



Town of Reading Meeting Posting with Agenda

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2022-12-08

Time: 6:00 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Agenda:

Purpose: General Business

Meeting Called By: Vivek Soni, 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:

On July 16, 2022, Governor Baker signed into law An Act Relative to Extending Certain State of Emergency Accommodations, which, among other things, extends the expiration of the provisions pertaining to the Open Meeting Law to March 31, 2023.

THIS MEETING WILL BE HELD IN PERSON AND REMOTELY VIA ZOOM.

For remote participation via Zoom please email krybak@rmlld.com. If possible, request the Zoom link in advance of the meeting. Include your full name and address. Comments and questions will be monitored during the meeting.

1. Call Meeting to Order – V. Soni, Chair
2. Approval of Minutes – V. Soni, Chair

Suggested Motion: Move that the Citizens' Advisory Board approve the minutes of the May 23, 2022, meeting as written.

3. General Manager's Report – G. Phipps, General Manager
 - Talent Acquisition and Management
 - Employee Survey – Update
4. Communications Update – J. Blackley, Communications Manager
5. Integrated Resources Division Report – G. Phipps, General Manager

This Agenda has been prepared in advance and represents a listing of topics that the chair reasonably anticipates will be discussed at the meeting. However the agenda does not necessarily include all matters which may be taken up at this meeting.



Town of Reading Meeting Posting with Agenda

6. 2023 Rates – G. Phipps, General Manager

Suggested Motion: Move that the Citizens' Advisory Board recommend that the Board of Commissioners vote to accept the General Manager's recommendation to replace the following MDPU rates effective for billings on or after March 1, 2023:

- Replace 296 Residential Schedule A with 301
- Replace 299 Residential Time of Use Schedule A2 with 302
- Replace 297 Commercial Schedule C with 303
- Replace 298 Industrial Time of Use Schedule I with 304
- Replace 300 School Schedule SCH with 305
- Replace 292 Efficiency and Electrification Charge with 306

7. Adjournment – V. Soni, Chair

Suggested Motion: Move that the Citizens' Advisory Board adjourn.

Attachment 1

Agenda Item 2: Approval of Minutes



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2022-05-23

Time: 7:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Session: Joint Meeting

Purpose: General Business

Version:

Attendees: **Members - Present:**

Mr. Jason Small, Chair (North Reading); Mr. George Hooper, Secretary (Wilmington); Mr. Dennis Kelley (Wilmington); Mr. Ken Welter (Lynnfield)

Members - Not Present:

Mr. Vivek Soni, Vice Chair (Reading)

Others Present:

Refer to Board of Commissioners Minutes for May 23, 2022

Minutes Respectfully Submitted By: Mr. George Hooper, Secretary

Topics of Discussion:

JOINT MEETING WITH RMLD BOARD OF COMMISSIONERS

**Refer to the RMLD Board of Commissioners
Meeting Minutes
for May 23, 2022**

As approve on _____

Attachment 2

Agenda Item 4: Communications Update

Communications Update

- Newsletter
 - Newly redesigned newsletter debuted in November with cleaner and more professional look
- Media Coverage
 - Coverage of Greg’s hiring in local publications and APPA newsletter/podcast
- Social Media
 - RMLD continues to see steady, organic growth
 - Facebook reach up 237.3% over previous month
 - “We’re Hiring” graphic drew 122 clicks
- Upcoming Initiatives
 - Joint press release and infographics on space heater safety and holiday decoration safety in conjunction with Reading Fire Department
 - Customer survey: RFP was just awarded to Great Blue Research, who conducted the previous survey
- RMLD Website
 - Website now has a Spanish translation button and a drop down to translate to all languages



Attachment 3

Agenda Item 5: Integrated Resources Division Report



Integrated Resources Update

*Presented to the
Citizens' Advisory Board*

08 December 2022

Outline

Power supply strategy

Within territory generation

2023 regional winter reliability

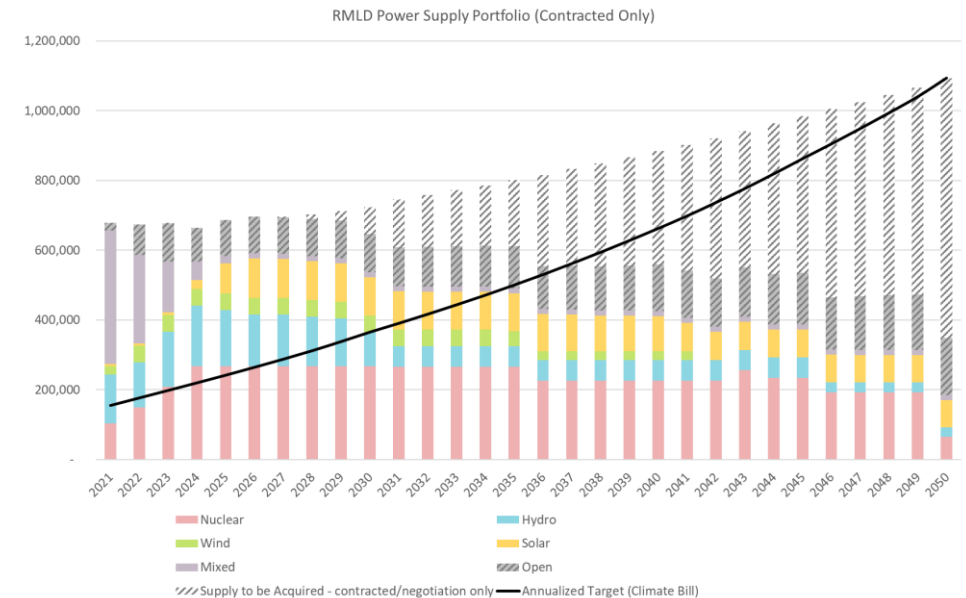
RMLD Strategic Direction Highlights

Load **increasing** (MHWs growing ~1 – 2% annually, ~2/3 larger by 2050)

All supply **non-carbon** by 2050
(new non-carbon intermittent; storage needed)

Within territory supply avoids capacity /
transmission costs (40% of total RMLD costs)

MLPs (RMLD) now qualify for **ITC** (IRA 30% credit)

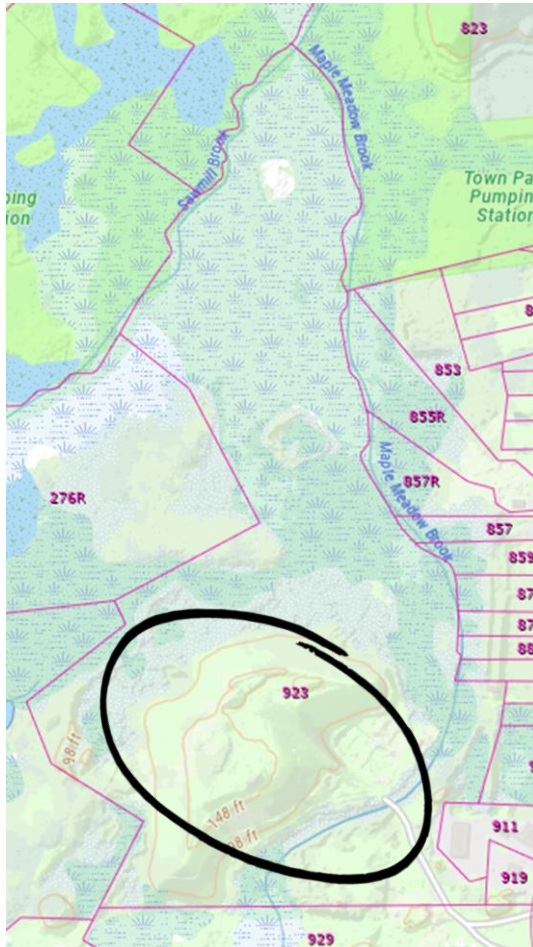


Build substation and upgrade distribution network (growth, reliability, low-cost)

Add within territory generation (more solar PV now, then novel gen tech (ex low temp geo))

Add significant storage capability (utility, distribution) for peak management and time shift

Maple Meadow – RMLD Solar PV Interest



Many discussions /site visits with interested parties during past 4 months (MA DEP, Wilmington representatives, EPA, ...)

Goal – turn Maple Meadow into positive, best use site (~10 MW solar PV on southern mound)

Current thinking – RMLD to pursue ownership w/o assuming historical liabilities; clear select financial issues (ex property tax)

Liability management is most critical issue
Many details to work through but no brick walls, yet
Several solar array options (brainstormed with MA DEP)
Initial wetlands delineation study complete
Inflation Reduction Act (grants for MLPs) improves financial model
Project likely below average non-carbon portfolio (before grants)

2023 Regional Winter Resiliency - notes



While regional winter reliability is an issue, RMLD remains vigilant but not concerned about the possibility of rolling blackouts this winter, primarily due to the current mild weather forecast.

Any potential blackouts in the region would be due to an extended period of cold weather typically less than 10 degrees Fahrenheit over ~4 consecutive days.

Any potential blackouts would be initiated by ISO New England, which is the organization that manages electricity in the New England region.

RMLD is one of a few municipal light plants that has in-territory generation and storage systems to help reduce the impact of rolling blackouts.

RMLD has an operating procedure in place that is tested each fall and each spring, in cooperation with ISO-New England, other Municipal Light Plants, and Investor-Owned Utilities.

In the event that ISO New England requests load reduction via blackouts, they would occur in increments of two hours or less and roll across customer groups.

Thank You

Attachment 4

Agenda Item 6: 2023 Rates



Proposed Rates Effective March 2023

*Presented to the
Citizens' Advisory Board*

08 December 2022

Outline

Goals and Objectives (desired outcomes)

Context – volatile wholesale and load increase

Summary of proposed changes effective March 2023

Recommendation Summary

2022 Rate by Class

Rates – goals and objectives

goals

Design rates to **cover cost** of providing service

Allocate costs fairly, based on rate class characteristics

Provide funds for **efficiency and electrification incentives**

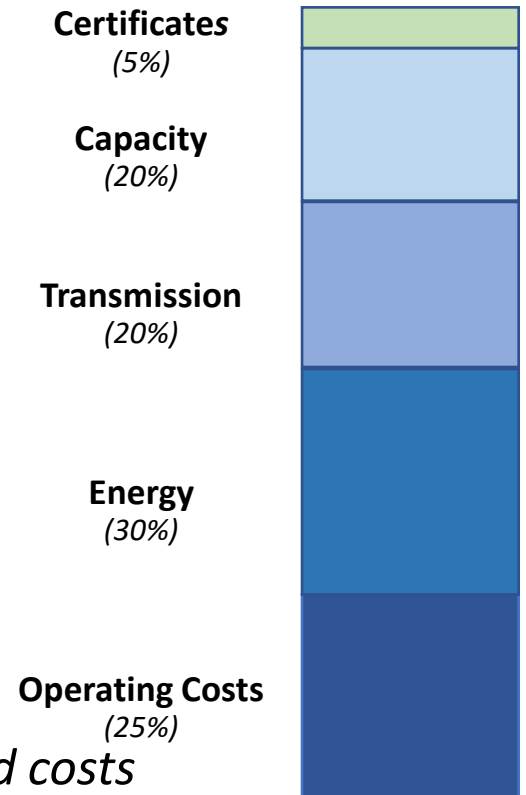
Offer customers better understanding and **control of energy use**

Comply with DPU, statutory and RMLD policies

process *(typically 3-year but more frequent in current volatile market)*

- 1) Clarify outcomes, behaviors
- 2) Forecast loads, retail sales by class
- 3) Forecast base costs and power supply pass through costs
- 4) Review cost drivers by rate classes
- 5) Allocate costs across rates classes
- 6) Refine allocations
- 7) Update rates

2025 expenses illustration



Wholesale energy and electrification (compliance) are primary driver of upward costs

Desired outcomes

electrification

- Increase air-source **heat pump installations** in residential and commercial rate classes
- Encourage **EV adoption and** charging during off-peak (overnight for now) hours
- Support stewardship / climate change policies

generation and load

- Increase **generation w/in territory** (solar for now)
- Prompt load shift away from afternoon **peak hours** (4:00 – 6:00 pm)
- Support accelerating customer **load growth** (industrial in blocks, resi more steady)

customer control

- Simplify billing; make **easier to understand**
- Equip** customers to affect their energy costs

2023 Context – volatile wholesale market

We forecast that wholesale electricity prices at major power trading hubs will be about **20-60% higher on average this winter**. The highest wholesale electricity prices are likely to be in **New England** because of possible natural gas pipeline constraints, reduced fuel inventories for power generation, and uncertainty regarding liquefied natural gas (LNG) shipments given the tight global supply conditions. eia.gov

In the latest indication of how expensive energy is going to be this winter, the utility **Eversource** is seeking a **43% increase** in the cost of electricity for its customers in eastern Massachusetts. For customers in western Massachusetts, it's a 42% increase. In filings this week with the Department of Public Utilities, the company proposed changing the basic supply rate — the raw cost of the electricity you use — for customers in both of its territories. wbur.org 18 nov 2022

With prices for natural gas, which drive electricity costs, significantly higher this winter due to global conflict, inflation and high demand, electricity rates for **National Grid** customers that take Basic Service will increase starting November 1st. In total, the monthly bill of a typical residential electric customer using 600 kWh will increase from \$179 in the winter 2021-2022 season, to approximately \$293 for the winter 2022-2023 season, or a **64 percent increase**, driven by higher electric supply prices. nationagridus.com 21sep2022

86% of energy (component of power supply) hedged for 2023 with average cost of \$41 / MWH)

RMLD Open market prices averaging \$125 / MWH (with some months over \$270 / MWH)

2023 budget assumes small load growth (conservative approach), but industrials poised to grow in 4Q23

RMLD rates tend to be less than half of IOU's and in the middle of other MLP's

Customer usage drops in March after typically high January and February usage due to cold temperatures

Summary of monthly bill changes – March 2023

total average monthly bill – proposed effective March 2023

	2022 current	March 2023 proposed	\$ change	% change	proposed net \$/kwh
Residential A	\$ 138	\$ 158	\$ 20	14.3%	\$ 0.1950
Residential TOU A2	\$ 121	\$ 136	\$ 15	12.6%	\$ 0.1675
Commercial C	\$ 1,023	\$ 1,177	\$ 154	15.0%	\$ 0.1719
Industrial TOU	\$ 24,581	\$ 28,509	\$ 3,928	16.0%	\$ 0.1420
School	\$ 4,507	\$ 4,984	\$ 477	10.6%	\$ 0.1549

Wholesale energy costs increased dramatically in 2022 with some additional increases in 2023

Distribution network upgrades are primary 2023 cost drivers (EEC and power supply secondary)

Effective March 2023 after higher winter usage months (avoid customer jolt)

Effective March 2023 bill - recommendations

<i>current MDPU</i>	<i>new MDPU</i>	<i>description</i>	<i>total monthly change</i>	<i>notes and key drivers</i>
247		Municipal Street Lighting Schedule F Formula Rate	no change	transition to LED's nearly complete
275		Backup and Standby Rate	no change	
277		Electric Vehicle Supply Equipment Schedule EVSE Rate	no change	
285		Cooperative Resale Schedule G Rate	no change	
286		Residential Customer Owned Generation Under 20kW	no change	evaluating facilities charge and higher credit for exported kWh
287		Commercial/Industrial Customer-Owned Generation	no change	
288		Purchase Power Capacity and Transmission Charge	market	
289		Private Street Lighting Rate Schedule D	no change	
290		Municipal LED Street Lighting Rate	no change	
291		Standard Fuel Charge Clause	market	
294		Renewable Choice	no change	approved September 2021
295		Solar Choice Rider	no change	approved September 2021
296	301	Residential Schedule A Rate	14.3%	distribution, EEC
299	302	Residential Time of Use Schedule A2 Rate	12.6%	distribution, EEC
297	303	Commercial Scheduled C Rate	15.0%	distribution, EEC
298	304	Industrial Time of Use Schedule I Rate	16.0%	demand, EEC
300	305	School Schedule SCH Rate	10.6%	distribution, EEC
292	306	Efficiency Electrification Charge	33%	increase \$0.003 / kWh to \$0.004 / kWh
293		A3 residential TOU (EV focused)	new	update and release March 2023

distribution energy (load growth), power supply (wholesale), and EEC (electrification) key 2023 drivers

Thank You

Residential A – March 2023 – new MDPU 301

proposed effective March 2023

Residential A	average monthly bill		\$ change	% change	MDPU 296	MDPU 301
	current	proposed				
*Customer Charge	\$ 5.43	\$ 6.24	\$ 0.81	15.0%	\$5.43/mo	\$6.24/mo
*Distribution Energy	\$ 58.58	\$ 73.23	\$ 14.65	25.0%	\$0.07214/kWh	\$0.09018/kWh
*Distribution Demand	\$ -	\$ -	\$ -	0.0%		
EEC	\$ 2.44	\$ 3.25	\$ 0.81	33.3%	\$0.003/kWh	\$0.004/kWh
Fuel Adjustment	\$ 46.12	\$ 48.43	\$ 2.31	5.0%		
NYPA Credit Rate	\$ (3.27)	\$ (3.60)	\$ (0.32)	9.9%		
Cap & Trans (PPCT)	\$ 38.77	\$ 42.69	\$ 3.91	10.1%		
other	\$ -	\$ -	\$ -	0.0%		
other	\$ -	\$ -	\$ -	0.0%		
Prompt Payment	\$ (9.60)	\$ (11.92)	\$ (2.32)	24.2%		net \$ / kWh
Total Monthly Bill	\$ 138.47	\$ 158.31	\$ 19.85	14.3%		\$ 0.1950
Average Monthly kWh	812	812				
Average kW	NA	NA				



- Fund distribution network upgrades to support load growth
- Cover wholesale energy costs (passthrough)

With proposed rates, total average monthly bill up \$19.85 (14.3%)

Residential A2 (resi time of use) – March 2023 - 302

proposed effective March 2023

Residential TOU A2	average monthly bill				MDPU 299	MDPU 302
	current	proposed	\$ change	% change		
*Customer Charge	\$ 8.48	\$ 9.75	\$ 1.27	15.0%	\$8.48/mo	\$9.75/mo
*Distribution Energy	\$ 35.11	\$ 43.89	\$ 8.78	25.0%	\$0.04324/kWh	\$0.05405/kWh
*Distribution Demand	\$ -	\$ -	\$ -	0.0%		
EEC	\$ 2.44	\$ 3.25	\$ 0.81	33.3%	\$0.003/kWh	\$0.004/kWh
Fuel Adjustment	\$ 45.82	\$ 48.11	\$ 2.29	5.0%		
NYPA Credit Rate	\$ (3.27)	\$ (3.60)	\$ (0.32)	9.9%		
Cap & Trans (PPCT)	\$ 38.77	\$ 42.69	\$ 3.91	10.1%		
other	\$ -	\$ -	\$ -	0.0%		
other	\$ -	\$ -	\$ -	0.0%		
Prompt Payment	\$ (6.54)	\$ (8.05)	\$ (1.51)	23.1%		net \$ / kWh
Total Monthly Bill	\$ 120.81	\$ 136.04	\$ 15.23	12.6%		\$ 0.1675
Average Monthly kWh	812	812				
Average kW	NA	NA				



- Fund distribution network upgrades to support load growth
- Cover wholesale energy costs (passthrough)

With proposed rates, total average monthly bill up \$15.23 (12.6%)

Commercial C – March 2023 – new MDPU 303

proposed effective March 2023



- Demand and wholesale power represent majority of increase
- Demand and EEC to cover Climate Bill electrification

Commercial C	average monthly bill				MDPU 297	MDPU 303
	current	proposed	\$ change	% change		
*Customer Charge	\$ 8.24	\$ 10.30	\$ 2	25.0%	\$8.24/mo	\$10.30/mo
*Distribution Energy	\$ 125	\$ 159	\$ 34	27.0%	\$0.01829/kWh	\$0.02322/kWh
*Distribution Demand	\$ 204	\$ 279	\$ 75	37.0%	\$8.86/kW	\$12.14/kW
EEC	\$ 21	\$ 27	\$ 7	33.3%	\$0.003/kWh	\$0.004/kWh
Fuel Adjustment	\$ 389	\$ 408	\$ 19	5.0%		
NYPA Credit Rate	\$ -	\$ -	\$ -	0.0%		
Cap & Trans (PPCT)	\$ 327	\$ 360	\$ 33	10.1%		
other	\$ -	\$ -	\$ -	0.0%		
other	\$ -	\$ -	\$ -	0.0%		
Prompt Payment	\$ (51)	\$ (67)	\$ (17)	33.0%		net \$ / kWh
Total Monthly Bill	\$ 1,023	\$ 1,177	\$ 154	15.0%		\$ 0.1719
Average Monthly kWh	6,848	6,848				
Average kW	23	23				

With proposed rates, total average monthly bill up \$154 (15%)

Industrial I (all time of use) – March 2023 – 304



proposed effective March 2023

	<i>average monthly bill</i>					
Industrial TOU	<i>current</i>	<i>proposed</i>	\$ change	% change	MDPU 283	MDPU 298
*Customer Charge	\$ 42	\$ 51	\$ 9	22.0%	\$39.18/mo	\$41.53/mo
*Distribution Energy	\$ -	\$ -	\$ -	0.0%		
*Distribution Demand	\$ 3,507	\$ 4,910	\$ 1,403	40.0%	\$9.79/kW	\$11.06/kW
EEC	\$ 602	\$ 803	\$ 201	33.3%	\$0.003/kWh	\$0.004/kWh
Fuel Adjustment	\$ 11,333	\$ 11,900	\$ 567	5.0%		
NYPA Credit Rate	\$ -	\$ -	\$ -	0.0%		
Cap & Trans (PPCT)	\$ 9,629	\$ 11,590	\$ 1,960	20.4%		
other	\$ -	\$ -	\$ -	0.0%		
other	\$ -	\$ -	\$ -	0.0%		
Prompt Payment	\$ (532)	\$ (744)	\$ (212)	39.8%		
Total Monthly Bill	\$ 24,581	\$ 28,509	\$ 3,928	16.0%		
Average Monthly kWh	200,823	200,823				
Average kW	317	317				

net \$ / kWh
\$ 0.1420
very competitive rate

- Demand, wholesale power represent majority of increase
- Highest near term load growth
- Demand and EEC to cover Climate Bill electrification

With proposed rates, total average monthly bill up \$4k (16%)

School – March 2022 – new MDPU 305

proposed effective March 2023

School	average monthly bill		\$ change	% change	MDPU 284	MDPU 300
	current	proposed				
*Customer Charge	\$ 8	\$ 9	\$ 2	22.0%	\$7.23/mo	\$7.66/mo
*Distribution Energy	\$ 407	\$ 517	\$ 110	27.0%	\$0.01193/kWh	\$0.01265/kWh
*Distribution Demand	\$ 816	\$ 939	\$ 122	15.0%	\$7.56/kW	\$7.56/kW
EEC	\$ 97	\$ 129	\$ 32	33.3%	\$0.003/kWh	\$0.004/kWh
Fuel Adjustment	\$ 1,828	\$ 1,919	\$ 91	5.0%		
NYPA Credit Rate	\$ -	\$ -	\$ -	0.0%		
Cap & Trans (PPCT)	\$ 1,536	\$ 1,691	\$ 155	10.1%		
other	\$ -	\$ -	\$ -	0.0%		
other	\$ -	\$ -	\$ -	0.0%		
Prompt Payment	\$ (185)	\$ (220)	\$ (35)	19.0%		net \$ / kWh
Total Monthly Bill	\$ 4,507	\$ 4,984	\$ 477	10.6%		\$ 0.1549
Average Monthly kWh	32,175	32,175				
Average kW	108	108				

- Demand and wholesale power represent majority of increase
- Demand and EEC to cover Climate Bill electrification



With proposed rates, total average monthly bill up \$477 (10.6%)

thank you - again