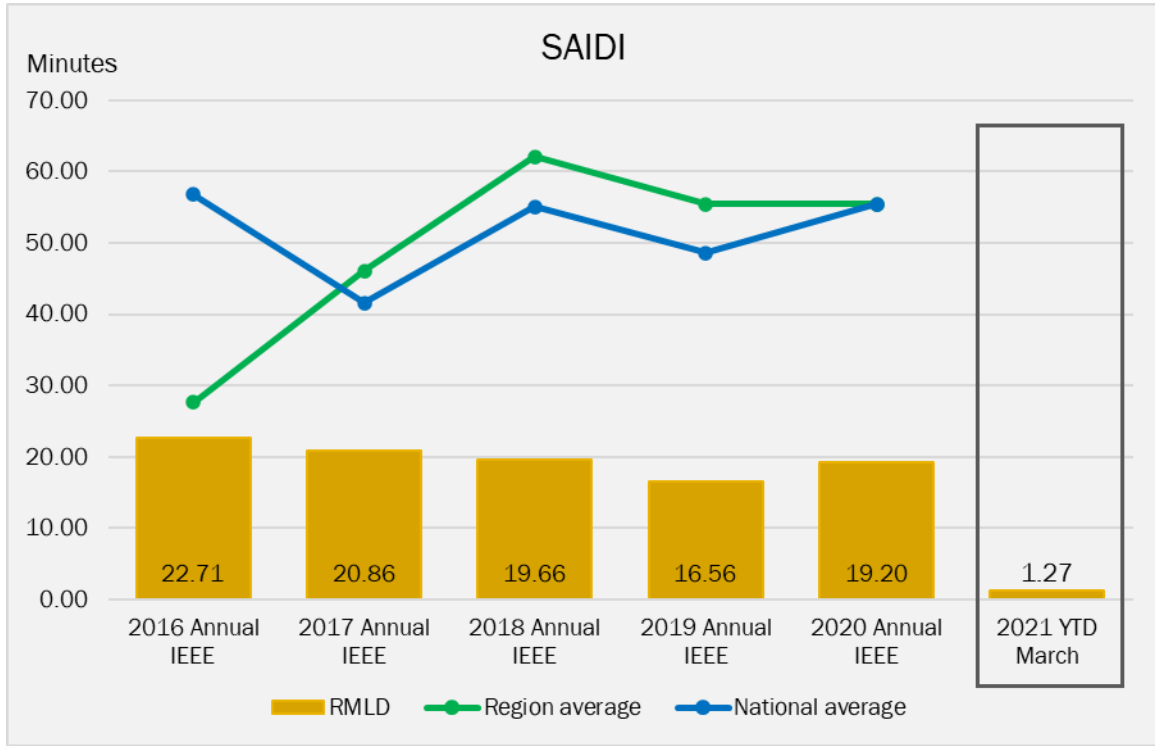
Agenda Item 7: Engineering & Operations Report

ENGINEERING & OPERATIONS REPORT

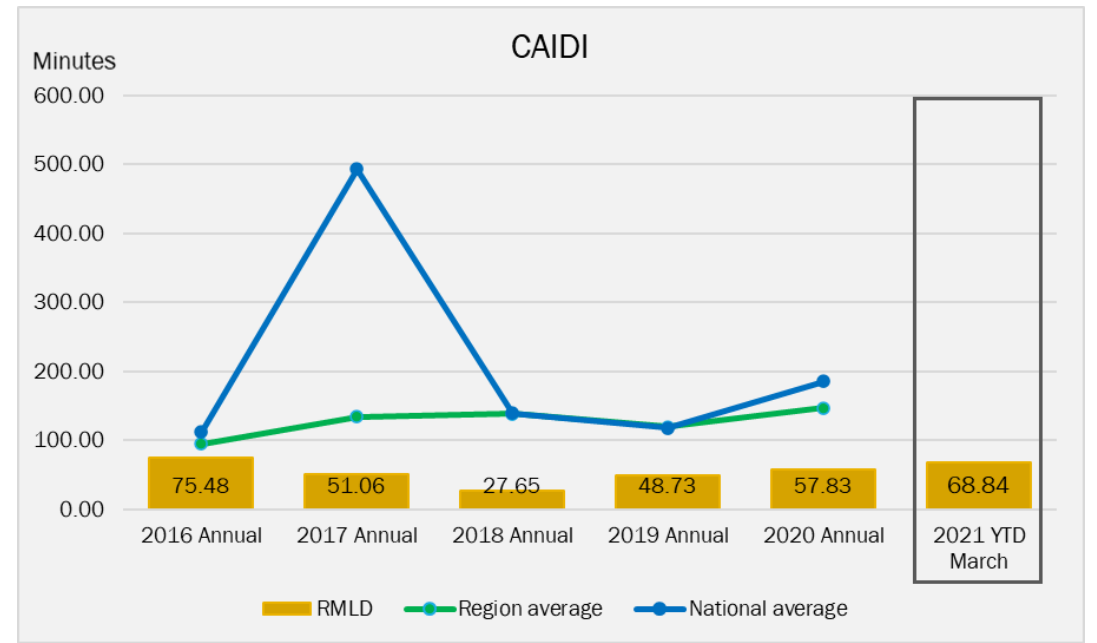
RMLD Board of Commissioners
RMLD Citizens' Advisory Board

April 22, 2021

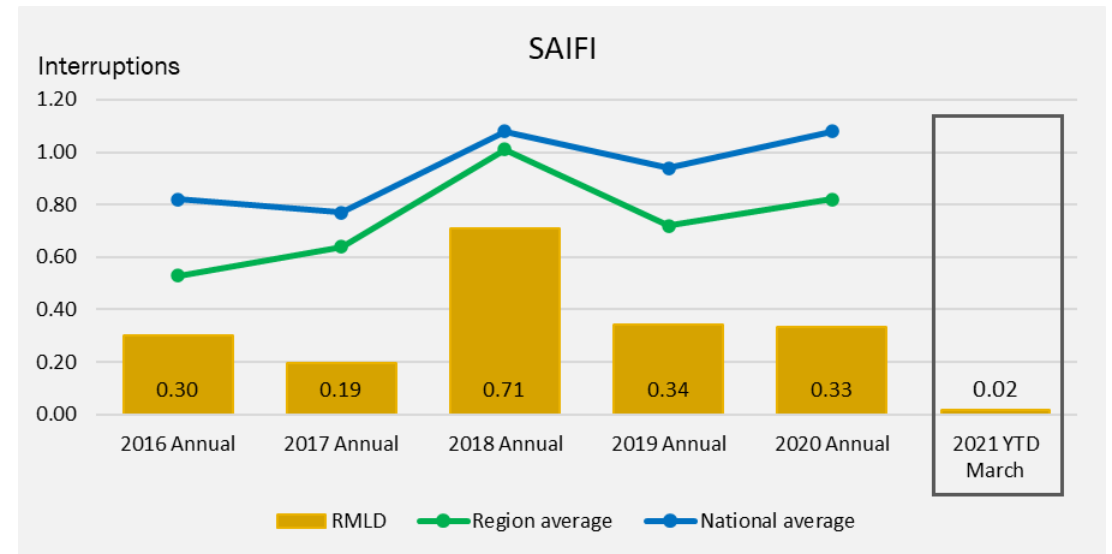
RMLD Reliability Indices



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



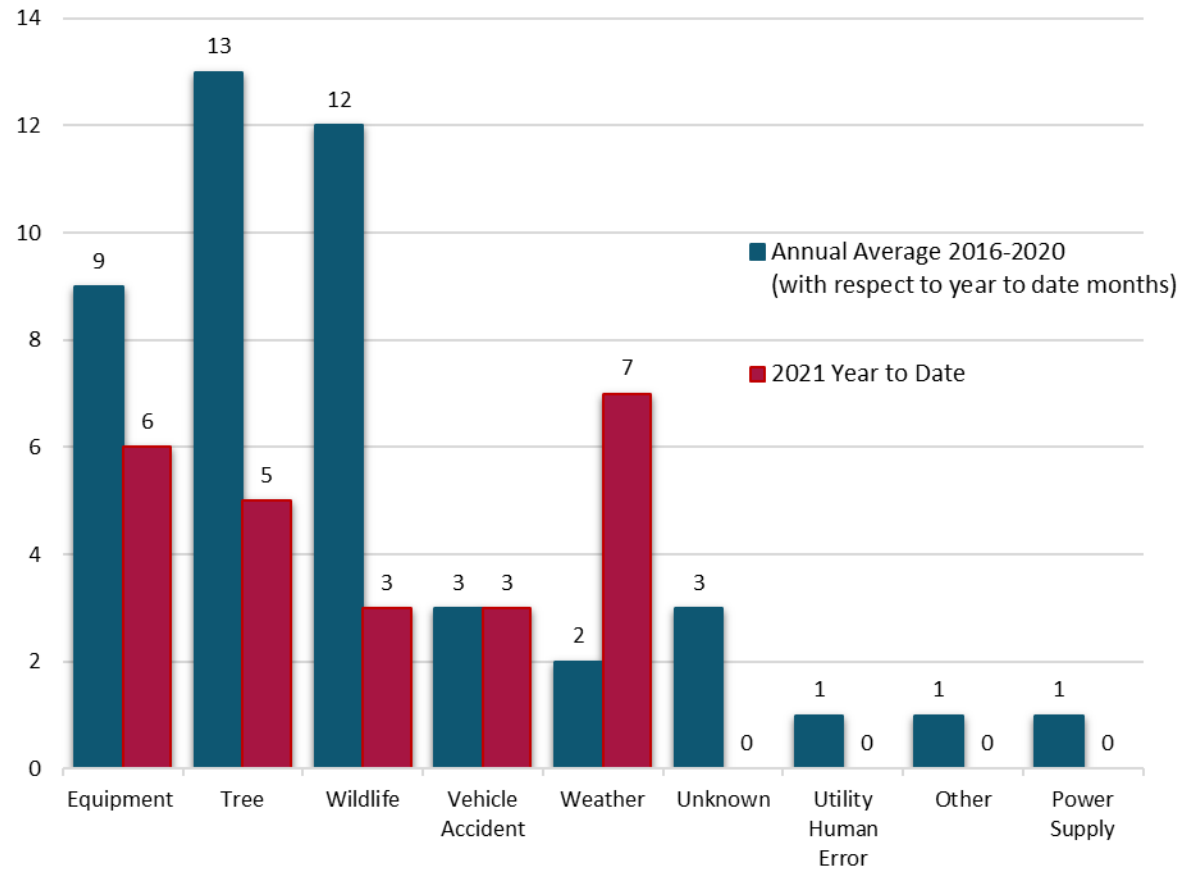
$$CAIDI \text{ (Minutes)} = \frac{\text{Total Duration of Customer Interruptions}}{\text{Total Number of Customer Interruptions}}$$



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

Note: APPA eReliability Tracker using IEEE beta threshold method for outages.

Causes of Outages as of March 2021



RMLD Awards in 2020

RMLD received two prestigious awards from the American Public Power Association (APPA) in 2020:

➤ **Reliability**

- Analyzing outage data/history
- Comparing RMLD's reliability indices with regional and national averages
- RMLD's reliability is one of the best in New England.

➤ **Reliable Public Power Provider (RP₃)**

- Evaluating RMLD's policies, operational procedures, business model, planning, and organizational management against best business practices nationwide





American Public Power Association



PLATINUM LEVEL

READING MUNICIPAL LIGHT DEPARTMENT

MAY 2021 – MAY 2024



WHAT IS RP₃ (RELIABLE, PUBLIC POWER PROVIDER)

APPA's RP₃ designation recognizes public power utilities for providing reliable and safe electric service. The designation is based on industry-recognized leading practices in four key disciplines:

- ✓ Reliability
- ✓ Safety
- ✓ Workforce Development
- ✓ System Improvement

The American Public Power Association has offered the RP₃ designation for 16 years. APPA is the voice of not-for-profit, community-owned utilities that power 49 million people in 2,000 towns and cities nationwide. APPA advocates and advises on electricity policy, technology, trends, training and operations.



More Than 270 of the Nation's More than 2,000 Public Power Utilities Hold an RP₃ Designation

An 18-member panel of national public power experts review and score applications and assign one of the following designations based on the utility's overall score on the RP₃ application:

- Diamond: 98-100% - 47 recipients in 2021
- Platinum: 90-97% - 45 recipients in 2021
- Gold: 80-89% - 16 recipients in 2021

RMLD SCORED 90.50% ON THE 2021 APPLICATION

RP₃ APPLICATION



Utility Demographics

- ❖ Employee Demographics

Reliability

- ❖ Reliability Indices Collection
- ❖ Reliability Indices Use
- ❖ Mutual Aid
- ❖ Utility Disaster Plan
- ❖ Physical Security
- ❖ Subsection: Cyber Security

Safety

- ❖ Safety Manual
- ❖ Safe Work Practices
- ❖ Benchmarking

Workforce Development

- ❖ Succession Planning and Recruitment
- ❖ Employee Development
- ❖ Education, Participation and Services

System Improvement

- ❖ Research and Development
- ❖ System Maintenance and Betterment
- ❖ Financial Health

TIMELINE

May – September

- Complete Online Application

October - December

- RP₃ Panel Review Period

January

- Utilities Receive Scores

April/May

- Designation status is officially active and lasts for three years.

Next Three Years

- Utilities promote recognition in communities and to all stakeholders.

Year Two (of designation)

- Utilities reapply for designation (one year prior to expiry)

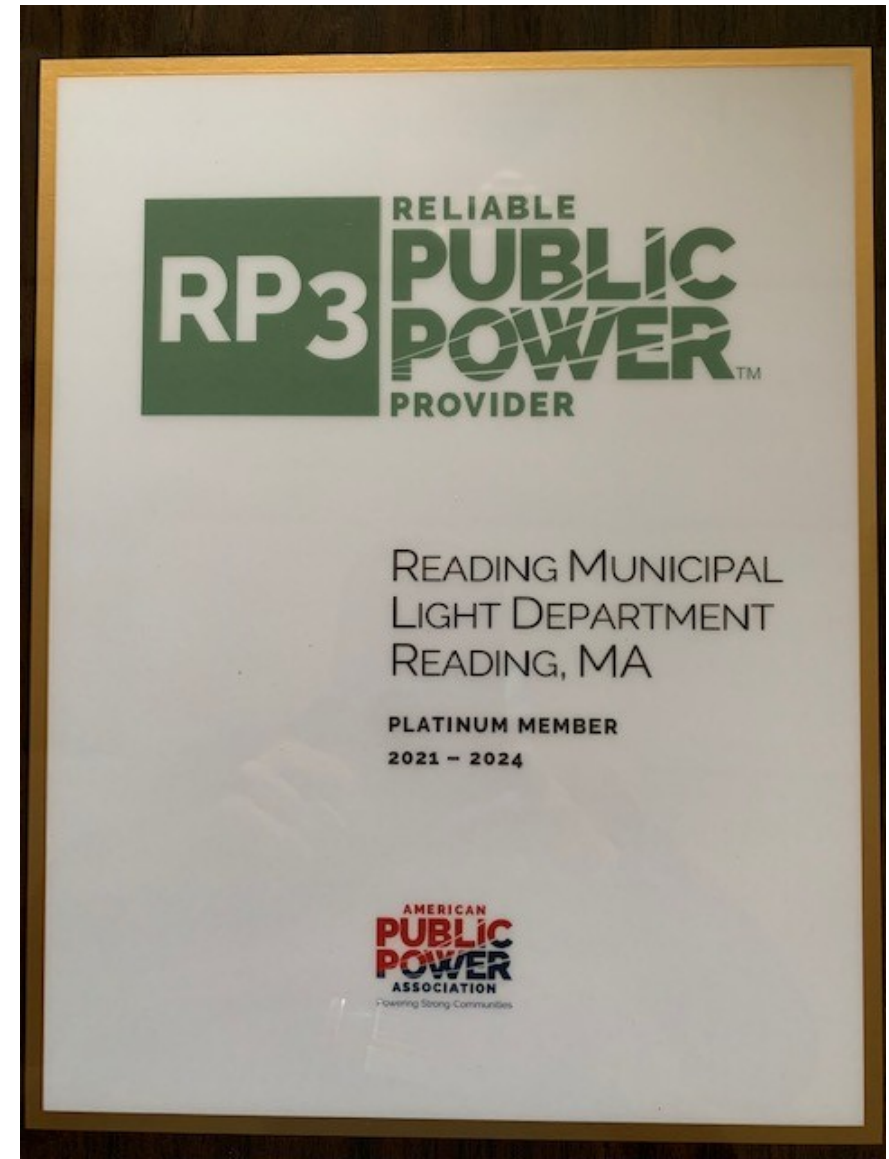
-
- RMLD's current RP₃ designation is valid for three years: 2021 – 2024; RMLD will be eligible to reapply for another three-year designation in 2023 for 2024.
 - RMLD's designation plaque (pictured at the right) will be displayed proudly in the lobby at 230 Ash Street.
 - RMLD last applied for and received an RP3 designation in 2006 at the Platinum Level.

Learn more about RP₃:

<https://www.publicpower.org/about/members/reliability-recognition-tracking>

RMLD Press Release:

https://www.rml.com/sites/g/files/vyhlf1126/f/uploads/rmld_press_release_rp3_designation_03.23.21.pdf



2021 AWARDS CEREMONY

March 23rd at the 2021 Virtual Engineering & Operations Conference

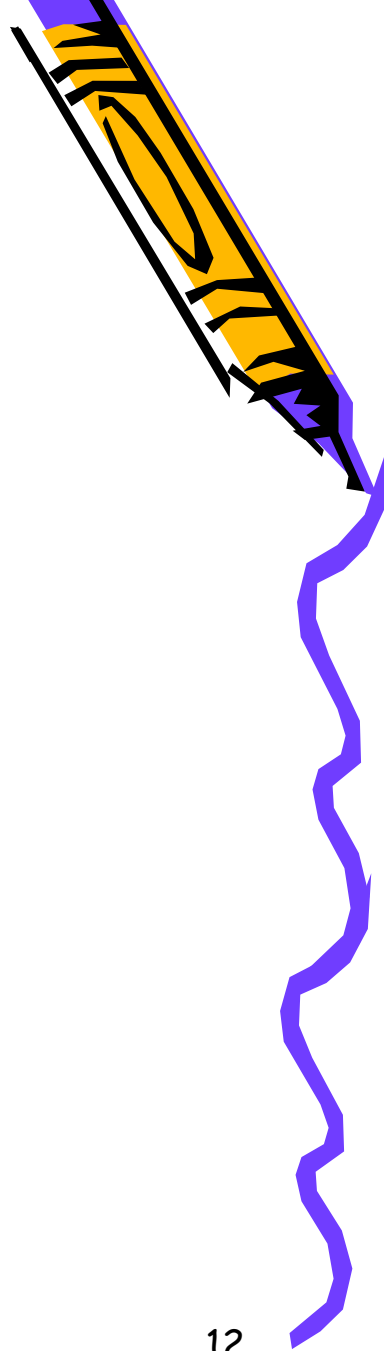
[2021 Reliable Public Power Provider \(RP3\) Designees - YouTube](#)



Thank You



Question?



ATTACHMENT 5

Agenda Item 8: Business & Finance Update through February 28, 2021

THE READING MUNICIPAL LIGHT DEPARTMENT

FINANCIAL REVIEW

APRIL 22, 2021



FINANCIAL AUDIT COMPLETE



SALES TAX PRE-PAYMENT REQUIREMENT
CHANGE



DEPARTMENT OF PUBLIC UTILITIES RETURN



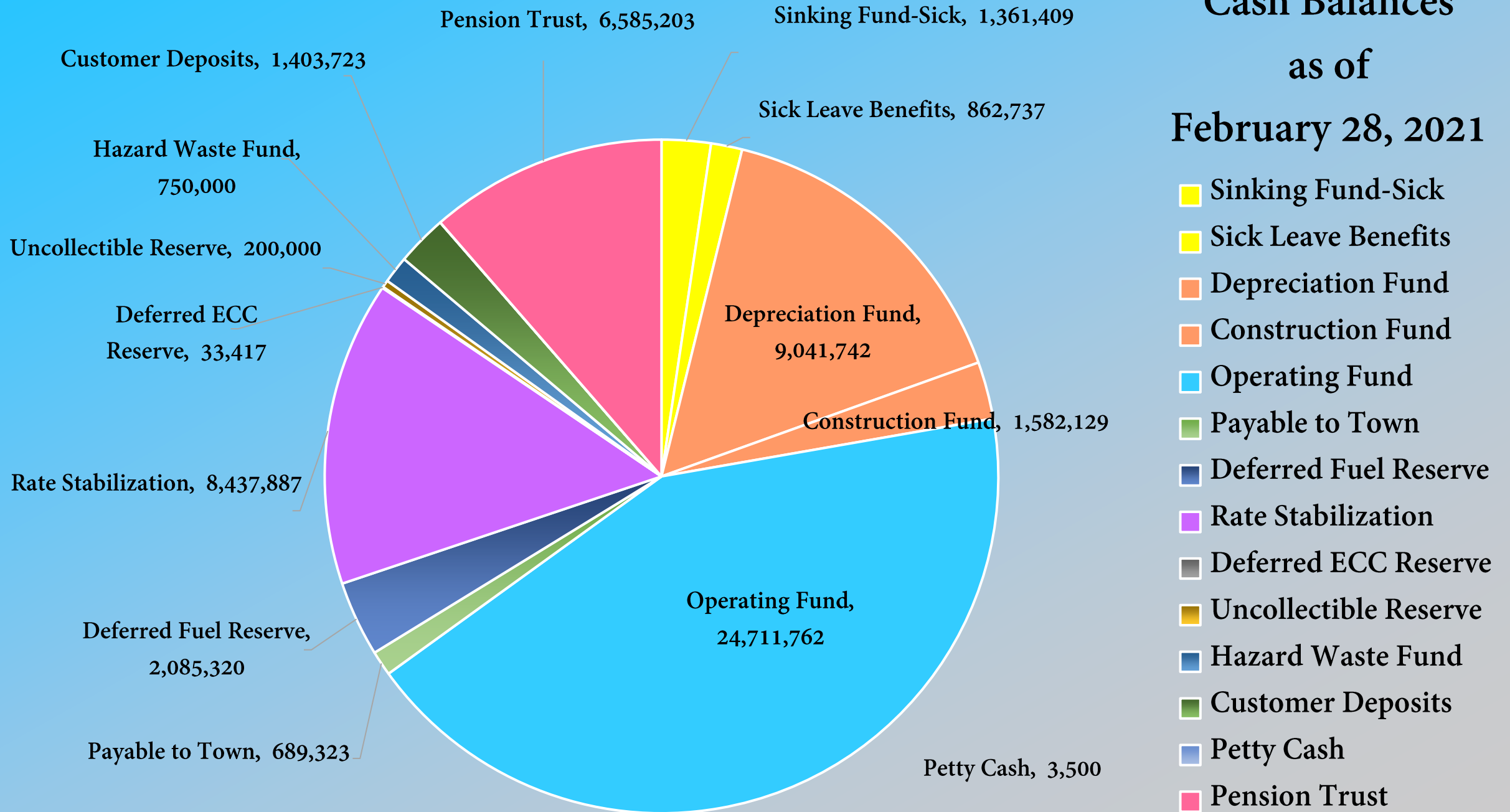
TOWN OF READING PAYMENT SET FOR
6/30/2021 \$1,240,253



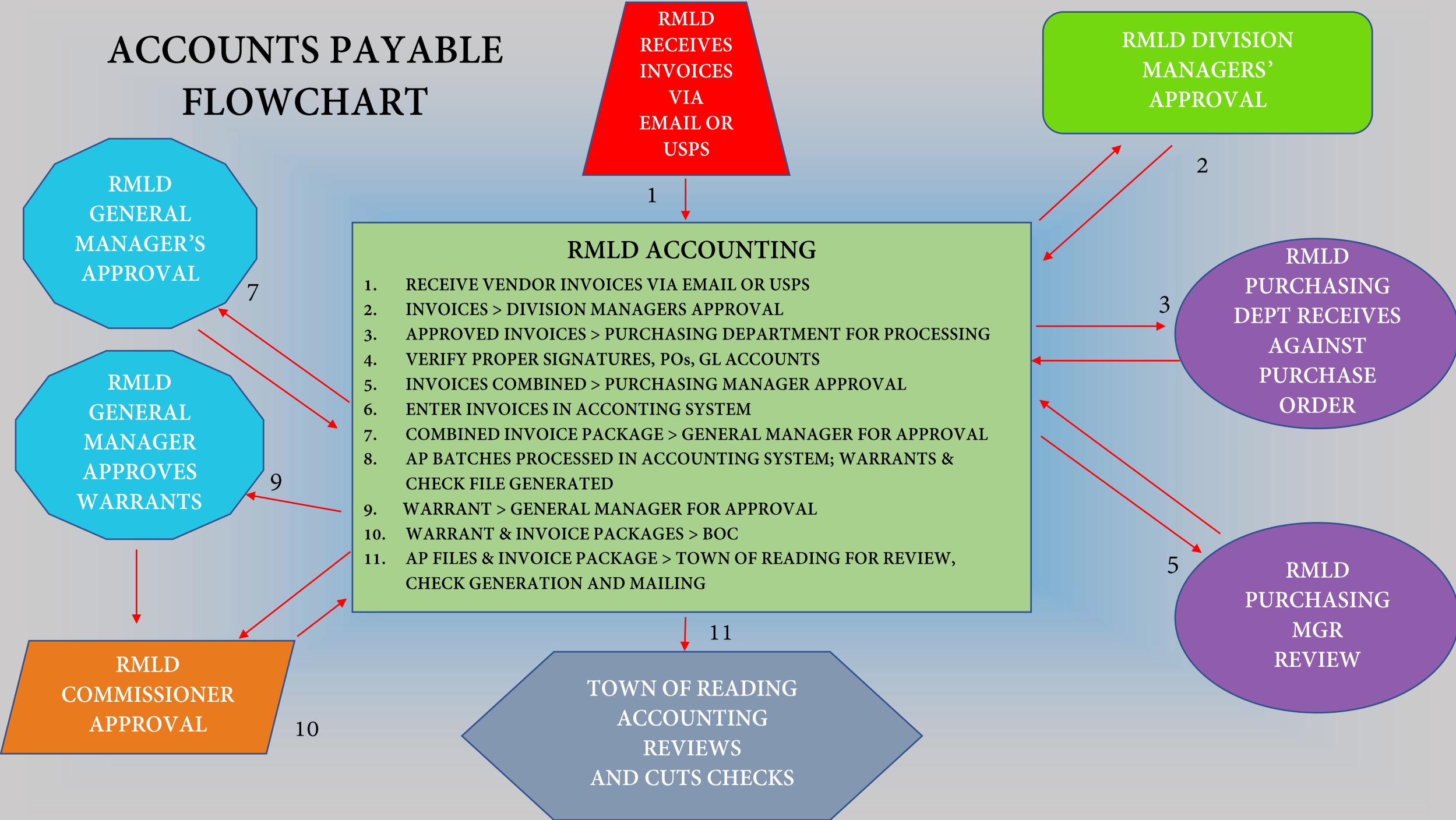
2% NET PLANT PAYMENTS SET FOR 6/30/2021
estimated \$827K

HIGHLIGHTS

Cash Balances as of February 28, 2021



ACCOUNTS PAYABLE FLOWCHART



Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
2/28/2021

	2021	2020
ASSETS		
Current:		
Unrestricted Cash	\$ 24,715,262	\$ 21,567,377
Restricted Cash	31,671,483	30,813,702
Restricted Investments	1,361,409	1,351,986
Receivables, Net	9,266,912	8,292,944
Prepaid Expenses	1,986,040	2,071,043
Inventory	2,075,171	1,775,275
Total Current Assets	71,076,276	65,872,327
Noncurrent:		
Investment in Associated Companies	822,087	802,358
Capital Assets, Net	82,479,593	80,444,238
Total Noncurrent Assets	83,301,680	81,246,596
Deferred Outflows - Pension Plan	8,102,116	8,102,116
TOTAL ASSETS	162,480,071	155,221,039

DRAFT

LIABILITIES		
Current		
Accounts Payable	11,503,188	8,282,025
Accrued Liabilities	631,338	558,648
Customer Deposits	1,403,723	1,332,787
Advances from Associated Companies	200,000	200,000
Customer Advances for Construction	1,644,041	2,064,700
Total Current Liabilities	15,382,290	12,438,160
Non-current		
Accrued Employee Compensated Absences	2,221,737	2,471,374
Net OPEB Obligation	7,094,569	7,094,569
Net Pension Liability	14,610,001	14,610,001
Total Non-current Liabilities	23,926,307	24,175,944
Deferred Inflows - Pension Plan	1,964,276	1,964,276
TOTAL LIABILITIES	41,272,874	38,578,380

NET POSITION		
Invested in Capital Assets, Net of Related Debt	82,479,593	80,444,238
Restricted for Depreciation Fund	10,623,872	8,262,408
Restricted for Pension Trust	6,585,203	6,365,431
Unrestricted	21,518,757	21,570,582
TOTAL NET POSITION	121,207,425	116,642,659
Total Liabilities and Net Assets	\$ 162,480,071	\$ 155,221,039

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
2/28/2021

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year
Operating Revenues				
Base Revenue	\$ 2,309,851	\$ 2,176,214	\$ 4,725,197	\$ 4,499,003
Fuel Revenue	2,140,735	1,935,886	4,250,173	4,119,636
Purchased Power Capacity & Transmission	2,750,849	2,653,762	5,647,457	5,408,212
Forfeited Discounts	82,289	47,856	143,619	111,767
Energy Conservation Revenue	53,260	51,124	109,518	105,629
NYPA Credit	(87,915)	(89,283)	(197,120)	(179,551)
Total Operating Revenues	<u>7,249,070</u>	<u>6,775,559</u>	<u>14,678,843</u>	<u>14,064,697</u>

Expenses

Power Expenses:

DRAFT

555 Purchased Power Fuel	2,557,197	2,373,603	5,094,735	5,022,250
555 Purchased Power Capacity	1,499,554	1,673,760	2,960,845	3,376,594
565 Purchased Power Transmission	1,061,174	930,622	2,336,997	1,944,391
Total Purchased Power	<u>5,117,925</u>	<u>4,977,984</u>	<u>10,392,577</u>	<u>10,343,235</u>

Operations and Maintenance Expenses:

580 Supervision and Engineering	90,493	72,905	166,731	146,747
581 Station/Control Room Operators	34,109	44,358	72,668	91,999
582 Station Technicians	63,747	21,756	104,546	48,887
583 Line General Labor	66,783	57,051	116,480	94,780
586 Meter General	14,637	11,152	21,446	28,546
588 Materials Management	37,272	37,595	69,263	73,496
593 Maintenance of Lines - Overhead	32,310	15,952	45,337	24,159
593 Maintenance of Lines - Tree Trimming	9,934	12,200	18,299	29,818
594 Maintenance of Lines - Underground	9,351	(1,297)	9,329	17,063
595 Maintenance of Line - Transformers	22,013	1,688	22,013	7,743
598 Line General Leave Time Labor	15,745	25,768	49,866	47,685
Total Operations and Maintenance Expenses	<u>396,396</u>	<u>299,128</u>	<u>695,978</u>	<u>610,924</u>

General & Administration Expenses:

902 Meter Reading	717	-	1,192	152
903 Customer Collections	80,707	133,200	160,782	227,674
904 Uncollectible Accounts	8,750	8,750	17,500	17,500
916 Energy Audit	61,578	40,464	136,183	84,158
916 Energy Conservation	64,534	93,890	79,855	140,976
920 Administrative and General Salaries	140,240	170,554	273,350	349,234
921 Office Supplies and Expense	1,945	1,136	2,189	1,714
923 Outside Services - Legal	1,530	4,829	1,530	4,829
923 Outside Services - Contract	19,500	11,332	25,075	11,657
923 Outside Services - Education	1,778	29	1,853	4,958
924 Property Insurance	17,935	18,879	81,904	75,138
925 Injuries and Damages	1,100	4,522	1,100	9,134
926 Employee Pensions and Benefits	298,997	373,054	897,691	916,867
930 Miscellaneous General Expense	52,403	7,774	85,077	32,054
931 Rent Expense	30,412	13,446	43,858	40,337
933 Vehicle Expenses	25,627	8,480	39,774	16,440
933 Vehicle Expenses - Capital	(26,106)	(23,106)	(55,672)	(50,274)
935 Maintenance of General Plant	44,220	15,267	71,072	48,367
935 Maintenance of Building & Garage	88,273	50,673	131,707	98,725
Total General & Administration Expenses	<u>914,140</u>	<u>933,171</u>	<u>1,996,021</u>	<u>2,029,640</u>

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
2/28/2021

Other Operating Expenses:

403 Depreciation	406,980	391,601	813,959	783,201
408 Voluntary Payments to Towns	137,953	133,917	275,906	267,835
Total Other Expenses	<u>544,933</u>	<u>525,518</u>	<u>1,089,865</u>	<u>1,051,036</u>
Operating Income	275,676	39,758	504,402	29,861

Non Operating Revenues (Expenses):

415 Contribution in Aid of Construction				
419 Interest Income	4,358	40,822	11,054	87,462
419 Other	263,269	163,053	367,991	256,318
426 Return on Investment to Reading	(206,709)	(206,709)	(413,418)	(413,418)
431 Interest Expense	(3,755)	(2,107)	(7,549)	(26,512)
Total Non Operating Revenues (Expenses)	<u>57,164</u>	<u>(4,941)</u>	<u>(41,922)</u>	<u>(96,149)</u>
Change in Net Assets	332,840	34,817	462,480	(66,287)

Net Assets at Beginning of Year	120,744,945	116,708,946	120,744,945	116,708,946
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Ending Net Assets	<u>\$ 121,077,786</u>	<u>\$ 116,743,763</u>	<u>\$ 121,207,425</u>	<u>\$ 116,642,659</u>
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Town of Reading, Massachusetts
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	Actual 2/28/2021	Budget 2/28/2021	OVER/(UNDER) BUDGET	OVER/(UNDER) BUDGET
Operating Revenues				
Base Revenue	\$ 4,725,197	\$ 4,715,498	\$ 9,699	0.2%
Fuel Revenue	4,250,173	4,649,076	(398,903)	(8.6%)
Purchased Power Capacity & Transmission	5,647,457	5,910,925	(263,468)	(4.5%)
Forfeited Discounts	143,619	154,834	(11,215)	(7.2%)
Energy Conservation Revenue	109,518	108,999	519	0.5%
NYPA Credit	(197,120)	(190,596)	(6,524)	3.4%
Total Operating Revenues	14,678,843	15,348,736	(669,892)	(4.4%)

Expenses

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Power Expenses:

555 Purchased Power Fuel	5,094,735	4,458,480	636,255	14.3%
555 Purchased Power Capacity	2,960,845	2,947,895	12,950	0.4%
565 Purchased Power Transmission	2,336,997	2,963,030	(626,033)	(21.1%)
Total Purchased Power	10,392,577	10,369,405	23,173	0.2%

Operations and Maintenance Expenses:

580 Supervision and Engineering	166,731	190,532	(23,801)	(12.5%)
581 Station/Control Room Operators	72,668	82,989	(10,321)	(12.4%)
582 Station Technicians	104,546	74,669	29,877	40.0%
583 Line General Labor	116,480	176,460	(59,980)	(34.0%)
585 Street Lighting	-	167	(167)	(100.0%)
586 Meter General	21,446	30,689	(9,242)	(30.1%)
588 Materials Management	69,263	75,994	(6,731)	(8.9%)
593 Maintenance of Lines - Overhead	45,337	92,967	(47,630)	(51.2%)
593 Maintenance of Lines - Tree Trimming	18,299	153,141	(134,843)	(88.1%)
594 Maintenance of Lines - Underground	9,329	13,483	(4,154)	(30.8%)
595 Maintenance of Line - Transformers	22,013	37,888	(15,875)	(41.9%)
598 Line General Leave Time Labor	49,866	74,646	(24,780)	(33.2%)
Total Operations and Maintenance Expenses	695,978	1,003,625	(307,648)	(30.7%)

General & Administration Expenses:

902 Meter Reading	1,192	1,314	(122)	(9.3%)
903 Customer Collections	160,782	161,565	(783)	(0.5%)
904 Uncollectible Accounts	17,500	17,500	-	0.0%
916 Energy Audit	136,183	100,237	35,946	35.9%
916 Energy Conservation	79,855	202,339	(122,484)	(60.5%)
920 Administrative and General Salaries	273,350	375,170	(101,820)	(27.1%)
921 Office Supplies and Expense	2,189	3,333	(1,144)	(34.3%)
923 Outside Services - Legal	1,530	82,833	(81,303)	(98.2%)
923 Outside Services - Contract	25,075	84,733	(59,658)	(70.4%)
923 Outside Services - Education	1,853	42,970	(41,117)	(95.7%)
924 Property Insurance	81,904	81,617	287	0.4%
925 Injuries and Damages	1,100	9,509	(8,409)	(88.4%)
926 Employee Pensions and Benefits	897,691	611,001	286,690	46.9%
930 Miscellaneous General Expense	85,077	84,382	696	0.8%
931 Rent Expense	43,858	35,333	8,525	24.1%
933 Vehicle Expenses	39,774	64,767	(24,993)	(38.6%)
933 Vehicle Expenses - Capital	(55,672)	(59,091)	3,419	(5.8%)
935 Maintenance of General Plant	71,072	77,296	(6,223)	(8.1%)
935 Maintenance of Building & Garage	131,707	155,579	(23,872)	(15.3%)
Total General & Administration Expenses	1,996,021	2,132,387	(136,366)	(6.4%)

Town of Reading, Massachusetts
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Other Operating Expenses:

403 Depreciation	813,959	819,391	(5,431)	(0.7%)
408 Voluntary Payments to Towns	275,906	275,743	162	0.1%
Total Other Expenses	1,089,865	1,095,134	(5,269)	(0.5%)
Operating Income	504,402	748,184	(243,782)	(32.6%)

Non Operating Revenues (Expenses):

415 Contribution in Aid of Construction	-	50,000	(50,000)	(100.0%)
419 Interest Income	11,054	83,333	(72,279)	(86.7%)
419 Other Income	367,991	92,500	275,491	297.8%
421 Intergovernmental Grants	-	55,000	(55,000)	(100.0%)
426 Voluntary Pilot Payments to Reading	(413,418)	(413,418)	-	0.0%
426 Loss on Disposal	-	(16,667)	16,667	(100.0%)
431 Interest Expense	(7,549)	(7,500)	(49)	0.7%
Total Non Operating Revenues (Expenses)	(41,922)	(156,751)	114,829	(73.3%)

Net Income	\$ 462,480	\$ 591,433	\$ (128,953)	(21.8%)
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