

**READING MUNICIPAL
LIGHT DEPARTMENT**

**BOARD
OF
COMMISSIONERS**

REGULAR SESSION

MARCH 29, 2012



READING MUNICIPAL LIGHT DEPARTMENT
BOARD OF COMMISSIONERS MEETING

230 Ash Street
Reading, MA 01867
March 29, 2012
7:30 p.m.

- 7:30 p.m. 1. Call to Order
- 7:35 p.m. 2. Introductions
- 7:40 p.m. 3. Reorganization of RMLD Board (Tab A)
- 7:50 p.m. 4. Approval of January 25, 2012 and February 29, 2012 Board Minutes (Tab B) ACTION ITEM
Suggested Motion:
Move that the RMLD Board of Commissioners approve the Regular Session meeting minutes of January 25, 2012 and February 29, 2012.
- 7:55 p.m. 5. Discussion of Renewable Energy Certificates
No action will be requested at this meeting.
This item is to be a discussion only.
No motions should be proposed.
- 8:05 p.m. 6. Power Supply Report – February 2012 – Ms. Parenteau (Tab C)
- 8:15 p.m. 7. Engineering and Operations Report – February 2012 - Mr. Sullivan (Tab D)
Gaw Update
- 8:25 p.m. 8. Financial Report – February 2012 – Mr. Fournier (Tab E)
- 8:35 p.m. 9. General Manager's Report – Mr. Cameron ACTION ITEM

a. Northeast Public Power Association Annual Conference – Annual Conference
September 16 to September 19 - Sunday River Resort Bethel, Maine

Note: Board vote required.
- 8:45 p.m. 10. M.G.L. Chapter 30B Bids – Material (Tab F) ACTION ITEM

a. 2012-36 Replacement of Rooftop Air Conditioning Units
Suggested Motion:
Move that bid 2012-36 for Replacement of Rooftop Air Conditioning Units be awarded to Healthy Air Solutions for \$19,600 as the lowest qualified and responsive bidder on the recommendation of the General Manager.

b. 2012-33 Landscape Service
Suggested Motion:
Move that bid 2012-33 for Landscape Service be awarded to Eagle Landscaping, Inc. for \$66,540 as the lowest qualified and responsive bidder on the recommendation of the General Manager. (This is a three-year contract.)
- 9:05 p.m. 11. General Discussion
- 9:15 p.m. BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED
Rate Comparisons, March 2012
E-Mail responses to Account Payable/Payroll Questions

9:25 p.m.

RMLD Board Meetings

Wednesday, April 25, 2012 and Wednesday, May 30, 2012

Citizens' Advisory Board Meeting

To be determined.

9:35 p.m.

- 12. Approval of February 29, 2012 Executive Session Minutes (Executive Minute Tab)
(Board members only.)**

ACTION ITEM

a. Suggested Motion:

Move that the RMLD Board of Commissioners approve Executive Session meeting minutes of February 29, 2012 as presented.

9:40 p.m.

- 13. Executive Session**

Suggested Motion:

Move that the Board go into Executive Session to approve the Executive Session meeting minutes of February 29, 2012 if changes are required, to discuss Rubin and Rudman billing on bid execution and to return to the Regular Session for the sole purpose of adjournment.

9:55 p.m.

- 14. Adjournment**

ACTION ITEM

Suggested Motion:

Move to adjourn the Regular Session.

REORGANIZATION OF THE BOARD
BOARD REFERENCE TAB A



**RMLD Board of Commissioners Committees and Assignments April 2011 to April 2012
April 27, 2011**

Budget Committee

*Philip Pacino, Chair
Richard Hahn
Mary Ellen O'Neill*

Recommend Operating and Capital Budgets to the Board.
Recommend actuaries and actuary findings to the Board.
Make recommendation to RMLD Board for legal counsel.

Power & Rate Committee

*Richard Hahn, Chair
Gina Snyder
Robert Soli*

Recommend power contracts to the Board.
Recommend rate changes to the Board.

Audit (Including Town of Reading Audit)

*Philip Pacino
Robert Soli*

Recommend audit findings to the Board.
One member of Audit Committee meets at least semiannually with the Accounting/Business Manager on RMLD financial issues.

Town of Reading Audit Committee – Sit on the Town of Reading Audit Committee and select firm that performs annual financial audit or RMLD pension trust.
This term expires on June 30, 2011.

General Manager

*Richard Hahn, Chair
Mary Ellen O'Neill
Philip Pacino*

Review GM evaluation process.

Policy

*Robert Soli, Chair
Mary Ellen O'Neill
Gina Snyder*

Recommend changes of Board policies to RMLB.

Joint Committee-Payment to the Town of Reading

*Philip Pacino
Robert Soli
Two RMLD Board of Commissioners
Two Citizens' Advisory Board Members
One Reading Selectmen*

Recommend to the RMLD Board payment to the Town of Reading.

Assignments

Accounts Payable

*Mary Ellen O'Neill
Robert Soli
Gina Snyder
Richard Hahn (First Backup)
Philip Pacino (Second Backup)*

Review and approve payables on a weekly basis. This position is rotational. It requires three primary signers and one back up. No Commissioner may serve more than three consecutive years on this Committee and must take a year leave before returning to this Committee.

Assignments

Payroll – Four Month Rotation

*Mary Ellen O'Neill, April-July
Robert Soli, August-November
Richard Hahn, December-March
Philip Pacino (First Backup)*

Review and approve payroll. This position is rotational every four months. It requires primary signer and one back-up. No Commissioner can serve more than three consecutive years on this Committee and must take a year leave before returning to this Committee.



REGULAR SESSION MEETING
MINUTES
BOARD REFERENCE TAB B



Reading Municipal Light Board of Commissioners

Regular Session

**230 Ash Street
Reading, MA 01867
January 25, 2012**

**Start Time of Regular Session: 7:34 p.m.
End Time of Regular Session: 9:55 p.m.**

Commissioners:

**Richard Hahn, Chairman Philip B. Pacino, Vice Chair
Mary Ellen O'Neill, Commissioner Gina Snyder, Secretary
Robert Soli, Commissioner**

Staff:

**Vinnie Cameron, General Manager Beth Ellen Antonio, Human Resources Manager
Jeanne Foti, Executive Assistant Robert Fournier, Accounting/Business Manager
Jane Parenteau, Energy Services Manager Kevin Sullivan, Engineering and Operations Manager**

Citizens' Advisory Board

John Norton, Member

North Reading Board of Selectmen

**Robert Mauceri, Chairman Sean Delaney, Vice Chairman
Michael Prisco, Clerk Stephen O'Leary
Jeffrey Yull**

Town of Reading Finance Committee

Marsie West, Chair

Public

**John Arena Erin Calvo-Bacci
Frederick Van Magness David Mancuso
Bob Quinn Donna Dudley**

Opening Remarks/Approval of Meeting Agenda

Chairman Hahn called the meeting to order and stated that the meeting of the Reading Municipal Light Department (RMLD) Board of Commissioners is being broadcast live at the RMLD's office at 230 Ash Street, Reading, MA. Live broadcasts are available only in Reading due to technology constraints. This meeting was video taped for distribution to the community television stations in North Reading, Wilmington and Lynnfield.

Introductions

Chairman Hahn asked Mr. Norton if he had anything to report at this time. Mr. Norton said that he would reserve his statement for later and Chairman Hahn indicated that was fine. Chairman Hahn stated that he wanted to acknowledge any public officials that may be in attendance.

Members of the North Reading Board of Selectmen introduced themselves, Messrs. Michael Prisco, Sean Delaney, Stephen O'Leary, Bob Mauceri, Chairman and Jeff Yull. Chairman Hahn welcomed the North Reading Board of Selectmen.

Chairman Hahn opened the discussion to any comments that the public may wish to make before the formal agenda. Chairman Hahn extended the courtesy first to the elected officials.

Chairman Mauceri stated that their entire Board is present this evening because they are concerned about the decision and are not sure if it is voted or not regarding the sale or termination of the RECs. Chairman Mauceri commented that in part this is the first he heard of it today via e-mails they have received and is concerned about the lack of input. Secondly, not receiving clarification of the pros and cons, he is posing this as a question.

Opening Remarks/Approval of Meeting Agenda

Chairman Hahn stated that there has been a lot of debate on this topic and a complete answer to this may take awhile. Chairman Hahn commented that these certificates are regenerated every year. Whatever the outcome of the last vote, it can always be revisited in future years. This is not an irrevocable decision for the rest of our lives. The Board votes on many purchases because the RMLD buys a lot of stuff. Chairman Hahn is unsure of the level of detail wanted.

Chairman Mauceri said that it is his understanding that municipalities do not have any requirement to report green energy efforts, is that correct. Chairman Hahn commented that in Massachusetts municipal electric companies like the RMLD are not subject to a mandatory renewable portfolio standard. The investor owned utilities such as National Grid and NSTAR are subject to such a standard. However, it is not unusual that municipalities add renewable resources and green energy to their power supply portfolio even if there is no requirement. Chairman Hahn stated that Chairman Mauceri is correct; the RMLD did not have to buy the renewable energy in the first place. Chairman Hahn explained at that time, the Board felt it was the responsible thing to do. Therefore, the RMLD bought the output of two renewable projects with one hydro project and the other project a biomass fired cogeneration plant.

Ms. Snyder said that the RMLD does have to report, we do submit a report on our power mix. We are reporting a standard that is not imposed at this point in time.

Chairman Mauceri commented that the benefit comes in the form of a certificate or a REC. His understanding is that larger utilities have to meet a standard. Chairman Hahn explained that there is a secondary market for these devices because sometimes it is a less expensive way to comply with the law. Chairman Hahn said that right now the RECs are priced fairly low because in 2012 there is an excess of supply over demand. Chairman Hahn added that the RMLD has a Green Choice Program where you could elect to have a portion of your personal electric supply come from renewable sources in which the RMLD purchases RECs.

Chairman Mauceri is trying to understand this issue. You have these RECs and there is no requirement that you meet any goals and there is a process for selling them. What is the down side of selling them? Chairman Hahn said that Chairman Mauceri has struck on the key difference. Chairman Hahn explained that at their meeting in January, members of the public spoke, four speakers with two for and two against. The Citizens' Advisory Board took a vote: four in favor of retiring the RECs and one in favor of selling them. Chairman Hahn said that the Board voted three to two to retire the RECs, so clearly it's a divided issue.

Chairman Hahn commented that if the RMLD sells the RECs we will have overpaid for power supply. The Board felt having a portion of its power supply, albeit it a small portion, from renewable sources, is generally universally acknowledged that renewable energy at this point in time costs more than conventional power supply. Natural gas prices are at historic lows. Buying conventional power from ISO New England which the RMLD does is a lot cheaper than buying renewable energy, but those types of sources emit pollutants and greenhouse gases. The advantage of having some renewable energy in your portfolio is you are not contributing to that as much if you had conventional power supply. You could say that it was a bad idea to buy these projects in the first place, but the Board felt at the time that having some renewable, and being environmentally responsible was a good idea. Chairman Mauceri said that it is still not clear in his mind; you pay more for this electricity and have a certificate as a result of this. Chairman Mauceri asked if we sell it, what is the financial transaction that negates this and makes it more expensive for us?

Mr. Soli commented that the RMLD produces an energy report monthly. Mr. Soli reported that in the December report the Swift River hydro project found in Table 4 comes in at 9.58 cents per kilowatt hour. Before the meeting, he spoke with the Manager of the RMLD Energy Services Department and the RECs could reduce the cost by 3 cents a kilowatt hour, which would make the cost 6.58 cents per kilowatt hour. Mr. Soli said that scanning the list for other sources of RMLD's power supply Constellation, JP Morgan are cheaper, but every other energy source Millstone, Seabrook are higher. Mr. Soli said that if the RECs were sold Swift River would come in lower. That would be in concert with Policy 19 that says that the Reading Light Department will try to have the rates lower than the Investor Owned Utilities and would be lower than all the adjacent municipalities, which we are not because Peabody is typically lower. In light of Policy 19, which has stood the test of time; it says to the Board that we want to try to have low rates. If Swift River RECs were sold then it would lower the rates on this project.

Ms. O'Neill said that she sees this as twofold, the downside of selling the RECs, it is bundled power which consists of energy and you buy the attributes of green or renewable power. You break that apart and sell off the RECs you are selling off your ability to have renewable, green or sustainable power in your power supply portfolio.

Opening Remarks/Approval of Meeting Agenda

Ms. O'Neill stated that this positions the RMLD well for the future in terms of whether or not an RPS standard is imposed on municipal utilities. The RMLD has excellent contracts and if this were to happen, the RMLD would be in a good position already having the RECs and not having the need to purchase them on the market. Those are the two reasons for keeping the RECs.

Chairman Mauceri asked if having the RECs or not has any impact on getting grants. Chairman Hahn replied, no. Chairman Hahn said that there are no federal grants associated with RECs per se. Chairman Hahn explained that a REC is generated for each thousand kilowatt hours of energy produced by a qualified generation technology that is renewable such as hydro, wind, and biomass. It has nothing to do with federal grants. There are federal grants available for homeowners that want to add solar panels to their roofs or on a high school that could qualify for a grant. Once you do that whatever kilowatt hours that solar facility produces for every thousand they get one REC.

Mr. Pacino said that he does not see a downside. The RMLD purchases the power and supports the producers. The amount of funds is substantial. Mr. Pacino said that he is in the minority, because he was the one of the two that was in favor of selling the RECs. Mr. Pacino said that he thinks we should be selling the RECs.

Chairman Mauceri said that he has not heard a good reason for retiring the RECs; short of saying we are buying green energy. Based on the economy, the rates that our citizens are paying for electricity, the guidelines (Policy 19) he would have to question the wisdom of the Board's decision made previously. Chairman Mauceri apologizes for not being engaged in this earlier, we are only a few miles away from this building. Chairman Mauceri said that Mr. Norton is usually very good about informing us, but did not on this. Chairman Mauceri said that he appreciates the time and the answering of his questions. Chairman Hahn thanked him for his attendance.

Mr. O'Leary commented that from a timing standpoint on this sort of investment instrument, did it have a timeline for a call on it now. Chairman Hahn replied, no. Chairman Hahn explained that it is not an investment instrument, not a call or put option. It is a way to ensure that entities like the RMLD who want to have renewable energy in your portfolio you need these things, if you don't, then it's a mistake to buy them, but the Board felt it was the responsible thing to do. Chairman Hahn said that an electric meter measures the output in kilowatt hours, therefore you receive the electrons and you receive the certificates that prove that they are from renewable resources. It is not a financial instrument per se. Ms. O'Neill added what the RMLD receives in terms of the RECs is a numerical count, there is no financial amount attached to those RECs as we earn them from using the power. The RMLD paid for those RECs as part of the power contracts, which was approved by the Board a year ago, January 2011. The numerical count appears on the RMLD records and there is no financial value attached to them.

Mr. O'Leary asked if a percentage of the power supply portfolio is invested in renewable energy. Chairman Hahn replied that a portion is purchased from renewable resources. Mr. O'Leary wanted to know from a timing standpoint what has precipitated the discussion to whether or not to retire or sell the RECs. Chairman Hahn explained that after the decision was made to sign these power contracts the Swift River Hydro projects and the Concord Steam biomass cogeneration there was no doubt that we were purchasing renewable energy, which means we were buying the RECs. Chairman Hahn said that he always asked the question because some owners of renewable facilities will sell just the kilowatt hours and keep the RECs. You have to ask yourself when making a purchase are you buying these with the RECs included. We did ask, yes, the RECs were included. It was only after that, which is unfortunate timing, that it was suggested that the RMLD sell the RECs. If we had the debate beforehand, maybe there would have been a different outcome. Chairman Hahn said that there is no doubt in his mind that the time the contracts were signed we wanted renewable projects. To have this plan come up after the fact is a little bit disturbing, but we will deal with that.

Mr. O'Leary commented that he was sorry that he wasn't not aware sooner. Mr. O'Leary said that in relation to the \$1.5 to \$1.6 million with up to \$30 million over fifteen years he would like clarification whether you hold on or if you let the RECs retire. Mr. O'Leary asked since the vote was to retire as the Board did, is that a done deal. Chairman Hahn replied, no. The RECs are tracked on a monthly basis and Mr. Soli pointed out that Swift River generated 1,566 megawatt hours in the month of December; therefore the RMLD received 1,566 RECs for that month. If they had a value of \$30 a megawatt hour the value would be \$45,000 with the total power supply costs for the month of \$4 million, which reflects a small percentage. Mr. O'Leary commented that the amount thrown around is \$1.5 million annually for fifteen years is \$30 million.

Chairman Hahn said that if the Concord Steam project were to come online, hypothetically by 2013, we would add to that renewable purchase the amount generated by Concord Steam and get those RECs, which we get on a monthly basis. Chairman Hahn said that the RECs could be sold monthly or annually. A majority of the Board felt that the RECs could be useful and desirable to have a renewable energy policy that says some portion of our portfolio every year will come from renewable energy.

Opening Remarks/Approval of Meeting Agenda

Ms. O'Neill explained that Concord Steam was approved last January, it is not completed and the RMLD is not receiving any power from them and clarified that if Concord Steam were to come online that would be producing RECs along with Swift River. Each of those projects gets different types of RECs valued at different values, which can fluctuate up and down depending on the market, there is no set price. This was done in December based on the power the RMLD may receive from Swift River and Concord Steam and multiplied by fifteen years. Chairman Hahn said that when the two projects are done, it will add approximately two percent to the RMLD's power supply costs to the system. Chairman Hahn said that if consumers are concerned about costs that they should call up the RMLD for one of the energy conservation programs and they will save more than two percent.

Mr. O'Leary said that with the correspondence going back and forth leaving \$15 or \$30 million on the table is very disconcerting. Mr. O'Leary said that buying renewable energy sources is laudable and we should be looking in that direction. Is there anything that would preclude you from selling now and purchasing later while still maintaining a portion of the portfolio depending on what the market is and how renewable energy resources are progressing? Maintain a policy with a certain portion of RECs without leaving that amount of money on the table. Chairman Hahn responded that he does not agree with that characterization of leaving the money on a table, but this is a public meeting and everyone is entitled to their opinion. Chairman Hahn said to answer Mr. O'Leary's direct question we do have flexibility, sure. Chairman Hahn explained that RMLD looked long and hard, the Energy Services Department staff will testify to this that we asked them to find some renewable projects and sought projects that were among the lowest cost renewable energy you could get. Chairman Hahn stated that a fair number of projects were rejected, because they were too much money. Chairman Hahn pointed out that you see the investor owned utilities signing up for Cape Wind at \$200 per megawatt hour. That will not happen at the RMLD. There were two projects over the term of fifteen years, purchase power contracts that were reasonable in price for renewables and that the small increment in the total system power supply cost was worth it.

Mr. O'Leary wanted to get some clarification from Mr. Pacino. Mr. Pacino explained that the RMLD is now buying the power and we are supporting the producers of the power. Mr. Pacino commented that it is his personal opinion that we are leaving \$1.5 million on the table. Mr. Pacino does agree with Mr. O'Leary's characterization, however, Chairman Hahn disagrees with that characterization. Mr. Pacino commented that he has been on the Board for twenty-five years and this is one of the stronger things he has felt about and that we are doing a disservice to our ratepayers by not selling these RECs. Mr. Pacino said that he feels we are leaving money on the table and the vote includes \$30 million. If you take the net present value it is \$23 million. It is his personal feeling that there are e-mails from the Wilmington Selectmen and Lynnfield Selectmen that they would like more information about this, same as North Reading. We have heard from the three outside towns and one member of the Board of Selectmen in Reading, that they want more information. Mr. Pacino said that the first set of RECs will retire on March 15. Mr. Pacino said that we should instruct the Department to hold off on that until each Town Board has taken this up. Mr. O'Leary said that as a follow up to that as one member of the Board of Selectmen that you postpone action on this until the respective Boards of each town that represent the ratepayers in each community, in order that they can come back with their feelings on this issue. His initial reaction even though you might not like the characterization is that there is a lot of money being left on the table at what cost. To the extent it is important to have renewable energy sources in your portfolio, he does not necessarily disagree. To be considered a green municipal light department it is a wonderful thing, but not at \$1.5 million. It might be an insignificant amount of savings, but it is coming out of their pockets. It is important that they have enough information to come to the same conclusion they have. Having a \$1.5 million investment in your portfolio and putting it towards the Fuel Service Charge is what he called Mr. Cameron on this morning. The Board owes it to the ratepayers and the community leaders to better inform them. Mr. O'Leary would ask the Board to reconsider their action and hold off until they are in a position to weigh in on an informed basis. He appreciates the time listening to him.

Mr. Norton thanked the Chairman and his Board for being in attendance this evening. Also, in the same vein he wants to apologize to the Board of North Reading and the other respective Boards that are serviced by the RMLD for not having had the proper time to have this dialogue between your respective CAB representatives and the respective Boards of Selectmen.

Mr. Norton said that as Chairman Mauceri pointed out it is something that he has prided himself having been the rep from North Reading for eleven years and he tries to keep his Board informed on major issues. Mr. Norton said that Mr. Cameron has been very diligent on this because they have attended meetings in the past on different issues. Unfortunately, the narrow timeframe and whatever promulgated that, it did not allow that dialogue to happen and again for that he apologizes. In the future, this serves as an example of why these types of dialogues are needed, if we had it, this would have not happened tonight.

Opening Remarks/Approval of Meeting Agenda

Mr. Norton said that he could have gone to the Board and they could have digested what was being presented to them, had a dialogue with them and get their input then bring it back here for a vote. These types of issues need more time to digest and be able to work back and forth with the respective Board of Selectmen to get their input and bring it back here for a vote. Having said that, he again apologizes to his Board, let's do the right thing and move forward. Mr. Norton thanked Chairman Hahn.

Ms. O'Neill wanted to make it clear that the Power & Rate Committee over the course of at least two years prior to January 2011, were reviewing and discussing these contracts. The Citizens' Advisory Board and the Board voted on these in January 2011, and the meetings were public. All the Board meetings are publicly televised, noticed and agendas are complete. When this discussion came up again, the Power & Rate Committee met in the fall, there was a meeting in December as well as a meeting in early January all publicly noticed and the Board meetings televised in December and January. Ms. O'Neill wants to let everyone know that in terms of public notice, opportunities were there.

Mr. Delaney stated that as Mr. O'Leary has said he is requesting that the Board table the decision they made a month ago. Give us the opportunity now that they have had some education on what a REC is and what is meant to retire or what is meant to sell. As Messrs. O'Leary and Mauceri said this is based on a series of e-mails that were exchanged at ten o'clock this morning. We have a responsibility to our constituency for the residents in North Reading and you have a responsibility to four communities in your ratepayers. Allow us to consider the issue in more detail and maybe we might come to the same conclusion that it is wise that you retire and not sell the RECs. At this point, he cannot make an educated decision on that and can't advise their representative here if the Board is making the right decision and he encourages them to table their decision, reconsider it and hold off until they have had that opportunity. Mr. Delaney expressed his thanks for the opportunity to speak.

Mr. Pacino said that the RECs may have been discussed in the Power & Rate Committee which he is not a member. He did not attend these meetings and at no time were the RECs discussed at the Board meeting. Mr. Pacino said that he has looked at the minutes, the RECs there was no discussion on what to do with them. Mr. Pacino dislikes criticizing the CAB because he was one of the architects of the CAB and it is a proud moment when he sees them in operation. It is clear to him that the CAB members and he apologizes to Mr. Norton; the CAB may have not gone to their individual Boards with this issue and obtained their input. Clearly, what he sees is that the Town Managers in Lynnfield and Wilmington heard of this issue today. He is not sure of the type of input the CAB members received from their Boards. We should hold off and give it more time.

Ms. West introduced herself as the Chairman of the Finance Committee for the Town of Reading. Ms. West has some process questions that she thinks is worth talking about. It sounds like the decision was reached in a short time frame where it was holiday time and it sounds like there was not enough time to go back and for some reason that you did not want to get into that. The other thing that she is curious about is that Mr. Soli mentioned a specific policy that this is in opposition to. Ms. West questioned what are the specific policy numbers that this meets. The justification for doing this was because of these policy numbers in the process. Chairman Hahn responded that it seems like we have been debating this issue forever. The issue to decide to add renewable resources to our portfolio with the follow up issue of what to do with the RECs now that we have them. This has gotten a tremendous amount of debate. Chairman Hahn said that in his opinion it has not been given the short shrift at all. All meetings are open except those held in Executive Session and discussing this would not be a reason for being in Executive Session. Chairman Hahn said that we have had a fair and open dialogue albeit there was not a unanimous consensus at this point. Ms. West asked what the starting point of the discussion was, it sounds like there has been a long period of discussion based on what Mr. Pacino said. Chairman Hahn said that we began discussing these four years ago with the Green Choice Program. We felt that was a relatively quick and easy way to give people renewable energy resources and make their own election and a fair amount of customers did. Chairman Hahn said that close to three years ago we directed the staff to bring us some projects and given his knowledge of the renewable energy market and what projects cost; they brought two very good projects. These projects were signed by the General Manager in January, but were debated for a year and half. The first time he heard about the possibility of selling the RECs was four months ago, September or October. It hasn't been a quick decision there has been a lot of debate on this.

Ms. West said that it sounds like the debate did not get to all the broader number of parties that had a vested interest in this and she does not know what sort of communication breakdown happened. Chairman Hahn said that the communication breakdown was not deciding before you sign the contracts what you will be doing with the RECs while the assumption of three Board members is that we would be keeping them. As far as communicating with the public; these meetings where discussion took place has been televised. The Citizens' Advisory Board's intent is to represent the Board of Selectmen. We have had several meetings with them over this entire time period and Mr. Hahn is not saying that the CAB cannot change their vote; the CAB voted four to one to retire the RECs. From our point of view, it is great to see a lot of participation here this evening, but he does not want people going away thinking that the Board hasn't either sought, or sought to avoid, public input because that is not true. Ms. West said that it sounds like if you have renewable energy and there are no RECs you would not consider that renewable energy.

Opening Remarks/Approval of Meeting Agenda

Chairman Hahn said that you cannot consider it renewable energy without the RECs. Ms. West said that you bought energy that is good for the environment in your mind has no value without the piece of paper which is going to cost us a lot of money to keep. Chairman Hahn responded that is how renewable energy is defined. Chairman Hahn explained that is how the EPA defines it, along with the federal government, and the state of Massachusetts. Chairman Hahn said that if you buy renewable energy, even if you are a municipal, and sell those RECs, it is as if you never bought renewable energy. Chairman Hahn pointed out that in our Reports the RMLD would have to be very careful to avoid saying that we have a renewable energy portfolio because we would run afoul of those regulations. Ms. West said that in actuality you did buy renewable energy. Chairman Hahn replied we did and that is why we want to keep the RECs. Ms. West said that whether you have that piece of paper or not you invested money in a venture that is renewable energy and the increase the demand for that. Ms. Snyder responded that no, we are buying electricity which is all mixed up in the grid, you are not physically getting the electrons generated, and you are buying power. Ms. Snyder added that we have investments in some power plants, but here we are not investing, we are buying the energy. Ms. West added that you chose where that source is. Ms. Snyder responded that we have contracts with them that include the renewable energy attributes. Chairman Hahn said let's be clear the Swift River Hydro facilities existed before we showed up to buy their output. Chairman Hahn commented that we toured one of the facilities and he is familiar with electric generators and this piece of equipment belonged in a museum. It had a nameplate on it with the name Westinghouse. In that particular case, they did not need our money to invest because they were already there; we bought the output prior to it being sold into the ISO market.

Mr. Soli said that the renewable energy dogma to him only arose since December and when we bought these power contracts he viewed Swift River hydro power as renewable. The RMLD gets power from the New York Power Authority which is hydro power and which he views as renewable. As he said before, he only recently learned about the dogma of renewable power. If you keep RECs you get a gold star, dogma does that. If you sell the RECs and don't get the gold star, but you get money. Those thoughts only emerged at the December meeting prior to that as a Commissioner he did not know about the renewable power dogma. Are we getting power from some place that doesn't burn up fossil fuel? The New York Power Authority is hydro and non fossil fuel. A few months ago he would have said that is renewable now he knows about the dogma he can only say that it is non-fossil fuel based. It is only recently that knew about all the semantics.

Ms. Snyder said that when the contracts were purchased that was explained quite clearly. She is quite surprised the full Board did not understand what they were purchasing. Chairman Hahn agrees with this, but we are where we are and there is documentation on this going back months.

Mr. Van Magness resident of Reading, Town Meeting Member, former FinCom Vice Chair and former member of the Citizens' Advisory Board introduced himself. First, he appreciates the opportunity to speak again at this meeting. We are all here for the same basic purpose which is to provide the very best value to all the residents and businesses in the rate territory the RMLD services. However, there are few things he is hearing tonight and would like to get clarification. First it was his understanding that these Renewable Energy Certificates (RECs) do have a finite life and do not go forever. Chairman Hahn replied that is correct. Chairman Hahn commented that he is not sure of the timeline RECs generated during calendar year 2012 can be sold and Ms. Parenteau clarified June 15 of the following year. Chairman Hahn said that in 2012 we will receive RECs, if we hold them until June 2013 or they will expire; there is a shelf life so to speak.

Mr. Van Magness said that Ms. O'Neill had stated earlier, that holding the RECs for a period of time and not selling them would in fact give us a leg up in the future if in fact there were some regulation came into play. He does not understand how something that could expire could have a benefit to us to meet some numerical count in the future should there be some regulation. He does not understand that. He does not want to put words in the Commissioners mouth, is what he heard, correct? Ms. O'Neill responded saying that it was her understanding that new RECs are generated each month. Mr. Van Magness said that the ones that have expired would not count if there is any future regulation.

Mr. Van Magness said that there was also a statement that there were numerous discussions about RECs at a lot of meetings and he has looked at some of the minutes from the Subcommittee meetings. A significant concern to him is that to look at the topics and have one single notation after the topic which read "and discussion ensued" which means absolutely nothing to him. He cannot understand "and discussion ensued" he has no idea what took place. There is no recorded portion of that meeting he cannot go to cable television so he does not know what took place. To say there was a lot of dialogue, but where does he go for that information. He does not have a basis for it. He is probably one of the instigators and does not like to throw arrows around; he is very concerned about it. He has put forth a number of \$30 million, the half million from Swift River and \$1.5 million from Concord biomass facility when it comes online depending whether it is 2013 or not. The combined amount on that is \$2 million annually. What was bothering him when he left the meeting in January was the motion put forth by Mr. Norton on the CAB side which passed four to one.

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Mr. Van Magness said that now he understands that the Wilmington Board of Selectmen did not have any knowledge about what was going on, two members on the CAB are from Wilmington and the North Reading Selectmen did not know anything about this, three out of five members of the CAB had no discussion with Board of Selectmen and had no other basis at that meeting for their decision other than personal knowledge of what had been taking place at any other prior meeting. This was not discussed at any prior meeting. It is his understanding that the motion that the CAB made was the same motion the Board made. It is his recollection that the Board voted that the RECs they receive now or in the future from Swift River and Concord biomass facility be retired for the duration of contract. Tonight what he has heard is that can change and we can bring that up every year. The vote said that we are going to do that for the duration. Chairman Hahn responded that it is very simple in that this current Board can't bind some future Board. Two years from now you might have different people sitting here who can vote to overturn any vote that we have taken. Chairman Hahn explained that the two contracts are legally binding instruments. The decision on what to do with RECs is not and can be made periodically. Mr. Van Magness said that we have had a substantial process breakdown over the whole course of this discussion although it is not his intent to play Monday morning quarterback. He does not think that the CAB members adequately advised their Board of Selectmen in each town about the arguments, pro and con, on whether you sell or retire the RECs. Votes were taken and decisions were made that potentially bind us right now for \$30 million. There has been discussion about a solar facility and solar RECs have a substantially higher value, so this becomes an important policy issue for the Board. Mr. Van Magness asked this Board to 1. vote to reconsider the action taken at the January 5 meeting, and take a formal vote to reconsider that action 2. hold off any future vote on whether to sell or retire RECs. Mr. Van Magness asked this Board to hold, a joint meeting where the Boards of Selectmen of North Reading, Lynnfield, Wilmington and Reading are invited along with the CAB representatives with a full airing of the process, decisions and impact of selling or retiring the RECs. Each Board of Selectmen hears exactly the same information on exactly the same night where it could all be processed together. He hopes that the Board will consider this and try and bring everyone together on a decision and how we best move forward as a group and a team. Mr. Van Magness thanked the Chairman and the Board for the opportunity to speak.

Mr. John Arena of 26 Francis Drive, Town Meeting member and Finance Committee member introduced himself and thanked the Board for the opportunity for entertaining this line of inquiry this evening. He feels like we are covering old ground. There are two lines of inquiry he would like to engage in. To amplify Mr. Van Magness' point there has been a process defect and there are not too many times in life that you can revisit a decision having a cost to the revisitation, this is one of them. From what he understood you have until March which is approximately forty five days during which a full and open discussion can occur. If this decision stands, his suspicion is we'll lose the credibility. There is no downside for waiting a week or two. There is a downside if a decision is poorly made in terms of precedential value or flawed logic to make future decisions. He disagrees about the decision on annual review. The Board is not required to revisit the decision and that's the difference. Has the Board made an assessment of Concord Steam and Swift River for the durations of the contracts for some economic estimate for the value of those RECs. Chairman Hahn responded that there are futures markets to the extent if you are familiar with energy futures and if you are a large consumer of natural gas, you can hedge your costs out about eleven years. There are futures markets which you can purchase financial investments at competitive prices. RECs markets are not quite as mature, and can go maybe two, maybe three years. There is no exchange traded number that you can look at to estimate worth.

Mr. Arena asked about the December 2011 spreadsheet forecast. Chairman Hahn produced a document which was provided to the RMLD Board and the CAB, which he did a survey of the period 2012 to 2024. Mr. Arena asked Chairman Hahn what was the value of RECs he projected over the fourteen year term. Chairman Hahn responded that they started at \$29 megawatt hour. Mr. Arena indicated that he has that number of \$31.6 million from that forecast and produced by Chairman Hahn. Chairman Hahn responded that you also need to look at our power supply costs over that time period, which will be a much bigger number. Mr. Arena said that the \$31 is not an invention, it is derived from RMLD assessments and those are still valid now two months later. Chairman Hahn pointed out that prices could be higher or lower now. Mr. Arena said that the central point that Mr. Van Magness made is the opportunity to do the right thing, and it is a time limited offer within forty five days, no matter how it turns out you will look enviably better as a group by looking at the process and ignoring what the outcome wants to be and letting the constituents and the ratepayers help determine what that outcome needs to be. Lastly, he has one piece of data which he finds fascinating; the Town of Wellesley solves this problem very cleverly. They do not model it as a two value decision with a yes or no. What he believes they do and needs to credit someone else for getting this data. They survey the fraction of their ratepayers that wish to buy green energy. In Wellesley six percent of the ratepayers have asked for that option, which represents one percent of the total power capacity produced by Wellesley. Wellesley takes one percent of its RECs and retires them. It strikes him as a perfect way to divide the question because you reflect the wishes and desires of both sides and no one is disenfranchised. One would have to survey our community to what degree our ratepayers to be willing to buy the RECs and pay the higher price. He is unfamiliar with the business and not sure if this is already being done. It struck him as a very clever solution because everyone walks away happy. The proportion of the community that buys them is exactly the proportion of the RECs that is retired. Extending the opportunity and opening the discussion would allow you to select that or another alternative outcome and emerge the hero here. Chairman Hahn thanked Mr. Arena for his comments.

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Ms. Dudley introduced herself she lives at 35 Glenmere Circle, Reading. Ms. Dudley said that she is the irritant in the clam shells of everyone here. She has made a due diligence effort to try to understand this issue and has spent hours on regulatory websites, has spoken to Taunton, Ipswich, Wellesley and Concord directors of their municipal light companies as well as some of their Energy Managers to try to get their take on it and you all know where she came down on it. She challenged the idea that you've had enough time. She watched the December 15 RMLD Board meeting, and in that meeting even Ms. O'Neill said that she did not have enough information on the RECs to make a decision at that time. The idea that the decision was already decided many months or years before that could be in dispute based on the comment at the December 15 meeting. The other thing that concerns her is the process; philosophically what you are doing by retiring the RECs is that you are creating a nonvoluntary Green Choice Program. There are people in Reading that voluntarily pay more, but by retiring the RECs that belong to the ratepayers, which are all the towns, you are forcing us to be in a Green Choice Program that we did not sign up for. She has a little bit of a philosophical problem with that. It is true that there is a lot of degree of uncertainty about the future values of RECs, but we have a fair value of them today, so they can be accounted for at their fair value today. She is a little concerned Accounting Standards wise that you can take what is a commodity because you have a security that has monetary value and you do not have to disclose somewhere in your Financials as a footnote or some other method that you would have retired \$500,000, for example the Swift River RECs. Either way whether they were sold or retired it would be part of the disclosure. She would like to know about the accounting standards compliance. In talking with the state DPU, some of the other regulatory agencies, as well as some of the municipals there is a Wild West component to this. The munis are not subject to any of these regulations, therefore the munis are out there writing their own rules to a certain degree. They are free to create their own standards on how they want to market their own portfolios. If you look at some of their own websites and annual reports they are actually saying that they have renewable energy regardless of the fact they have sold their RECs. She suggested having other munis come to a meeting and explain.

Chairman Hahn wanted to thank each and every one who took time out from their families and businesses to come down here to share their thoughts with us this evening, it is appreciated and everything said this evening will be carefully considered. Chairman Hahn said that he will make sure our elected officials in the towns we serve and our customers have the opportunity to be heard on this. To a degree that is what the role of CAB was intended to be, but perhaps an issue like this may be too complicated for that process to work as effectively as it might have. He certainly does not want to create even the hint of a perception that we are not sensitive to those concerns. It would make sense not sell RECs we have. To arrange some process for meeting with either individually or as a group should they so desire, with the Board of Selectmen of the four towns the RMLD serves is one avenue to address this. Chairman Hahn noted the Board sort of had a little session with the Reading Board of Selectmen, but they may want another meeting and certainly the other towns have indicated that they would like that. It seems to him before they reconsider the vote they took it would be useful to establish a process provided for that additional input which may provide for guidance to the CAB and RMLD. What he would consider is not reconsider our vote this evening, but set up a process and reconsider that decision once all that input has been received. In the meantime, we will keep the RECs as long as they have value. The RECs obtained in 2011 from Swift River we have until June 15 for a decision either to sell them or retire them which is six months. Mr. Cameron said that March 15 is the earliest the RECs could be retired. Chairman Hahn reiterated the RECs can be held until June 15 for a decision.

Mr. Soli's point of order on Roberts Rules is that he believes that reconsideration should take place at the next meeting. Further, we do not have the minutes in our books of the January 5 meeting. Mr. Soli stated that he does recall that the motion that said we should retire the RECs not sell them. If we have that motion we cannot sell. Tonight is the latest night that we can reconsider and he was one of the two nay votes therefore he cannot vote to reconsider. There can be a vote to reconsider in hand then we should table it until the March meeting. It gives us almost two months in which the Selectmen and other bodies can get together to make decisions and votes, consult with the Board. We do not have to do anything until June. As one of the speakers said we have a get out of jail free card. We can get all the inputs and if the motion stands nothing has changed then we have lost nothing. He cannot move to reconsider.

Chairman Hahn said that in all respects Robert Rules they are nice guidelines; however, the process he described is far more important than that. This is a controversial issue. If we took a motion to reconsider two months from now, even if that is in violation of Roberts Rules, that is a far better approach to ensure that elected officials in our towns at least have the input they want and get the education they feel they need.

Mr. Pacino thanked Chairman Hahn for his leadership and concern for the input from different Selectmen from the four towns; he applauds him for that. One of the things that can be done this evening instead of reconsideration motion is to put forth a whole new motion to instruct the Department not to sell the RECs before June 15, so the Department has a clear indication of what to do. Part of that motion should be a process to receive input from the Selectmen in the four towns. It would be a whole new motion as opposed to reconsideration. He prefers the reconsideration because he originally voted no, so he cannot make the motion either. This can be done as a whole new motion and at this point the RECs are not going to be sold before June 15, which is the latest day that could be sold, and a process developed for each of the four towns - both the Selectmen and ratepayers.

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Ms. O'Neill said that she feels a need to respond to some of the comments raised this evening. She stands by her decision to retire the RECs for fifteen years. We want renewable energy in our portfolio and this is what is required. Ms. O'Neill said that Mr. Van Magness spoke about the Solar Hub motion on the agenda; the RMLD is not keeping those RECs. The RECs we voted to keep are for Concord Steam and Swift River. She is offended by the charges by some members of the audience that there was a process defect and a breakdown in communications in terms of the Board and she cannot speak for the CAB. She is a volunteer elected by the Town of Reading, she is not the staff. In terms of the Board of Commissioners it was a fair and open process she feels comfortable with that. Also, she would like to speak to Ms. Dudley's remarks of what she said at the December meeting and she is embarrassed by that, Ms. O'Neill feels that staff muddied the waters. Ms. O'Neill said that she has written a memo to the Chairman to that affect among other things. They were not upfront with what constitutes renewable energy and she was momentarily pushed off the road. She feels that there were attempts to refer to that energy as sustainable energy. She feels that is why that happened and she is embarrassed by that because she would have never said that. She supports green renewable sustainable energy, is proud she signed those contracts and stands by her vote.

Chairman Hahn said that he would like to focus not on what has happened before, but how we move forward. Obviously, there are some strong held opinions, which he thinks is good. Chairman Hahn said that a good healthy debate is where we can disagree and still be agreeable. He has heard the comments, but his focus is what we do starting tomorrow and will try to put what happened behind us.

Ms. Snyder thanked Chairman Hahn and agrees with Mr. Pacino on his leadership and appreciates the discussion and wants to thank everyone for coming. She agrees with the concept of putting together a process to get further input from all Boards in the four towns.

Chairman Hahn said that Mr. Pacino has taken his suggestion with added improvements, the concept is basically to direct the RMLD to sit tight, hold what they have, and establish a process in which the elected officials in the other towns have had an opportunity to ask additional questions, receive the information they want and provide input. Chairman Hahn polled the Board members on that concept before we start talking motions. Mr. Soli said that he is ready for a motion. Ms. Snyder asked for clarification on Mr. Soli's motion because she is unsure where he is going with that. Chairman Hahn said that what she thinks is important is that before we do anything else, elected officials have come to us to say that they do not have the information they need. We should start a process to give them the information they need. Once they have that they can give additional feedback which is deemed appropriate to the CAB and to this body. Then it is time with that additional input to decide whether we want to reconsider or not.

Mr. Prisco wanted to make the Board aware of the sensitivity for this timeline because of the approach of budget season, which is March and there is a vote on a new school. He is asking the Board to be sensitive to their timeline sooner versus later work with their Chair as well as Mr. Norton. All the towns are entering a busy season with budgets and town meetings. Chairman Hahn thanked Mr. Prisco for bringing this to the Board's attention.

Mr. Arena said that it is his observation it would not damage the Board's position of waiting until June 15 to vote to reconsider this evening, it looks far better on the outside. A vote to reconsider says that more data is needed to look at this anew and want to reflect that on the record. June 15 is structurally how you want to have it look to the outside. His minor second point is June 15 is the last day they can be sold; there must be some internal process on the date. Chairman Hahn responded that the transaction process is fairly quick, it does not require a month's lead time. Chairman Hahn stated that the reason he would like to defer the vote for reconsideration to after input is that he does not want to take three votes. Chairman Hahn said that there was the suggestion of taking a vote to reconsider this evening without the input of the town and in his view that is an uninformed vote. Chairman Hahn said that he would like to sit tight until we give the bodies the opportunity to take a vote which will not be disadvantaging anyone. We certainly will not be giving up anything. It will make life easier in terms of procedure for us.

Mr. O'Leary said that in relation to process Mr. Soli spoke to Roberts Rules which was set aside, if the bylaws call for that, those rules do mean something. Secondly, even if the bylaws state that you can reconsider at the next meeting that is the opportunity that you can reconsider the action, which is this meeting. From his vantage point you should reconsider your previous action until after the requisite input. It would be a fine gesture on your part to do exactly that to reconsider your previous position. Render a final decision require input from the other town officials and ratepayers. It is a cleaner process and a final decision can be made once you get the requisite input sends a clear message. It would send a stronger message to our Board, community and the other communities that you are really listening. By not wanting to reconsider and taking a third vote, this sends a very clear and different message on what action you take. Send a clear message to the ratepayers and the other elected officials in the other communities that you are reconsidering and seeking their input by considering the vote and do that this evening.

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Chairman Hahn said that he will respectfully push back a little; if someone were to watch the tape of this meeting, it would be pretty clear as to what our intent is. His concern of taking a vote for reconsideration this evening is taking a vote without that input. We can wait. He does agree that Robert Rules are important, but so is getting the appropriate input. If someone were to come back to him in a year from now and ask, he would like the input before reconsidering rather than reconsider before getting input.

Mr. O'Leary said that he is getting a mixed message. Mr. O'Leary said that Chairman Hahn is saying that he would like the input, before you reconsider. Obviously, it is a good message he would like the input before they make a final decision, not before they reconsider. Mr. O'Leary suggested making a vote to reconsider and another vote prior to June 15. It is a very different message you are sending and is the consensus of the North Reading Board of Selectmen. Chairman Hahn responded that he appreciates it and is sending a clear message we will come to your town or you can come here, whatever your preference is and give you the information you want as long as it takes. You can give us the input you want and as much as appropriate.

Mr. Pacino asked the Board members who voted for the motion to retire the RECs, if they were willing to reconsider the motion. Ms. O'Neill replied no because it was her understanding that to be properly made to change the vote it should have been made at meeting where the motion was originally made. Mr. Pacino asked the three members who voted for the retirement of the RECs to reconsider, all three said no. Chairman Hahn said that he did not want to get into a debate over what is or is not allowed in Robert Rules or interfere in what he thinks is right.

Mr. Pacino made a motion seconded by Mr. Soli to instruct the Department to not retire the RECs before June 15, 2012 and to have the Department develop a plan and or process that will allow for all input to be received from all constituents.

Motion carried 5:0:0.

Chairman Mauceri said that he would like to thank the Board on behalf of the North Reading Board of Selectmen and the Board members. Chairman Hahn thanked them for coming to the meeting. Mr. O'Leary said that he would like to thank the RMLD for doing a terrific job with its services and during the last storm.

Presentation - Quarterly Conservation Program Update – Mr. Carpenter (Attachment 1)

This will be tabled to the next RMLD Board meeting in the absence of Jared Carpenter.

Approval of December 7, 2011 Board Minutes

Ms. Snyder made a motion seconded by Mr. Pacino that the RMLD Board of Commissioners approve the Regular Session meeting minutes of December 7, 2011.

Motion carried 5:0:0.

Report of the Power & Rate Committee – Chairman Hahn (Attachment 2)

Net Metering Rate. This was deferred from the RMLD Board meeting December 7, 2011.

Chairman Hahn explained that this is a rate where customers have certain types of generation such as solar installed on their property and on occasion they generate more than they use and sell kilowatt hours back to the RMLD. The net metering rate is the rate that handles this. There have been several attempts to get the language correct and believes that all the comments have been included.

Ms. O'Neill asked why there was a limit on the residential customer, not the commercial customer, and what does the twenty kilowatts refer to. Mr. Cameron replied that the twenty kilowatts refers to capacity. Mr. Cameron explained that anything above twenty kilowatts would probably constitute a commercial operation. It would not look like a residential project serving the needs of the residential customer.

Mr. Soli added a couple of grammatical things in the rate filing which do not need to be discussed. Both the mover and the seconder of the motion were in agreement with this.

Ms. Snyder made a motion seconded by Mr. Pacino that the Reading Municipal Light Department (RMLD) Board of Commissioners accept the Residential and Commercial Net Metering Rates based on the recommendation of the RMLD Power & Rate Committee, the Citizens' Advisory Board, and RMLD General Manager.

Motion carried 5:0:0.

Solar Energy Hub

Chairman Hahn explained that this is another renewable energy project which is a solar installation to purchase the electrical output in RMLD's service territory. This was discussed at the Power & Rate Committee and is being brought forward to the full Board. Chairman Hahn pointed out that the RMLD is not buying the RECs from this project; the RMLD is only buying the electrical energy which is reflected in a much lower price.

Chairman Hahn wanted included in the motion after solar power to insert the words "not including the RECs" in the motion.

Mr. Soli said that previously a motion such as this was very difficult for the Board and Energy Services. At one point, we attempted to have a policy relative to this an energy policy was drafted that went nowhere. We were sort of ad hocked until we had a clarifying moment on January 5, at which the motion was discussed at length. Two big parts of the discussion set a precedent. At last we have a precedent, things are clear. Mr. Soli said that we had Chairman Hahn's insightful analysis that said we have to do something about renewables the low cost way in light of Policy 19 and that is to buy the cheapest commercial power we can and get RECs. Another part of that clarifying moment was the dogma of RECs as Mr. Soli said earlier. Renewable energy is not renewable without the RECs.

Mr. Soli said that once you get the RECs you cannot sell them that is the precedent. Here we are the next meeting later, proposing to buy power, not the cheapest power around and not to have the RECs. There goes our precedent. He wants to ask his colleagues do you want just solar energy or do you want a precedent. The precedents are important especially the dogma of the RECs and this does not get the solar RECs or cheap power. The NYMEX gas futures in February are at the mid \$2 range. Gas is really cheap even when this was first presented to the committee. He is asking his colleagues about Policy 19 and is there a precedent.

Ms. Snyder asked if no other contracts were brought forward at that time. Chairman Hahn said that his recollection is this is very competitively based on the energy price even without the RECs over the life of the contract. Chairman Hahn said that Ms. Parenteau affirmed this. Chairman Hahn explained the reason he voted for this was because it would avoid a debacle about RECs is that if you project conventional power prices over the life of this contract on a net present value basis, this would be lower and we would be fulfilling our mandate in Policy 19. Mr. Soli said that we do not have the minutes, but he recalls that Chairman Hahn said that the way gas prices are it is cheaper to get conventional power at a good price and for solar it was a cheaper output. Ms. Snyder thought it was her recollection that it was spot market power that has come down quite a bit and this was discussed at meetings, and that this was proposed as a competitive price contract, although we cannot predict the future.

Ms. Snyder made a motion seconded by Mr. Pacino that the Reading Municipal Light Department (RMLD) Board of Commissioners to authorize the General Manager of the RMLD to finalize negotiations and execute a contract with Solar Energy Hub for the purchase of not more than 4 megawatts of solar power, but not including the RECs in a term not to exceed 20 years, on a site at 1 Burlington Avenue, Wilmington, Massachusetts based on the recommendation of the RMLD Power & Rate Committee and the Citizens' Advisory Board, and the General Manager.

Motion carried 4:0:1. Mr. Soli abstained.

General Manager's Report – Mr. Cameron (Attachment 3)

RMLD Billing Comparison

Mr. Cameron explained that Chairman Ron D'Addario from the CCP presented a National Grid billing usage comparison for customers that is done by OPower. Mr. Cameron said that he has looked into OPower who does a billing comparison for someone's power compared to their neighbors. Mr. Cameron pointed out that the RMLD does have information on its website that Energy Services has come up with on average usage for residential customers with certain building types such as single family homes, condos and square footage in the service territory. This is a tool customers can use to benchmark how they are doing with their usage. Mr. Cameron commented that if you are in a neighborhood with a small home and your neighbors have large homes they would most likely be using more energy than you and that would be reflected on the comparison billing. It is better information if you live in a 2,500 square foot home or condo and compare your usage against the usage data on RMLD's website, which is based on homes in RMLD's service territory. Mr. Cameron said that he will look into this more and find the best way to get this message to our customers. Mr. Cameron said that what OPower sends out would be done in a separate mailing, which would increase mail costs and use more paper. Mr. Cameron said that he will get back to the Board the next meeting or the one after that with more information how to communicate effectively to our customers on this.

Financial Report – November and December, 2011 – Mr. Fournier (Attachment 4)

Mr. Fournier reported on the Financial Report for December 2011.

Mr. Fournier reported that for the month of December the Net Loss is \$177,000 reducing the year to date Net Income \$1.9 million. Year to date budgeted net income was \$4.7 million resulting in net income under budget by \$2.7 million or 59%. Year to date Fuel Expenses exceeded Fuel Revenues by \$327,000. Year to date Base Revenues are under budget by \$1.5 million or 6.2%. Actual Base Revenues were \$23.5 million compared to the budgeted amount of \$25.1 million. Purchase Power Base expense was \$884,000 or 6.4% under budget. Actual Purchase Power Base costs were \$12.9 million compared to the budgeted amount of \$13.8 million.

Operating and Maintenance expenses were over budget by \$170,000 or a little less than 3%. Actual Operating and Maintenance expenses were \$6 million compared to the budgeted amount of \$5.8 million. Overhead Maintenance Expense Account was significantly over budget by \$229,000 which is attributable to the August and Halloween storms. Depreciation Expense and Voluntary Payments to the Towns were on budget. Operating Fund was at \$8.8 million.

Year to date kilowatt sales were 362 million which is 10.1 million kilowatt hours or 2.7% below last year's actual figure.

The Gaw revenues collected year to date were \$362,000 bringing the total collected since the inception of the Gaw rate to \$970,000.

Cumulatively, all five divisions were over budget by \$137,000 or less than 1.5%.

Ms. O'Neill asked why the Operating Fund is up so much higher than last year and what does the RMLD want to have in that fund, what are our options. Mr. Fournier replied that the first thing is Deferred Fuel and there is not that much change there. Mr. Fournier added that the receivables are down from \$4.5 million to \$3.5 million which means more was collected therefore a higher cash balance. Mr. Cameron added that if you are comparing the \$8.8 million versus the \$6.3 million in the Operating Fund, no transfer was made out of the Operating Fund to the Capital Fund and Construction Fund. Mr. Cameron said that the extra \$1 million was put into the Pension Trust. There were no transfers made at the end of fiscal year 2011. Mr. Cameron would like to keep one month's payables in the Operating Fund which is \$6 to \$7 million. Ms. O'Neill commented that the Operating Fund is substantially higher and what are the RMLD's options because this has been occurring for a couple of months. Mr. Fournier commented that one thing it may afford them is to fund the Pension Trust again this year with a significant amount of money. Mr. Fournier said that he sent out letters today requesting three quotes for the actuarial valuation for the pension trust which will be performed in the spring. The presentation of these findings will determine the contribution amount to be made. Ms. O'Neill asked under the Restricted Investments Rate Stabilization, Sick Leave Buy Back Fund, OPEB why they are zeroed out in the current year. Mr. Fournier replied that all four instruments were all called in December, which is unusual and they are looking into other investments. Currently, the monies are in the MMDT account. Ms. O'Neill had a question on policy, did the General Manager make a transfer in the fall from one fund to another for almost \$1 million. Mr. Cameron responded that a transfer made was for the Pension Trust. Mr. Fournier added at year end transfer to the Rate Stabilization Fund was made. Mr. Fournier said that the Pension Trust transfer is an operating expense. Mr. Fournier stated that as far as transferring cash between restricted funds nothing was done in the fall. Ms. O'Neill wanted to clarify on the Rate Stabilization Fund she thought those types of transfers would go to the Budget Committee first then to the Board because it is a restricted cash transfer. Mr. Cameron said that he would have to look into that. Mr. Cameron added that transfers to the Construction Fund have gone before the Budget Committee. Mr. Cameron said that the Board was informed about the Rate Stabilization Transfer and the addition of \$1 million to the Pension Trust. Ms. O'Neill said that she was seeking clarification on this to see if this was past practice.

Mr. Pacino commented that we are at the end of the quarter and not seen the Pension Trust information. Mr. Fournier said that he will leave this information in the Commissioners' mail slots this evening.

Power Supply Report – December, 2011 – Ms. Parenteau (Attachment 5)

Ms. Parenteau said that the RMLD metered load for the month was 59 MWh, a decrease of about 5%; sales totaled approximately 52.5 million kilowatt hours and, as a result, the RMLD undercollected by approximately \$142,000 in December resulting in a Deferred Fuel Cash Reserve (DFCR) balance of \$2.7 million. The Fuel Charge remained at \$.055 kilowatt hour for January and is expected to decrease to \$.050 for February. On a calendar year basis for 2011, the Fuel Charge average was \$.0547/KWh. This was approximately a six percent decrease compared to calendar year 2010. On a calendar year basis both RMLD kilowatt hours for both load and sales were down by 1.5%. We need to look at that to see what the contributing factors were such as weather, conservation or efficiency programs. RMLD's total customer count was approximately the same with forty seven new active accounts in 2011.

Power Supply Report – December, 2011 – Ms. Parenteau (Attachment 5)

The RMLD hit a peak demand of 108.4 megawatts at 6:00 p.m. on December 19 with a temperature of 43 degrees as compared to a demand of 113.5 megawatts, which occurred on December 20, 2010 at 6:00 p.m. with a temperature 23 degrees. The RMLD's monthly capacity requirement was 201.3 megawatts equivalent to \$6.94 per kilowatt hour month.

Table 4 shows both the capacity and energy costs as well as the amount of energy. In December the average cost for capacity and energy came in at \$.074/Kwh. Transmission costs for the month were \$621,000 which is approximately a 3% increase from the previous month.

Engineering and Operations Report – December, 2011 - Mr. Sullivan (Attachment 6)

Gaw Update

Mr. Sullivan reported that there are no changes to the Gaw project. Mr. Sullivan said that the chart remains the same; the RMLD is at \$6.9 million. Mr. Sullivan added that there is no change on the soil. Chairman Hahn asked are we close to being done with the project. Mr. Sullivan responded that it will be completed before fiscal year 2013 begins.

Ms. Snyder asked if the deed restriction is filed. Mr. Sullivan clarified it is filed with the EPA. Mr. Sullivan said that they were in Cambridge and with the Conservation Commission and everything is taken care of and we are all set.

In the variance report Project 1 – 5W9 Reconductoring – Ballardvale Street – is being worked on, and Project 2 – High Capacity Tie 4W18 and 3W8 Franklin Street – is being worked on, Project 4 – RTU Replacement – began that project just technical services labor, Project 6 – Capacitor Banks – began that project and will pick up next month, Project 8 – Relay Replacement Project – technical services labor with the relays on order, and Project 9 – 115kV Disconnect Replacement – two of these have been installed at the substation and two planned before April.

There were two new commercial connections one at Charles River on Ballardvale Street with the other a Day Care Center on Main Street in Wilmington. Mr. Soli asked what "URD" is in Project 3. Mr. Sullivan responded that it is underground residential development. Ms. Snyder asked about Project 1, what is a sagged new Hendrix cable from the November report. Mr. Sullivan replied that Hendrix cable is a type of overhead wire, when you sag the wire it has a certain sway to it from dead level to midpoint between the two poles or in the middle of the section. Ms. Snyder asked if they had to adjust it to get it correct. Mr. Sullivan explained that they have gain space which on a pole is a certain distance. There is primary, secondary, telephone, cable and fire alarm on the poles.

There were 22 cutouts replaced bringing the total to 154 fiscal year to date.

The Reliability Report: the Customer Average Interruption Duration Index (CAIDI) rolling average is up marginally due to the loss of a low CAIDI from December 2011. The CAIDI is up due to the time of the five greatest outages between midnight to 1:00 am. The System Average Interruption Frequency Index (SAIFI) rolling average is virtually identical to the month prior which is due to the number of customers experiencing outages in November and December. The December was lower because 867 customers were affected as opposed to 1,231 customers in November. The Months Between Interruptions (MBTI) is 28 months.

Number of calls for the month was 129; outage incidents 27; customers affected 867; no feeder outages; 19 area outages and 7 service outages. Causes of outages are pretty much the same. Mr. Sullivan pointed out that on December 8 there were 3 lightning damage incidents.

Mr. Sullivan stated that there have been 14,000 meters out of the 25,000 meters installed as part of the meter upgrade project. Chairman Hahn asked if there were any customer complaints associated with the meter upgrade project. Mr. Sullivan responded that overall it is going very smoothly.

Mr. Norton commented on the October storm and wanted to compliment the RMLD staff because he and Mr. Cameron went before the North Reading Board of Selectmen in November to go over storm related situations and the amount of outages. Mr. Norton complimented the RMLD staff on their rapid response with getting customers online as quickly as they could given the severity of the storm. There has been nothing but compliments on how the RMLD handled this. Chairman Hahn and Mr. Cameron thanked Mr. Norton.

**M.G.L. Chapter 30B Bids – Material (Attachment 7)
2012-25 – Sicame Parallel Groove Connectors**

Mr. Sullivan reported that the invitation to bid was sent to 12 bidders and 3 responded.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-25 for Sicame Parallel Groove Connectors be awarded to Wesco Distribution for \$63,372 as the lowest qualified and responsive bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

2012-23– Outdoor, Pole-Mounted, Solid Dielectric, Auto-Recloser (AR)

Mr. Sullivan reported that the invitation to bid was sent to 11 bidders and 4 responded.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-23 for Outdoor, Pole-Mounted, Solid Dielectric, Auto-Recloser (AR) be awarded to Wesco for \$70,240 as the lowest qualified and responsive bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

General Discussion

Mr. Pacino pointed out that there were numerous letters and e-mails received that he would like to be part of the record. Mr. Pacino said that they are a matter of public record, but he would like them attached to the minutes of this meeting. Ms. O’Neill stated that she objects to this. Ms. Snyder is uncertain if she has received them all. Chairman Hahn said that Mr. Cameron can work with Ms. Foti to ensure they have all the customer comments PDF them to then put them on the RMLD’s website. Mr. Pacino said that is fine.

**BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED
Rate Comparisons, December 2011 and January 2012
E-Mail responses to Account Payable/Payroll Questions**

RMLD Board Meetings

Wednesday, February 29, 2012 and Wednesday, March 28, 2012

RMLD Board Committee Meeting

General Manager Committee, Thursday, February 9, 2012

Approval of December 7, 2011 Executive Session Minutes

Ms. Snyder made a motion seconded by Mr. Pacino that the RMLD Board of Commissioners approve Executive Session meeting minutes of December 7, 2011.

Motion carried 5:0:0.

Adjournment

At 9:55 p.m. Mr. Pacino made a motion seconded by Ms. Snyder to adjourn the Regular Session.

Motion carried 5:0:0.

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

Gina Snyder, Secretary
RMLD Board of Commissioners

Reading Municipal Light Board of Commissioners

Regular Session

230 Ash Street

Reading, MA 01867

February 29, 2012

Start Time of Regular Session: 7:36 p.m.

End Time of Regular Session: 9:34 p.m.

Commissioners:

Richard Hahn, Chairman Philip B. Pacino, Vice Chair

Mary Ellen O'Neill, Commissioner Gina Snyder, Secretary

Robert Soli, Commissioner

Staff:

Vinnie Cameron, General Manager

Beth Ellen Antonio, Human Resources Manager

Jared Carpenter, Energy Efficiency Engineer

Nick D'Alleva, Technical Services Manager

Jeanne Foti, Executive Assistant

Robert Fournier, Accounting/Business Manager

William Seldon, Senior Energy Analyst

Citizens' Advisory Board

Arthur Carakatsane, Chair

Opening Remarks/Approval of Meeting Agenda

Chairman Hahn called the meeting to order and stated that the meeting of the Reading Municipal Light Department (RMLD) Board of Commissioners is being broadcast live at the RMLD's office at 230 Ash Street, Reading, MA. Live broadcasts are available only in Reading due to technology constraints. This meeting was video taped for distribution to the community television stations in North Reading, Wilmington and Lynnfield.

Introductions

Chairman Hahn introduced Chair Carakatsane of the Citizens' Advisory Board (CAB). Chair Carakatsane reported that the CAB met earlier this month in which Chairman Hahn also attended. The major issue on the CAB agenda was a motion made to reconsider the Renewable Energy Certificates (REC's), this motion passed, discussion ensued, however no final action was taken. Chair Carakatsane said that the CAB also attended to housekeeping matters at this meeting. The CAB is currently seeking out another new date and will inform the Board of the new meeting date as soon as possible.

Presentation – Quarterly Conservation Program Update – Mr. Carpenter (Attachment 1)

Mr. Carpenter presented his quarterly Energy Conservation Program update. Mr. Carpenter addressed the following: Awards/Grants, Project Review, New Project Update, Renewable Technology, and a Commercial Solar Project.

Mr. Carpenter stated that the RMLD was awarded two grants. The first grant was awarded from the Metropolitan Area Planning Council (MAPC) for the four towns in the RMLD's service territory to develop a local energy action plan. Mr. Carpenter explained that this project will be ongoing for two years, he has met with the four towns and this is progressing. The second grant was awarded from the Department of Energy Resources (DOER) funded from the Regional Greenhouse Gas Initiative (RGGI) in which the RMLD received \$50,000. Mr. Carpenter pointed out that these funds will be used for a residential demand response program, technology updates and for hot water heaters, however, the grant was for kilowatts hours for energy, not demand, but they were intrigued by RMLD's proposal, therefore the RMLD received these funds.

Mr. Carpenter provided updates on three projects the goal of which is peak reduction. The first project is a commercial building in North Reading the goal was 44 kW on peak reduction with the rebate of \$310 per kW removed. The second project is a commercial project in Reading the goal was 72kW on peak reduction with actual on peak of 168kW, with the rebate of \$60 per kW removed. The third project is a North Reading Public School the goal was 6 kW but the actual was 12 kW on peak reduction with the result of a rebate of \$250 per kW removed – a very small project with a very fast payback.

Presentation – Quarterly Conservation Program Update – Mr. Carpenter (Attachment 1)

Mr. Carpenter mentioned potential new projects with customers on the commercial side including: lights, roof top air conditioners, solar arrays under discussion, audits and automation systems. On the residential side, more geothermal may come up especially where no gas service is available, with two projects complete. Mr. Carpenter stated that he is currently working on four projects with the likelihood that one or two of these projects will come to fruition.

Mr. Carpenter stated that it's important to get RMLD involved as soon as possible when considering renewable projects. RMLD can help with any renewable or sustainability project, and hopes that municipal renewable projects will be proposed. In addition, Columbia Construction in North Reading has a 75 kW solar array. Mr. Carpenter said that it is the best solar installation he has seen and Columbia Construction is willing to show the solar array to anyone who is interested. Mr. Soli asked what voltage they generate. Mr. Carpenter replied most likely 480. Chairman Hahn asked if there is a chance that they would send stuff back to the grid and require net metering. Mr. Carpenter replied, no. Mr. Carpenter added that their building is very efficient; hence the reason why going to this array was a good idea.

Ms. O'Neill asked are we reaching a point where we can include what percentage of our power supply portfolio that can be met by energy efficiency, conservation measures and efforts. Ms. O'Neill asked if we can start to put a number on that. Mr. Carpenter replied, yes. Ms. O'Neill suggested setting some goals, strategies that can be specifically identified and putting a number to them. Ms. O'Neill mentioned the Residential Time of Use program as one means to achieve this, the Water Heater rate when that demand response program gets in place by reaching out to people. Ms. O'Neill asked is that something we can start to take a look at. Mr. Carpenter responded, yes. Ms. O'Neill congratulated Mr. Carpenter on the two grants and thanked him for providing her with the information on them.

Ms. O'Neill had questions on the Water Heater demand response program. Ms. O'Neill clarified that this is a demand response program with the customers being shut off daily, how does this integrate with the RMLD's existing Water Heater rate? Mr. Carpenter responded that currently, the plan is to leave the rate as is, but Mr. Cameron is going to analyze the rate to see if it needs adjustment. Mr. Carpenter gave a brief explanation of solar hot water potential.

Ms. O'Neill said that within the grants policies were mentioned. Ms. O'Neill commented that these policies should be shared with the Board. Ms. Snyder congratulated Mr. Carpenter on the grants and said it was great work.

Approval of January 5, 2012 Board Minutes

Ms. Snyder made a motion seconded by Mr. Pacino that the RMLD Board of Commissioners approve the Regular Session meeting minutes of January 5, 2012.

Motion carried 5:0:0.

Report from RMLD Board Committees

Report of the General Manager Committee – Chairman Hahn

General Manager's Contract

Chairman Hahn reported that the General Manager Committee met on February 9 which was a short meeting. Items discussed included recent events. Some members provided feedback on the General Manager as part of his performance review. The consensus of the group is that the real evaluation will occur in August, no action was taken.

Report of the Power & Rate Committee – Chairman Hahn

RMLD's Annual Request for Proposal for Power Supply

Chairman Hahn reported that the Power & Rate Committee met this evening before the RMLD Board meeting. The item on the agenda that was discussed is the next phase in RMLD's power supply procurement program. Messrs. Cameron and Seldon made a presentation to recommend that the Department go out and seek bids for power supplies beginning in 2013 and beyond. Chairman Hahn added that this was also raised at the Citizens' Advisory Board meeting that Chair Carakastane referred to earlier. Chairman Hahn stated that the vote at the Citizens' Advisory Board meeting was 5:0:0 to authorize the Department to go out, obtain the bids and procure power supply. The Power & Rate Committee voted earlier this evening 3:0:0 to do the same.

**Report of the Power & Rate Committee – Chairman Hahn
RMLD’s Annual Request for Proposal for Power Supply**

Mr. Seldon explained that this is the sixth time they have gone through this process as part of the strategic power supply plan to fill a portion of the Department’s needs for energy in these four year chunks. Mr. Seldon said that the Department thought it was prudent not to have all its eggs in one basket and the layering and laddering approach for power supply spreads out and hedges pricing risks by not going out for overly significant amounts of power at one time. Mr. Seldon stated that the Citizens’ Advisory Board as well as the Power & Rate Committee were given this presentation. Mr. Seldon said that the Department will be looking at indicative pricing and the entities that fit the criterion will be short listed and move forward to procure the power supply. Mr. Seldon explained that this is being done a little earlier this year, in April, because the natural gas futures are low right now and the Department would like to take advantage of this.

Ms. Snyder made a motion seconded by Mr. Soli that the RMLD Board of Commissioners authorize the General Manager to execute one or more Power Supply Agreements in accordance with the RMLD’s Strategic Power Supply Plan for power supply purchases for a period not to exceed 2013 through 2016 and in amounts not to exceed 28 MW in 2013, 22 MW in 2014, 21 MW in 2015, and 20 MW in 2016 as presented by the General Manager and Staff.

Motion carried 5:0:0.

**General Manager's Report – Mr. Cameron (Attachment 2)
RMLD’s Telephone System**

Mr. Cameron reported that there was a comment at the Board meeting in December on the RMLD’s telephone system with customers not getting through to a live voice during the October storm. Mr. Cameron said that there are three things he has learned: 1. The present system has twenty-five lines coming in however, only eight callers can listen to the message at once then the callers have the option of getting a live voice. Mr. Cameron explained that the system works 99.9% of the time, but when there are storms or feeder outages then this is not sufficient. A feeder outage can consist of 1,000 customers. Most feeder outages are on the order of an hour in duration. 2. The system can be upgraded in order that more customers listen to the message increasing it to sixteen customers listening to the message is a one time charge of \$32,000. 3. Use an outside messaging service. Smaller systems use this on a smaller scale, not for 2,000 to 3,000 customers. There are logistical issues with respect to ensuring that the answering service has the most up to date and accurate message to give customers.

Mr. Cameron said that there has to be an exchange of information back from the answering service because this information is vital in the diagnosis of the outages during storm outage situations. Mr. Cameron said that he is thinking of putting a committee together internally or to commission a study of best practices and industry standards.

Mr. Cameron stated that the phone system is good for our day to day operations with the exception of large outages because customers want to speak to a live voice.

Mr. Pacino said that the possibility of social media has been discussed and asked if this would be part of it. Mr. Cameron stated that there have been meetings on social media and he does not think this will alleviate the phone system. Mr. Cameron added that the RMLD is looking into using Twitter, not on a regular basis, but when there are storms to provide updates. The RMLD’s website can also be utilized. Also, as done in the past storm, updates can be sent to the Town Administrators/ Managers twice daily which worked well.

Chairman Hahn stated that we have to do something with more of these options fleshed out. Chairman Hahn suggested that in place of a live person someone give their address and time of the outage logged into a Word Document and have someone follow up with that later. Chairman Hahn stated that there are a bunch of options that we are not looking at. It might happen only once in every ten years, but that is when you get egg on your face. This is something we should do that should be expedited with a timeline to get this study completed. Chairman Hahn asked Mr. Cameron what is a reasonable time. Mr. Cameron said that he could get the study completed by the end of the fiscal year June 30.

Rate Stabilization Fund and Pension Trust Transfers

Mr. Cameron stated that Ms. O’Neill had asked at the last meeting about the Rate Stabilization Fund and Pension Trust Transfers. Mr. Cameron reported that the RMLD made a Pension Trust Transfer of \$1 million because the Pension Trust Fund was depleted.

General Manager's Report – Mr. Cameron (Attachment 2)

Rate Stabilization Fund and Pension Trust Transfers

Mr. Cameron said that there was no Budget Committee meeting. In the past, when we have made transfers we have had Budget Committee meetings. Mr. Cameron said that his attention was on the hurricane at the end of August. Mr. Cameron said that a Budget Committee should be set when the Draft Audited Financial Statements are being completed and have that meeting whether or not there are transfers and to discuss year end.

Ms. O'Neill stated that she had no confusion over the Pension Trust. In terms of the Rate Stabilization Fund transfer, she thought there should have been a Budget Committee meeting. Mr. Cameron said that he will ensure that a meeting will be scheduled at the end of August or the beginning of September in the future.

Massachusetts proposed Municipalization Bill

Mr. Cameron reported that the proposed Massachusetts Municipalization Bill has been discussed for the last two to three years. The bill started out as a bill to lay down ground rules on how a town or a municipality can start a municipal electric light utility. Mr. Cameron explained that Hudson and Stowe had a case in the eighties which went on for years with the result being that a template of the Twenty Year Agreement was utilized to resolve their differences. There needs to be a willing seller and a willing buyer. Mr. Cameron stated that with the Municipalization Bill in the last month the House Utilities Committee made changes to the bill. The changes took away exemptions that were hard fought during the deregulation era in the late nineties. The exemptions include not having to pay into the Renewable Energy Trust Fund, Energy Conservation Fund as well as the service territory being protected from other utilities coming in.

Ms. Snyder suggested that in the letter to let the legislators know that the previous version of the bill could be supported, however, the current revisions made by the committee are unacceptable as it stands and does not work for public power. Ms. O'Neill commented that the letter is too long in its present format, we should work with the legislators to phrase this in a manner that we will be working with them. Chairman Hahn added that the letter is too long and he would be in favor of a more focused version. Ms. O'Neill will coordinate changes to the letter with Mr. Cameron.

Executive Office of Energy and Environmental Affairs (EOEEA)

Mr. Cameron explained that he and representatives from both Braintree Electric Light Department and Energy New England met with Barbara Kates-Garnick who is the Energy Undersecretary of the Executive office of Energy and Environmental Affairs to discuss energy conservation programs in the municipal arena. This item is being addressed in response to a question from one of the commission members on the payables relative to a Rubin and Rudman billing. Mr. Cameron stated that Rubin and Rudman facilitated a meeting and coordinated information with the commission members from the Massachusetts Department of Public Utilities (DPU) relative to energy conservation programs and renewable energy incentives in which all three commission members, Berwick, Westbrook and Cash were in attendance. Mr. Cameron said that there needs to be more information flow because they are not in tuned with what the municipals are doing with respect to energy conservation and renewable energy projects. Mr. Cameron commented that this will be an ongoing effort to make sure that our information gets to the hill.

Ms. O'Neill questioned why the RMLD would be paying legal bills with respect to this topic. Mr. Cameron responded that some individuals at Rubin and Rudman have relationships with these people and they can schedule meetings quickly and know how to shape the presentation. Ms. O'Neill asked for clarification. Mr. Cameron explained that the issue is there may not be a clear understanding of what municipals are doing with respect to energy conservation and renewable energy programs at the DPU and in the State House.

Financial Report – January 2012 – Mr. Fournier (Attachment 3)

Mr. Fournier reported on the Financial Report for January 2012.

Mr. Fournier reported that for the month of January the Net Income is \$498,000 increasing the year to date Net Income to \$2.4 million, coming in under budget by \$2.5 million. Mr. Fournier said that the year to date Fuel Expenses exceeded Fuel Revenues by \$600,000. Year to date Base Revenues are under budget by \$1.9 million or 6.7%. Actual Base Revenues were \$27.3 million compared to the budgeted amount of \$29.2 million. Purchase Power Base expense was under budget by \$1 million or 6.4% under budget. Actual Purchase Power Base costs were \$14.9 million compared to the budgeted amount of \$15.9 million.

Financial Report – January 2012 – Mr. Fournier (Attachment 3)

Mr. Fournier commented that Operating and Maintenance expenses were under budget by \$196,000. Actual Operating and Maintenance expenses were \$6.7 million compared to the budgeted amount of \$6.9 million.

Year to date kilowatt hour sales were 419 million which is 15 million kilowatt hours or 3.5% below last year's actual figure.

The Gaw revenues collected year to date were \$419,000 bringing the total collected since the inception of the Gaw rate to a little over \$1 million.

Mr. Soli asked about the Fuel, 22.75 purchased 22.5 this looks like it is off 200,000. Mr. Fournier explained that they have to include the NYPA as a deduction to the Fuel Revenue. Mr. Soli clarified, the Base Revenue is off \$1.9 million is that due to the fact that the RMLD dropped load due to mild weather. Mr. Fournier replied that on the residential side is 920,000 under budget and the commercial side is 818,000 which is weather related. Mr. Cameron stated that this has occurred due to the weather because heating and cooling days are down mostly heating days, down 27% through January. Mr. Soli commented that a hot May and June would make up for some of this.

Ms. O'Neill asked about the Operating Fund which has gone up to \$750,000 since last month. Ms. O'Neill questioned that shouldn't something be done sooner as opposed to later such as a transfer to the Other Post Employment Benefit or Pension Fund Trust that need funding. Mr. Cameron stated that he and Mr. Fournier have had discussions relative to this; however, he would like to wait to see how the sales shake out between now and the end of the year. If the RMLD is down that much revenue due to weather those funds may be needed to make up for some deficiencies. The funds can be transferred instead of pulling from the Rate Stabilization Fund. His recommendation is to wait a couple of months.

Ms. O'Neill asked a question on the electronic billing, how many customers have moved over to that. Mr. Fournier responded a little less than two thousand. Ms. O'Neill clarified that they do not receive anything in the mail. Mr. Fournier responded that is correct. Ms. O'Neill asked about the estimated savings, would it be worthwhile to come up with some incentive program. Mr. Fournier responded that they had a meeting with the vendor a couple of weeks ago.

Mr. Fournier reported that their product is robust and the RMLD is only using a fraction of it. Mr. Fournier explained that they wanted to ensure that the RMLD's personnel felt comfortable with this. Mr. Fournier reported that phase two of this would be to obtain more e-mail addresses, promote this and put it in the *In Brief* to attract more customers to use this service.

Mr. Fournier noted that the vendor is pleased with RMLD's progress and impressed with the results. Ms. O'Neill commented that once you go on paperless billing you do not receive the *In Brief*. Mr. Fournier pointed out that the *In Brief* is found on the RMLD's website. Ms. O'Neill said that customers are not going to search for this and that there should be some mechanisms available to send it with the bill. Mr. Cameron commented that we have to ensure that the e-mail billing does not end up as spam. Mr. Cameron commented that if there are items that are sent out to customers then a third billing party can be used and will be investigated. Ms. Snyder said that in her electronic bill this month she believes it had a link to the *In Brief*. Ms. O'Neill noted that *In Brief* is a major way the RMLD communicates with customers. Mr. Fournier said that he will get back to the Board on this.

On another matter, Ms. O'Neill said that she expected a memo from the General Manager relative to the budget, since the budget is coming up in a month. Mr. Cameron said the philosophy of the budget memo will be out before the end of the week.

Power Supply Report – January 2012 – Mr. Seldon (Attachment 4)

Mr. Seldon reported that RMLD sales totaled approximately 56.6 million kilowatt hours and as a result, the RMLD undercollected by approximately \$274,000 resulting in a Deferred Fuel Cash Reserve (DFCR) balance of \$2.45 million. The January Fuel Charge was set at \$.055/kilowatt hour, lowered to \$.05/kilowatt hour and anticipated to remain the same for March.

The RMLD hit a peak demand of 106.6 megawatts at 6:00 p.m. on January 16 compared to a demand of 112.2 megawatts in 2011. Mr. Seldon said that this can be attributed to the weather. Mr. Seldon pointed out that January was very mild with an average temperature of 34.2 degrees which is 5.2 degrees higher than normal.

Power Supply Report – January 2012 – Mr. Seldon (Attachment 4)

Mr. Seldon said that the RMLD's monthly capacity requirement was 201.3 megawatts equivalent to \$6.64 per kilowatt hour month.

Table 4 shows both the capacity and energy costs as well as the amount of energy. In January the average cost for capacity and energy came in at \$.0785/Kwh which is \$.0045 higher than December. Transmission costs for the month were \$639,000 which is approximately a 2.7% increase from the previous month.

Mr. Soli commented that he was surprised to see what happened to the ISO Interchange because it is running \$.02 above, is there something special happening. Mr. Seldon responded that they reviewed the ISO costs for the month and there were times the real time load exceeded what we bid in the day ahead load where the prices were actually high at over \$300.

Engineering and Operations Report – January 2012 - Mr. D'Alleva (Tab 5)

Gaw Update

Mr. D'Alleva reported on the upgrade project at the Gaw Substation and the only change is a meeting scheduled for mid March with the project engineer PLM for the final walk through for the project to make sure everything was done as per the bid. There were finishing touches completed with the project one hundred percent complete.

In the variance report Project 1 – 5W9 Reconductoring – Ballardvale Street – is being worked on, Project 2 – High Capacity Tie 4W18 and 3W8 Franklin Street – is being worked on, Project 3 – Upgrading Old Lynnfield Center URDs – is being worked on, Project 6 – Capacitor Banks – is being worked on, and Project 8 – Relay Upgrade/Replacement Project at Gaw – is being worked on.

There were two new commercial services and ten residential services.

In January there were 24 cutouts replaced bringing the total to 178 fiscal year to date.

In the Reliability Report the Customer Average Interruption Duration Index (CAIDI) for the month is 57 minutes which is down 14 minutes from December. CAIDI is down marginally for the year. The rolling average is 60.3 minutes. The System Average Interruption Frequency Index (SAIFI) for the month is .21 outage incidents. The rolling average is .44 outage incidents. There was not much of a change from the December number. The Months Between Interruptions (MBTI) is 27.3 months which is pretty much the same as December.

Number of calls for the month was 89, outage incidents 7; customers affected 508; feeder outages 2; area outages 2 and 3 service outages. Causes of outages are pretty much the same.

Mr. D'Alleva stated that there have been 15,000 meters installed as part of the meter upgrade project, Reading is completed, they are now working on Wilmington and North Reading.

Ms. O'Neill commented that she would like an evaluation on the routine construction. We find ourselves seven months through the budget with the routine construction over spent and not that much spent in capital projects; she would like to see more items listed. Mr. Cameron said that he will take care of this.

Mr. Soli said that he would like to see on the meter upgrade project the progress versus scheduling and the projected endpoint. Mr. Pacino added to follow up on Ms. O'Neill's comment; \$5.9 million has been budgeted with only \$2.3 million spent in seven months are there projects that are not going to get completed.

Mr. D'Alleva said that some of the system relay projects at the Gaw substation will probably not be completed by the end of this fiscal year. Mr. Cameron added that the distribution automation project with a cost of approximately \$500,000 has not been completed.

Mr. Cameron pointed out that the reclosers and the SCADA communication system may not be completed. Mr. Cameron said that there has been some technology advances recently and there has been discussion on whether to hold back on such projects and defer to the next year even though specifications have been put together. Mr. Pacino asked for a quarterly update with an explanation of why projects have been put on hold.

M.G.L. Chapter 30B Bids (Attachment 6)

2012-27 RTU Station Controllers and Supplementary Services

Mr. D'Alleva said that this is to replace the present RTU at Station 4 which is old and they are unable to obtain new parts, it's in the capital budget to have the RTU replaced and upgraded. There were fifteen invitations to bid sent out and two bids received with one bid non responsive. Chairman Hahn indicated his concern with this and with two other bids in which there is one bidder. Chairman Hahn asked why only one qualified bidder. Mr. D'Alleva could only speak to the bid that was thrown out, explaining that the non responsive bidder wanted to have remote access to perform this work and the RMLD does not have any external access to the SCADA system.

Mr. D'Alleva commented that this type of work needs to be performed by the RMLD's Control Center in order to keep compliant with the ISO. The non responsive bidder had several objections to the bid, but the key was the offsite programming. Chairman Hahn said that he has no problem limiting offsite access to RMLD's SCADA system, he does not understand why there is only one bid. Mr. D'Alleva said that prospective bidders come to look at the potential project, but demographic restrictions such as the company being located in California is a deterrent because it can take two to three months to get the system operational. Chairman Hahn mentioned WESCO, Stuart Irby and Power Sales Group not bidding on this project - they are local companies. Chairman Hahn asked if anyone called them to ask why they did not bid, if not the next time they should call. Mr. Cameron stated that we will call everyone one of them.

Mr. D'Alleva explained that this is involved because it is a specialized piece of equipment.

Mr. Soli asked what an RTU is. Chairman Hahn responded that it is a remote terminal unit. Mr. Soli asked what Station 4 is. Mr. Cameron responded Gaw.

Ms Snyder questioned if the bid should be sent out again to see if there could be more bidders. Mr. D'Alleva commented that both bids received were within two percent of each other. Mr. Cameron added that if you go out to bid again he does not think you will obtain better pricing. Chairman Hahn expressed his dissatisfaction with the one bidder.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-27 for RTU Station Controllers and Supplementary Services be awarded to Survalent Technology Corp. for a total cost of \$94,023.00 as the lowest qualified bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

2012-29 Line Truck Lift Equipment Inspection and Preventative Maintenance

Mr. Cameron stated that there was one bidder. The other companies were called they did not like the insurance requirement of five million dollars. Mr. Cameron said that the RMLD requires this amount of insurance in the case of lift equipment as someone could get injured if it does not function properly. Also, some of the companies do not want to post the bond which is required by Massachusetts General Laws, Section 30B.

Chairman Hahn asked what was paid in 2011. Mr. Cameron responded \$92,685 for the prior three year contract.

Mr. Cameron explained an increase because the RMLD asked for more on the maintenance side with respect to tightening bolts which translated into \$7,600 annually. Chairman Hahn asked if this is the RMLD's current supplier. Mr. Cameron replied, yes.

Ms. O'Neill said that it should be looked at to see what can be done to foster more bids because this is problematic with some of the bids. Ms. O'Neill commented that the work performed by such companies is looked at by the RMLD to see if the work is acceptable. Mr. Cameron said that facilities staff checks on this before payment is made.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-29 for Line Truck Lift Equipment Inspection and Preventative Maintenance Service be awarded to James A. Kiley Co. for \$115,560.00 as the lowest qualified and responsive bidder on the recommendation of the General Manager. This is a three-year contract.

Motion carried 5:0:0.

M.G.L. Chapter 30B Bids (Attachment 6)

2012-30 Line Truck Chassis Inspection and Preventative Maintenance Service

Mr. Cameron said that the non bidders were contacted and the reason for not submitting a bid included they could not guarantee that everyone working on the chassis had certified training. The RMLD requires American Automotive Standards for mechanics that work on our trucks.

Ms. O'Neill commented that this is the current supplier the RMLD uses. Chairman Hahn said that there are increases in the bids without competition and he is unsure what to do about that. Mr. Cameron said that the RMLD does not want uncertified mechanics working on its vehicles.

CAB Chair Carakatsane commented that with working with municipalities over the years they have the same concern. It is one of the constraints of the bidding process.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-30 for Line Truck Chassis Inspection and Preventative Maintenance Service be awarded to Taylor & Lloyd, Inc. for \$106,517.66 as the lowest qualified and responsive bidder on the recommendation of the General Manager. This is a three-year contract.

Motion carried 4:0:1. Ms. Snyder abstained.

2012-31 Meters

Mr. D'Alleva said that this is a bid for five hundred network meters for some new developments going on. Diamond Crystal in Wilmington is approximately one hundred meters and 30 Haven Street in Reading is forty meters and Reading Woods which is a multi year project there will be four hundred to five hundred meters.

Mr. D'Alleva stated that sixteen invitations to bid were sent out and three bids were received with AvCom being the lowest bidder. Chairman Hahn commented that we currently use this company. Mr. D'Alleva replied, yes.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-31 for Form 12 S Network ERT Meters be awarded to AvCom Inc. for a total cost of \$37,550.00 as the lowest qualified bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

General Discussion

Chairman Hahn said that a couple months ago Mr. Pacino raised the issue of International Financial Standards. Chairman Hahn stated that he read in *The Wall Street Journal* that these standards are going to be enacted. Mr. Pacino pointed out that at this point the SEC has to make the decision and is writing a plan for how to get to International Financial Standards. The Chair of the SEC says it has to be reviewed and is not expected before 2016. Mr. Pacino is not aware of any standards to deal with regulatory assets. It is a long process as the Chair of the SEC is still evaluating.

Ms. Snyder said that she had asked a question on the payables relative to the amount of electricity used by the warehouse. She went to the warehouse, the lights were on and there was no one in there with employees working 7:00 am to 3:00 pm. According to facilities, the lights never get turned off. Some of the lights are high bays and some are T-12's which are older. She hopes that someone can work with the owner. Mr. Cameron said that he will look into this. Ms. Snyder would like something to be done; the RMLD should be setting the example.

Rate Comparisons, February 2012

The General Manager commented that the rate comparisons continue to look good, both compared to the investor owned utilities and neighboring towns.

BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED E-Mail responses to Account Payable/Payroll Questions

RMLD Board Meetings

Thursday, March 29, 2012 and Wednesday, April 25, 2012

Citizens' Advisory Board Meeting
Thursday, March 8, 2012

Chair Carakatsane said that the Citizens' Advisory Board is in the process of rescheduling this meeting.

Executive Session

At 9:15 p.m. Ms. Snyder made a motion seconded by Mr. Pacino that the Board go into Executive Session to discuss Rubin and Rudman billing on 2011 power supply, Choate Hall & Stewart billing for professional services billing and return to the Regular Session for the sole purpose of adjournment.

Motion carried by a polling of the Board.

Mr. Soli, Aye; Ms. Snyder, Aye; Chairman Hahn, Aye; Mr. Pacino, Aye; and Ms. O'Neill, Aye.

Motion carried 5:0:0.

Adjournment

At 9:34 pm. Mr. Pacino made a motion seconded by Mr. Soli to adjourn the Regular Session.

Motion carried 5:0:0.

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

Gina Snyder, Secretary
RMLD Board of Commissioners



POWER SUPPLY REPORT
BOARD REFERENCE TAB C



To: Vincent Cameron
 From: Energy Services
 Date: March 21, 2012
 Subject: Purchase Power Summary – February, 2012

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of February, 2012.

ENERGY

The RMLD's total metered load for the month was 53,988,914 kwh, which was a decrease of 2.44%, compared to the February, 2011 figures.

Table 1 is a breakdown by source of the energy purchases.

TABLE 1

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy	Total \$ Costs	\$ as a %
Millstone #3	3,413,879	\$6.99	6.31%	\$23,855	0.83%
Seabrook	4,675,198	\$8.12	8.65%	\$37,983	1.32%
JP Morgan	8,817,000	\$56.49	16.30%	\$498,084	17.29%
Stonybrook CC	91,631	\$46.01	0.17%	\$4,216	0.15%
NextEra	10,085,000	\$64.88	18.65%	\$654,268	22.72%
NYPA	2,056,083	\$4.92	3.80%	\$10,116	0.35%
ISO Interchange	5,511,156	\$32.12	10.19%	\$176,997	6.15%
NEMA Congestion	0	\$0.00	0.00%	-\$7,105	-0.25%
Coop Resales	88,302	\$132.19	0.16%	\$11,673	0.41%
Stonybrook Peaking	0	\$0.00	0.00%	\$11	0.00%
MacQuarie	17,112,000	\$73.44	31.64%	\$1,256,678	43.64%
Braintree Watson Unit	48,525	\$95.05	0.09%	\$4,612	0.16%
Swift River Projects	2,178,076	\$95.75	4.03%	\$208,549	7.24%
Monthly Total	54,076,850	\$53.26	100.00%	\$2,879,937	100.00%

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of February, 2012.

Table 2

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP* Settlement	7,030,225	32.07	13.00%
RT Net Energy** Settlement	-1,519,069	31.88	-2.81%
ISO Interchange (subtotal)	5,511,156	32.12	10.19%

CAPACITY

The RMLD hit a demand of 100,453 kW, which occurred on February 29, 2012 at 7 pm. The RMLD's monthly UCAP requirement for February, 2012 was 201,318 kW.

Table 3 shows the sources of capacity that the RMLD utilized to meet its requirements.

Table 3

Source	Amount of Capacity (kW)	Cost of Capacity (\$/kW-month)	% of Total Capacity	Total Cost \$	% of Total Cost
Millstone #3	4,991	\$51.71	2.48%	\$258,106	19.31%
Seabrook	7,910	\$49.81	3.93%	\$393,971	29.47%
Stonybrook Peaking	24,981	\$2.02	12.41%	\$50,414	3.77%
Stonybrook CC	42,925	\$3.86	21.32%	\$165,597	12.39%
NYP&A	4,666	\$2.81	2.32%	\$13,101	0.98%
Hydro Quebec	4,274	\$4.48	2.12%	\$19,148	1.43%
ISO-NE Supply Auction	101,051	\$3.24	50.19%	\$327,429	24.50%
Braintree Watson Unit	10,520	\$10.36	5.23%	\$108,951	8.15%
Total	201,318	\$6.64	100.00%	\$1,336,718	100.00%

Table 4 shows the dollar amounts for energy and capacity per source.

Table 4

Resource	Energy	Capacity	Total cost	% of Total Cost	Amt. of Energy (kWh)	Cost of Power (\$kWh)
Millstone #3	\$23,855	\$258,106	\$281,960	6.69%	3,413,879	\$0.0826
Seabrook	\$37,983	\$393,971	\$431,955	10.24%	4,675,198	\$0.0924
Stonybrook CC	\$4,216	\$165,597	\$169,813	4.03%	91,631	\$1.8532
Hydro Quebec	\$0	\$19,148	\$19,148	0.45%	0	\$0.0000
NextEra	\$654,268	\$0	\$654,268	15.52%	10,085,000	\$0.0649
NYPA	\$10,116	\$13,101	\$23,217	0.55%	2,056,083	\$0.0113
ISO Interchange	\$176,997	\$327,429	\$504,426	11.96%	5,511,156	\$0.0915
NEMA Congestion	-\$7,105	\$0	-\$7,105	-0.17%	0	\$0.0000
Coop Resales	\$11,673	\$0	\$11,673	0.28%	88,302	\$0.1322
Stonybrook Peaking	\$11	\$50,414	\$50,425	1.20%	0	\$0.0000
JP Morgan	\$498,084	\$0	\$498,084	11.81%	8,817,000	\$0.0565
MacQuarie	\$1,256,678	\$0	\$1,256,678	29.80%	17,112,000	\$0.0734
Braintree Watson Unit	\$4,612	\$108,951	\$113,564	2.69%	48,525	\$2.3403
Swift River Projects	\$208,549	\$0	\$208,549	4.95%	2,178,076	\$0.0957
Monthly Total	\$2,879,937	\$1,336,718	\$4,216,655	100.00%	54,076,850	\$0.0780

TRANSMISSION

The RMLD's total transmission costs for the month of February were \$581,199. This is a decrease of 9.93% from the January transmission costs of \$638,899. In February, 2011 the transmission costs were \$744,186.

Table 5 shows costs for the current month vs. last month and last year (February, 2011)

Table 5

	Current Month	Last Month (Jan '12)	Last Year (Feb '11)
Peak Demand (kW)	100,453	106,558	108,295
Energy (kWh)	54,076,850	59,550,250	55,387,717
Energy (\$)	\$2,879,937	\$3,338,331	\$2,983,760
Capacity (\$)	\$1,336,718	\$1,337,348	\$1,516,708
Transmission (\$)	\$581,199	\$638,899	\$744,186
Total	\$4,797,854	\$5,314,578	\$5,244,654



ENGINEERING AND OPERATIONS
REPORT
BOARD REFERENCE TAB D



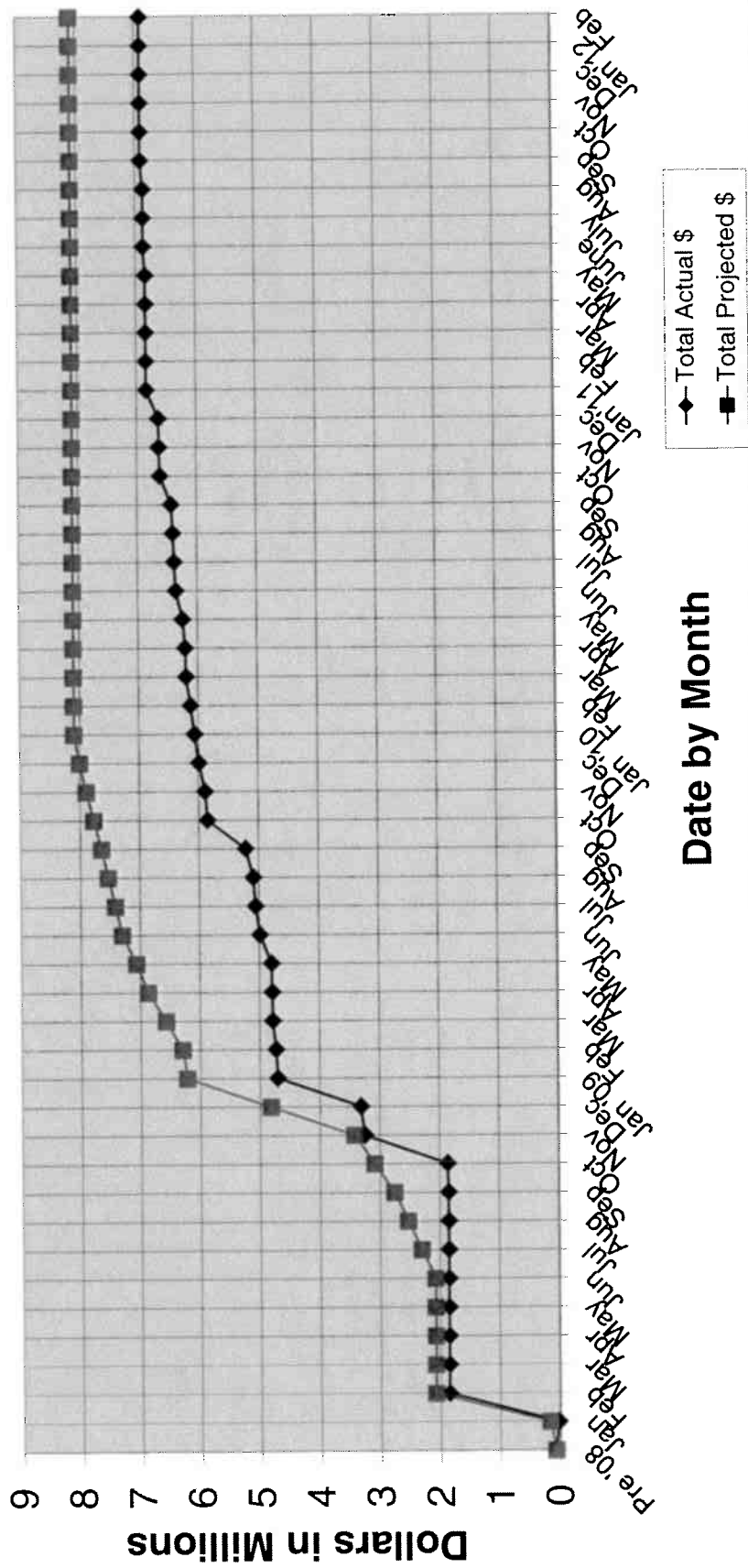
Gaw Transformer Upgrade Project

Schedule Milestones	Start Date	% Complete	Completion Date	Notes
Conceptual Engineering	Jul-08	100	Jun-09	Complete
Major Equipment Procurement	Feb-09	100	Oct-10	Complete
Design Engineering	Jul-08	100	Jun-09	Complete
Scheduled Transformer Delivery	Dec-08	100	Dec-08	Complete
Construction Bid	Jan-09	100	Mar-09	Complete
Construction Contractor	May-09	100	Dec-10	Complete
Construction Transformer Replacement	May-09	100	Oct-10	Complete
Construction Switchgear Upgrades	Dec-09	100	Jul-11	Complete
Construction RMLD Personnel	Jan-09	100	Jul-11	Complete

Tangible Milestones	Start Date	% Complete	Completion Date	Notes
Relocate Station Service transformers	06/22/09	100	07/17/09	Complete
Transformer 110C on concrete pad	06/01/09	100	07/22/09	Complete
115kV circuit switchers replaced	07/25/09	100	08/02/09	Complete
Transformer 110C secondary work	07/27/09	100	10/05/09	Complete
Transformer 110C replacement	08/31/09	100	10/09/09	Complete
Transformer 110A replacement	09/21/09	100	09/30/10	Complete
Transformer 110B replacement	02/19/10	100	03/31/10	Complete
Switchgear upgrade	12/01/09	100	07/31/11	Complete
Feeder Reassignment work	08/16/10	100	01/30/11	Complete

Changes highlighted in bold

Gaw Transformer Upgrade Project



Reconciling the Gaw Upgrade Project

<u>Capital Item</u> Description	Fiscal Yr	Item	<u>Budget</u>		Expenditure Actual	Expenditure Cumulative	<u>Delta</u> by FY
			Cumulative	Actual			
Transformer Payment	2008	2.080	2.080	1.836	1.836	-0.244	
Contract Labor	2009	1.380		0.170			
Procured Equipment		0.360		0.101			
RMLD Labor		0.446		0.111			
Feeder Reassignment		0.282		0.000			
Transformer Payments		2.757	7.305	2.755	4.973	-2.332	
Contract Labor	2010	0.285		0.838			
Procured Equipment		0.195		0.155			
RMLD Labor		0.200		0.380			
Feeder Reassignment		0.110	8.095	0.000	6.346	-1.749	
Contract Labor	2011	0.545		0.369			
Procured Equipment		0.030		0.007			
RMLD Labor		0.064		0.109			
Feeder Reassignment		0.236	8.095	0.048	6.879	-1.216	
Contract Labor	2012	0.000		0.042			
Procured Equipment		0.000		0.000			
RMLD Labor		0.000		0.000			
Feeder Reassignment		0.000	8.095	0.000	6.921	-1.174	
Project Sub-Total		0.000	8.095	6.921	6.921		
Project Total					6.921	-1.174	



READING MUNICIPAL LIGHT DEPARTMENT
FY 12 CAPITAL BUDGET VARIANCE REPORT
FOR PERIOD ENDING FEBRUARY 29, 2012

#	PROJECT DESCRIPTION	TOWN	ACTUAL COST FEBRUARY	YTD ACTUAL COST THRU 2/29/12	ANNUAL BUDGET AMOUNT	VARIANCE
<u>E&O Construction - System Projects</u>						
* 1	5W9 Reconductoring - Ballardvale Street	W	956	160,588	242,649	82,061
* 2	High Capacity Tie 4W18 and 3W8 Franklin Street	R	10,505	122,873	157,766	34,893
3	Upgrading Old Lynnfield Ctr URDs	LC		377	579,927	579,550
<u>SCADA Projects</u>						
4	RTU Replacement	R		1,640	130,255	128,615
<u>Distribution Automation Projects</u>						
5	Reclosures	ALL			197,901	197,901
6	Capacitor Banks	ALL	2,072	11,614	105,052	93,438
7	SCADA Radio Communication System	ALL			231,386	231,386
<u>Station Upgrades (Station #4 GAW)</u>						
8	Relay Replacement Project	R		2,803	99,656	96,853
9	115kV Disconnect Replacement	R		49,738	88,585	38,847
<u>New Customer Service Connections</u>						
12	Service Installations - Commercial/Industrial Customers	ALL	870	30,850	62,530	31,680
13	Service Installations - Residential Customers	ALL	19,615	123,767	206,017	82,250
<u>14 Routine Construction</u>						
	Various Routine Construction	ALL	234,187	1,531,067	1,016,382	(514,685)
Total Construction Projects			268,205	2,035,317	3,118,106	1,082,789
<u>Other Projects</u>						
15	GIS			8,715	50,000	41,285
16	Transformers/Capacitors Annual Purchases			157,352	198,800	41,448
17	Meter Annual Purchases			7,855	46,360	38,505
17A	Meter Upgrade Project		45,021	361,071	1,740,656	1,379,585
18	Purchase New Small Vehicle			31,544	36,000	4,456
19	Purchase Line Department Vehicle				386,000	386,000
20	Purchase Puller Trailer				75,000	75,000
21	Roof Top Units				30,000	30,000
22	Engineering Software and Data Conversion				76,690	76,690
23	Plotter				18,000	18,000
27	Hardware Upgrades		1,395	33,831	40,000	6,169
28	Software and Licensing			26,060	94,435	68,375
OTH	Cooling Tower Replacement			18,706	-	(18,706)
Total Other Projects			46,416	645,134	2,791,941	2,146,807
TOTAL RMLD CAPITAL PROJECT EXPENDITURES			314,621	2,680,451	5,910,047	3,229,596
29	Force Account/Reimbursable Projects	ALL	-	-	-	-
TOTAL FY 12 CAPITAL PROJECT EXPENDITURES			314,621	2,680,451	5,910,047	3,229,596

* completed projects



**Reading Municipal Light Department
Engineering and Operations
Monthly Report
February 2012**

FY 2012 Capital Plan

E&O Construction – System Projects

1. **5W9 Reconductoring – Ballardvale Street - Wilmington** – *Engineering labor.*
2. **High Capacity Tie 4W18/3W8 Franklin Street – Reading** – *Pole transfers; install transformer; install taps; energized new spacer cable.*
3. **Upgrading of Old Lynnfield Center URDs** – *Engineering labor.*

SCADA Projects

4. **RTU Replacement at Station 4 – Reading** – *No activity.*

Distribution Automation (DA) Projects

5. **Reclosers** – *No activity.*
6. **Capacitor Banks** – *Build capacitor banks; Engineering and Senior Tech labor.*
7. **SCADA Radio Communication System** – *No activity.*

Station Upgrades

8. **Relay Replacement Project – Station 4 – Reading** – *No Activity.*
9. **115 kV Disconnect Replacement – Station 4 – Reading** – *No activity.*

New Customer Service Connections

12. **Service Installations – Commercial/Industrial Customers** – This item includes new service connections, upgrades, and service replacements for the commercial and industrial customers. This represents the time and materials associated with the replacement of an existing or installation of a new overhead service, the connection of an underground service, etc. This does not include the time and materials associated with pole replacements/installations, transformer replacement/installations, primary or secondary cable replacement/installations etc. This portion of the project comes under routine construction. *Notable: Commercial building at 57-59 High Street, Reading.*
13. **Service Installations – Residential Customers** – This item includes new or upgraded overhead and underground services, temporary overhead services, and large underground development.

14. **Routine Construction** – The drivers of the Routine Construction budget category YTD are listed. This is not an inclusive list of all items within this category.

<i>Pole Setting/Transfers</i>	\$226,318
<i>Maintenance Overhead/Underground</i>	\$416,594
<i>Projects Assigned as Required</i>	\$374,930
<i>Pole Damage (includes knockdowns) some reimbursable</i>	\$35,405
<i>Station Group</i>	\$2,967
<i>Hazmat/Oil Spills</i>	\$3,118
<i>Porcelain Cutout Replacement Program</i>	\$2,825
<i>Lighting (Street Light Connections)</i>	\$60,866
<i>Storm Trouble</i>	\$80,174
<i>Underground Subdivisions</i>	\$57,094
<i>Animal Guard Installation</i>	\$53,664
<i>Miscellaneous Capital Costs</i>	\$217,112
TOTAL	\$1,531,067

*In the month of February one cutout was charged under this program. Approximately 18 cutouts were installed new or replaced because of damage making a total of 19 cutouts replaced this month.

Reliability Report

Two key industry standard metrics have been identified to enable the RMLD to measure and track system reliability. A rolling 12-month view is being used for the purposes of this report.

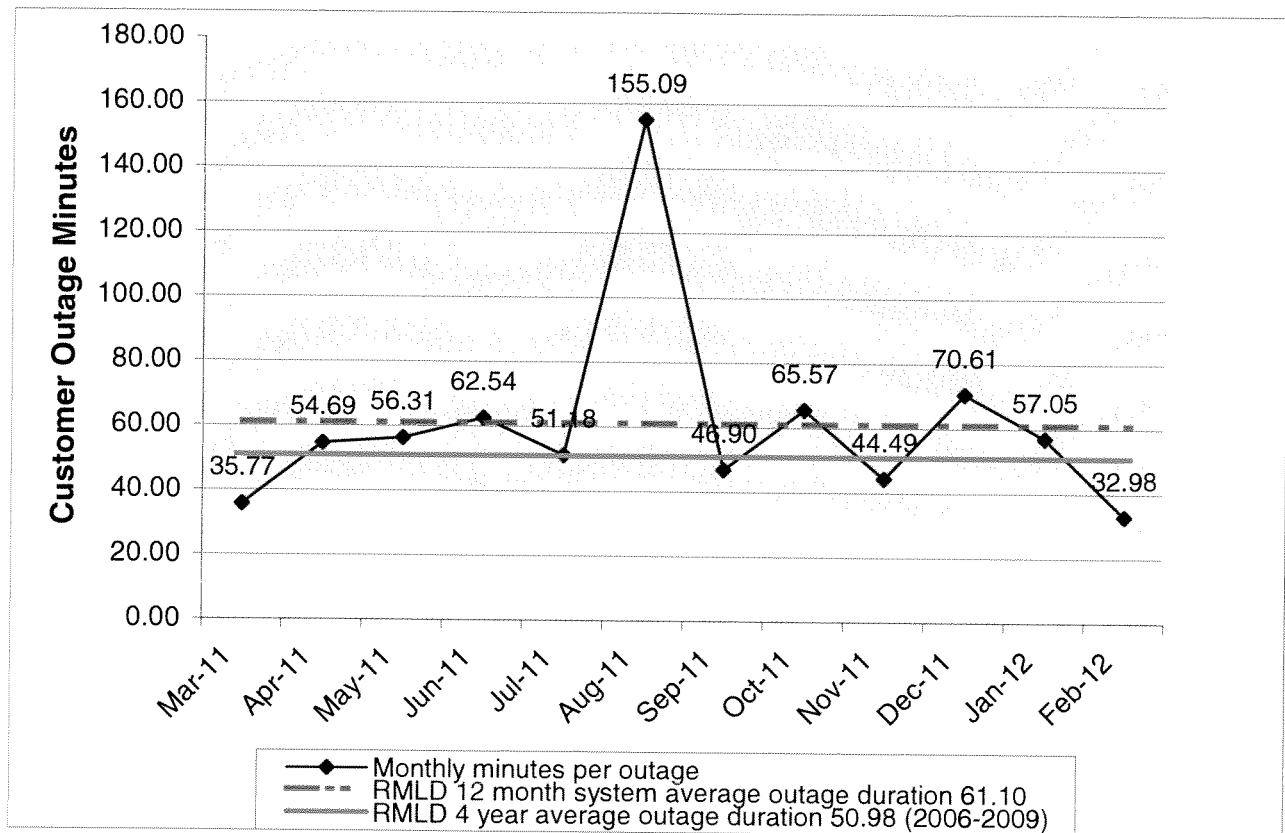
Customer Average Interruption Duration Index (CAIDI) – Measures how quickly the RMLD restores power to customers when their power goes out.

CAIDI = Total of Customer Interruption Duration for the Month in Minutes/ Total number of customers interrupted.

RMLD 12 month system average outage duration – 61.10 minutes

RMLD 4 year average outage (2006-2009) – 50.98 minutes per outage

On average, RMLD customers that experience an outage are restored in 61.10 minutes.



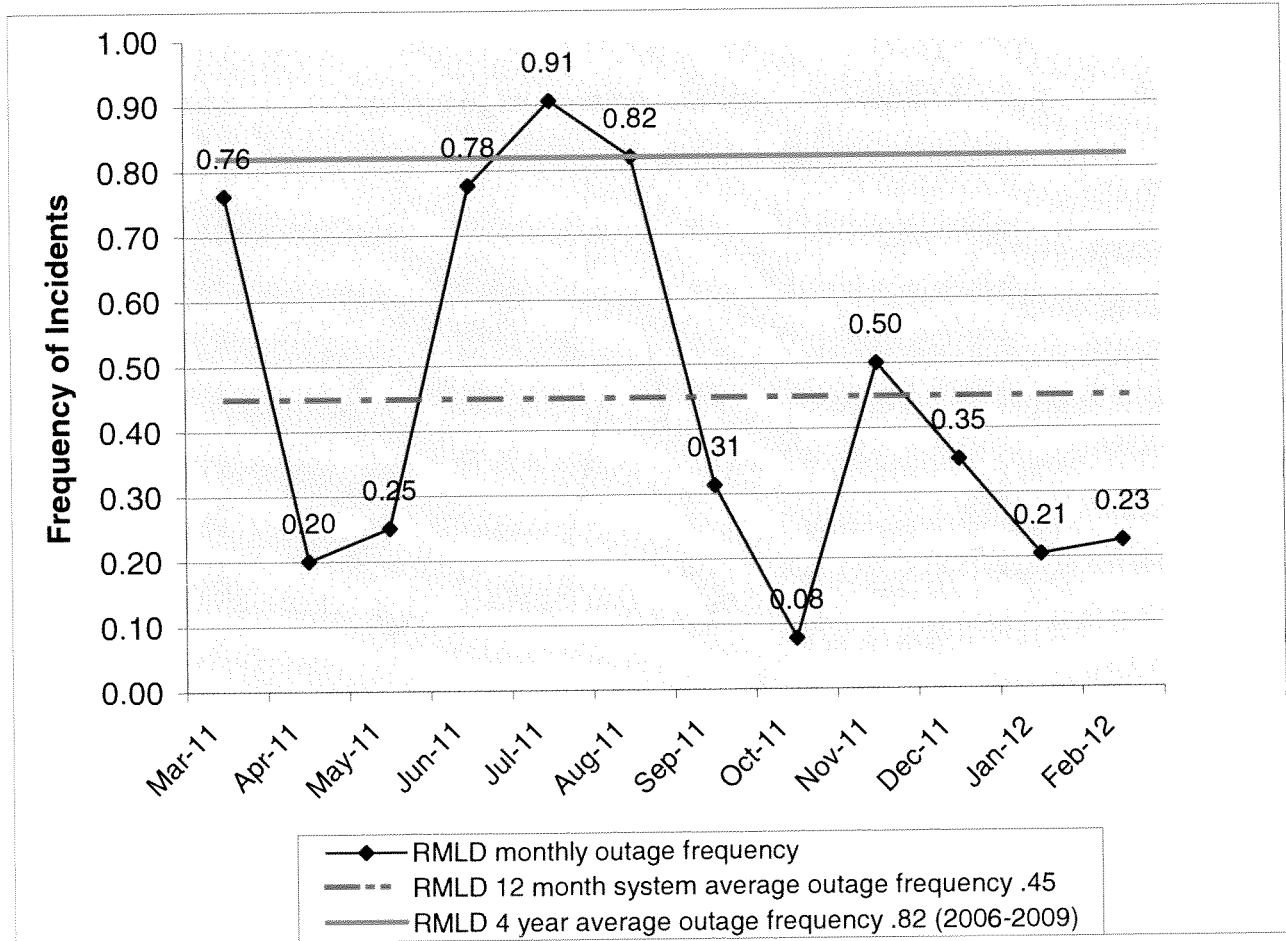
System Average Interruption Frequency (SAIFI) – Measures how many outages each customer experiences per year on average.

SAIFI = Total number of customer’s interrupted / Total number of customers.

RMLD 12 month system average - .45 outages per year

RMLD 4 year average outage frequency - .82

The graph below tracks the month-by-month SAIFI performance.



Months Between Interruptions (MBTI)

Another view of the SAIFI data is the number of months Reading customers have no interruptions. At this time, the average RMLD customer experiences an outage approximately every 26.6 months.

FINANCIAL REPORT
BOARD REFERENCE TAB E



Dt: March 22, 2012

To: RMLB, Vincent F. Cameron, Jr., Jeanne Foti

Fr: Bob Fournier *BF 3/21/12*

Sj: February 29, 2012 Report

The results for the eight months ending February 29, 2012, for the fiscal year 2012 will be summarized in the following paragraphs.

1) Change in Net Assets: (Page 3A)

For the month of February, the net loss or the negative change in net assets was \$171,275, decreasing the year to date net income to \$2,252,998. The year to date budgeted net income was \$5,152,642, resulting in net income being under budget by 2,899,643 or 56.27%. Actual year to date fuel expenses exceeded fuel revenues by \$951,296.

2) Revenues: (Page 11B)

Year to date base revenues were under budget by \$2,379,741 or 7.19%. Actual base revenues were \$30.7 million compared to the budgeted amount of \$33.1 million.

3) Expenses: (Page 12A)

*Year to date purchased power base expense was under budget by \$1,227,727 or 6.79%. Actual purchased power base costs were \$16.8 million compared to the budgeted amount of \$18.0 million.

*Year to date operating and maintenance (O&M) expenses combined were under budget by \$108,743 or 1.4%. Actual O&M expenses were \$7.7 million compared to the budgeted amount of \$7.8 million.

*Depreciation expense and voluntary payments to the Towns were on budget.

4) Cash (Page 9)

*Operating Fund was at \$9,393,162.

*Capital Fund balance was at \$3,993,461.

*Rate Stabilization Fund was at \$6,069,924.

*Deferred Fuel Fund balance was at \$2,103,928.

*Energy Conservation Fund balance was at \$178,810.

5) General Information:

Year to date kwh sales (Page 5) were 471,283,857 which is 19.4 million kwh or 3.97%, behind last year's actual figure. GAW revenues collected ytd were \$471,296 bringing the total collected since inception to \$1,078,469.

6) Budget Variance:

Cumulatively, the five divisions were under budget by \$151,980 or 1.2%.



FINANCIAL REPORT

FEBRUARY 29, 2012

ISSUE DATE: MARCH 22, 2012



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF NET ASSETS
2/29/12

	PREVIOUS YEAR	CURRENT YEAR
ASSETS		
CURRENT		
UNRESTRICTED CASH (SCH A P.9)	7,225,949.28	9,396,162.56
RESTRICTED CASH (SCH A P.9)	15,894,798.57	18,319,254.52
RESTRICTED INVESTMENTS (SCH A P.9)	2,200,000.00	0.00
RECEIVABLES, NET (SCH B P.10)	8,660,820.16	7,403,407.23
PREPAID EXPENSES (SCH B P.10)	1,777,303.90	1,949,722.19
INVENTORY	1,656,277.91	1,405,233.69
TOTAL CURRENT ASSETS	37,415,149.82	38,473,780.19
NONCURRENT		
INVESTMENT IN ASSOCIATED CO (SCH C P.2)	88,151.26	73,765.66
CAPITAL ASSETS, NET (SCH C P.2)	67,514,565.76	67,872,740.75
TOTAL NONCURRENT ASSETS	67,602,717.02	67,946,506.41
TOTAL ASSETS	105,017,866.84	106,420,286.60
 LIABILITIES		
CURRENT		
ACCOUNTS PAYABLE	6,964,736.44	5,510,734.48
CUSTOMER DEPOSITS	516,980.20	602,249.01
CUSTOMER ADVANCES FOR CONSTRUCTION	330,793.90	294,339.94
ACCRUED LIABILITIES	1,129,555.98	1,221,683.70
TOTAL CURRENT LIABILITIES	8,942,066.52	7,629,007.13
NONCURRENT		
ACCRUED EMPLOYEE COMPENSATED ABSENCES	3,020,032.75	2,934,698.58
TOTAL NONCURRENT LIABILITIES	3,020,032.75	2,934,698.58
TOTAL LIABILITIES	11,962,099.27	10,563,705.71
 NET ASSETS		
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	67,514,565.76	67,872,740.75
RESTRICTED FOR DEPRECIATION FUND (P.9)	4,676,350.65	3,993,461.42
UNRESTRICTED	20,864,851.16	23,990,378.72
TOTAL NET ASSETS (P.3)	93,055,767.57	95,856,580.89
TOTAL LIABILITIES AND NET ASSETS	105,017,866.84	106,420,286.60

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
NONCURRENT ASSET SCHEDULE
2/29/12

SCHEDULE C

	PREVIOUS YEAR	CURRENT YEAR
SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES		
NEW ENGLAND HYDRO ELECTRIC	23,538.60	15,747.64
NEW ENGLAND HYDRO TRANSMISSION	64,612.66	58,018.02
TOTAL INVESTMENTS IN ASSOCIATED COMPANIES	<u>88,151.26</u>	<u>73,765.66</u>
SCHEDULE OF CAPITAL ASSETS		
LAND	1,265,842.23	1,265,842.23
STRUCTURES AND IMPROVEMENTS	6,885,376.77	6,639,578.34
EQUIPMENT AND FURNISHINGS	13,169,755.23	12,931,726.76
INFRASTRUCTURE	46,193,591.53	47,035,593.42
TOTAL CAPITAL ASSETS, NET	<u>67,514,565.76</u>	<u>67,872,740.75</u>
TOTAL NONCURRENT ASSETS	<u>67,602,717.02</u>	<u>67,946,506.41</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
2/29/12

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
OPERATING REVENUES: (SCH D P.11)					
BASE REVENUE	3,759,654.33	3,434,875.16	31,084,574.87	30,715,837.38	-1.19%
FUEL REVENUE	3,153,393.61	2,594,141.71	28,301,328.01	25,136,688.86	-11.18%
PURCHASED POWER CAPACITY	42,237.55	(9,856.38)	1,198,798.38	(89,529.87)	-107.47%
FORFEITED DISCOUNTS	83,788.41	70,491.05	697,455.41	636,950.33	-8.68%
ENERGY CONSERVATION REVENUE	38,785.14	51,023.19	349,934.25	404,230.88	15.52%
GAW REVENUE	56,324.44	51,893.94	350,869.55	471,296.56	34.32%
NYPA CREDIT	(92,678.30)	(62,465.74)	(520,068.72)	(460,280.28)	-11.50%
TOTAL OPERATING REVENUES	7,041,505.18	6,130,102.93	61,462,891.75	56,815,193.86	-7.56%
OPERATING EXPENSES: (SCH E P.12)					
PURCHASED POWER BASE	2,263,102.35	1,921,257.89	18,651,819.58	16,855,504.43	-9.63%
PURCHASED POWER FUEL	2,983,759.61	2,879,936.88	27,634,995.12	25,627,704.49	-7.26%
OPERATING MAINTENANCE	703,748.92	787,674.74	5,653,783.60	5,756,790.43	1.82%
DEPRECIATION	278,177.50	169,649.03	2,918,088.51	1,970,270.71	-32.48%
VOLUNTARY PAYMENTS TO TOWNS	287,729.05	296,027.47	2,301,832.40	2,368,219.76	2.88%
	110,000.00	113,000.00	875,885.00	900,186.00	2.77%
TOTAL OPERATING EXPENSES	6,626,517.43	6,167,546.01	58,036,404.21	53,478,675.82	-7.85%
OPERATING INCOME	414,987.75	(37,443.08)	3,426,487.54	3,336,518.04	-2.63%
OPERATING REVENUES (EXPENSES)					
CONTRIBUTIONS IN AID OF CONST	200.00	8,115.20	35,087.42	45,744.84	30.37%
RETURN ON INVESTMENT TO READING	(180,990.00)	(183,829.75)	(1,447,920.00)	(1,470,638.00)	1.57%
INTEREST INCOME	2,969.32	3,925.77	70,036.05	64,484.78	-7.93%
INTEREST EXPENSE	(1,001.20)	(501.39)	(10,295.20)	(5,728.38)	-44.36%
OTHER (MDSE AND AMORT)	5,500.88	38,458.71	162,507.15	282,617.14	73.91%
TOTAL NONOPERATING REV (EXP)	(173,321.00)	(133,831.46)	(1,190,584.58)	(1,083,519.62)	-8.99%
CHANGE IN NET ASSETS	241,666.75	(171,274.54)	2,235,902.96	2,252,998.42	0.76%
NET ASSETS AT BEGINNING OF YEAR			90,819,864.61	93,603,582.47	3.07%
NET ASSETS AT END OF FEBRUARY			93,055,767.57	95,856,580.89	3.01%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
2/29/12

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE*	% CHANGE
OPERATING REVENUES: (SCH F P.11B)				
BASE REVENUE	30,715,837.38	33,095,579.00	(2,379,741.62)	-7.19%
FUEL REVENUE	25,136,688.86	28,555,504.00	(3,418,815.14)	-11.97%
PURCHASED POWER CAPACITY	(89,529.87)	(94,363.00)	4,833.13	-5.12%
FORFEITED DISCOUNTS	636,950.33	728,103.00	(91,152.67)	-12.52%
ENERGY CONSERVATION REVENUE	404,230.88	368,057.00	36,173.88	9.83%
GAW REVENUE	471,296.56	462,504.00	8,792.56	1.90%
NYPA CREDIT	(460,280.28)	(400,000.00)	(60,280.28)	15.07%
TOTAL OPERATING REVENUES	56,815,193.86	62,715,384.00	(5,900,190.14)	-9.41%
OPERATING EXPENSES: (SCH G P.12A)				
PURCHASED POWER BASE	16,855,504.43	18,083,232.00	(1,227,727.57)	-6.79%
PURCHASED POWER FUEL	25,627,704.49	27,355,705.00	(1,728,000.51)	-6.32%
OPERATING MAINTENANCE	5,756,790.43	5,983,989.00	(227,198.57)	-3.80%
DEPRECIATION	1,970,270.71	1,851,816.00	118,454.71	6.40%
VOLUNTARY PAYMENTS TO TOWNS	2,368,219.76	2,400,000.00	(31,780.24)	-1.32%
	900,186.00	904,000.00	(3,814.00)	-0.42%
TOTAL OPERATING EXPENSES	53,478,675.82	56,578,742.00	(3,100,066.18)	-5.48%
OPERATING INCOME	3,336,518.04	6,136,642.00	(2,800,123.96)	-45.63%
NONOPERATING REVENUES (EXPENSES)				
CONTRIBUTIONS IN AID OF CONST	45,744.84	300,000.00	(254,255.16)	-84.75%
RETURN ON INVESTMENT TO READING	(1,470,638.00)	(1,480,000.00)	9,362.00	-0.63%
INTEREST INCOME	64,484.78	120,000.00	(55,515.22)	-46.26%
INTEREST EXPENSE	(5,728.38)	(4,000.00)	(1,728.38)	43.21%
OTHER (MDSE AND AMORT)	282,617.14	80,000.00	202,617.14	253.27%
TOTAL NONOPERATING REV (EXP)	(1,083,519.62)	(984,000.00)	(99,519.62)	10.11%
CHANGE IN NET ASSETS	2,252,998.42	5,152,642.00	(2,899,643.58)	-56.27%
NET ASSETS AT BEGINNING OF YEAR	93,603,582.47	93,603,582.47	0.00	0.00%
NET ASSETS AT END OF FEBRUARY	95,856,580.89	98,756,224.47	(2,899,643.58)	-2.94%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
RECONCILIATION OF CAPITAL FUNDS
2/29/12

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 7/1/11	4,297,944.13
CONSTRUCTION FUND BALANCE 7/1/11	0.00
INTEREST ON DEPRECIATION FUND FY 12	7,748.45
DEPRECIATION TRANSFER FY 12	2,368,219.76
FORCED ACCOUNTS REIMBURSEMENT	0.00
GAW SUBSTATION (FY 12)	<u>0.00</u>
 TOTAL SOURCE OF CAPITAL FUNDS	 6,673,912.34

USE OF CAPITAL FUNDS:

PAID ADDITIONS TO PLANT THRU FEBRUARY	2,680,450.92	
PAID ADDITIONS TO GAW THRU FEBRUARY	0.00	
TOTAL USE OF CAPITAL FUNDS	<u>2,680,450.92</u>	

GENERAL LEDGER CAPITAL FUNDS BALANCE 2/29/12	<u><u>3,993,461.42</u></u>
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PAID ADDITIONS TO GAW FROM FY 12	0.00
PAID ADDITIONS TO GAW FROM FY 11	531,784.00
PAID ADDITIONS TO GAW FROM FY 10	1,372,876.00
PAID ADDITIONS TO GAW FROM FY 09	3,136,764.00
PAID ADDITIONS TO GAW FROM FY 08	1,895,975.00
TOTAL	<u><u>6,937,399.00</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SALES OF KILOWATT HOURS
2/29/12

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	21,553,664	19,102,964	185,141,202	175,477,409	-5.22%
COMM. AND INDUSTRIAL SALES	31,894,561	30,118,446	284,367,823	275,343,217	-3.17%
PRIVATE STREET LIGHTING	72,796	73,447	575,725	583,883	1.42%
TOTAL PRIVATE CONSUMERS	<u>53,521,021</u>	<u>49,294,857</u>	<u>470,084,750</u>	<u>451,404,509</u>	-3.97%
 MUNICIPAL SALES:					
STREET LIGHTING	239,009	239,338	1,910,596	1,913,265	0.14%
MUNICIPAL BUILDINGS	917,228	791,333	6,752,709	6,458,149	-4.36%
TOTAL MUNICIPAL CONSUMERS	<u>1,156,237</u>	<u>1,030,671</u>	<u>8,663,305</u>	<u>8,371,414</u>	-3.37%
SALES FOR RESALE	299,087	247,689	2,423,871	2,297,395	-5.22%
SCHOOL	1,334,900	1,310,083	9,570,800	9,210,539	-3.76%
TOTAL KILOWATT HOURS SOLD	<u>56,311,245</u>	<u>51,883,300</u>	<u>490,742,726</u>	<u>471,283,857</u>	-3.97%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
KILOWATT HOURS SOLD BY TOWN
2/29/12

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	19,102,964	6,055,241	2,531,802	4,594,874	5,921,047
COMM & IND	30,118,446	3,906,338	242,659	4,643,589	21,325,860
PVT ST LIGHTS	73,447	13,737	1,360	22,108	36,242
PUB ST LIGHTS	239,338	80,536	32,480	39,963	86,359
MUNI BLDGS	791,333	249,915	132,474	126,364	282,580
SALES/RESALE	247,689	247,689	0	0	0
SCHOOL	1,310,083	464,151	269,787	171,320	404,825
TOTAL	51,883,300	11,017,607	3,210,562	9,598,218	28,056,913
YEAR TO DATE					
RESIDENTIAL	175,477,409	54,933,316	24,871,283	41,075,296	54,597,514
COMM & IND	275,343,217	35,070,011	2,218,177	42,673,553	195,381,476
PVT ST LIGHTS	583,883	111,312	10,880	171,772	289,919
PUB ST LIGHTS	1,913,265	643,788	259,582	319,203	690,692
MUNI BLDGS	6,458,149	1,658,432	1,098,987	1,263,292	2,437,438
SALES/RESALE	2,297,395	2,297,395	0	0	0
SCHOOL	9,210,539	3,291,026	2,015,795	1,179,400	2,724,318
TOTAL	471,283,857	98,005,280	30,474,704	86,682,516	256,121,357
LAST YEAR TO DATE					
RESIDENTIAL	185,141,202	57,919,838	26,593,942	43,062,148	57,565,274
COMM & IND	284,367,823	35,399,357	2,309,891	42,877,297	203,781,278
PVT ST LIGHTS	575,725	111,928	10,880	170,402	282,515
PUB ST LIGHTS	1,910,596	643,488	259,648	317,656	689,804
MUNI BLDGS	6,752,709	1,795,994	1,165,679	1,367,202	2,423,834
SALES/RESALE	2,423,871	2,423,871	0	0	0
SCHOOL	9,570,800	3,403,248	2,033,723	1,245,000	2,888,829
TOTAL	490,742,726	101,697,724	32,373,763	89,039,705	267,631,534
KILOWATT HOURS SOLD TO TOTAL					
MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	36.82%	11.67%	4.88%	8.86%	11.41%
COMM & IND	58.05%	7.53%	0.47%	8.95%	41.10%
PVT ST LIGHTS	0.14%	0.03%	0.00%	0.04%	0.07%
PUB ST LIGHTS	0.46%	0.16%	0.06%	0.08%	0.16%
MUNI BLDGS	1.52%	0.48%	0.26%	0.24%	0.54%
SALES/RESALE	0.48%	0.48%	0.00%	0.00%	0.00%
SCHOOL	2.53%	0.89%	0.52%	0.33%	0.79%
TOTAL	100.00%	21.24%	6.19%	18.50%	54.07%
YEAR TO DATE					
RESIDENTIAL	37.24%	11.66%	5.28%	8.72%	11.58%
COMM & IND	58.42%	7.44%	0.47%	9.05%	41.46%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.04%	0.06%
PUB ST LIGHTS	0.41%	0.14%	0.06%	0.07%	0.14%
MUNI BLDGS	1.37%	0.35%	0.23%	0.27%	0.52%
SALES/RESALE	0.49%	0.49%	0.00%	0.00%	0.00%
SCHOOL	1.95%	0.70%	0.43%	0.25%	0.57%
TOTAL	100.00%	20.80%	6.47%	18.40%	54.33%
LAST YEAR TO DATE					
RESIDENTIAL	37.72%	11.80%	5.42%	8.77%	11.73%
COMM & IND	57.95%	7.21%	0.47%	8.74%	41.53%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.03%	0.07%
PUB ST LIGHTS	0.42%	0.13%	0.05%	0.06%	0.18%
MUNI BLDGS	1.38%	0.37%	0.24%	0.28%	0.49%
SALES/RESALE	0.49%	0.49%	0.00%	0.00%	0.00%
SCHOOL	1.92%	0.69%	0.41%	0.25%	0.57%
TOTAL	100.00%	20.71%	6.59%	18.13%	54.57%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
FORMULA INCOME
2/29/12

TOTAL OPERATING REVENUES	(P.3)	56,815,193.86
ADD:		
POLE RENTAL		1,455.00
INTEREST INCOME ON CUSTOMER DEPOSITS		792.02
LESS:		
OPERATING EXPENSES	(P.3)	(53,478,675.82)
CUSTOMER DEPOSIT INTEREST EXPENSE		(5,728.38)
FORMULA INCOME (LOSS)		<u>3,333,036.68</u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
GENERAL STATISTICS
2/29/12

		MONTH OF FEB 2011	MONTH OF FEB 2012	% CHANGE		YEAR FEB 2011	THRU FEB 2012
				2011	2012		
SALE OF KWH	(P.5)	56,311,245	51,883,300	4.99%	-3.97%	490,742,726	471,283,857
KWH PURCHASED		55,387,717	54,076,850	4.90%	-2.82%	501,785,567	487,656,547
AVE BASE COST PER KWH		0.040859	0.035528	-3.96%	-7.01%	0.037171	0.034564
AVE BASE SALE PER KWH		0.066766	0.066204	11.23%	2.77%	0.063420	0.065175
AVE COST PER KWH		0.094730	0.088785	-5.28%	-5.56%	0.092244	0.087117
AVE SALE PER KWH		0.122765	0.116203	-0.55%	-2.07%	0.121012	0.118511
FUEL CHARGE REVENUE (P.3)		3,153,393.61	2,594,141.71	-7.23%	-11.18%	28,301,328.01	25,136,688.86
LOAD FACTOR		70.06%	73.74%				
PEAK LOAD		108,295	100,453				

kwh analysis

- ▲— base cost
- fuel cost
- fuel revenue
- ×— base revenue

\$0.085

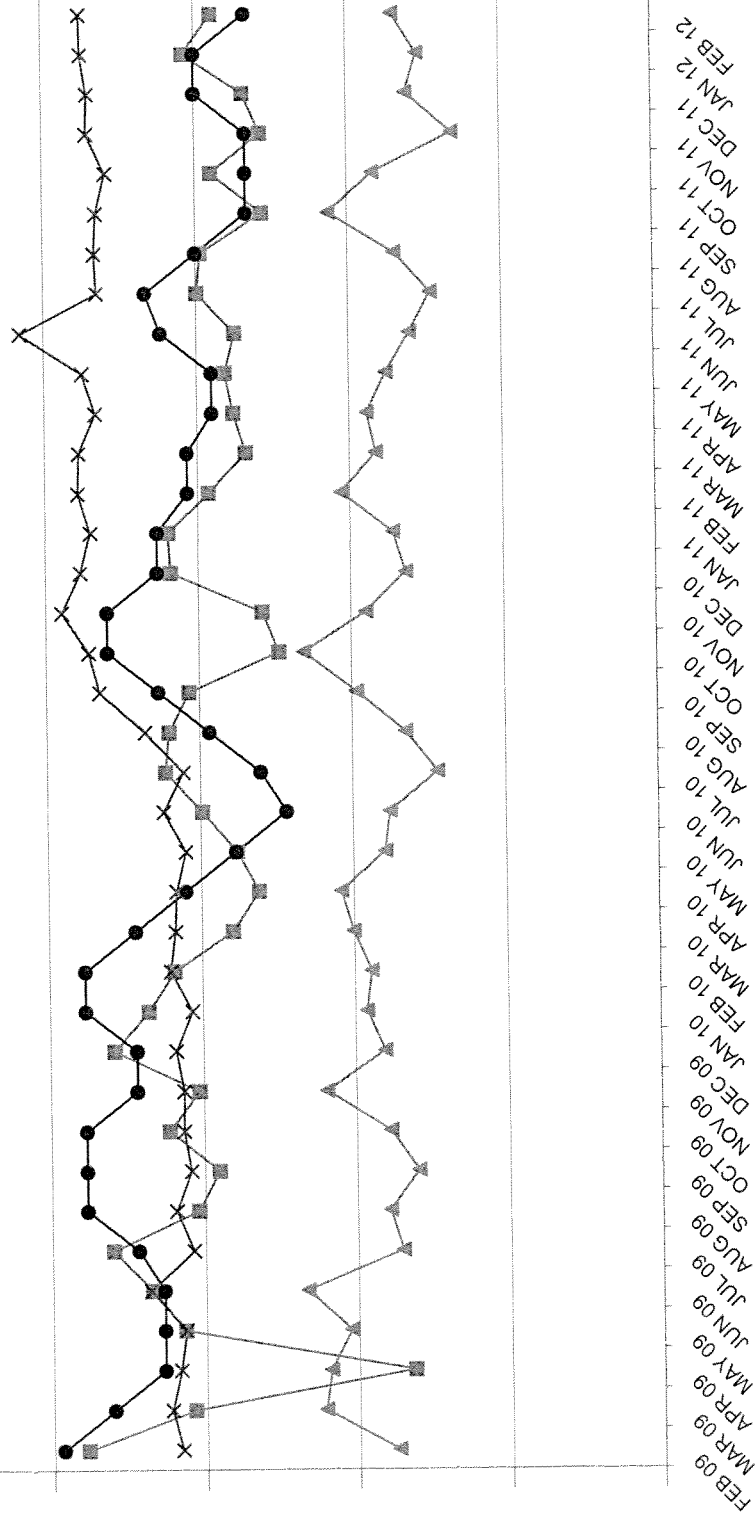
\$0.070

\$0.055

\$0.040

\$0.025

\$0.010



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF CASH AND INVESTMENTS
2/29/12

SCHEDULE A

	PREVIOUS YEAR	CURRENT YEAR
UNRESTRICTED CASH:		
CASH - OPERATING FUND	7,222,949.28	9,393,162.56
CASH - PETTY CASH	3,000.00	3,000.00
TOTAL UNRESTRICTED CASH	7,225,949.28	9,396,162.56
 RESTRICTED CASH:		
CASH - DEPRECIATION FUND	4,676,350.65	3,993,461.42
CASH - TOWN PAYMENT	582,500.00	894,000.00
CASH - DEFERRED FUEL RESERVE	2,472,376.26	2,103,928.87
CASH - RATE STABILIZATION FUND	4,382,087.46	6,069,924.65
CASH - UNCOLLECTIBLE ACCTS RESERVE	200,000.00	200,000.00
CASH - SICK LEAVE BENEFITS	2,025,247.32	2,953,598.25
CASH - HAZARD WASTE RESERVE	150,000.00	150,000.00
CASH - CUSTOMER DEPOSITS	516,980.20	602,249.01
CASH - ENERGY CONSERVATION	274,631.71	178,810.37
CASH - OPEB	614,624.97	1,173,281.95
TOTAL RESTRICTED CASH	15,894,798.57	18,319,254.52
 RESTRICTED INVESTMENTS:		
RATE STABILIZATION *	1,000,000.00	0.00
SICK LEAVE BUYBACK **	1,000,000.00	0.00
OPEB ***	200,000.00	0.00
TOTAL RESTRICTED INVESTMENTS	2,200,000.00	0.00
 TOTAL CASH BALANCE	 25,320,747.85	 27,715,417.08

FEB 2011:

* FREDDIE MAC	1,000,000.00;	DTD 09/10/10; INT 2.00%; MATURITY 09/15/20
** FREDDIE MAC	1,000,000.00;	DTD 09/10/10; INT 2.00%; MATURITY 09/15/20
*** FREDDIE MAC	200,000.00;	DTD 09/10/10; INT 2.00%; MATURITY 09/15/20

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF ACCOUNTS RECEIVABLE
2/29/12

SCHEDULE B

	PREVIOUS YEAR	CURRENT YEAR
SCHEDULE OF ACCOUNTS RECEIVABLE		
RESIDENTIAL AND COMMERCIAL	5,073,105.53	2,869,268.20
ACCOUNTS RECEIVABLE - OTHER	136,454.79	198,822.16
ACCOUNTS RECEIVABLE - LIENS	102,768.97	65,168.95
ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES	892.14	892.14
SALES DISCOUNT LIABILITY	(384,252.63)	(254,121.81)
RESERVE FOR UNCOLLECTIBLE ACCOUNTS	<u>(323,307.75)</u>	<u>(306,916.78)</u>
TOTAL ACCOUNTS RECEIVABLE BILLED	4,605,661.05	2,573,112.86
UNBILLED ACCOUNTS RECEIVABLE	4,055,159.11	4,830,294.37
TOTAL ACCOUNTS RECEIVABLE, NET	<u><u>8,660,820.16</u></u>	<u><u>7,403,407.23</u></u>

SCHEDULE OF PREPAYMENTS

PREPAID INSURANCE	1,181,163.56	1,296,204.42
PREPAYMENT PURCHASED POWER	222,641.30	245,247.57
PREPAYMENT PASNY	239,666.63	238,330.65
PREPAYMENT WATSON	119,308.71	155,415.85
PURCHASED POWER WORKING CAPITAL	14,523.70	14,523.70
TOTAL PREPAYMENT	<u><u>1,777,303.90</u></u>	<u><u>1,949,722.19</u></u>

ACCOUNTS RECEIVABLE AGING FEBRUARY 2012:

RESIDENTIAL AND COMMERCIAL	2,869,268.20
LESS: SALES DISCOUNT LIABILITY	<u>(254,121.81)</u>
GENERAL LEDGER BALANCE	<u><u>2,615,146.39</u></u>

CURRENT	1,999,135.16	76.45%
30 DAYS	312,434.74	11.95%
60 DAYS	106,290.25	4.06%
90 DAYS	54,676.52	2.09%
OVER 90 DAYS	<u>142,609.72</u>	<u>5.45%</u>
TOTAL	<u><u>2,615,146.39</u></u>	<u><u>100.00%</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE
2/29/12

SCHEDULE D

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	2,891,212.32	2,457,598.14	24,483,018.22	23,088,855.36	-5.69%
COMM AND INDUSTRIAL SALES	3,659,967.96	3,268,535.35	32,161,629.31	30,325,142.39	-5.71%
PRIVATE STREET LIGHTING	10,696.29	5,978.26	84,535.80	53,695.48	-36.48%
TOTAL PRIVATE CONSUMERS	<u>6,561,876.57</u>	<u>5,732,111.75</u>	<u>56,729,183.33</u>	<u>53,467,693.23</u>	-5.75%
MUNICIPAL SALES:					
STREET LIGHTING	46,434.68	29,270.34	371,399.86	255,742.21	-31.14%
MUNICIPAL BUILDINGS	111,603.42	93,479.38	828,044.42	783,589.18	-5.37%
TOTAL MUNICIPAL CONSUMERS	<u>158,038.10</u>	<u>122,749.72</u>	<u>1,199,444.28</u>	<u>1,039,331.39</u>	-13.35%
SALES FOR RESALE	37,464.16	29,500.55	300,370.92	281,515.05	-6.28%
SCHOOL	<u>155,669.11</u>	<u>144,654.85</u>	<u>1,156,904.35</u>	<u>1,063,986.57</u>	-8.03%
SUB-TOTAL	6,913,047.94	6,029,016.87	59,385,902.88	55,852,526.24	-5.95%
FORFEITED DISCOUNTS	83,788.41	70,491.05	697,455.41	636,950.33	-8.68%
PURCHASED POWER CAPACITY	42,237.55	(9,856.38)	1,198,798.38	(89,529.87)	-107.47%
ENERGY CONSERVATION - RESIDENTIAL	15,086.12	19,118.83	96,919.76	152,117.47	56.95%
ENERGY CONSERVATION - COMMERCIAL	23,699.02	31,904.36	253,014.49	252,113.41	-0.36%
GAW REVENUE	56,324.44	51,893.94	350,869.55	471,296.56	34.32%
NYPA CREDIT	(92,678.30)	(62,465.74)	(520,068.72)	(460,280.28)	-11.50%
TOTAL REVENUE	<u><u>7,041,505.18</u></u>	<u><u>6,130,102.93</u></u>	<u><u>61,462,891.75</u></u>	<u><u>56,815,193.86</u></u>	-7.56%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE BY TOWN
2/29/12

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	2,457,598.14	781,345.52	324,492.54	590,226.05	761,534.03
INDUS/MUNI BLDG	3,362,014.73	481,978.43	44,188.03	533,794.83	2,302,053.44
PUB.ST.LIGHTS	29,270.34	9,203.57	3,640.44	5,330.26	11,096.07
PRV.ST.LIGHTS	5,978.26	1,091.12	108.10	1,891.12	2,887.92
CO-OP RESALE	29,500.55	29,500.55	0.00	0.00	0.00
SCHOOL	144,654.85	51,499.43	29,465.86	19,438.24	44,251.32
TOTAL	6,029,016.87	1,354,618.62	401,894.97	1,150,680.50	3,121,822.78

THIS YEAR TO DATE

RESIDENTIAL	23,088,855.36	7,245,850.47	3,263,364.45	5,391,500.18	7,188,140.26
INDUS/MUNI BLDG	31,108,731.57	4,303,986.35	396,832.65	4,967,132.02	21,440,780.55
PUB.ST.LIGHTS	255,742.21	82,128.63	31,727.50	45,704.91	96,181.17
PRV.ST.LIGHTS	53,695.48	10,008.80	981.10	16,593.38	26,112.20
CO-OP RESALE	281,515.05	281,515.05	0.00	0.00	0.00
SCHOOL	1,063,986.57	383,551.75	228,803.70	139,705.39	311,925.73
TOTAL	55,852,526.24	12,307,041.05	3,921,709.38	10,560,635.89	29,063,139.92

LAST YEAR TO DATE

RESIDENTIAL	24,483,018.22	7,694,474.97	3,487,943.95	5,700,857.42	7,599,741.88
INDUS/MUNI BLDG	32,989,673.73	4,470,671.34	419,905.49	5,125,907.05	22,973,189.85
PUB.ST.LIGHTS	371,399.86	130,002.57	45,283.02	61,208.54	134,905.73
PRV.ST.LIGHTS	84,535.80	15,991.46	1,590.44	26,186.11	40,767.79
CO-OP RESALE	300,370.92	300,370.92	0.00	0.00	0.00
SCHOOL	1,156,904.35	412,537.58	241,727.15	154,138.25	348,501.37
TOTAL	59,385,902.88	13,024,048.84	4,196,450.05	11,068,297.37	31,097,106.62

PERCENTAGE OF OPERATING INCOME TO TOTAL

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	40.76%	12.96%	5.38%	9.79%	12.63%
INDUS/MUNI BLDG	55.76%	7.99%	0.73%	8.85%	38.18%
PUB.ST.LIGHTS	0.49%	0.15%	0.06%	0.09%	0.18%
PRV.ST.LIGHTS	0.10%	0.02%	0.00%	0.03%	0.05%
CO-OP RESALE	0.49%	0.49%	0.00%	0.00%	0.00%
SCHOOL	2.40%	0.85%	0.49%	0.32%	0.73%
TOTAL	100.00%	22.47%	6.67%	19.09%	51.77%

THIS YEAR TO DATE

RESIDENTIAL	41.34%	12.97%	5.84%	9.65%	12.88%
INDUS/MUNI BLDG	55.70%	7.71%	0.71%	8.89%	38.39%
PUB.ST.LIGHTS	0.46%	0.15%	0.06%	0.08%	0.17%
PRV.ST.LIGHTS	0.10%	0.02%	0.00%	0.03%	0.05%
CO-OP RESALE	0.50%	0.50%	0.00%	0.00%	0.00%
SCHOOL	1.90%	0.69%	0.41%	0.25%	0.55%
TOTAL	100.00%	22.04%	7.02%	18.90%	52.04%

LAST YEAR TO DATE

RESIDENTIAL	41.22%	12.96%	5.87%	9.60%	12.79%
INDUS/MUNI BLDG	55.55%	7.53%	0.71%	8.63%	38.68%
PUB.ST.LIGHTS	0.63%	0.22%	0.08%	0.10%	0.23%
PRV.ST.LIGHTS	0.14%	0.03%	0.00%	0.04%	0.07%
CO-OP RESALE	0.51%	0.51%	0.00%	0.00%	0.00%
SCHOOL	1.95%	0.69%	0.41%	0.26%	0.59%
TOTAL	100.00%	21.94%	7.07%	18.63%	52.36%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED REVENUE VARIANCE REPORT
2/29/12

SCHEDULE F

SALES OF ELECTRICITY:	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
RESIDENTIAL	13,710,816.69	14,867,955.00	(1,157,138.31)	-7.78%
COMM AND INDUSTRIAL SALES PRIVATE STREET LIGHTING MUNICIPAL BUILDINGS	16,116,382.18	17,086,084.00	(969,701.82)	-5.68%
PUBLIC STREET LIGHTING	154,100.27	343,908.00	(189,807.73)	-55.19%
SALES FOR RESALE	158,680.12	199,100.00	(40,419.88)	-20.30%
SCHOOL	<u>575,858.12</u>	<u>598,532.00</u>	<u>(22,673.88)</u>	-3.79%
 TOTAL BASE SALES	 30,715,837.38	 33,095,579.00	 (2,379,741.62)	 -7.19%
TOTAL FUEL SALES	<u>25,136,688.86</u>	<u>28,555,504.00</u>	<u>(3,418,815.14)</u>	-11.97%
TOTAL OPERATING REVENUE	55,852,526.24	61,651,083.00	(5,798,556.76)	-9.41%
FORFEITED DISCOUNTS	636,950.33	728,103.00	(91,152.67)	-12.52%
PURCHASED POWER CAPACITY	(89,529.87)	(94,363.00)	4,833.13	-5.12%
ENERGY CONSERVATION - RESIDENTIAL	152,117.47	138,857.00	13,260.47	9.55%
ENERGY CONSERVATION - COMMERCIAL	252,113.41	229,200.00	22,913.41	10.00%
GAW REVENUE	471,296.56	462,504.00	8,792.56	1.90%
NYPA CREDIT	(460,280.28)	(400,000.00)	(60,280.28)	15.07%
TOTAL OPERATING REVENUES	<u><u>56,815,193.86</u></u>	<u><u>62,715,384.00</u></u>	<u><u>(5,900,190.14)</u></u>	-9.41%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING EXPENSES
2/29/12

SCHEDULE E

OPERATION EXPENSES:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
PURCHASED POWER BASE EXPENSE	2,263,102.35	1,921,257.89	18,651,819.58	16,855,504.43	-9.63%
OPERATION SUPER AND ENGIN-TRANS	0.00	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	35,434.61	37,783.46	305,648.66	347,486.20	13.69%
STATION SUP LABOR AND MISC	9,086.48	8,259.52	72,211.77	75,173.95	4.10%
LINE MISC LABOR AND EXPENSE	65,485.77	68,396.95	421,687.89	453,338.13	7.51%
STATION LABOR AND EXPENSE	36,500.56	33,860.42	304,718.18	316,713.88	3.94%
STREET LIGHTING EXPENSE	8,839.64	9,949.11	59,279.90	78,030.62	31.63%
METER EXPENSE	24,472.19	15,095.89	218,838.66	165,421.84	-24.41%
MISC DISTRIBUTION EXPENSE	27,747.99	26,532.33	220,005.81	221,444.58	0.65%
METER READING LABOR & EXPENSE	5,780.35	7,016.91	50,062.26	60,870.98	21.59%
ACCT & COLL LABOR & EXPENSE	101,743.32	110,819.86	858,644.73	922,689.64	7.46%
UNCOLLECTIBLE ACCOUNTS	15,000.00	16,000.00	120,000.00	128,000.00	6.67%
ENERGY AUDIT EXPENSE	30,660.79	31,736.69	258,326.71	294,218.82	13.89%
ADMIN & GEN SALARIES	53,649.41	57,334.00	464,706.07	494,447.65	6.40%
OFFICE SUPPLIES & EXPENSE	19,699.82	21,787.31	178,367.11	148,428.41	-16.78%
OUTSIDE SERVICES	29,648.85	30,183.84	145,258.19	253,840.84	74.75%
PROPERTY INSURANCE	31,705.39	32,379.12	247,772.10	250,946.96	1.28%
INJURIES AND DAMAGES	3,533.47	2,883.11	28,109.96	10,809.34	-61.55%
EMPLOYEES PENSIONS & BENEFITS	38,812.95	195,495.15	1,063,351.61	877,693.57	-17.46%
MISC GENERAL EXPENSE	23,613.28	7,630.97	116,348.81	128,591.35	10.52%
RENT EXPENSE	34,381.85	28,543.16	136,260.18	132,434.88	-2.81%
ENERGY CONSERVATION	107,952.20	45,986.94	384,185.00	396,208.79	3.13%
TOTAL OPERATION EXPENSES	703,748.92	787,674.74	5,653,783.60	5,756,790.43	1.82%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	227.08	227.08	1,816.68	1,816.66	0.00%
MAINT OF STRUCT AND EQUIPMT	22,351.98	7,422.39	111,514.66	195,464.79	75.28%
MAINT OF LINES - OH	98,448.68	88,278.85	898,978.09	1,158,292.06	28.85%
MAINT OF LINES - UG	9,069.38	10,332.03	92,147.83	125,613.39	36.32%
MAINT OF LINE TRANSFORMERS **	16,095.15	1,575.16	1,309,140.19	32,762.59	-97.50%
MAINT OF ST LT & SIG SYSTEM	(0.90)	(57.81)	(118.78)	(408.32)	243.76%
MAINT OF GARAGE AND STOCKROOM	87,674.29	48,922.88	395,156.37	347,469.70	-12.07%
MAINT OF METERS	3,671.71	6,543.46	11,265.44	56,151.47	398.44%
MAINT OF GEN PLANT	40,640.13	6,404.99	98,188.03	53,108.37	-45.91%
TOTAL MAINTENANCE EXPENSES	278,177.50	169,649.03	2,918,088.51	1,970,270.71	-32.48%
DEPRECIATION EXPENSE	287,729.05	296,027.47	2,301,832.40	2,368,219.76	2.88%
PURCHASED POWER FUEL EXPENSE	2,983,759.61	2,879,936.88	27,634,995.12	25,627,704.49	-7.26%
VOLUNTARY PAYMENTS TO TOWNS	110,000.00	113,000.00	875,885.00	900,186.00	2.77%
TOTAL OPERATING EXPENSES	6,626,517.43	6,167,546.01	58,036,404.21	53,478,675.82	-7.85%

** FY 12 total includes GAW soil remediation expenses totalling \$0.00
Total costs to date for entire project is \$2,482,825.80.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
2/29/12

SCHEDULE G

OPERATION EXPENSES:	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
PURCHASED POWER BASE EXPENSE	16,855,504.43	18,083,232.00	(1,227,727.57)	-6.79%
OPERATION SUPER AND ENGIN-TRANS	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	347,486.20	287,831.00	59,655.20	20.73%
STATION SUP LABOR AND MISC	75,173.95	40,044.00	35,129.95	87.73%
LINE MISC LABOR AND EXPENSE	453,338.13	467,350.00	(14,011.87)	-3.00%
STATION LABOR AND EXPENSE	316,713.88	291,630.00	25,083.88	8.60%
STREET LIGHTING EXPENSE	78,030.62	56,427.00	21,603.62	38.29%
METER EXPENSE	165,421.84	100,054.00	65,367.84	65.33%
MISC DISTRIBUTION EXPENSE	221,444.58	230,192.00	(8,747.42)	-3.80%
METER READING LABOR & EXPENSE	60,870.98	49,932.00	10,938.98	21.91%
ACCT & COLL LABOR & EXPENSE	922,689.64	940,972.00	(18,282.36)	-1.94%
UNCOLLECTIBLE ACCOUNTS	128,000.00	128,000.00	0.00	0.00%
ENERGY AUDIT EXPENSE	294,218.82	274,956.00	19,262.82	7.01%
ADMIN & GEN SALARIES	494,447.65	486,775.00	7,672.65	1.58%
OFFICE SUPPLIES & EXPENSE	148,428.41	177,213.00	(28,784.59)	-16.24%
OUTSIDE SERVICES	253,840.84	338,880.00	(85,039.16)	-25.09%
PROPERTY INSURANCE	250,946.96	310,016.00	(59,069.04)	-19.05%
INJURIES AND DAMAGES	10,809.34	37,349.00	(26,539.66)	-71.06%
EMPLOYEES PENSIONS & BENEFITS	877,693.57	1,034,691.00	(156,997.43)	-15.17%
MISC GENERAL EXPENSE	128,591.35	154,502.00	(25,910.65)	-16.77%
RENT EXPENSE	132,434.88	141,336.00	(8,901.12)	-6.30%
ENERGY CONSERVATION	396,208.79	435,839.00	(39,630.21)	-9.09%
TOTAL OPERATION EXPENSES	5,756,790.43	5,983,989.00	(227,198.57)	-3.80%
MAINTENANCE EXPENSES:				
MAINT OF TRANSMISSION PLANT	1,816.66	2,000.00	(183.34)	-9.17%
MAINT OF STRUCT AND EQUIPMENT	195,464.79	71,533.00	123,931.79	173.25%
MAINT OF LINES - OH	1,158,292.06	926,447.00	231,845.06	25.03%
MAINT OF LINES - UG	125,613.39	142,533.00	(16,919.61)	-11.87%
MAINT OF LINE TRANSFORMERS **	32,762.59	134,406.00	(101,643.41)	-75.62%
MAINT OF ST LT & SIG SYSTEM	(408.32)	6,361.00	(6,769.32)	-106.42%
MAINT OF GARAGE AND STOCKROOM	347,469.70	426,653.00	(79,183.30)	-18.56%
MAINT OF METERS	56,151.47	56,939.00	(787.53)	-1.38%
MAINT OF GEN PLANT	53,108.37	84,944.00	(31,835.63)	-37.48%
TOTAL MAINTENANCE EXPENSES	1,970,270.71	1,851,816.00	118,454.71	6.40%
DEPRECIATION EXPENSE	2,368,219.76	2,400,000.00	(31,780.24)	-1.32%
PURCHASED POWER FUEL EXPENSE	25,627,704.49	27,355,705.00	(1,728,000.51)	-6.32%
VOLUNTARY PAYMENTS TO TOWNS	900,186.00	904,000.00	(3,814.00)	-0.42%
TOTAL OPERATING EXPENSES	53,478,675.82	56,578,742.00	(3,100,066.18)	-5.48%

* () = ACTUAL UNDER BUDGET

** FY 12 total includes GAW soil remediation expenses totalling \$0.00
Total costs to date for entire project is \$2,482,825.80.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
2/29/12

OPERATION EXPENSES:	RESPONSIBLE SENIOR MANAGER	2012 ANNUAL BUDGET	ACTUAL YEAR TO DATE	REMAINING BUDGET BALANCE	REMAINING BUDGET %
PURCHASED POWER BASE EXPENSE	JP	27,402,177.00	16,855,504.43	10,546,672.57	38.49%
OPERATION SUPER AND ENGIN-TRANS	KS	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	KS	438,974.00	347,486.20	91,487.80	20.84%
STATION SUP LABOR AND MISC	KS	62,909.00	75,173.95	(12,264.95)	-19.50%
LINE MISC LABOR AND EXPENSE	KS	692,484.00	453,338.13	239,145.87	34.53%
STATION LABOR AND EXPENSE	KS	441,924.00	316,713.88	125,210.12	28.33%
STREET LIGHTING EXPENSE	KS	85,338.00	78,030.62	7,307.38	8.56%
METER EXPENSE	KS	152,130.00	165,421.84	(13,291.84)	-8.74%
MISC DISTRIBUTION EXPENSE	JD	352,508.00	221,444.58	131,063.42	37.18%
METER READING LABOR & EXPENSE	KS	76,220.00	60,870.98	15,349.02	20.14%
ACCT & COLL LABOR & EXPENSE	RF	1,427,255.00	922,689.64	504,565.36	35.35%
UNCOLLECTIBLE ACCOUNTS	RF	192,000.00	128,000.00	64,000.00	33.33%
ENERGY AUDIT EXPENSE	JP	414,098.00	294,218.82	119,879.18	28.95%
ADMIN & GEN SALARIES	VC	745,939.00	494,447.65	251,491.35	33.71%
OFFICE SUPPLIES & EXPENSE	VC	265,700.00	148,428.41	117,271.59	44.14%
OUTSIDE SERVICES	VC	454,250.00	253,840.84	200,409.16	44.12%
PROPERTY INSURANCE	JD	465,000.00	250,946.96	214,053.04	46.03%
INJURIES AND DAMAGES	JD	55,859.00	10,809.34	45,049.66	80.65%
EMPLOYEES PENSIONS & BENEFITS	JD	1,441,637.00	877,693.57	563,943.43	39.12%
MISC GENERAL EXPENSE	VC	203,091.00	128,591.35	74,499.65	36.68%
RENT EXPENSE	JD	212,000.00	132,434.88	79,565.12	37.53%
ENERGY CONSERVATION	JP	643,789.00	396,208.79	247,580.21	38.46%
TOTAL OPERATION EXPENSES		8,823,105.00	5,756,790.43	3,066,314.57	34.75%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	KS	3,000.00	1,816.66	1,183.34	39.44%
MAINT OF STRUCT AND EQUIPMT	KS	107,072.00	195,464.79	(88,392.79)	-82.55%
MAINT OF LINES - OH	KS	1,419,953.00	1,158,292.06	261,660.94	18.43%
MAINT OF LINES - UG	KS	214,037.00	125,613.39	88,423.61	41.31%
MAINT OF LINE TRANSFORMERS **	KS	188,500.00	32,762.59	155,737.41	82.62%
MAINT OF ST LT & SIG SYSTEM	JD	9,636.00	(408.32)	10,044.32	104.24%
MAINT OF GARAGE AND STOCKROOM	JD	662,139.00	347,469.70	314,669.30	47.52%
MAINT OF METERS	KS	85,444.00	56,151.47	29,292.53	34.28%
MAINT OF GEN PLANT	RF	127,620.00	53,108.37	74,511.63	58.39%
TOTAL MAINTENANCE EXPENSES		2,817,401.00	1,970,270.71	847,130.29	30.07%
DEPRECIATION EXPENSE	RF	3,600,000.00	2,368,219.76	1,231,780.24	34.22%
PURCHASED POWER FUEL EXPENSE	JP	39,768,817.00	25,627,704.49	14,141,112.51	35.56%
VOLUNTARY PAYMENTS TO TOWNS	RF	1,356,000.00	900,186.00	455,814.00	33.61%
TOTAL OPERATING EXPENSES		83,767,500.00	53,478,675.82	30,288,824.18	36.16%

** FY 12 total includes GAW soil remediation expenses totalling \$0.00
Total costs to date for entire project is \$2,482,825.80.

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
PROFESSIONAL SERVICES
02/29/2012

PROFESSIONAL SERVICES BY PROJECT

ITEM	DEPARTMENT	ACTUAL	BUDGET	VARIANCE
1 RMLD AND PENSION TRUST AUDIT FEES	ACCOUNTING	34,940.00	32,250.00	2,690.00
2 PENSION ACTUARIAL EVALUATION	ACCOUNTING	0.00	0.00	0.00
3 LEGAL- FERC/ISO ISSUES	ENERGY SERVICE	0.00	12,000.00	(12,000.00)
4 LEGAL- POWER SUPPLY ISSUES	ENERGY SERVICE	39,590.55	30,000.00	9,590.55
5 PROFESSIONAL SERVICES	ENERGY SERVICE	7,484.32	16,000.00	(8,515.68)
6 NERC COMPLIANCE	E & O	12,890.00	11,700.00	1,190.00
7 LOAD CAPACITY STUDY/GIS	ENGINEERING	9,280.00	11,250.00	(1,970.00)
8 LEGAL SERVICES- GENERAL	GM	99,139.64	33,336.00	65,803.64
9 LEGAL SERVICES-GENERAL	HR	27,865.90	28,000.00	(134.10)
10 LEGAL SERVICES-NEGOTIATIONS	HR	10,173.91	0.00	10,173.91
11 LEGAL GENERAL	BLDG. MAINT.	2,312.50	1,000.00	1,312.50
12 SURVEY RIGHT OF WAY	BLDG. MAINT.	0.00	3,336.00	(3,336.00)
13 ENVIRONMENTAL	BLDG. MAINT.	0.00	3,336.00	(3,336.00)
14 STATION 1 STRUCTURAL FEASABILITY	BLDG. MAINT.	0.00	50,000.00	(50,000.00)
15 DEMOLITION OF CONTROL CENTER	BLDG. MAINT.	3,705.69	100,000.00	(96,294.31)
16 INSURANCE CONSULTANT	GEN. BENEFIT	6,458.33	3,336.00	3,122.33
17 LEGAL	GEN. BENEFIT	0.00	3,336.00	(3,336.00)
TOTAL		<u>253,840.84</u>	<u>338,880.00</u>	<u>(85,039.16)</u>

PROFESSIONAL SERVICES BY VENDOR

	ACTUAL
ROMARKE INSURANCE	6,041.66
RUBIN AND RUDMAN	126,196.58
UTILITY SERVICES INC.	14,381.67
MELANSON HEATH & COMPANY	44,153.62
DUNCAN AND ALLEN	6,814.99
CHOATE HALL AND STEWART	38,039.81
PROFESSIONAL ENVIRONMENTAL SERVICES	2,240.00
CDM	9,280.00
CMEEC	4,169.32
COVINO ENVIRONMENTAL ASSOCIATION	2,523.19
TOTAL	<u>253,840.84</u>

RMLD
 BUDGET VARIANCE REPORT
 FOR PERIOD ENDING FEBRUARY 29, 2012

DIVISION	ACTUAL	BUDGET	VARIANCE	CHANGE
ENGINEERING AND OPERATIONS	3,222,651	2,786,745	435,906	15.64%
ENERGY SERVICES	737,572	769,131	(31,559)	-4.10%
GENERAL MANAGER	556,203	483,863	72,340	14.95%
FACILITY MANAGER	1,901,291	2,412,377	(511,086)	-21.19%
BUSINESS DIVISION	6,054,116	6,171,698	(117,581)	-1.91%
 SUB-TOTAL	<u>12,471,832</u>	<u>12,623,813</u>	<u>(151,980)</u>	-1.20%
 PURCHASED POWER - BASE	16,855,504	18,083,232	(1,227,728)	-6.79%
 PURCHASED POWER - FUEL	25,627,704	27,355,705	(1,728,001)	-6.32%
 TOTAL	<u>54,955,041</u>	<u>58,062,750</u>	<u>(3,107,708)</u>	-5.35%

RMLD
 DEFERRED FUEL CASH RESERVE ANALYSIS
 02/29/12

DATE	GROSS CHARGES	REVENUES	NYPA CREDIT	MONTHLY DEFERRED	TOTAL DEFERRED
Jun-11					3,055,224.78
Jul-11	4,131,396.83	4,049,745.45	(79,163.65)	(160,815.03)	2,894,409.75
Aug-11	3,795,607.97	3,924,541.80	(52,328.74)	76,605.09	2,971,014.84
Sep-11	2,914,869.40	3,166,562.64	(58,869.90)	192,823.34	3,163,838.18
Oct-11	2,955,398.39	2,852,952.53	(45,133.69)	(147,579.55)	3,016,258.63
Nov-11	2,643,246.46	2,544,526.70	(47,451.31)	(146,171.07)	2,870,087.56
Dec-11	2,968,917.38	2,889,822.54	(63,455.95)	(142,550.79)	2,727,536.77
Jan-12	3,338,331.18	3,114,395.49	(51,411.30)	(275,346.99)	2,452,189.78
Feb-12	2,879,936.88	2,594,141.71	(62,465.74)	(348,260.91)	2,103,928.87

RMLD
STAFFING REPORT
FOR FISCAL YEAR ENDING JUNE, 2012

ACTUAL

	12 BUD TOTAL	JUL 11	AUG 11	SEP 11	OCT 11	NOV 11	DEC 11	JAN 12	FEB 12
GENERAL MANAGER									
GENERAL MANAGER	2	2	2	2	2	2	2	2	2
HUMAN RESOURCES	1	1	1	1	1	1	1	1	1
COMMUNITY RELATIONS	1	1	1	1	1	1	1	1	1
TOTAL	4	4	4	4	4	4	4	4	4
BUSINESS									
ACCOUNTING	2.00	1.50	1.50	1.50	2.00	2.00	2.00	2.00	2.00
CUSTOMER SERVICE *	7.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
MGMT INFORMATION SYS *	6.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25
MISCELLANEOUS	1	1	1	1	1	1	1	1	1
TOTAL	17.00	16.50	16.50	16.50	17.00	17.00	17.00	17.00	17.00
ENGINEERING & OPERATIONS									
AGM E&O	2	2	2	2	2	2	2	2	2
ENGINEERING	5	5	5	5	5	5	5	5	5
LINE	21	20	20	20	20	20	20	21	21
METER	4	4	4	4	4	4	4	4	4
STATION	8	8	8	8	8	8	8	7	7
TOTAL	40	39	39	39	39	39	39	39	39
PROJECT									
BUILDING	2	2	2	2	2	2	2	2	2
GENERAL BENEFITS	2	2	2	2	2	2	2	2	2
TRANSPORTATION	0	0	0	0	0	0	0	0	0
MATERIALS MGMT	4	4	4	4	4	4	4	4	4
TOTAL	8	8	8	8	8	8	8	8	8
ENERGY SERVICES									
ENERGY SERVICES *	5.5	5.5	5.5	5.5	5.5	5.5	5.5	4.5	4.5
TOTAL	5.5	5.5	5.5	5.5	5.5	5.5	5.5	4.5	4.5
RMLD TOTAL	74.5	73	73	73	73.5	73.5	73.5	72.5	72.5
CONTRACTORS									
UG LINE	2	2	2	2	2	2	2	2	2
TOTAL	2	2	2	2	2	2	2	2	2
GRAND TOTAL	76.5	75	75	75	75.5	75.5	75.5	74.5	74.5

* part time employee
 *# part time employee and a coop student
 *^ part time employee and a temp

M.G.L. CHAPTER 30B BIDS
BOARD REFERENCE TAB F



RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

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

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

March 14, 2012

Town of Reading Municipal Light Board

Subject: Replacement of Rooftop Air Conditioning Units

On February 7, 2012 a bid invitation was placed as a legal notice in the Reading Chronicle requesting proposals for Replacement of Rooftop Air Conditioning Units for the Reading Municipal Light Department.

An invitation to bid was sent to the following:

Aaron Clayton Commercial HVAC & Refrigeration	All Seasons Cooling & Heating	Alpha Mechanical Services, Inc.
Atlantic Mechanical Contractors	Berry & Loud Company, Inc.	Breen & Sullivan Mechanical Services, Inc.
Brooks & Brooks HVAC	CAM HVAC	Carrier Air Conditioning Service
Colonial HVAC	Controlled System HVAC, Inc.	Cooling Unlimited, Inc.
Cranney Companies	Emcore Service N.E. Commaire/Balco	Enoch C. Shaw
Essex County Craftsmen, Inc.	Falite Bros., Inc.	George T. Wilkinson, Inc.
Hall Sheet Metal Works, Inc.	Healthy Air Solutions	Honeywell Business Solutions
Huntington Controls	James Devaney Fuel Company	Johnson Controls
Lake Industries	Limbach Company	Lohrman HVAC
Mechanical Management, Inc.	Mercury Mechanical Systems, Inc.	Merrimack Valley Corp.
Monahan Technologies, Inc.	Nexgen Mechanical, Inc.	NMA Construction
P.J. Dionne Co.	R.H. Young Heating and Air Conditioning, Inc.	Renaud HVAC & Controls, Inc.
Roger A. Tremblay Contractors, Inc.	Snowden Mechanical	Soracco Plumbing & Heating
Southern Air, Inc.	Stebbins Duffy	Total Temperature Control, Inc.
Trane Company		



Bids were received from CAM HVAC, Cranney Companies, Essex County Craftsmen, Inc., Falite Bros., Inc., Hall Sheet Metal Works, Inc., Healthy Air Solutions, Huntington Controls, Mercury Mechanical Systems, Inc., Monahan Technologies, Inc., and P.J. Dionne Co.

The bids were publicly opened and read aloud at 11:00 a.m. March 7, 2012 in the Town of Reading Municipal Light Department's General Manager's Conference Room, 230 Ash Street, Reading, Massachusetts.

The bids were reviewed, analyzed and evaluated by the General Manager and the staff.

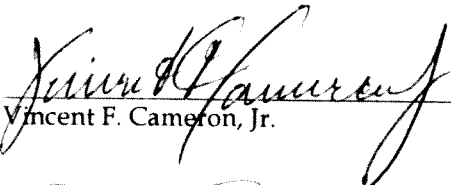
Move that bid 2012-36 for Replacement of Rooftop Air Conditioning Units be awarded to:

Healthy Air Solutions for \$19,600.00


Item 1	Healthy Air Solutions	\$19,600.00
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as the lowest qualified and responsive bidder on the recommendation of the General Manager.

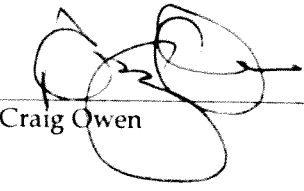
The FY2012 Capital Budget amount for this item is \$30,000.00.



 Vincent F. Cameron, Jr.



 Joseph J. Donahoe



 Craig Owen

Replacement of Rooftop Air Conditioning Units

Bid 2012-36

<u>Bidder</u>	<u>Total Replacement Cost</u>	<u>Removal</u>	<u>Installation</u>	<u>Responsive Bidder</u>
Cranney Companies				
Item 1	\$19,290.00	\$1,000.00	\$18,290.00	No ¹
Essex County Craftsmen, Inc.				
Item 1	\$23,500.00	\$3,025.00	\$20,475.00	Yes
Healthy Air Solutions				
Item 1	\$19,600.00	\$1,000.00	\$18,600.00	Yes

Notes:

1: Did not quote units for proper EER Rating



RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

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

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

March 14, 2012

Town of Reading Municipal Light Board

Subject: Landscape Service

On February 7, 2012 a bid invitation was placed as a legal notice in the Reading Chronicle requesting proposals for Landscape Service for the Reading Municipal Light Department.

An invitation to bid was emailed to the following:

Consider It Done	Donlon-Draper, Inc.	Eagle Landscaping
Earle, Kevin	EZ Landscaping	GTA Landscaping
Hurst Landscaping	Linehan Landscaping & Fuel	Lubelczyk, Edward
Macs Landscaping	Maloney, Pat	McCarthy, Paul
MFB, Inc.	NECC Corp.	Rodriques, Orlando
RMK Sawyer	Strong Landscaping	TM Landscaping

Bids were received from Eagle Landscaping, Inc., James M. Linehan DBA David Linehan & Sons, and TM Landscaping, LLC.

The bids were publicly opened and read aloud at 11:00 a.m. March 7, 2012 in the Town of Reading Municipal Light Department's General Manager's Conference Room, 230 Ash Street, Reading, Massachusetts.

The bids were reviewed, analyzed and evaluated by the General Manager and the staff.

RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

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

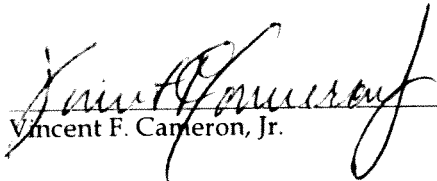
Move that bid 2012-33 for Landscape Service be awarded to:

Eagle Landscaping, Inc. for **\$66,540.00**


Item 1	Eagle Landscaping, Inc.	\$66,540.00
--------	-------------------------	-------------

as the lowest qualified and responsive bidder on the recommendation of the General Manager. (This is a three-year contract.)

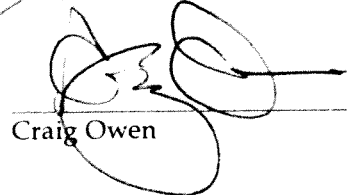
The FY2012 Operating Budget amount for this item is \$38,000.00.



Vincent F. Cameron, Jr.



Joseph J. Donahoe



Craig Owen

Landscape Service

Bid 2012-33

<u>Bidder</u>	<u>Three-Year Total Price</u>	<u>Year 1 - 2012</u>	<u>Year 2 - 2013</u>	<u>Year 3 - 2014</u>	<u>Responsive Bidder</u>
Eagle Landscaping, Inc.					
Item 1	\$66,540.00	\$22,180.00	\$22,180.00	\$22,180.00	Yes
James M. Linehan DBA David Linehan & Sons					
Item 1	\$111,825.00	\$37,275.00	\$37,275.00	\$37,275.00	No¹
TM Landscaping, LLC					
Item 1	\$128,073.00	\$42,282.00	\$42,282.00	\$43,509.00	Yes

Notes:

¹: Contractor did not submit 5% bid deposit



BOARD MATERIAL AVAILABLE
BUT NOT DISCUSSED



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

March-12

	RESIDENTIAL 750 kWh s	RESIDENTIAL-TOU 1500 kWh s 75/25 Split	RES. HOT WATER 1000 kWh s	COMMERCIAL 7,300 kWh s 25,000 kW Demand	SMALL COMMERCIAL 1,080 kWh s 10,000 kW Demand	SCHOOL RATE 35000 kWh s 130.5 kW Demand	INDUSTRIAL - TOU 109,500 kWh s 250,000 kW Demand 80/20 Split
READING MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$95.75	\$168.98	\$110.78	\$863.87	\$167.83	\$4,009.94	\$10,966.44
PER KWH CHARGE	\$0.12767	\$0.11265	\$0.11078	\$0.11834	\$0.15540	\$0.11457	\$0.10015
NATIONAL GRID							
TOTAL BILL	\$108.82	\$216.82	\$145.09	\$1,131.32	\$162.00	\$4,728.32	\$13,267.54
PER KWH CHARGE	\$0.14510	\$0.14455	\$0.14509	\$0.15498	\$0.15000	\$0.13509	\$0.12116
% DIFFERENCE	13.65%	28.32%	30.97%	30.96%	-3.47%	17.91%	20.98%
NSTAR COMPANY							
TOTAL BILL	\$126.00	\$230.34	\$165.86	\$1,158.27	\$174.88	\$6,379.23	\$16,596.96
PER KWH CHARGE	\$0.16800	\$0.15356	\$0.16586	\$0.15867	\$0.16192	\$0.18226	\$0.15157
% DIFFERENCE	31.59%	36.31%	49.72%	34.08%	4.20%	59.09%	51.34%
PEABODY MUNICIPAL LIGHT PLANT							
TOTAL BILL	\$91.65	\$177.66	\$120.32	\$958.35	\$160.13	\$4,666.24	\$11,010.11
PER KWH CHARGE	\$0.12220	\$0.11844	\$0.12032	\$0.13128	\$0.14827	\$0.13332	\$0.10055
% DIFFERENCE	-4.28%	5.14%	8.61%	10.94%	-4.59%	16.37%	0.40%
MIDDLETON MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$99.77	\$198.39	\$132.64	\$959.51	\$168.44	\$4,762.93	\$13,330.75
PER KWH CHARGE	\$0.13303	\$0.13226	\$0.13264	\$0.13144	\$0.15596	\$0.13608	\$0.12174
% DIFFERENCE	4.20%	17.41%	19.73%	11.07%	0.36%	18.78%	21.56%
WAKEFIELD MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$105.36	\$204.42	\$138.38	\$1,049.49	\$169.00	\$4,913.08	\$13,574.37
PER KWH CHARGE	\$0.14048	\$0.13628	\$0.13838	\$0.14377	\$0.15649	\$0.14037	\$0.12397
% DIFFERENCE	10.04%	20.98%	24.91%	21.49%	0.70%	22.52%	23.78%

Answer to Payables 2/27/12

Vincent Cameron

Sent: Wednesday, February 29, 2012 2:11 PM
To: RMLD Board Members Group
Cc: Bob Fournier; Steve Kazanjian; Jeanne Foti
Categories: Red Category

Snyder

1. Bay State Envelope - Did we get the envelopes we wanted + did they take back the ones with the note? (The PO from 2008.)

Yes. The order was straightened out.

2. ERC - What are pop up wipes + what for?

These are cleansing wipes. They are used by employees to clean their hands after working on equipment that is greasy or dirty.

Payroll Questions - February 24, 2012

Vincent Cameron

Sent: Wednesday, February 29, 2012 2:18 PM
To: RMLD Board Members Group
Cc: Bob Fournier; Steve Kazanjian; Jeanne Foti
Categories: Red Category

Hahn

1. Finne - Why a minimum with no OT?

A minimum is an overtime call-in that guarantees three hours pay. The minimum line represents five minimum call-ins that Mr. Finnie worked during this pay period. The fifteen hours were paid at the overtime rate.

2. Schibilio - Which CAB meeting did he attend?

The meeting was on 2/16/2012. We have an Electrical /Mech. Technician on duty when there is a meeting in the building, except for a RMLD Board meeting or a meeting held in the cafeteria.

Account Payable Questions - March 2, 2012

Vincent Cameron

Sent: Tuesday, March 06, 2012 9:23 AM
To: RMLD Board Members Group
Cc: Bob Fournier; Steve Kazanjian; Wendy Markiewicz; Jeanne Foti
Categories: Red Category

Snyder

1. Fischbach & Moore - What happened on 1/29 to result in double time billing?

An underground cable faulted in a manhole on West Street on Sunday, 1/29/12, near the Reading/Wilmington town line. The cable needed to be repaired immediately. Fischbach & Moore was paid the double time rate to do the work.

O'Neill

1. Kiley - Employee should be encouraged to submit expenses more expeditiously.

Yes, I will remind the employee.

March 9 Payables Warrant Questions

Vincent Cameron

Sent: Friday, March 16, 2012 1:51 PM
To: Bob Soli; Gina Snyder; Marsie West; Mary Ellen O'Neill; Phil Pacino
Cc: Bob Fournier; Steve Kazanjian; Wendy Markiewicz; Jeanne Foti
Categories: Red Category
Attachments: DOC.PDF (179 KB)

Snyder

1. JP Morgan - Please explain accounting on this.

RMLD purchased 5082 Mwths of on-peak power at a price of \$61.85/Mwh which when multiplied equals \$314,321.70 plus 3735 Mwths of off-peak power at a price of \$49.20/Mwths which when multiplied equals \$183,762.00. The sum of the on/off peak is the invoice cost of \$498,083.70.

2. Woronoco + Indian River - Woronoco notes say it includes Indian River, but there's a separate wire to Indian River. Please explain.

RMLD internal notation which indicates that when Energy Services verifies the amount of energy received from projects with the ISO-NE, the nodal locations for Woronoco and Indian river are totalized.

3. Asplundh - Please indicate locations for these bills + indicate who supervised.

Attached are the sheets with the detail of the work. These sheets did not make it to the payables pile but we had them. Blasetti and Greenwood were the supervisors on the crews.

4. Office Depot - Why did RMLD buy 2 cartons of dish detergent. Shouldn't the 53.11 credit be applied to the 53.11 charge?

The RMLD buys dish detergent for the cafeteria area. This is the least expensive source. The credit is issued on a separate invoice because what was sent had to be sent back.

O'Neill

1. Asplundh - Check should be held until "weekly operation form" is filled out properly.

The weekly operation form is filled out and attached.

2. Reading Chronicle - No copy of published ad for RFQ 2012-28? Also, isn't it preferable to have "topic" of bid in ad headline; not just number?

We have a copy on file. I had it attached to the payable. We usually put the number at the heading and the name and description in the first paragraph.

3. Rubin and Rudman - In executive session if necessary, what were total legal costs to execute bid? What can be done in future to lower such costs?

Yes. I will explain the legal cost related to the bid in executive session.

Answer to Payables March 19, 2012

Vincent Cameron

Sent: Tuesday, March 20, 2012 11:48 AM
To: RMLD Board Members Group
Cc: Bob Fournier; Steve Kazanjian; Wendy Markiewicz; Jeanne Foti
Categories: Red Category
Attachments: Green Power MDPU Pres..pdf (114 KB)

O'Neill

1. Rubin and Rudman - Please discuss in Executive Session if necessary and why the PP presentation was necessary.

The RMLD, along with representatives from Braintree and ENE, used Rubin and Rudman to set up a meeting with the Massachusetts Department of Public Utility commissioners (Berwick, Westbrook, and Cash) to present our systems energy conservation and renewable energy initiatives. I gave the RMLD Board a report on this at the last RMLD Board meeting during the GM Report.

Snyder

1. JCM Realty - What is being done on electric use?

I spoke to the building owner and will meet with him to discuss the lighting within the building.

2. NGRID - Please explain accounting notes.

NGRID lost a check from RMLD. We resent the check, which they misapplied the check to only one account. We straightened it out in this payment.

3. Reading W/S/SW 230 Ash Street - Both bills have 38.52 storm water? What is the storm water billing based on + is the impervious service serve. (RCTV) removed? What is at 571 West Street?

That is what we are charged for impervious service charge for the 208 Ash Street lot, which is beside the garage. 571 West Street is the back end of the RMLD's right of way out of the Gaw Substation. We have a service there.

4. Rubin and Rudman - Please provide copy of power point.

It is attached.

5. Sterling - What was the error and can the 20,000 sheets be used?

Yes, we are using them. A few stock numbers changed, but they can still be used.

6. Wilmington Family Counseling - What is this for?

This is the Employee Assistance Program the RMLD provides for its employees.

Reading Municipal Light Department

- Established in 1894 to serve the Town of Reading; 1908 enabling legislation expanded the RMLD's service territory to the three outside towns
- Serves 28,000 electric customers in Reading, North Reading, Lynnfield, and Wilmington
- Peak demand of 172 MW
- RMLD rates consistently lower than IOUs' rates
 - December 2011, average monthly bills:
 - RMLD - \$99.56
 - NGRID - \$108.82
 - NSTAR - \$114.99

RMLD Green Power Initiatives

- Comprehensive net metering tariffs are available to residential and commercial customers
- RMLD has:
 - 11 Residential solar installations totaling 57.2 kW
 - 1 Commercial solar installation of 75 kW
 - 2 cogeneration projects at 7.2 kW
 - 300 kW of solar in the final stages of design
 - Over 15 commercial solar projects in the various stages of development, totaling approximately 15 MW
- RMLD recently signed a PPA with 5 MW New Hampshire biomass project
- RMLD has entitlement to 7 MW of hydroelectric power from four dams in Western Massachusetts
- In negotiations for output of 1.6 MW solar project
- Energy Efficiency Engineer on staff to coordinate the RMLD energy conservation and renewable energy programs

RMLD Green Power Initiatives Cont'd

- Over 4,300 residential appliance rebates given for a total of \$217,000
- \$3.4 million saved by commercial customers since 2005
- \$1.6 million collected since October, 2008 and \$1.5 million spent on energy efficient and renewable energy projects for residential and commercial customers
- Over 250 kW and 10,717 MWh saved since 2005
- Savings from all Energy Conservation measures from 2005-2011 have a potential Net Present Value of \$13.5 million through 2027
- Recently awarded a \$50,000 grant from DOER to upgrade its Water Heating Control Program

RMLD Green Power Initiatives Cont'd

- Working jointly with MAPC and four towns to create long term sustainability plan from MAPC grant and Barr Foundation

RMLD Reliability Track Record

- The RMLD's System Interruption Frequency Index (SAIFI) shows that the RMLD's customers experience an outage once every thirty months, and according to the Customer Average Interruption Duration Index (CAIDI), the average outage is 50 minutes