



RMILD

**READING MUNICIPAL
LIGHT DEPARTMENT**

**CITIZENS' ADVISORY BOARD
REGULAR SESSION MEETING**

WEDNESDAY NOVEMBER 15, 2023



Town of Reading Meeting Posting with Agenda

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2023-11-15

Time: 5:30 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 MARCH 29, 2023, GOVERNOR HEALEY SIGNED INTO LAW A SUPPLEMENTAL BUDGET BILL WHICH, AMONG OTHER THINGS, EXTENDS THE TEMPORARY PROVISIONS PERTAINING TO THE OPEN MEETING LAW TO MARCH 31, 2025.

THIS MEETING WILL HELD IN PERSON AND REMOTELY ON ZOOM.

FOR REMOTE AND/OR PUBLIC PARTICIPATION

Please email rmldevents@RMLD.com. Please include your full name, address, and phone number. Comments and questions will be monitored during the meeting.

1. Call Meeting to Order – V. Soni, Chair
2. Approval of Citizens' Advisory Board Meeting Minutes (attachment 1) – V. Soni, Chair
 - Discussion on meeting minute format

Suggested Motion: Move that the RMLD Citizens' Advisory Board approve the March 23, 2023, April 13, 2023, and June 15, 2023, open session meeting minutes, as presented, on the recommendation of the General Manager and the Board Secretary.

3. 2024 Operating Budget Presentation (attachment 2) - B. Bloomenthal, Director of Finance & Accounting

Suggested Motion: Move that the Citizens' Advisory Board, on the recommendation of the General Manager, recommend to the RMLD Board of Commissioners the Calendar Year 2024 Capital Budget as presented.

4. Integrated Resources Department Report (attachment 3) – B. Bullock, Director of Integrated Resources

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

- Milton Cat Battery Storage (attachment 4) – B. Bullock, Director of Integrated Resources

Suggested Motion: Move that the Citizen’s Advisory Board recommend that the Board of Commissioners vote to accept the General Manager’s recommendation to contract with Milton Cat under an Energy Services Agreement for battery storage services.

- General Manager’s Report (attachment 5) – G. Phipps, General Manager
- Scheduling – V. Soni, Chair

CITIZENS' ADVISORY BOARD MEETING SCHEDULE

| Date | Time | Location | BoC Coverage |
|------------------------------|---------|--------------|--------------|
| Wednesday, December 13, 2023 | 5:30 PM | RMLD AV Room | Daskalakis |
| Wednesday January 17, 2024 | 5:30 PM | RMLD AV Room | TBD |
| Wednesday February 21, 2024 | 5:30 PM | RMLD AV Room | TBD |
| Wednesday March 20, 2024 | 5:30 PM | RMLD AV Room | TBD |

BOARD OF COMMISSIONERS MEETING SCHEDULE

| Date | Time | Location | CAB Coverage |
|------------------------------|---------|--------------|--------------|
| Wednesday, December 13, 2023 | 7:00 PM | RMLD AV Room | Kelley |
| Wednesday January 17, 2024 | 7:00 PM | RMLD AV Room | TBD |
| Wednesday February 21, 2024 | 7:00 PM | RMLD AV Room | TBD |
| Wednesday March 20, 2024 | 7:00 PM | RMLD AV Room | TBD |

- Adjournment **ACTION ITEM**

Suggested Motion: Move that the RMLD Citizens’ Advisory Board adjourn regular session. Note: Roll call vote required.

BOARD MATERIALS AVAILABLE BUT NOT DISCUSSED

Preliminary Financials September 2023

ATTACHMENT 1
APPROVAL OF MEETING MINUTES



In alignment with the goal of consistent, timely, and accurate regular session meeting minutes, please find included in this document recommendations for certain components of meeting minute formatting. This document is only intended to act as a framework for discussion.

TOWN OF READING MEETING MINUTE TEMPLATE

- RMLD will continue to use the template provided by the Town.
- This template includes the following, as required by law:
 - The date, time, and place of the meeting.
 - The members present or absent.
 - The name of any member who participated in the meeting remotely.

RECORD OF ALL VOTES AND MOTION FORMAT

- Unless a roll call vote is required, votes will be recorded in the minutes as follows:
 - **Motion carried: 5:0:0** (5 in favor, 0 against, 0 abstain)
- The commissioner who made and seconded the motion will continue to be recorded.
 - Chair ___ made a motion, second by Mr. ___

A LIST OF ALL DOCUMENTS AND EXHIBITS USED AT THE MEETING

- The beginning of the meeting minutes will include the following verbiage:
 - Documents and exhibits used at this meeting can be found on the RMLD website in the Board meeting packet and linked here: [Citizens' Advisory Board Joint Meeting Agenda & Packet | Reading Municipal Light Dept \(rml.com\)](#)
- The associated attachment will be noted below each agenda.
 - **Approval of Meeting Minutes**
Materials: Approval of Meeting Minutes (attachment 1)
- Agenda packets will be updated following each meeting if additional documents are presented.

A SUMMARY OF THE DISCUSSIONS ON EACH SUBJECT

- Meeting minutes will be created in summary format and include key points of discussion.
 - Example: Mr. Bullock provided an overview of the Integrated Resources Department (IRD), discussing key drivers, organizational structure, and the planning process.
- Per Robert's Rules of Order, meeting minutes will reflect commissioners' discussions but may not include individual attributions.



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2023-03-23

Time: 6:00 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Session: Open Session

Purpose: General Business

Version: Draft

Attendees: **Members - Present:**

Vivek Soni, Chair (Reading); Ken Welter, Vice Chair (Lynnfield); George Hooper (Wilmington); Dennis Kelley (Wilmington); Jason Small (North Reading)

Members - Not Present:

Others Present:

RMLD Staff: Gregory Phipps, General Manager; Erica Morse, Executive Assistant; Kathleen Rybak, Operational Assistant

Minutes Respectfully Submitted By: Vivek Soni, Chair

Topics of Discussion:

All meeting materials can be found in the RMLD CAB Meeting Packet on the RMLD website.

Call Meeting to Order

Chair Soni called the meeting of the Citizens' Advisory Board (CAB) to order at 6:00 PM and noted the meeting was being audio recorded.

Approval of Minutes

Materials: RMLD Citizens' Advisory Board Packet (attachment 1)

The minutes of the July 28, 2022, meeting were approved as written.

Vice Chair Welter made a **motion**, seconded by Mr. Kelley, that the Citizens' Advisory Board approve the minutes of the July 28, 2022, meeting as written. **Motion Carried: 4:0:1** (4 in favor, 0 opposed, 1 abstain). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hooper, Abstain; Mr. Kelley, Aye; Mr. Small, Aye.*

Integrated Resources Report

Materials: Integrated Resources Report (attachment 2)

Mr. Phipps presented the Integrated Resources report to the CAB.

Outline (slide 2)

- Discussed the presentation outline, as referenced on slide 2.

Integrated Resource Division Key Drivers (slide 3)

- Discussed IRD's key drivers as outlined on slide 3.
- Discussed RMLD's Charter: Reliable, Low Cost, Non-Carbon (three key aspects)
 - Reliable power is the top priority.
 - Low cost doesn't mean inexpensive, but valuable.
 - Non-carbon is a significant goal for RMLD.
- Non- Carbon
 - RMLD is on track to meet its non-carbon targets for 2030, as noted below.
 - State requirement to source 50% of sales from non-carbon supply.
 - RMLD Policy 30 certificate retirement strategy.
- Current power supply portfolio.
 - RMLD has already achieved over 60% non-carbon compliance if all certificates were retired.
 - Discussed the percentage breakdown of non-carbon sources in the portfolio.
 - Non-Carbon sources include wind, hydro, solar, and nuclear.
- Reliable
 - There is a cost associated with ensuring reliability.
 - The organization is doing a great job in terms of reliability (uptime).
 - Highlighted various key actions taken to ensure reliability:
 - Fulfilling goals related to the distribution function.
 - Working on lines and upgrades.
 - Investments in infrastructure and data analytics.
 - Upgrading and incorporating new technology.
 - Strong line team and maintenance team in place.
- Customer Service
 - Emphasized strong customer service experience.
 - Operating hours of the customer service center are from 7:30 AM to 5:30 PM, Monday through Thursday.
 - Mr. Phipps noted that RMLD is different from other utilities where reaching a real person can be challenging.
- Non-carbon generation to enhance reliability.
 - Discussed the importance of customer engagement.
 - Actively seeking opportunities for in territory generation and storage.
 - RMLD is focused on sourcing new generation from non-carbon sources.

IRD Organization (slide 4)

- Discussed the IRD organization as outlined on slide 4.
- Organizational changes
 - Bill Bullock is the new Director of IRD.
 - Customer service has been reorganized to fall back under IRD.
- Customer service team
 - 5 individuals who are customer-facing and handle customer messaging.
 - Customer communications are tied to IRD's programs.
- Chair Soni asked about differences in roles and responsibilities among IRD roles. Mr. Phipps explained the various positions.
- IRD Specialists: Retail focused.
 - Customer-facing
 - Customer interactions
 - Rebate design
 - Incentive processing

- Customer communication
- IRD Analysts: Wholesale focused.
 - Data intensive role
 - Power supply invoice processing
 - Power supply portfolio and forecast.
- IRD Engineer: Generation focused.
- Overlap between IRD Specialists and Analysis
 - Both roles focus on forecasting, which impacts the entire organization.
 - Rate design happens between the roles, where load and revenue are linked.
- IRD's expanded focus.
 - Will include projects as well as industrial residential programs.
- IRD Analyst recruitment
 - Targeting candidates outside the utility industry (finance or insurance).
- IRD Engineer recruitment
 - Role has been open for over a year.
 - Looking to fill this role due to the new focus on within-territory generation.
- Intern Recruitment
 - Recruit 3 interns for the summer months and beyond.
 - Emphasized the availability of solid candidates.
- Generating interest from candidates by positioning roles effectively (LinkedIn etc.)
- Chair Soni noted the importance of timing in recruiting potential candidates.

RMLD Integrated Resource Planning (slide 5)

- Discussed IRD resource planning as outlined on slide 5.
- Organization Charter
 - Discussed RMLD's key drivers and core principles.
 - Reliable, low-cost, non-carbon.
- Mission Statement
 - Update over the course of the year to align with core principles.
- Forecasting
 - Everything in the organization ties together through load (kWh sales), starting with forecasting.
 - Discussed the significance of forecasting within the organization.
- Load Forecasting
 - Includes load forecasting at a macro level and on a customer class basis.
 - Data analytics plays a crucial role in handling load forecasts
 - Driven by certain assumptions that are essential for planning.
 - Impacts various aspects of RMLD operations.
 - Energy efficiency programs
 - Incentives
 - Customer engagement.
- Electrification & Distribution Network
 - Discussed options and implications related to electrification.
 - Will take several years to accommodate increased load due to electrification.

- Transition to electric fleet
 - Noted the possibility of adjusting the timing of deliveries.
 - Mentioned the expected travel distances for electric vehicles.
- 34.5 KV Circuit
 - Mentioned a 34.5 kv circuit in Wilmington located across Route 93.
 - Connects to an area with one of RMLD's storage battery systems.
- EV Adoption and Air Source Heat Pumps (ASHP)
 - Highlighted the impact of EV and ASHP adoption on the organization.
 - Adjustments in forecasting will be required.
 - These changes will take more than a decade to fully materialize.
- Peak Forecasting
 - Chair Soni inquired about peak forecasting and management.
 - The IRD team is responsible for peak forecasting.
 - RMLD prepares for peaks by charging the single battery storage system.
 - Automating the forecasting process to enhance accuracy.
 - The IRD team still can use their expertise as well as forecast tools.
- Solar Energy and Customer Engagement
 - Mr. Kelley asked about excess solar energy from residential customers.
 - RMLD buys excess solar energy back at an energy rate.
 - There is strong incentive program in place.
- Discussed the possibility of implementing hourly time-of-use rates and the integration of storage systems.
- Software Development - New Hampshire Electric Cooperative
 - Plan to have access to their software.
 - Exploring options for charging and discharging.
- MDM (Meter Data Management) / AMI (Advanced Metering Infrastructure)
 - Mentioned the need for an MDM system.
 - Discussed the ongoing development of the AMI system.
 - Emphasized the interconnectedness of these initiatives within the IRD loop.

Hydro Renewal – Gravity (slide 6)

- Discussed the Gravity Hydro Renewal as outlined on slide 6.
- Vice Chair Welter noted this item was approved at the previous BoC meeting.
- Project Background and Update
 - Both facilities are in Connecticut.
 - RMLD has been purchasing power from the Wyre Wynd facility for over ten years.
 - The contract expired last summer due to licensing delays caused by COVID 19.
 - Currently in a 36-month contract while awaiting license renewal.
 - Looking to extend the contract and combine it with Connecticut #5.
- Environmental Considerations
 - Highlighted the importance of licensing regarding fish passages.
 - Gravity is responsible for the environmental aspects
 - Required to purchase from reputable sources capable of maintaining the assets.
- Contract Details
 - Both facilities are associated with Gravity Renewables.
 - Noted the combined total output of the facilities.
 - Important to balance hydro, wind, and solar power sources geographically.

- Contract Terms
 - Chair Soni asked about the contract terms and the annual increase.
 - 2% annual increase with a longer duration due to the 40-year licenses.
 - The contract extends to 2055.
- Due Diligence and Environmental Management
 - Mr. Hooper asked about due diligence (drought seasons and other factors).
 - The facilities are over 100 years old, with evolving environmental conditions.
- Gravity Renewables
 - Excellent track record
 - National presence
 - Experienced team in managing assets and environmental considerations.
- Environmental Considerations – Fish Ladders
 - Chair Soni asked about measures to make the turbines fish friendly.
 - Mr. Phipps confirmed that Gravity is considering alternative turbine designs.
 - Gravity is committed to environmentally and economically friendly solutions.
 - The company will avoid traditional fish ladders if possible.
- License Confirmation
 - Chair Soni asked if the contract was contingent on receiving the license.
 - The contract was structured to wait for the license to be granted.
 - Initially a 36-month term
 - The contract is waiting for the official license.
- Certificates and Compliance
 - Mr. Hooper asked if the facilities have associated certificates.
 - Both facilities generate certificates.
- Role of certificates in RMLD operations.
 - Certificates serve both an economic and compliance function.
 - Used to comply with RMLD's internal policy 30.
 - MA state law requires RMLD to retire 50% of their certificates by 2030.
 - Starting in 2030, RMLD will only buy certificates associated with energy.

Mr. Hooper made a **motion**, seconded by Vice Chair Welter, 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 Gravity CT #5 and Aspinook Wyre Wynd hydro facilities, contingent on appropriate environmental due diligence. **Motion Carried: 5:0:0** (5 in favor, 0 opposed, 0 abstain). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hooper, Aye; Mr. Kelley, Aye; Mr. Small, Aye.*

3Q 2022 Certificates Quarterly Report (slide 7)

- Discussed the 3Q 2022 Certificates Quarterly Report as outlined on slide 7.
- Certificate Operations
 - Certificates operate on a six-month delay.
 - Actions in the third quarter of 2022 affect the first quarter of 2023.
- Certificate Strategy
 - Maintain a balance of certificates by acquiring them from various sources.
 - Retire a portion of the certificates each quarter to ensure compliance with policy 30.
- Certificate Sales and Retirement
 - In the previous year, RMLD retired 26% of all sales.
 - Last summer had a lower balance due to increased sales from warm weather.
 - The previous year's acquisition of certificates was higher to align with their sales.

- This year retirement increased to 29%.
- Certificates represent a substantial portion of RMLD's portfolio's value.
 - \$2m in certificates on a \$65m portfolio

General Manager Report

Mr. Phipps presented a GM update to the CAB.

Personnel Update

- Team morale and performance
 - Overall positive morale within the organization.
 - The team is working well together.
 - There is a sense of energy and optimism.
 - The line team has been busy with construction and is performing admirably.
- Positive aspects contributing to the team's morale.
 - System reliability (both physical and cybersecurity)
 - Success of RMLD's power supply portfolio.

New Customers

- Highlighted the focus on recruiting new customers.
 - Includes those involved in prototype demo units and manufacturing.
 - Plans for a pilot production facility in the Ballardvale area.
 - Emphasized goal of promoting in-territory generation to support the mission.
- RMLD's rates are very competitive.
- Highlighted the positive relationships between RMLD with the towns they serve.

Project Momentum

- General
 - RMLD continues to have momentum in various projects.
 - Highlighted battery storage projects that are moving forward smoothly.
- Maple Meadow project
 - Aims to develop a 10 MW solar site on a landfill.
 - Vice Chair Welter asked about Methane gas on the site.
 - Mr. Phipps said no and explained that it was a burning landfill.
 - Progress in obtaining EPA approval to acquire the property without historical liabilities.

Customer Survey

- Results
 - The initial results are positive.
 - There is an increase in customer satisfaction.
 - Emphasized awareness of air source pumps
 - Mentioned ongoing education efforts.
 - Noted the need for further work on solar awareness.

Financial Audit

- Schedule
 - The financial audit is scheduled to begin in March and be completed in May.
 - The same firm as in previous years will be conducting the audit.

Staffing and hiring

- Hiring Plans
 - Chair Soni inquired about hiring plans and the goal to hire 10 more people.
 - RMLD will likely reach around 90 employees, out of a budgeted 100.
 - RMLD is being cautious with hiring.
 - Some of the hiring is to fill positions left vacant due to retirements and departures.

Resolution for Kathleen Rybak

The CAB presented a resolution to recognize Kathleen Ryback for her dedicated service to RMLD.

- Mr. Hooper expressed his gratitude and appreciation for Kathleen's assistance during his time as chair, highlighting her efficiency and helpful reminders.
- Vice Chair Welter thanked Kathleen for her assistance in onboarding and helping him quickly adapt to his role.
- Mr. Kelley expressed his gratitude, noting Kathleen's thoroughness and her ability to keep the board on track.
- Mr. Small reiterated the sentiments shared by the other members, recognizing Kathleen's contributions to the CAB.
- The GM and the CAB members unanimously expressed their appreciation for Kathleen Ryback's dedicated service, efficiency, and support.

Chair Soni read the resolution, seconded by Mr. Hooper, that the RMLD Citizens Advisory Board thanks Kathleen Rybak for her dedicated service to the CAB and the great support to the Chairs of the CAB for the past 10 years in running the CAB meetings. She has been very efficient and helped keep us on track with the CAB. We wish her all the best. **Motion Carried: 5:0:0** (5 in favor, 0 opposed, 0 abstain). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hooper, Aye; Mr. Kelley, Aye; Mr. Small, Aye.*

Scheduling

- The next CAB meeting will be held on April 13th at 5:30 PM.
- Mr. Hooper will be covering the next Board of Commissioners meeting.

Adjournment

Mr. Hooper made a motion to adjourn, seconded by Mr. Kelley. **Motion Carried: 5:0:0** (5 in favor, 0 opposed, 0 abstain). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hooper, Aye; Mr. Kelley, Aye; Mr. Small, Aye.*

The CAB meeting adjourned at 7:16 PM



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2023-04-13

Time: 5:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Session: Open Session

Purpose: General Business

Version: Draft

Attendees: **Members - Present:**

Vivek Soni, Chair (Reading); Ken Welter, Vice Chair (Lynnfield); Jason Small (North Reading).

Members - Not Present:

George Hooper (Wilmington); Dennis Kelley (Wilmington)

Others Present:

RMLD Staff: Gregory Phipps, General Manager; Bill Bullock, Director of Integrated Resources; Julie Blackley, Communications Manager; Erica Morse, Executive Assistant.

Minutes Respectfully Submitted By: Vivek Soni, Chair

Topics of Discussion:

All meeting materials can be found in the RMLD CAB Meeting Packet on the RMLD website.

Call Meeting to Order

Chair Soni called the meeting of the Citizens' Advisory Board (CAB) to order at 5:30 PM and noted the meeting was being audio recorded.

RMLD Customer Survey Report

Materials: CAB meeting packet, (attachment 1)

Ms. Blackley presented the Customer Survey Report on behalf of Great Blue Research. Due to a scheduling conflict, Great Blue Research could not present the report.

Harnessing the power of data to help clients achieve organizational goals (slide 3)

- Provided information on Great Blue Research as outlined on slide 3.

Project Overview (slide 5)

- Discussed the recent survey conducted by Great Blue Research as outlined on slide 5.
- Discussed key points from the report.
 - Objectives
 - Methodology
 - Respondent demographics
- Highlighted areas of assessment
 - RMLD's ability to serve customers.
 - Identify areas for improvement.
 - Ways to Increase engagement.

Areas of Investigation (slide 6)

- Highlighted key areas.
 - Residential and commercial customer satisfaction.
 - Communication preferences.
 - Awareness of rebate programs.
 - Interest in renewable energy options.

Research Methodology Snapshot (slide 7)

- Discussed the Research Methodology Snapshot as outlined on slide 7.
- Question asked relative to number of meters.
 - Chair Soni asked how many meters RMLD has.
 - Mr. Phipps responded over 31,500 meters.
- Mentioned significance of research dates
 - Stressed the significance of the research dates relative to rate complaints.
 - Research dates coincided with RMLD's rate increase announcement.

Respondent Snapshot – Residential (slide 8)

- Discussed the Residential Respondent Snapshot as outlined on slide 8.
- Question relative to snapshot representation
 - Chair Soni asked how representative the snapshot was of the 31K meters.
 - The majority of respondents were 55+
 - This is slightly skewed because older adults are more likely to participate.

Research Methodology Snapshot – Commercial (slide 9)

- Discussed the Residential Methodology Snapshot as outlined on slide 9.
- Commercial customer representation
 - Commercial customers represent a smaller group compared to residential ones.
- Question relative to confidence level verses margin of error in the survey results
 - Vice Chair Welter asked about the high confidence level/significant margin of error.
 - Ms. Blackley noted that the numbers were within the normal margin of error.

Respondent Snapshot – Commercial (slide 10)

- Discussed the Commercial Respondent Snapshot as outlined on slide 10.
- Highlighted the survey sample.
 - 80% of commercial respondents were small companies (< 15 people).
 - Represented a relatively small portion of the load.
 - Commercial data was valuable, but not as crucial as residential for the survey.
- Discussed data implications.
 - Need to understand specific customer needs.
 - Need to educate customers about rebates and related matters.
 - Need for more in-depth research.
 - Need for further outreach to key accounts beyond the survey.
- Question relative to survey frequency
 - Vice Chair Welter asked about the frequency of conducting such surveys.
 - RMLD intends to conduct once every two years.
 - The goal is to establish a trend and allow RMLD to obtain increasingly better data.
- Highlighted commercial customer engagement.
 - Chair Soni emphasized the importance of engaging with commercial clients.
 - Mr. Phipps noted the need to understand both commercial and industrial classes.
 - Together, these classes account for more than half of the total load.
 - Need to engage with smaller commercial clients.

- Expressed interest in improving the engagement process.

Reliability Drives Service Ratings (slide 12)

- Discussed RMLD's service ratings as outlined on slide 12.
- Highlighted customer satisfaction
 - Overall satisfaction with RMLD is significantly higher than the national average.
 - Noted areas of high satisfaction and areas of improvement.
- Question relative to lower rate ratings.
 - Vice Chair Welter asked if the lower rate scores were due to the messaging issue.
 - Mr. Phipps responded it's possible; RMLD has been in a decade of flat rates.
- Discussed customer consideration of rate comparison.
 - Mr. Phipps said, relatively speaking, RMLD rates are low.
 - Vice Chair Welter noted RMLD should be considered in relation to their alternatives.
 - Mr. Phipps noted that RMLD didn't communicate the comparison until after the fact.
 - Mr. Small asked if customers have thought about RMLD relative to the alternatives.
 - Ms. Blackley noted that certain customers do not care about the comparison, only that their bill increased, even if it's a small amount.
- Discussed customer perception of bill increases.
 - Mr. Phipps noted that RMLD takes any rate increase seriously.
 - RMLD is focused on low-cost rates.
 - Bills are going to increase due to rising loads and costs.
 - Customers care more about their total bills instead of rates.
 - Mr. Small noted that commercial customers are likely looking at other territories.
- Discussed rate communications.
 - Mr. Phipps stressed that messaging is crucial.
 - The second press release, which announced a lower rate increase, came after the survey data collection.

Key Study Findings: Boost Awareness of Rebates & Program Offerings (slide 13)

- Discussed findings relative to awareness of rebates and program offerings for residents as outlined on slide 13.
- Highlighted what was learned, the takeaways, and actionable strategy.
- Question relative to unexpected outcomes
 - Chair Soni inquired about any unexpected outcomes from the results.
 - There was a discrepancy in the numbers regarding solar interest.
 - Great Blue Research stated 19.9% of residential customers are interested in solar.
 - The actual number of people interested is ~ 300-400.
 - This is considered significant even if it's not a majority.

Key Study Findings: Offer Ability to Opt-in to Text Message Notifications (slide 14)

- Discussed the key study findings relative to customer interest in receiving text message notifications as outlined on slide 14.
- Highlighted the results.
- Noted that implementation for opt-in messaging is planned for 2024.

Key Study Findings: Further Educate Customers of Benefits of ASHPs (slide 15)

- Discussed the key study findings relative to customer education on ASHP benefits, as outlined on slide 15.
- Highlighted what was learned, the takeaways, and actionable strategy.
- Concerns raised around survey question.
 - Mr. Phipps raised concerns about the framing of the survey question.
 - Need to capture customers considering ASHPs when replacing their furnace.

- Presented ASHP data
 - Mr. Phipps stated that 1,200 furnaces are replaced annually.
 - There has been an average of 270-300 ASHP adoptions over the past two years.
 - Chair Soni said national data suggests ASHP sales are surpassing gas systems.
 - Indicated that the survey data might be lower than actual market trends.
 - Mr. Phipps attributed the discrepancy to potential double-counting of gas systems.
 - Mr. Bullock added that MassSave's installations are not always accounted for.
 - Estimated installations might be closer to 400-450.
 - Vice Chair Welter mentioned his personal experience being overlooked in RMLD's count but noted he was grateful for the rebates received.

Of Those Who Provided Poor Ratings, Majority Cite High Cost as Reason (slide 16)

- Discussed the reasons for poor ratings, as outlined on slide 16.
- High rates cited as the reason for poor ratings.
 - Of the 200 customers who provided poor ratings, high rates were cited as the reason.
 - 40% of residential customers cited high rates as the reason.
 - 20% of commercial customers cited high rates as the reason.
- The timing of the survey relative to implemented rate increase.
 - Chair Soni pointed out that this feedback was taken in January.
 - Mr. Phipps noted this coincided with the announcement of the rate increase.
 - Not satisfied feedback from 6% of customers is very low.

Increased Satisfaction with Customer Service (Slide 17)

- Discussed data on increased satisfaction with Customer Service as outlined on slide 17.

Dissatisfied Due to Poor Communication and Customer Service (Slide 18)

- Discussed reasons for customer dissatisfaction as outlined on slide 18.
- Emphasized that the sample size for dissatisfied customers was small.

Find Email Newsletters and Website Valuable (Slide 19)

- Highlighted customers preferred communication methods as outlined on slide 19.
 - Mentioned RMLD's new presence on Facebook.
- Question relative to demographics
 - Chair Soni asked if there might be a demographic aspect to this preference.
 - Demographics may play a role.
- Emphasized the value of the newsletter, noting above-average engagement rates.

Want to Receive More Outage Restoration Updates (slide 20)

- Discussed customer preferences regarding outage updates, as outlined on slide 20.
- Discussion on recent outage
 - Chair Soni mentioned a recent outage incident.
 - Ms. Blackley confirmed its immediate report on Twitter.
 - Mr. Phipps specified details of the outage, which was caused by a tree,

Residents More Interested in Text Messages from RMLD (slide 21)

- Discussed customer interest in text messages from RMLD, as outlined on slide 21.

Email and Text Best for Peak Time Notifications (slide 22)

- Discussed customer preference for Peak Time Notifications, as outlined on slide 22.
- Highlighted the implementation of Opt-In System
 - Results demonstrated an urgent need to increase opt-ins as a goal for summer.

- The new text system aims to facilitate this.
- The overall goal is to get more participation in the Shred the Peak Program.

Some Aware of Payment Assistant Options (slide 23)

- Discussed customer awareness of payment assistance options, as outlined on slide 23.
- Noted COVID 19 payment pattern.
 - During COVID-19, there was a shift in payment patterns.
- Discussed payment patterns.
 - The majority of payments are made within 90 days.
 - There are few shut-offs reported.
 - Mr. Small noted seasonal differences in payment timelines.

More Residents Receiving Rebates than Businesses (slide 24)

- Discussed breakdown of customers receiving rebates, as outlined on slide 24.

Find Time to Restore Power Acceptable (slide 25)

- Discussed customer responses to outage restore times. as outlined on slide 25.

Increase in knowledge of ASHPs (slide 26)

- Discussed customer interest and knowledge around ASHPs, as outlined on slide 26.
- Emphasized increasing awareness of ASHPs.

Majority Unlikely to Install Solar Panels (slide 27)

- Discussed customer likelihood of installing Solar Panels, as outlined on slide 27.

Unlikely to Participate in Renewable Choice Program (slide 28)

- Discussed residential customer low likelihood of participation in Renewable Choice Program, as outlined on slide 28.
- Noted further effort is needed to increase participation.

Unlikely to Participate in Renewable Choice Program (slide 29)

- Discussed commercial customer low likelihood of participation in Renewable Choice Program, as outlined on slide 29.
- Noted further effort is needed to increase participation.

Anticipate Future Use of Home Energy Assessment (slide 30)

- Discussed future customer use of Home Energy Assessment, as outlined on slide 30.

Businesses Less Likely to Participate in EV and Solar Rebate Program (slide 31)

- Discussed likelihood of customer participation in EV and Solar Rebate Programs, as outlined on slide 31.

Some Interest in Time of Use Rates (slide 32)

- Discussed customer interest in Time of Use Rates, as outlined on slide 32.
- Half of residential and commercial customers understand "time of use" rates.

Considerations (slide 34 and 35)

- Discussed study considerations, as outlined on slides 34 and 25.
- Highlighted study recommendations
 - Increase awareness of rebate programs.
 - Introduce text messaging.

- Further educate customers on ASHPs

Discussion on Time of Use Rates

- Discussed metering system.
 - Mr. Phipps stated that RMLD's limited metering system hampers aggressive promotion of time of use rates.
 - A new system is in the pipeline to facilitate this.
- Highlighted reasons for disinterest in time of use rates
 - Discussed potential reasons for disinterest in time of use rates.
 - Disinterest is high among commercial customers, mainly small businesses.

State Initiatives on Metering Systems

- Chair Soni referenced the GRID Management Advisory Committee (GMAC) meeting.
- Mr. Phipps mentioned updates on grant applications tied to metering systems.
- Mr. Phipps noted the importance of staying engaged in state-level discussions.

Communication Strategies

- Highlighted the need for more targeted communication with commercial customers.
- RMLD is making an effort to better customize commercial newsletters.

Previous 2020 Survey

- Chair Soni inquired about follow-ups from the 2020 survey.
- 2020 Survey Follow-Ups
 - The previous survey set the stage for Policy 30.
 - Increased coordination with the customer service team for consistent messaging
 - The last survey set benchmarks. The current survey is more action oriented.

Wrap-up and Action Plan

- Immediate follow-ups have begun based on the survey.
- Emphasized the need for continued action.
- Chair Welter's question relative to margin of error will be addressed at the BoC meeting.

Hydro Quebec (HQ) Update

Materials: CAB meeting packet, (attachment 2)

Mr. Bullock provided an update on HQ to the RMLD CAB.

Hydro Quebec (HQ) (non-carbon) (slide 1)

- Discussed current transmission capacity and contract.
 - Provided an overview of the current energy contract.
 - RMLD has use rights to ~ 9.9 MW of transmission capacity from HQ.
 - (5.623 MW Firm).
 - Capacity was sold to an energy provider for use in the forward capacity market.
 - RMLD would receive an energy contract in return.
- Highlighted HQ background
 - Provides 10% of New England's Energy Supply (Electricity).
 - Chair Soni noted that HQ likely wants to provide more than 10%.
 - RMLD wants to build a strong direct relationship with HQ.
- Discussed new proposal highlights.
 - Discussed new proposal details.
 - HQ presented the best offer among various parties.
 - Energy rates are significantly lower than current rates.
 - Includes clean energy standard certificates, which can be sold.
 - RMLD will still sell its use rights but now will get energy in return.

- RMLD now has the option to buy energy and certificates at a discounted rate.
- Discussed the historical context.
 - Historically, RMLD would sell its use rights without receiving energy in return.
 - RMLD has been renewing these transmission use rights contracts since the 1980s.
 - RMLD has the largest share among MLPs; out of 2000 MW Total Capacity.
- Highlighted new contract features.
 - Discussed the new contract features.
 - Offers energy around the clock, with no seasonality.
 - Significant benefit over typical seasonality of hydro energy.
 - Noted that the 49,900 MWh/yr is approximately 6 MWs.
- Questions relative to use rights.
 - Chair Soni asked about future use rights.
 - Mr. Phipps noted that as of now HQ is not creating any more use rights.
 - Vice Chair Welter asked if the use rights are sold back to HQ.
 - Currently RMLD sells use rights to National Grid.
 - With the new proposal, RMLD will sell use rights to HQ.
- Highlighted benefits and future opportunities
 - Mr. Phipps emphasized the financial benefits of the deal.
 - Potential for enhanced reliability.
 - Opportunity for future renewal or extension of the contract.
- Question relative to a Request for Proposal (RFP) and other potential offers
 - Vice Chair Welter asked if an RFP was sent out.
 - Confirmed an RFP was sent out.
 - Mr. Phipps mentioned another competing bid.
 - The value was approximately 2/3 of the HQ offer.
 - Did not include energy.
- Question relative to Municipal Light Plant (MLP) participation
 - Chair Soni asked if other MLPs were participating.
 - Mr. Phipps confirmed there are about 12 participating in similar deals.
 - ENE is facilitating and all MLPs are getting hydro energy.
 - MWEC had facilitated a similar deal for another group of MLPs a year ago.
- Discussion Conclusion
 - Mr. Phipps noted that this deal will effectively replace the National Grid Contract
 - Offer is a third more valuable than other offers in terms of:
 - Rights
 - Access to energy
 - Certificates

Vice Chair Welter made a **motion**, seconded by Mr. Small, that the RMLD Citizens' Advisory Board vote to accept the General Manager's recommendation to execute a new contract with Hydro Quebec, for energy and associated certificates under a five-year contract, starting January 2024. **Motion Carried: 3:0:2** (3 in favor, 0 opposed, 2 absent). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Small, Aye. Mr. Hooper and Mr. Kelley were absent from the meeting.*

General Manager Update

Mr. Phipps provided a GM update to the CAB.

Discussed Station 2 and Lynnfield parking space use

- Noted the short-term license for Station 2 town parking space usage.
- An error was identified regarding the duration of the license.
- This error will be corrected in the final document, as discussed with Lynnfield.

Discussed concerns regarding the regional network.

- Expressed concerns about the fragility of the regional network.
 - Emphasized potential energy supply limitations due to:
 - Retiring generation assets.
 - Natural gas supply issues.
 - Clarified that there isn't an imminent crisis.
 - Preparations are being made for potential challenges ahead.
 - Mentioned past discussions on similar topics and concerns.
 - Load reduction in cold winter months
 - Mystic generation station's impending shutdown (May 2024).
 - Economic support for the Everett Terminal (LNG natural gas)

Future Planning and Storage Initiatives

- Discussed plans to integrate more storage into the network for resilience and stability.
- Further discussed the potential Station 2 storage system.
 - The site was inspected for possible storage system integration.
 - RMLD may not own it but might employ an ESA type structure.
- Question relative to storage
 - Vice Chair Welter asked if the parcel would only have storage.
 - Mr. Phipps confirmed storage only.
- Question relative to fencing
 - Chair Soni asked if the area was fenced in.
 - Mr. Phipps noted that the area is ~ 19K Sq Ft with half fenced.
- Discussed matters related to property access and legal considerations.
 - Noted property ownership versus legal access.
- Discussed plans for Lynnfield Town Hall Battery Storage
 - Discussed plans for potential battery storage at the town hall.
- Discussed generation and storage capacities.
 - Chair Soni noted limitations on storage size, particularly the 5 MW limit.
 - Chair Soni mentioned a conversation with Jack Smith from ISO NE.
 - Mr. Phipps noted a recent conversation RMLD had with ISO NE.
 - Discussed concerns related to asset connection into the network.
 - Discussed the role of distribution versus transmission.
 - Discussed implications of exceeding certain generation and storage thresholds.
 - Highlighted the corresponding regulations.
 - RMLD's goal is to provide reliable, low-cost, non-carbon power to customers while working within the regulatory framework.

Infrastructure Planning

- Discussed RMLD's connections to two transmission systems and upcoming projects.
- Emphasized the focus on reliability.
- Discussed plans for storage system placement.
 - There is a need for storage assets on transmission systems.
 - ISO NE is putting ten 30 MW systems throughout the network.
 - RMLD's goal is to be one of these places.

Weatherization Program

- Discussed the weatherization program.
 - Will commence later in the year.
 - Primarily focused on air sealing and insulation.

Maple Meadow Project

- Discussed the ongoing Maple Meadow project.

- 10 MW solar/storage initiative.
- Outlined a tentative timeline for the project.
 - September 2023: Acquire Land
 - End of 2024: Storage Uni
 - End of 2025: Solar Array
- Environmental and logistical factors present challenges.
 - Noted RMLD is aggressively pursuing land.

Scheduling

- The next CAB meeting will be held on June 15, 2023. At 5:30 PM.

Adjournment

Vice Chair Welter made a motion to adjourn, seconded by Mr. Small. **Motion Carried: 3:0:2** (3 in favor, 0 opposed, 2 absent). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Small, Aye. Mr. Hooper and Mr. Kelley were absent from the meeting.*

The CAB meeting adjourned at 6:31 PM

DRAFT



Town of Reading Meeting Minutes

2016-09-22 LAG

Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2023-06-15

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: Draft

Attendees: **Members - Present:**

Vivek Soni, Chair (Reading); Ken Welter, Vice Chair (Lynnfield); George Hooper (Wilmington); Dennis Kelley (Wilmington); Jason Small (North Reading)

Members - Not Present:

Others Present:

Refer to Board of Commissioners Minutes for June 15, 2023


Minutes Respectfully Submitted By: Vivek Soni, Chair

Topics of Discussion:

JOINT MEETING WITH RMLD BOARD OF COMMISSIONERS

**Refer to the RMLD Board of Commissioners
Meeting Minutes
for June 15, 2023**

ATTACHMENT 2
2024 OPERATING BUDGET
PRESENTATION



RMLD Reading Municipal Light Department
RELIABLE POWER

Tree Crew / Operating Budget Update
1/1/2024 - 12/31/2024
Presented to CAB and BoC November 15, 2023

RMLD Tree Crew Proposals

Current Status of Tree Maintenance



Vegetation Maintenance

Currently there is a backlog of over 100 trees
Reading – Vegetative Maintenance Plan (VMP)
required for any tree that needs to be trimmed
All Towns – Submittal required to tree warden to
remove any trees
Current delays in process



Tree Calls since 10/1/2023

As of 11/4/2023 – there have been
over 60 new calls during the month
of October into the control center
to address vegetation interfering
with distribution lines



Timeframe for Maintenance

Usual service time –
Anywhere from 2 weeks to 2
months to remove or trim any tree

11/15/2023



2

RMLD Tree Crew Proposals

Three Scenarios



1. Hire internal tree crew



2. Hybrid tree crew (Internal/Outsourced)



3. Restructure with new contract (Outsourced)

11/15/2023



3

RMLD Tree Crew Proposals

Scenario 1 – Transition to Internal Tree Crew



Proposed Changes:

- Current contract expires in 2024
- Inclusion of Tree Crew Manager – Certified arborist
- Inclusion of four Tree Crew Staff – Two 2-person crews
- Procure rolling stock and chippers



Proposed Improvements for Internal Tree Crew

- Over \$1M in savings by CY 25 and CY 26 annually
- Allows for long term cost reduction on tree crews, by providing salaried positions over prevailing wage costs
- Provides additional capital equipment for staff to use (Bucket Truck)
- From 2018 – 2021, prevailing wage costs increased by 124% partially due to regulatory changes



11/15/2023

4

RMLD Tree Crew Proposals

Scenario 2 – Hybrid (Mixed Outsourced & Internal) Crew



Proposed Changes:

- New tree contract in July 2024 to be reduced in half
- Inclusion of Tree Crew Manager – Certified Arborist
- Inclusion of two Tree Crew Staff – One 2-person crews
- Procure rolling stock and chippers



Proposed Improvements for Hybrid Tree Crew

- Provides additional capital equipment for staff to use
- Savings actualized in CY 24 and CY 25 at ~\$500k
- Allows for long term cost reduction on tree crews, by providing salaried positions over prevailing wage costs
- Contract allows flexibility to bring on additional outside tree crews during states of emergency



11/15/2023

5

RMLD Tree Crew Proposals

Scenario 3 – Outsourced Tree Crew



Proposed Changes:

Restructure contract from "Span Basis"
 Propose Daily Rate Basis which will avoid being charged for removal of small branches, which it is costed out as the same as larges spans
 Enables tree crews to work on 35 KV jobs along MBTA Right of Way



Proposed Improvements for Restructured Contract

Move from Span Basis to Daily Rate Basis
 Allows for additional productive work by addressing the backlog of Three-Phase Distribution Lines (along the Main Line in Reading in particular)
 Allows for additional productive work by addressing the backlog of Single-Phase Lines in residential neighborhoods
 Reduces Prevailing Wage Costs



11/15/2023

6

Total Budget Impact – CY 24

| | Proposed Scenario 1 Internal Tree Crew | Proposed Scenario 2 Hybrid Tree Crew | Proposed Scenario 3 Outsourced Tree Crew |
|-----------------------------|---|---|---|
| Revenue | \$ 115,008,570 | \$ 115,008,570 | \$ 115,008,570 |
| Power Expenses | 70,831,054 | 70,831,054 | 70,831,054 |
| Operating & Maint. Expenses | 7,033,708 | 7,207,458 | 7,770,408 |
| General & Admin Expenses | 19,413,560 | 19,301,448 | 18,916,852 |
| Other Operating Expenses | 7,822,614 | 7,822,614 | 7,822,614 |
| Total Operating Income | \$ 9,907,635 | \$ 9,845,997 | \$ 9,667,643 |
| Non-Operating Revenue | \$ (1,398,587) | \$ (1,398,587) | \$ (1,398,587) |
| Net Income | \$ 8,509,048 | \$ 8,447,410 | \$ 8,269,056 |

11/15/2023



7

Projected Financial Impact

Calendar Year 2024:

- Scenario 1 (Internal Tree Crew): Total cost \$1,865,619, Increased Expense (\$155,189)
- Scenario 2 (Hybrid Tree Crew): Total cost \$1,927,933, Increased Expense (\$217,503)
- Scenario 3 (Outsourced Tree Crew): Total cost \$1,710,430, Savings \$0

Calendar Year 2025:

- Scenario 1 (Internal Tree Crew): Total cost \$730,475, Savings \$1,063,520
- Scenario 2 (Hybrid Tree Crew): Total cost \$1,324,010, Savings \$469,984
- Scenario 3 (Outsourced Tree Crew): Total cost \$1,744,678, Savings \$0

Calendar Year 2026:

- Scenario 1 (Internal Tree Crew): Total cost \$752,353, Savings \$1,146,257
- Scenario 2 (Hybrid Tree Crew): Total cost \$1,365,081, Savings \$533,529
- Scenario 3 (Outsourced Tree Crew): Total cost \$1,846,335, Savings \$0

11/15/2023



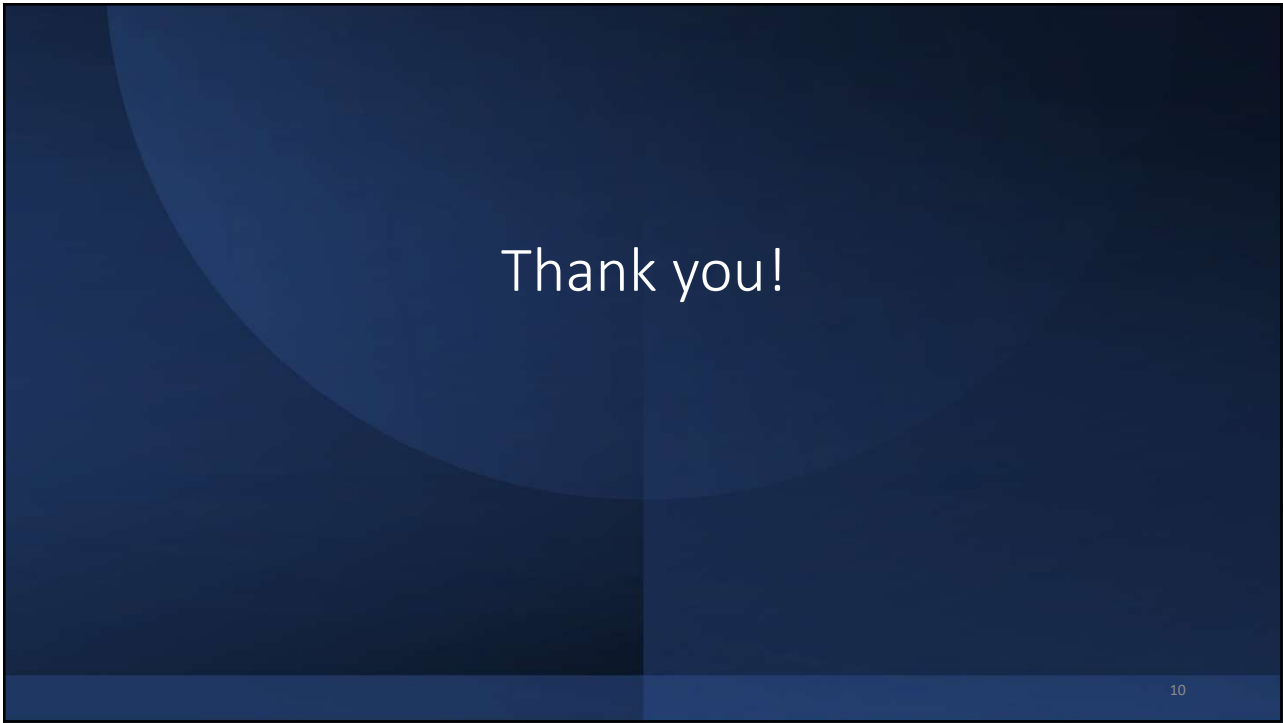
8



Tree Crew Summary

- Scenario I:
 - Original proposal from 10/25. Inclusion of new inhouse two 2-person tree crew
- Scenario II:
 - Hybrid (internal/outourced) tree crew
- Scenario III:
 - Execute new three-year contract for outsourced tree crew





| Scenario 1 - Proposed 10/25 Internal Tree Crew | CY 2024 Proposed Budgets Proposed Scenario 2 Hybrid (Internal and Outsourced) Tree Crew | Proposed Scenario 3 Outsourced Tree Crew |
|--|---|---|
| Operating Revenues | | |
| Base Revenue | \$ 40,385,209 | \$ 40,385,209 |
| Fuel Revenue | 33,549,002 | 33,549,002 |
| Purchased Power Capacity/Transmission | 38,263,627 | 38,263,627 |
| Forfeited Discounts | 1,211,556 | 1,211,556 |
| Energy Conservation Revenue | 2,733,116 | 2,733,116 |
| NYPA | (1,133,940) | (1,133,940) |
| Total Operating Revenues | 115,008,570 | 115,008,570 |
| Expenses | | |
| Power Expenses | | |
| 555 Purchased Power - Fuel | 33,549,002 | 33,549,002 |
| 555 Purchased Power - Capacity | 16,100,402 | 16,100,402 |
| 565 Purchased Power - Transmission | 21,181,651 | 21,181,651 |
| Total Purchased Power | 70,831,054 | 70,831,054 |
| Operating and Maintenance Expenses | | |
| 580 Supervision and Engineering | 945,126 | 945,126 |
| 581 Station/Control Room Operators | 526,168 | 526,168 |
| 582 Station Tech | 1,310,897 | 1,310,897 |
| 583 Line General Labor | 813,453 | 813,453 |
| 585 Street Lighting | 6,355 | 6,355 |
| 586 Meter General | 267,117 | 267,117 |
| 588 Materials Management | 611,890 | 611,890 |
| 593 Maintenance of Lines - Overhead | 732,300 | 716,050 |
| 593 Maintenance of Lines - Tree Trimming | 829,901 | 1,019,901 |
| 594 Maintenance of Lines - Underground | 185,192 | 185,192 |
| 595 Maintenance of Lines - Transformers | 351,742 | 351,742 |
| 598 Line General Leave Time Labor | 453,565 | 453,565 |
| Total Operating and Maintenance Expenses | 7,033,708 | 7,207,458 |
| General & Administrative Expenses | | |
| 902 Meter Reading | - | - |
| 903 Customer Collection | 1,466,599 | 1,466,599 |
| 904 Uncollectible Accounts | 75,000 | 75,000 |
| 916 Integrated Resources | 996,716 | 996,716 |
| 916 Efficiency and Electrification Expense | 3,450,478 | 3,450,478 |
| 920 Administrative and General Salaries | 3,416,126 | 3,336,046 |
| 921 Office Supplies | 20,000 | 20,000 |
| 923 Outside Services-Legal | 600,800 | 600,800 |
| 923 Outside Services-Contract | 642,400 | 642,400 |
| 923 Outside Services-Education | 338,450 | 338,450 |
| 924 Property Insurance | 595,705 | 595,705 |
| 925 Injuries and Damages | 25,600 | 25,600 |
| 926 Employee Pensions and Benefits | 5,116,479 | 5,084,447 |
| 930 Miscellaneous General Expense | 555,522 | 555,522 |
| 931 Rent Expense | 233,200 | 233,200 |
| 933 Vehicle Expense | 389,000 | 389,000 |
| 933 Vehicle Expense - Capital | (510,268) | (510,268) |
| 935 Maintenance of General Plant - Technology | 700,000 | 700,000 |
| 935 Maintenance of Building & Garage | 1,301,753 | 1,301,753 |
| Total General & Administrative Expenses | 19,413,560 | 19,301,448 |
| Other Operating Expenses | | |
| 403 Depreciation | 5,798,925 | 5,798,925 |
| 408 Voluntary Payments to Towns | 2,023,689 | 2,023,689 |
| Total Other Expenses | 7,822,614 | 7,822,614 |
| Operating Income | 9,907,635 | 9,845,997 |
| Non-operating Revenues (Expenses) | | |
| 415 Contributions in Aid of Construction | 50,000 | 50,000 |
| 419 Interest Income | 300,000 | 300,000 |
| 419 Other Income | 710,000 | 710,000 |
| 421 Intergovernmental Grants | 90,000 | 90,000 |
| 426 Return on Investment Payment to Reading | (2,528,587) | (2,528,587) |
| 426 Loss on Disposal | (10,000) | (10,000) |
| 431 Interest Expense | (10,000) | (10,000) |
| Total Non-operating Revenues (Expenses) | (1,398,587) | (1,398,587) |
| Net Income | \$ 8,509,048 | \$ 8,447,410 |
| Operating Revenues | | |
| Base Revenue | \$ 40,385,209 | \$ 40,385,209 |
| Fuel Revenue | 33,549,002 | 33,549,002 |
| Purchased Power Capacity/Transmission | 38,263,627 | 38,263,627 |
| Forfeited Discounts | 1,211,556 | 1,211,556 |
| Energy Conservation Revenue | 2,733,116 | 2,733,116 |
| NYPA | (1,133,940) | (1,133,940) |
| Total Operating Revenues | 115,008,570 | 115,008,570 |
| Expenses | | |
| Power Expenses | | |
| 555 Purchased Power - Fuel | 33,549,002 | 33,549,002 |
| 555 Purchased Power - Capacity | 16,100,402 | 16,100,402 |
| 565 Purchased Power - Transmission | 21,181,651 | 21,181,651 |
| Total Purchased Power | 70,831,054 | 70,831,054 |
| Operating and Maintenance Expenses | | |
| 580 Supervision and Engineering | 945,126 | 945,126 |
| 581 Station/Control Room Operators | 526,168 | 526,168 |
| 582 Station Tech | 1,310,897 | 1,310,897 |
| 583 Line General Labor | 813,453 | 813,453 |
| 585 Street Lighting | 6,355 | 6,355 |
| 586 Meter General | 267,117 | 267,117 |
| 588 Materials Management | 611,890 | 611,890 |
| 593 Maintenance of Lines - Overhead | 732,300 | 716,050 |
| 593 Maintenance of Lines - Tree Trimming | 829,901 | 1,019,901 |
| 594 Maintenance of Lines - Underground | 185,192 | 185,192 |
| 595 Maintenance of Lines - Transformers | 351,742 | 351,742 |
| 598 Line General Leave Time Labor | 453,565 | 453,565 |
| Total Operating and Maintenance Expenses | 7,770,408 | 7,770,408 |
| General & Administrative Expenses | | |
| 902 Meter Reading | - | - |
| 903 Customer Collection | 1,466,599 | 1,466,599 |
| 904 Uncollectible Accounts | 75,000 | 75,000 |
| 916 Integrated Resources | 996,716 | 996,716 |
| 916 Efficiency and Electrification Expense | 3,450,478 | 3,450,478 |
| 920 Administrative and General Salaries | 3,416,126 | 3,050,206 |
| 921 Office Supplies | 20,000 | 20,000 |
| 923 Outside Services-Legal | 600,800 | 600,800 |
| 923 Outside Services-Contract | 642,400 | 642,400 |
| 923 Outside Services-Education | 338,450 | 338,450 |
| 924 Property Insurance | 595,705 | 595,705 |
| 925 Injuries and Damages | 25,600 | 25,600 |
| 926 Employee Pensions and Benefits | 5,116,479 | 4,985,691 |
| 930 Miscellaneous General Expense | 555,522 | 555,522 |
| 931 Rent Expense | 233,200 | 233,200 |
| 933 Vehicle Expense | 389,000 | 389,000 |
| 933 Vehicle Expense - Capital | (510,268) | (510,268) |
| 935 Maintenance of General Plant - Technology | 700,000 | 700,000 |
| 935 Maintenance of Building & Garage | 1,301,753 | 1,301,753 |
| Total General & Administrative Expenses | 18,916,852 | 18,916,852 |
| Other Operating Expenses | | |
| 403 Depreciation | 5,798,925 | 5,798,925 |
| 408 Voluntary Payments to Towns | 2,023,689 | 2,023,689 |
| Total Other Expenses | 7,822,614 | 7,822,614 |
| Operating Income | 9,667,643 | 9,667,643 |
| Non-operating Revenues (Expenses) | | |
| 415 Contributions in Aid of Construction | 50,000 | 50,000 |
| 419 Interest Income | 300,000 | 300,000 |
| 419 Other Income | 710,000 | 710,000 |
| 421 Intergovernmental Grants | 90,000 | 90,000 |
| 426 Return on Investment Payment to Reading | (2,528,587) | (2,528,587) |
| 426 Loss on Disposal | (10,000) | (10,000) |
| 431 Interest Expense | (10,000) | (10,000) |
| Total Non-operating Revenues (Expenses) | (1,398,587) | (1,398,587) |
| Net Income | \$ 8,269,056 | \$ 8,269,056 |


ATTACHMENT 3
INTEGRATED RESOURCES
DEPARTMENT REPORT



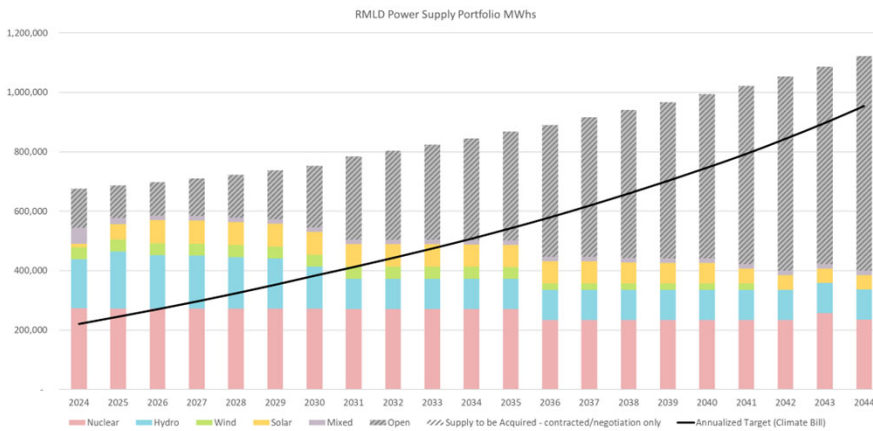
Integrated Resources Power Supply Report

*Presented to the
Board of Commissioners
and Citizens Advisory Board*

15 November 2023

| | | |
|----------------|--|--|
| <p>Outline</p> |  | <ul style="list-style-type: none">Load ForecastPrice Forward CurvePower SupplyCertificatesRatesCarbon Capture Fuel Cell |
|----------------|--|--|

Load Forecast



Non carbon hydro and nuclear have become a significant portion of the portfolio

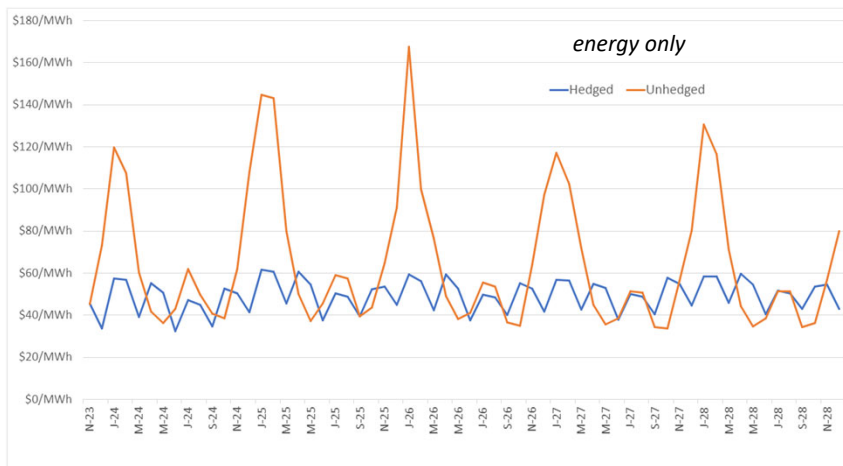
Load growth due to electric vehicles & heating electrification

Add new solar and wind

Add generation and storage in territory to reduce supply costs.

3 source: Energy Position Graph MASTER 2X_with Dashboards 2023-09-25

Forward Price Curve – monthly through 2028



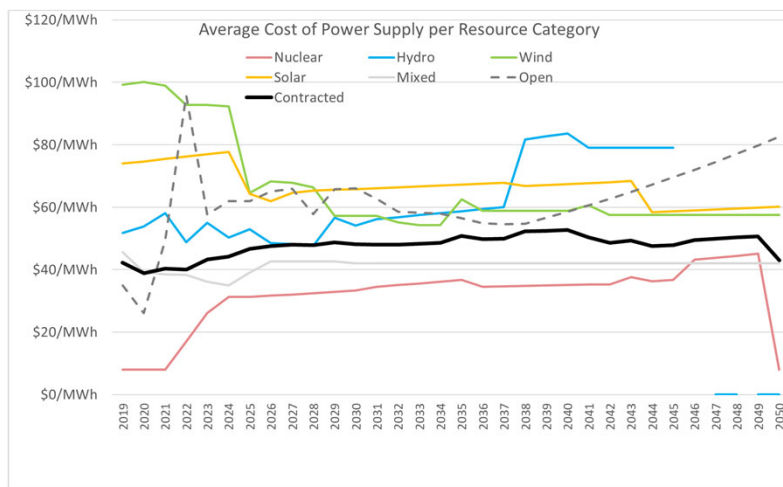
Price volatility forecasted to increase over the next few years

Winter pricing driven by volatile pricing of spot market natural gas

RMLD is ~90% hedged, greatly limiting exposure to the periods of highest volatility

4 source: ENE Weekly Report Monthly Details 11-01-2023

Power Supply



5 source: Energy Position Graph Master 2X_with Dashboards 11-09-2023

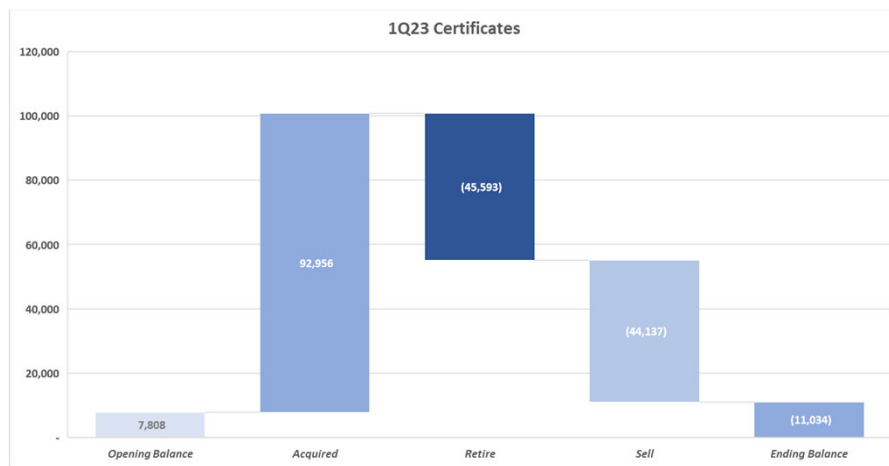
Hedge strategy dampens volatility and lowers average cost

Opportunities for additional contract hedges, as near-term contracts expire

Offshore wind repricing likely

Contracted prices forecasted to remain below open market pricing

Certificates Management



Policy goal for 2023 - retire 29% of certificates

Sell 80% of certificates not retired

Maintain a balance to ensure adherence to compliance plan

6 source: Purchase Power Tracking 2023.xls

2024 Rates – Residential A example

updated text

- Customer Charge**
 Cost of customer account administration.
- Distribution Energy Charge**
 Cost of the distribution network system (wires, poles, transformers) including operations and maintenance for reliability.
- Efficiency Electrification Charge**
 Cost of energy efficiency, electrification, rebate and incentive programs.
- Fuel Charge**
 Wholesale cost of power supply (energy) including certificates.
- Purchased Power Capacity & Transmission Charge (PPCT)**
 Wholesale cost for generation assets and transmission in ISO-NE. Cost based on RMLD peaks and regional pricing.
- NYPA Credit**
 Credit from NY Power Authority related to hydropower. Legislation determined that the credit only applies to residential accounts.

| Residential A | current | proposed | \$ change |
|----------------------------|-----------------|-----------------|----------------|
| *Customer Charge | \$6.24 | \$7.70 | \$1.46 |
| *Distribution Energy | \$73.23 | \$74.03 | \$0.81 |
| Efficiency Electrification | \$3.25 | \$4.06 | \$0.81 |
| Fuel | \$40.13 | \$41.43 | \$1.30 |
| Capacity & Trans (PPCT) | \$41.36 | \$47.56 | \$6.20 |
| NYPA Credit | \$(4.58) | \$(3.57) | \$1.01 |
| Prompt Payment | \$(11.92) | \$(12.26) | \$(0.34) |
| Total Monthly Bill | \$147.70 | \$158.95 | \$11.26 |
| Average Monthly kWh | 812 | 812 | |

Tariff Rate
 \$3.08
 2%
 fixed

Power Supply
 Pass Thru
 \$8.51
 5.6%
 adjusted
 monthly
 based on
 actuals

*Fixed tariff (rate sheet) is \$3.08 (2%) of total estimated increase.
 Variable power supply pass through is estimated \$8.51 (5.6%) of total.*

Source: Rate and Analysis by Cost Stream v34 2023-10-19

2024 Rates – Commercial C example

updated text

Customer Charge
Cost of customer account administration.

Distribution Energy Charge
Cost of the distribution network system (wires, poles, transformers) including operations and maintenance for reliability.

Distribution Demand
Cost of distribution network system tied to maximum demand of customer.

Efficiency Electrification Charge
Cost of energy efficiency, electrification, rebate and incentive programs.

Fuel Charge
Wholesale cost of power supply (energy) including certificates.

Purchased Power Capacity & Transmission Charge (PPCT)
Wholesale cost for generation assets and transmission in ISO-NE. Cost based on RMLD peaks and regional pricing.

| Commercial C | current | proposed | \$ change |
|----------------------------|-------------------|-------------------|-----------------|
| *Customer Charge | \$10.30 | \$13.38 | \$3.09 |
| *Distribution Energy | \$159.02 | \$174.93 | \$15.90 |
| *Distribution Demand | \$279.23 | \$301.57 | \$22.34 |
| Efficiency Electrification | \$27.39 | \$34.24 | \$6.85 |
| Fuel | \$338.43 | \$349.43 | \$11.00 |
| Capacity & Trans (PPCT) | \$348.77 | \$401.08 | \$52.32 |
| Prompt Payment | \$(67.28) | \$(73.48) | \$(6.20) |
| Total Monthly Bill | \$1,095.86 | \$1,201.15 | \$105.29 |
| Average Monthly kWh | 6,848 | 6,848 | |
| Average kW | 23 | 23 | |

Tariff Rate
\$48.18
3.8%
fixed

Power Supply
Pass Thru
\$63.32
5.8%
adjusted monthly based on actuals

Fixed tariff (rate sheet) is \$48.18 (2%) of total estimated increase.
Variable power supply pass through is estimated \$63.32 (5.8%) of total.

Source: Rate and Analysis by Cost Stream v34 2023-10-19

Context – RMLD in territory generation

Favorable economics for in territory generation

- Wholesale costs increasing (energy, transmission, capacity, certificates)
- New funding sources (state / fed grants, tax credits, vendor contributions)
- RMLD has scale to implement

Reliability enhanced via in territory generation assets

- Regional wholesale more fragile
- More direct control (and responsibility)
- In territory generation targeted to support ~40% of load by 2040

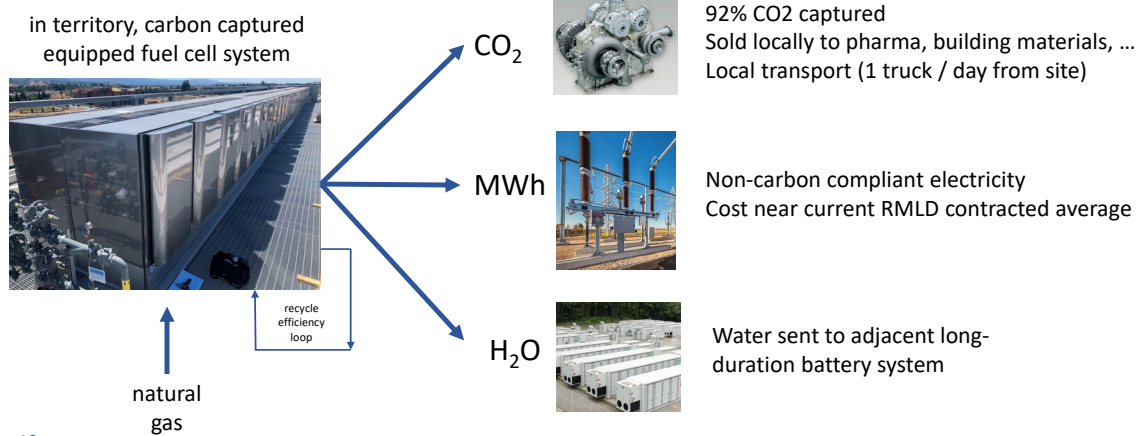
Compliant (2021 Climate Bill → non-carbon electricity sales 50% by 2030, 75% by 2040, and net zero by 2050)

- Clean energy certificates produced by a fuel cell with >90% carbon capture provides compliance pathway in the near term
- Carbon captured fuel cells compliant for life of assets (>20 years)

Generation asset timing

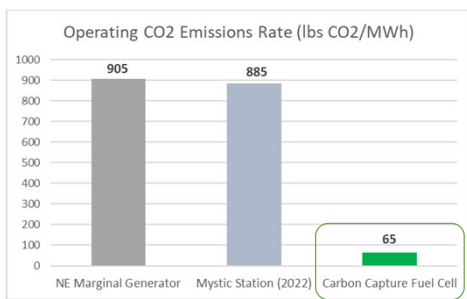
- First 20 MW base load gen commissioned **winter 2025/2026**
- First 3 MWs of RMLD owned rooftop solar PV commissioned in 2026, then Maple Meadows solar PV (8 MW) in 2027
- Additional 20 MW base load gen commissioned in 2029, followed by two additional units in 2030's

Carbon Capture Fuel Cell - output

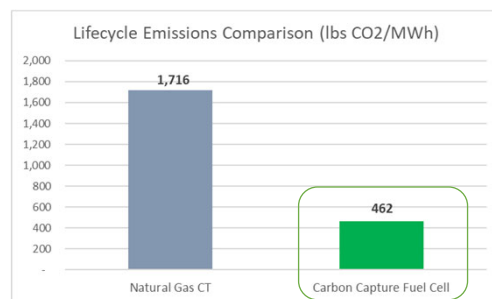


Carbon Capture Fuel Cell – CO₂

Carbon capture equipped fuel cell system emits 7% of CO₂ captured to New England marginal generator



Carbon capture equipped fuel cell system 73% below NGCT system in life cycle comparison



Although not zero, carbon capture fuel cell system yields dramatic CO₂ reduction when run as base load unit (8,300 annual hours)
 73% life cycle savings enable clean energy standard (non-carbon compliant with 2021 Climate Bill)

11 source(s): 2021 EPA eGRID, EIA 2022 plant emissions, initial Bloom analysis

Thank You
from the IRD Team



ATTACHMENT 4
MILTON CAT BATTERY STORAGE

Milton CAT Mobile Battery



base case model

| Year | 2024 | 2025 | 2026 | Total |
|--------------------------------------|----------|----------|----------|-----------|
| Total Benefits | \$63,570 | \$76,049 | \$84,869 | \$224,288 |
| Costs (including CAT shared savings) | \$32,442 | \$38,727 | \$43,005 | \$114,174 |
| Net Benefit | \$31,236 | \$37,414 | \$41,754 | \$110,404 |

Provides NPV of \$100,000 over three years, with no commitment and the capability to move where temporary storage may be needed.

Install mobile lithium iron phosphate chemistry battery

MiltonCAT delivers battery and RMLD shares savings with MiltonCAT from transmission and capacity prices

500kW output with 2 hours duration

Aligned incentives and low risk to RMLD

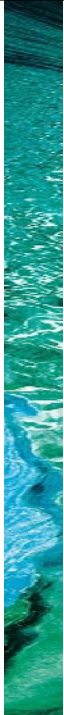
Average \$35,000 annual savings (base case)

Contract may be renewed after initial 3 year period

¹ Source: Milton CAT Economic Model 10-10-2023.xls

storage motion

ATTACHEMENT 5
GENERAL MANAGER'S REPORT



General Manager Update

*Presented to the
Board of Commissioners and
Citizens Advisory Board*

15 November 2023

People Operations

RMLD team positive, engaged, and energized

4 internal moves and 4 internal promotions since January

- opportunities and development

Intern (7 summer) and coop (5 summer fall) program

- learning, value add, spread the word on campus

17 full time hires and 7 departures

Adding Pathways program in May 2024

- starting with Reading HS

6 openings in process

- substation tech, IRD Analyst, IRD Engineer, 3 directors



*Promotions/moves and new hires **energizing** entire team, enabling more accomplishments, adding new skills and perspective*

2

More Highlights

Two new larger industrial customers contracting leases in Wilmington (new load)

Major maintenance on Substation 4 and 5 transformers complete

Battery storage projects gaining momentum (winter 2024/2025)

Maple Meadows energy park

- MA DEP meeting to refine preferences
- Exploring options to shorten total project timeline

RMLD presentation to Reading Select Board Nov 21st

- Strategy highlights, 2024 rate expectations, Ash Street Campus

RMLD presentation to Lynnfield Select Board Nov 27th

- Strategy highlights, Glenn Street battery system, 2024 rate expectations

RMLD Ash Street Campus Update

Nov 2023 update

highlights

- a) RMLD operations building (218) needs major refit
- b) RMLD continues to explore better location for primary operations, but most likely scenario is to reconfigure Ash Street campus
- c) Initial discussions with three other Ash Street campus owners; all three (232, 236, 244) open to changes
- d) Ongoing planning discussions with Town of Reading and Gamble Associates to use Community Planning grant to vision Ash St RMLD campus and Eastern Gateway District



key milestones

| | |
|---|---------|
| Share Ash Street Campus concepts | 2Q 2024 |
| Finalize Ash Campus design | 1Q 2025 |
| Transfer property ownership | 2Q 2025 |
| Reconfigure Ash and Main intersection | 3Q 2025 |
| Start 218 - 232 Ash Street construction | 3Q 2026 |
| Complete RMLD transition on Ash Street Campus | 4Q 2028 |

4 Note: numerous details to be defined and executed to support these milestones

Thank You



**BOARD MATERIALS AVAILABLE BUT
NOT DISCUSSED**

Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
9/30/2023

| | 2023 | 2022 |
|------------------------------------|--------------------|--------------------|
| ASSETS | | |
| Current: | | |
| Unrestricted Cash | \$ 24,339,712 | \$ 20,166,368 |
| Restricted Cash | 30,695,258 | 34,225,623 |
| Restricted Investments | 1,411,376 | 1,040,049 |
| Receivables, Net | 11,044,054 | 9,036,239 |
| Prepaid Expenses | 1,660,339 | 1,127,720 |
| Inventory | 3,215,023 | 2,419,297 |
| Total Current Assets | 72,365,762 | 68,015,295 |
| Noncurrent: | | |
| Lease Receivable | 1,993,599 | - |
| Investment in Associated Companies | 990,598 | 964,615 |
| Construction in Progress | 875,562 | 756,039 |
| Capital Assets, Net | 93,646,958 | 86,507,501 |
| Total Noncurrent Assets | 97,506,717 | 88,228,155 |
| Deferred Outflows | 6,113,387 | 6,754,497 |
| TOTAL ASSETS | 175,985,865 | 162,997,946 |

LIABILITIES

PRELIMINARY

| | | |
|---------------------------------------|-------------------|-------------------|
| Current | | |
| Accounts Payable | 5,120,540 | 7,575,803 |
| Accrued Liabilities | 567,994 | 551,633 |
| Customer Deposits | 1,755,009 | 1,662,351 |
| Advances from Associated Companies | 200,000 | 200,000 |
| Contribution in Aid of Construction | 3,329,173 | 2,624,294 |
| Total Current Liabilities | 10,972,716 | 12,614,080 |
| Non-current | | |
| Accrued Employee Compensated Absences | 925,017 | 1,652,518 |
| Net OPEB Obligation | 4,269,089 | 4,158,698 |
| Net Pension Liability | 5,358,701 | 11,954,138 |
| Total Non-current Liabilities | 10,552,807 | 17,765,354 |
| Deferred Inflows | 9,802,918 | 4,327,923 |
| TOTAL LIABILITIES | 31,328,442 | 34,707,358 |

NET POSITION

| | | |
|---|--------------------|--------------------|
| Invested in Capital Assets, Net of Related Debt | 93,646,958 | 86,507,501 |
| Restricted for Depreciation Fund | 11,727,875 | 11,535,846 |
| Restricted for Pension Trust | 7 | 6,825,251 |
| Unrestricted | 39,282,585 | 23,421,991 |
| TOTAL NET POSITION | 144,657,424 | 128,290,589 |
| Total Liabilities and Net Assets | 175,985,865 | 162,997,946 |

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
9/30/2023

| | Month Current Year | Month Last Year | Year to Date Current Year | Year to Date Last Year | Percent Change |
|---|-----------------------|--------------------|------------------------------|---------------------------|-------------------|
| Operating Revenues | | | | | |
| Base Revenue | \$ 3,545,294 | \$ 2,961,392 | \$ 27,459,925 | \$ 23,321,368 | 17.7% |
| Fuel Revenue | 2,246,037 | 3,878,465 | 23,924,249 | 28,241,051 | (15.3%) |
| Purchased Power Capacity & Transmission | 2,897,297 | 2,787,285 | 25,100,827 | 24,098,504 | 4.2% |
| Forfeited Discounts | 69,091 | 83,143 | 661,651 | 622,843 | 6.2% |
| Energy Conservation Revenue | 238,053 | 191,944 | 1,826,826 | 1,509,251 | 21.0% |
| NYPA Credit | (84,361) | (105,395) | (1,062,906) | (934,346) | 13.8% |
| Total Operating Revenues | 8,911,410 | 9,796,834 | 77,910,572 | 76,858,672 | 1.4% |

Expenses

PRELIMINARY

Power Expenses:

| | | | | | |
|----------------------------------|------------------|------------------|-------------------|-------------------|----------------|
| 547 Purchased Power Fuel | 2,034,076 | 1,818,347 | 20,329,767 | 26,432,560 | (23.1%) |
| 555 Purchased Power Capacity | 1,034,878 | 1,102,160 | 11,829,518 | 11,223,885 | 5.4% |
| 565 Purchased Power Transmission | 1,369,197 | 1,957,929 | 10,656,858 | 12,955,925 | (17.7%) |
| Total Purchased Power | 4,438,151 | 4,878,435 | 42,816,143 | 50,612,370 | (15.4%) |

Operations and Maintenance Expenses:

| | | | | | |
|--|----------------|----------------|------------------|------------------|--------------|
| 580 Supervision and Engineering | 175,139 | 88,106 | 1,043,758 | 824,622 | 26.6% |
| 581 Station/Control Room Operators | 53,233 | 43,254 | 523,835 | 372,898 | 40.5% |
| 582 Station Technicians | 116,221 | 51,421 | 533,915 | 415,020 | 28.6% |
| 583 Line General Labor | 80,464 | 57,391 | 710,588 | 552,268 | 28.7% |
| 586 Meter General | 19,565 | 19,475 | 133,441 | 156,976 | (15.0%) |
| 588 Materials Management | 54,798 | 39,419 | 383,784 | 327,995 | 17.0% |
| 593 Maintenance of Lines - Overhead | 69,912 | 79,524 | 666,871 | 283,989 | 134.8% |
| 593 Maintenance of Lines - Tree Trimming | 18,008 | 65,418 | 816,527 | 657,361 | 24.2% |
| 594 Maintenance of Lines - Underground | 520 | 51,242 | 63,064 | 182,514 | (65.4%) |
| 595 Maintenance of Line - Transformers | 26,686 | 66,096 | 73,502 | 128,281 | (42.7%) |
| 598 Line General Leave Time Labor | 80,420 | 68,739 | 425,978 | 333,017 | 27.9% |
| Total Operations and Maintenance Expenses | 694,966 | 630,086 | 5,375,262 | 4,234,940 | 26.9% |

General & Administration Expenses:

| | | | | | |
|--|------------------|------------------|-------------------|------------------|--------------|
| 903 Customer Collections | 76,082 | 126,161 | 981,673 | 859,512 | 14.2% |
| 904 Uncollectible Accounts | 3,333 | 5,000 | 30,000 | 45,000 | (33.3%) |
| 916 Energy Audit | 104,725 | 49,051 | 621,117 | 643,257 | (3.4%) |
| 916 Energy Conservation | 45,169 | 168,633 | 1,403,693 | 1,036,874 | 35.4% |
| 920 Administrative and General Salaries | 304,173 | 235,067 | 1,802,573 | 1,553,568 | 16.0% |
| 921 Office Supplies and Expense | 430 | 1,045 | 14,343 | 11,190 | 28.2% |
| 923 Outside Services - Legal | 8,004 | 72,428 | 225,244 | 321,871 | (30.0%) |
| 923 Outside Services - Contract | 16,095 | 7,500 | 307,674 | 216,691 | 42.0% |
| 923 Outside Services - Education | 4,077 | 373 | 88,286 | 34,766 | 153.9% |
| 924 Property Insurance | 37,158 | 32,768 | 362,118 | 316,216 | 14.5% |
| 925 Injuries and Damages | | 8,399 | 77,729 | 16,104 | 382.7% |
| 926 Employee Pensions and Benefits | 322,665 | 287,292 | 3,193,661 | 2,964,221 | 7.7% |
| 930 Miscellaneous General Expense | 70,401 | 7,345 | 308,341 | 273,355 | 12.8% |
| 931 Rent Expense | 13,994 | 13,932 | 152,486 | 174,526 | (12.6%) |
| 933 Vehicle Expenses | 44,866 | 18,161 | 250,463 | 200,560 | 24.9% |
| 933 Vehicle Expenses - Capital | (32,040) | (26,709) | (308,496) | (302,715) | 1.9% |
| 935 Maintenance of General Plant | 58,195 | 64,984 | 571,185 | 422,709 | 35.1% |
| 935 Maintenance of Building & Garage | 67,768 | 47,812 | 598,389 | 703,963 | (15.0%) |
| Total General & Administration Expenses | 1,145,094 | 1,119,244 | 10,680,479 | 9,491,668 | 12.5% |

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
9/30/2023

| | Month Current Year | Month Last Year | Year to Date Current Year | Year to Date Last Year | Percent Change |
|---|-----------------------|-----------------------|------------------------------|---------------------------|-------------------|
| Other Operating Expenses: | | | | | |
| 403 Depreciation | 435,353 | 421,450 | 3,918,181 | 3,793,051 | 3.3% |
| 408 Voluntary Payments to Towns | 152,217 | 143,387 | 1,369,961 | 1,290,483 | 6.2% |
| Total Other Expenses | <u>587,571</u> | <u>564,837</u> | <u>5,288,141</u> | <u>5,083,534</u> | <u>4.0%</u> |
| Operating Income | 2,045,628 | 2,604,232 | 13,750,548 | 7,436,160 | 84.9% |
| Non Operating Revenues (Expenses): | | | | | |
| 419 Interest Income | | 19,717 | 580,257 | 150,160 | 286.4% |
| 419 Other | 232 | (3,558) | 332,492 | 561,698 | (40.8%) |
| 426 Return on Investment to Reading | (211,551) | (210,620) | (1,898,373) | (1,872,114) | 1.4% |
| 426 Loss on Disposal | | | | | 0.0% |
| 431 Interest Expense | (4,327) | (2,033) | (36,810) | (18,120) | 103.1% |
| Total Non Operating Revenues (Expenses) | <u>(215,645)</u> | <u>(196,494)</u> | <u>(1,022,433)</u> | <u>(1,178,377)</u> | <u>(13.2%)</u> |
| Change in Net Assets | 1,829,983 | 2,407,738 | 12,728,115 | 6,257,783 | 103.4% |
| Net Assets at Beginning of Year | 131,929,309 | 122,032,806 | 131,929,309 | 122,032,806 | 8.1% |
| Ending Net Assets | <u>\$ 133,759,291</u> | <u>\$ 124,440,544</u> | <u>\$ 144,657,424</u> | <u>\$ 128,290,589</u> | <u>12.8%</u> |

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
9/30/2023

| | Actual Year to Date | Budget Year to Date | OVER/UNDER \$ | OVER/UNDER % |
|---|------------------------|------------------------|--------------------|-----------------|
| Operating Revenues | | | | |
| Base Revenue | \$ 27,459,925 | \$ 24,087,167 | 3,372,758 | 14.0% |
| Fuel Revenue | 23,924,249 | 30,829,525 | (6,905,276) | (22.4%) |
| Purchased Power Capacity & Transmission | 25,100,827 | 25,886,991 | (786,164) | (3.0%) |
| Forfeited Discounts | 661,651 | 722,615 | (60,964) | (8.4%) |
| Energy Conservation Revenue | 1,826,826 | 1,500,750 | 326,076 | 21.7% |
| NYPA Credit | (1,062,906) | (871,500) | (191,406) | 22.0% |
| Total Operating Revenues | \$ 77,910,572 | \$ 82,155,548 | (4,244,975) | (5.2%) |

Expenses

PRELIMINARY

Power Expenses:

| | | | | |
|----------------------------------|-------------------|-------------------|---------------------|----------------|
| 555 Purchased Power Fuel | 20,329,767 | 29,958,025 | (9,628,258) | (32.1%) |
| 555 Purchased Power Capacity | 11,829,518 | 11,602,199 | 227,319 | 2.0% |
| 565 Purchased Power Transmission | 10,656,858 | 14,419,792 | (3,762,934) | (26.1%) |
| Total Purchased Power | 42,816,143 | 55,980,015 | (13,163,873) | (23.5%) |

Operations and Maintenance Expenses:

| | | | | |
|--|------------------|------------------|-----------------|---------------|
| 580 Supervision and Engineering | 1,043,758 | 733,829 | 309,929 | 42.2% |
| 581 Station/Control Room Operators | 523,835 | 381,072 | 142,763 | 37.5% |
| 582 Station Technicians | 533,915 | 1,003,093 | (469,179) | (46.8%) |
| 583 Line General Labor | 710,588 | 450,566 | 260,022 | 57.7% |
| 586 Meter General | 133,441 | 202,683 | (69,243) | (34.2%) |
| 588 Materials Management | 383,784 | 441,442 | (57,658) | (13.1%) |
| 593 Maintenance of Lines - Overhead | 666,871 | 426,557 | 240,313 | 56.3% |
| 593 Maintenance of Lines - Tree Trimming | 816,527 | 1,192,341 | (375,814) | (31.5%) |
| 594 Maintenance of Lines - Underground | 63,064 | 146,230 | (83,167) | (56.9%) |
| 595 Maintenance of Line - Transformers | 73,502 | 266,280 | (192,778) | (72.4%) |
| 598 Line General Leave Time Labor | 425,978 | 161,972 | 264,006 | 163.0% |
| Total Operations and Maintenance Expenses | 5,375,262 | 5,406,066 | (30,804) | (0.6%) |

General & Administration Expenses:

| | | | | |
|--|-------------------|-------------------|--------------------|----------------|
| 903 Customer Collection | 981,673 | 974,706 | 6,967 | 0.7% |
| 904 Uncollectible Accounts | 30,000 | 56,250 | (26,250) | (46.7%) |
| 916 Energy Audit | 621,117 | 803,572 | (182,455) | (22.7%) |
| 916 Energy Conservation | 1,403,693 | 2,298,182 | (894,489) | (38.9%) |
| 920 Administrative and General Salaries | 1,802,573 | 2,418,099 | (615,526) | (25.5%) |
| 921 Office Supplies and Expense | 14,343 | 15,000 | (657) | (4.4%) |
| 923 Outside Services - Legal | 225,244 | 589,350 | (364,106) | (61.8%) |
| 923 Outside Services - Contract | 307,674 | 555,075 | (247,401) | (44.6%) |
| 923 Outside Services - Education | 88,286 | 246,863 | (158,576) | (64.2%) |
| 924 Property Insurance | 362,118 | 406,163 | (44,044) | (10.8%) |
| 925 Injuries and Damages | 77,729 | 19,200 | 58,529 | 304.8% |
| 926 Employee Pensions and Benefits | 3,193,661 | 3,426,470 | (232,809) | (6.8%) |
| 930 Miscellaneous General Expense | 308,341 | 451,050 | (142,709) | (31.6%) |
| 931 Rent Expense | 152,486 | 159,000 | (6,514) | (4.1%) |
| 933 Vehicle Expense | 250,463 | 291,750 | (41,287) | (14.2%) |
| 933 Vehicle Expense - Capital Clearing | (308,496) | (382,701) | 74,206 | (19.4%) |
| 935 Maintenance of General Plant | 571,185 | 501,575 | 69,609 | 13.9% |
| 935 Maintenance of Building & Garage | 598,389 | 743,668 | (145,280) | (19.5%) |
| Total General & Administration Expenses | 10,680,479 | 13,573,271 | (2,892,793) | (21.3%) |

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
9/30/2023

| | Actual Year to Date | Budget Year to Date | OVER/UNDER \$ | OVER/UNDER % |
|---|------------------------|------------------------|----------------------|-----------------|
| Other Operating Expenses: | | | | |
| 403 Depreciation | 3,918,181 | 4,083,750 | (165,569) | (4.1%) |
| 408 Voluntary Payments to Towns | 1,369,961 | 1,329,330 | 40,631 | 3.1% |
| Total Other Expenses | <u>5,288,141</u> | <u>5,413,080</u> | <u>(35,447)</u> | <u>(0.7%)</u> |
| Operating Income | 13,750,548 | 1,783,115 | 11,877,941 | 666.1% |
| Non Operating Revenues (Expenses): | | | | |
| 415 Contribution in Aid of Construction | - | 37,500 | (37,500) | (100.0%) |
| 419 Interest Income | 580,257 | 225,000 | 355,257 | 157.9% |
| 419 Other Income | 332,492 | 532,500 | (200,008) | (37.6%) |
| 421 Intergovernmental Grants | - | 67,500 | (67,500) | (100.0%) |
| 426 Return on Investment to Reading | (1,898,373) | (1,911,729) | 13,357 | (0.7%) |
| 426 Loss on Disposal | - | (7,500) | 7,500 | (100.0%) |
| 431 Interest Expense | (36,810) | (7,500) | (29,310) | 390.8% |
| Total Non Operating Revenues (Expenses) | <u>(1,022,433)</u> | <u>(1,064,229)</u> | <u>41,796</u> | <u>(3.9%)</u> |
| Net Income | <u>\$ 12,728,115</u> | <u>\$ 718,886</u> | <u>\$ 12,009,229</u> | <u>1670.5%</u> |