

**READING MUNICIPAL
LIGHT DEPARTMENT**

**BOARD
OF
COMMISSIONERS**

REGULAR SESSION

SEPTEMBER 28, 2011



**READING MUNICIPAL LIGHT DEPARTMENT
BOARD OF COMMISSIONERS MEETING**

230 Ash Street
Reading, MA 01867
September 28, 2011
7:30 p.m.

- 7:30 p.m. 1. **Opening Remarks/Approval of Meeting Agenda**
- 7:35 p.m. 2. **Introductions**
- 7:40 p.m. 3. **Presentation of Fiscal Year 2011 Audit (Tab A)** **ACTION ITEM**
- a. **Melanson Heath & Company, PC Audit Review – Mr. Frank Biron**
- b. **Audit Committee – Vice Chair Pacino**
- *Audited Financial Statement July 1, 2010 – June 30, 2011
Suggested Motion
Move that the RMLD Board accept the Financial Statements as presented by Melanson Heath & Company for the fiscal year ended June 30, 2011.
- 7:55 p.m. 4. **Quarterly Conservation Program Update – Mr. Carpenter (Tab B)**
- 8:10 p.m. 5. **Approval of August 31, 2011 Board Minutes (Tab C)** **ACTION ITEM**
- a. Suggested Motion:
Move that the RMLD Board of Commissioners approve the Regular Session meeting minutes of August 31, 2011 as presented.
- 8:15 p.m. 6. **Report of Board Committee** **ACTION ITEM**
- a. **General Manager Committee – Chairman Hahn**
- *General Manager's Evaluation July 1, 2010 to June 30, 2011 (Tab D)
Suggested Motion:
Move that the RMLD Board of Commissioners approve that the General Manager's salary be increased by 5.1% retroactive to July 1, 2011, based on the General Manager's performance review for the period 7/1/10 through 6/30/11.
- 8:25 p.m. 7. **General Manager's Report – Mr. Cameron**
- 8:35 p.m. 8. **Financial Report – June, July and August, 2011 – Mr. Fournier (Tab E)**
- 8:45 p.m. 9. **Power Supply Report – August 2011 – Ms. Parenteau (Tab F)**
- 8:55 p.m. 10. **Engineering and Operations Report – August 2011 – Mr. Sullivan (Tab G)
Gaw Update**
- 9:05 p.m. 11. **M.G.L. Chapter 30B Bids – Material (Tab H)** **ACTION ITEM**
- a. **2012-10 Disconnect Switches**
Suggested Motion:
Move that bid 2012-10 for 115KV, 2000 Amp Horizontal Disconnect Switches be awarded to EMSPEC Electro Mechanical Systems Inc. for a total cost of \$44,000.00 as the lowest qualified bidder on the recommendation of the General Manager.
- b. **2012-11 Three Phase Pad Mounted Dead Front Feed Transformer**
Suggested Motion:
Move that bid 2012-11 for Three Phase Pad Mounted Dead Front Loop Feed Transformers be awarded to: Power Sales for a total cost of \$157,352.00 as the lowest qualified bidder on the recommendation of the General Manager.

9:15 p.m. 12. General Discussion

9:25 p.m. BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED
Rate Comparisons, September 2011
E-Mail responses to Account Payable/Payroll Questions

9:30 p.m. Upcoming Meetings

RMLD Board Meetings

Wednesday, October 26, 2011 and Wednesday, November 30, 2011

RMLD Board Committee Meeting

Power & Rate Committee Meeting, Monday, October 3, 2011

Citizens' Advisory Board Meeting

Tuesday, October 4, 2011

9:40 p.m. 13. Approval of August 31, 2011 Executive Session Minutes (Executive Minute Tab) ACTION ITEM
(Board members only.)

a. Suggested Motion:

Move that the RMLD Board of Commissioners approve Executive Session meeting minutes of August 31, 2011 as presented.

9:45 p.m. 14. Adjournment ACTION ITEM

a. Suggested Motion:

Move to adjourn the Regular Session.

PRESENTATION
BOARD REFERENCE TAB A

**DRAFT FISCAL YEAR 2011 AUDIT REPORT IS FOR
COMMISSION MEMBERS ONLY**



QUARTERLY CONSERVATION PROGRAM
UPDATE
BOARD REFERENCE TAB B



Reading Municipal Light Department Energy Conservation Program

September 2011 Update

Topics

- Residential Time of Use Growth
- New Project Update
- Demand Response Update
- Energy Saved from Energy Efficiency programs

Residential Time of Use Growth

- April-May 2011 In-Brief advertisement
- 30 new TOU customers in 2009
- 33 new TOU customers in 2010
- 50 new TOU customers so far in 2011
- Customer contact through email

New Project Update

- Residential vegetable oil generator.
- 75 kW solar array in North Reading.
- Multiple 50 kW peak demand reduction projects completed.
- More L.E.D. and Induction lighting projects.
- Growing interest in Demand Response.

Demand Response Update

- We were able to predict the annual peak day and time to call an event.
- Identified customers to create initial program.
- Monitoring equipment was installed as a test on our building.
- Currently there are multiple customers who have already implemented Demand Response and are involved in yearly events as called by ISO New England.

Energy Saved from Efficiency Programs

- Over 150 Commercial projects.
- 5,172 kW saved.
- 18,409,062 kWh removed.

Year	kW Saved	kWh Saved	Dollars Saved
2011	802	3,266,353	\$ 936,573.00
2010	1,267	2,628,238	\$ 819,678.00
2009	1,661	6,097,403	\$ 596,897.00
2008	553	2,267,464	\$ 541,016.00
2007	494	2,135,206	\$ 299,375.00
2006	332	1,692,741	\$ 135,157.00
2005	63	321,657	\$ 26,021.00
Total	5,172	18,409,062	\$ 3,354,717.00

- \$1.54 Million total rebated to commercial and residential customers.
- Savings from Energy Conservation measures from 2005-2011 have a potential Net Present Value of \$13.5 million through 2027.

REGULAR SESSION MINUTES
BOARD REFERENCE TAB C



Reading Municipal Light Board of Commissioners

Regular Session
230 Ash Street
Reading, MA 01867
August 31, 2011

Start Time of Regular Session: 7:35 p.m.

End Time of Regular Session: 8:59 p.m.

Attendees:

Commissioners:

Richard Hahn, Chairman

Mary Ellen O'Neill, Secretary

Absent: Gina Snyder, Commissioner

Philip B. Pacino, Vice Chair

Robert Soli, Commissioner

Staff:

Vinnie Cameron, General Manager

Jeanne Foti, Executive Assistant

Jane Parenteau, Energy Services Manager

Beth Ellen Antonio, Human Resources Manager

Robert Fournier, Accounting/Business Manager

Kevin Sullivan, E&O Manager

Citizens' Advisory Board

Tony Capobianco, Member

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.

Opening Remarks/Approval of Meeting Agenda

Chairman Hahn reported that Commissioner Snyder will not be present at the meeting this evening, Commissioner O'Neill will be the Secretary and Commissioner Pacino is en route.

Introductions

There were no members of the public present, and the CAB representative, Tony Capobianco had no report for the Board.

Approval of July 27, 2011 Board Minutes

Ms. O'Neill made a motion seconded by Mr. Soli to approve the Regular Session meeting minutes of July 27, 2011 with the change presented by Mr. Soli, on page three, to add "revenue per kilowatt hour" to the last sentence in the next to last paragraph.

Motion carried 3:0:0.

General Manager's Report – Mr. Cameron

Hurricane Irene

Mr. Cameron stated that the storm hit this weekend and he wanted to thank all the RMLD employees who worked diligently to reverse the effects of Hurricane Irene. There was quite a bit of damage in the service territory, Reading, North Reading, Wilmington and Lynnfield. Mr. Cameron reported that on Sunday, August 28 at 7:00 a.m. the crews had their first call and power was restored to all customers by Monday, August 29 at 11:00 p.m. The employees were out working on system issues during the storm. Mr. Cameron wanted to thank RMLD's customers who lost power for their patience during the storm.

Chairman Hahn echoed Mr. Cameron's comments because at least one utility, as noted on the 6:00 p.m. news, reported that 88,000 customers have been out for one to two days which is tough. Chairman Hahn thanked the staff at the RMLD for all their efforts during the storm.

RMLD Employee LeeAnn Fratoni

Mr. Cameron said that RMLD employee LeeAnn Fratoni who worked as an Accounting Assistant in the Accounting Department at the RMLD passed away a few weeks ago. She had worked at the RMLD for ten years and was a loyal, dedicated employee whose passing greatly affected the RMLD staff. She was a well liked employee who will be missed.

General Manager's Report – Mr. Cameron
Northeast Public Power Association (NEPPA) Conference

Mr. Cameron reported that the NEPPA Conference in Maine was well attended with very good subjects discussed such as renewables and federal legislation issues. Mr. Cameron said that Mark Spitzer, FERC Commissioner, spoke about what is going on in Washington with respect to energy regulation.

Chairman Hahn pointed out that Commissioner Pacino had previously mentioned the review by the Accounting Board about a possible switch to the International Standards which may be imposed on utilities. Chairman Hahn said that there was a video distributed by the Chief Accountant at FERC who is opposing this because it would burden utilities with tremendous cost to convert their systems. Chairman Hahn commented that Mr. Pacino asked Mark Spitzer, who did not plan to talk about this, a question about this issue. Chairman Hahn stated that Mr. Spitzer was favorable towards Mr. Pacino's position on this issue. Chairman Hahn mentioned that Mr. Spitzer's remarks are refreshing.

Mr. Cameron added that NEPPA's Long Time Distinguished Service Award was presented to Commissioner Pacino. The award is reserved for commissioners who have served a long time on a municipal light board.

Mr. Soli reported on the following that was covered at the NEPPA Conference:
NEPPA's lobbyist in Washington, DC and the FERC Commissioner pointed out that Congress is the most dysfunctional they have ever seen and with that the greening of the energy field has virtually disappeared from the national scene. Coal is in favor. There are two new potential nuclear power plants underway; however, it is unlikely that there will be more due to the recent events in Japan and the uneconomical cost of building. Renewables are going to be hard to achieve except for solar on rooftops which has a huge potential. It was stated that the 25 year prediction for the decay of the utility infrastructure was related to the nation's low rate of underground wires. New York City's power is largely underground and, as a result, had very few power outages compared to other states during the recent hurricane. Underground sounds like a good thing. It was pointed out that the ISO structure is not really successful and is not achieving the ends the FERC wanted, however, there is no other structure to replace it.

Groton Electric Light Department presented its Smart Grid program which includes a staff of ten with five thousand residential customers. The smart meters afford them power outage indications, performing trouble reporting, transformer sizing for the peaks, daily meter reading and peak delay. This has resulted in one blown transformer for their July peak.

Mr. Pacino entered the meeting at this point.

Reading Fall Fair

Mr. Cameron reported that the Town of Reading Fall Fair will be on September 11 downtown. There will be a moment of silence in memory for the victims of 9/11.

RMLD Historic Calendars

Mr. Cameron said that the RMLD historic calendars are being worked on.

Mr. Pacino showed the NEPPA's Long Time Distinguished Award he received at the NEPPA Conference; he said that he was honored and thanked the Board and the voters in Reading for their support.

Ms. O'Neill thanked Mr. Soli for his report on the NEPPA Conference.

Chairman Hahn asked if the slide presentations shown at the NEPPA Conference are available. Mr. Cameron responded that he will check with NEPPA and ensure the presentations are on their website.

Preliminary Draft Financial Report – June, 2011 – Mr. Fournier (Attachment 1)

Mr. Fournier reported that the auditors from Melanson & Heath were at the RMLD the week of August 8. The draft numbers have not changed to date nor does he expect them to change.

Mr. Fournier stated that Change in Net Assets or Net Income was \$2,783,000 which represents 6.44% of RMLD's allowable 8% return. Kilowatt hours sales increased 25 million from last year or 3.63% at 709 million kilowatt hours. The Budget Variance report by divisions was over budget by \$1.8 million or 10% which is attributable to the increase in the pension contribution amount; \$100,000 was budgeted and \$1 million was transferred into this fund in June per Board vote.

Preliminary Draft Financial Report – June, 2011 – Mr. Fournier (Attachment 1)

Mr. Fournier reported that the soil remediation expense \$600,000 was budgeted and the actual cost for FY11 was \$1.4 million. Melanson & Heath will make their formal presentation to the Audit Committee and to the Board in September.

Mr. Fournier addressed questions submitted by Commissioner O'Neill:

The budgeted amount for line labor expense (account 581-1) was \$377,306. The actual expense for FY11 was \$524,774 resulting in the line labor expenses being over budget by \$147,468. These labor costs represent weather related dead time, training, vacations, and sick time. Overhead labor is over budget due to the capital labor offset. Station Tech Budget is over budget by \$740,000 because of the Gaw Substation soil remediation project, which was budgeted to be \$600,000 but came in at \$1.4 million. General Manager's budget is over budget by \$128,000 due to the MMWEC arbitration. General Benefits pension contribution was budgeted to be \$100,000 but an additional \$1 million was transferred in June. The capital work overhead distribution credit came in at \$200,000 less than budgeted.

Mr. Fournier reported that the total cost of the Gaw soil remediation project which began in September 2009 is a little less than \$2.5 million. Mr. Fournier said that the rate surcharge instituted in FY11 for these costs has recovered \$607,000 to date.

The energy conservation charge started in October 2008 has collected \$1.475 million to date. The RMLD has spent \$1.3 million on energy conservation programs, which leaves a balance of \$171,000 at the beginning of FY12.

Chairman Hahn asked if the RMLD Board Audit Committee needs to meet with the Town of Reading Audit Committee in September. Mr. Pacino responded that the RMLD Board Audit Committee will meet with the Town of Reading Audit Committee at 6:30 p.m. prior to the September Board meeting.

Ms. O'Neill asked about the Purchase Power Capacity, how it is used and how the Board is kept informed of this. Mr. Cameron explained why the Purchased Power Adjustment Charge (PPAC) was calculated and went through how it adjusts for fluctuations in the Base Capacity costs. Mr. Cameron said that the PPAC is beneficial in that it keeps the RMLD from filing rate increases when there is an increase in the Base Capacity Costs.

Mr. Fournier said that he would have the draft July statement with the revenues to the Board tomorrow.

Power Supply Report – July, 2011– Ms. Parenteau (Attachment 2)

Ms. Parenteau reported on the Power Supply Report for July 2011.

Ms. Parenteau reported that RMLD's load for July was 75.1 million kilowatt hours, about a 3.7% decrease compared to July 2010. Energy costs were \$4.1 million, which is equivalent to \$.0550 per kilowatt hour. The July Fuel Charge was set at \$.0600/kWh. RMLD sales totaled approximately 67.5 million kilowatt hours and, as a result, the RMLD undercollected by \$160,000 resulting in a preliminary Deferred Fuel Cash Reserve balance of \$2.9 million, which takes into account the June accrual based on end of year financials.

In August, the Fuel Charge Adjustment was decreased by one half mill to \$.0550 per kilowatt hour and in September will be decreased by an additional one half mill to \$.0500 per kilowatt hour.

Ms. Parenteau reported that the RMLD purchased approximately 16.7% of its energy requirement from the ISO Spot Market at an average cost of \$.049/kWh. The RMLD hit a peak of 170.4 megawatts at 2:00 p.m. on July 22, 2011 with a temperature of 101 degrees as compared to a demand of 168 megawatts, which occurred on July 6, 2010 at 4:00 p.m. with a temperature 96 degrees. The RMLD's all time peak was 172.5 megawatts on August 2, 2006. The RMLD's monthly capacity requirement was 199.8 megawatts. The RMLD paid \$1.39 million for capacity, which is equivalent to \$7 per kilowatt-month.

Ms. Parenteau reported that transmission costs for July were \$855,000 a 15.4% increase from June 2011.

Discussion followed.

Engineering and Operations Report – July, 2011 - Mr. Sullivan (Attachment 3)

Gaw Update

Mr. Sullivan reported on the Engineering and Operations Report for July 2011.

Mr. Sullivan said that the Gaw Substation Transformer Upgrade project is complete. Mr. Sullivan stated that in October he will provide the Board with an update once the project is closed out and all billings have been received. Total soil remediation costs are at \$2.48 million.

Engineering and Operations Report – July, 2011 - Mr. Sullivan (Attachment 3)

Gaw Update

Mr. Sullivan stated that for the meter upgrade project as of August 12, meters installed are 8,000.

Mr. Sullivan said that the variance report for fiscal year 2012, Project 2 – High Capacity Tie 4W18 and 3W8 Franklin Street – is being worked on and the crews have been working on routine construction. There were two new commercial services installed and 22-25 new residential services. A total of 21 new cutouts were installed.

Mr. Sullivan reported on the Reliability Report that the CAIDI number is down 11 minutes between June and July. The CAIDI rolling average is about the same at 49 minutes for the year. The average July CAIDI is 65 minutes. The RMLD is at 51 minutes, which is the lowest July CAIDI the RMLD has had in six years.

The System Average Interruption Frequency Index (SAIFI) is up from .78 to .91 incidents due to 300 more customers that were affected from the previous month for a total of 2,232 customers. The average July SAIFI is 1.05 incidents. The Months between Interruptions (MBTI) increased 26 to 27 months.

Mr. Sullivan reported that on July 21 to July 23 there were heat events and total faulted transformers for the month were nine and in August there were two.

Ms. O'Neill stated that she had she lost her power for three hours on August 2 during a violent storm late that afternoon. Ms. O'Neill asked if, after such an event, does the staff look at how it played out, could things have been done differently, what worked, what did not. Mr. Sullivan responded that there was a team meeting the morning after the outage where those issues were covered. Mr. Sullivan said that it was like a perfect storm because at 3:00 p.m. there was nothing on the radar to indicate violent weather so there was no one on standby. Mr. Sullivan explained that every day we consistently listen to the weather report. If there is any radar that indicates the need, storms crews will be held while being cognizant of fiscal responsibility. At 6:02 p.m. when the storm occurred there were 2 feeder outages, 5 area outages, 2 separate circuits out with 2,443 customers being affected. Crews were called in, and there were trees down. It was not a tree that caused the breaker to open, but a lightning strike on the circuit with concurrent damage on that circuit in Reading.

Discussion followed.

M.G.L. Chapter 30B Bid – Material (Tab E)

2012-01 Tree Trimming

Mr. Sullivan reported that this bid for tree trimming services was sent out to eight bidders with three responding. Mr. Sullivan added this is a three year bid; \$455,619 has been budgeted in fiscal year 2012. Chairman Hahn stated that the total amount of the bid is an estimate, but not a guarantee based on RMLD's need. Mr. Sullivan concurred but noted that the amount is based on history.

Discussion followed.

Ms. O'Neill made a motion seconded by Mr. Soli that bid 2012-01 for Tree Trimming Services be awarded to Asplundh Tree Expert Co. for \$1,216,145.88 as the lowest qualified bidder based on the recommendation of the General Manager.

Motion carried 4:0:0.

General Discussion

Chairman Hahn said that the General Manager (GM) Committee needs to conduct the annual performance review of the General Manager. Chairman Hahn asked that each commissioner fill out the GM evaluation form and return the completed form to him by September 9. He will collate the information in preparation for the GM Committee meeting on September 13.

Chairman Hahn stated that if the Executive Session minutes are the only item for Executive Session and that there are no changes to them, then the Board can approve such minutes in Regular Session. The Executive Session will continue to be posted in the event there are changes to the minutes. Chairman Hahn noted that this approach was recommended to him by Town Hall. The Board agreed to adopt this approach.

Chairman O'Neill requested that money be designated in the next budget for renovations to Station One which is on the National Historic Register. Mr. Cameron stated that this year's budget has \$75,000 for a structural study of that building. If it is to be refurbished it would be used for storage. Chairman O'Neill stated that she would like to have a lobby that would be opened for tours with educational history if possible.

General Discussion

Mr. Soli showed a book *Hot Living Through The Next Fifty Years On Earth* authored by Mark Hertsgaard which he found at the library. Mr. Soli said that due to the inattention of Congress to climate change, we will have stronger hurricanes and winds as discussed in this book

Chairman Hahn said that the EPA passed the cross state air pollution rule on August 2, 2011 which requires fairly massive reductions in SO₂ and NO_x emissions from coal plants in 28 states. Although Massachusetts is not one of those states those winds blow this way. Mr. Pacino added that the Republicans have this as one of the ten items to be repealed. Chairman Hahn commented that the predecessor rule was overturned in the courts.

BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED

Rate Comparisons, August 2011

E-Mail responses to Account Payable/Payroll Questions

Upcoming Meetings

RMLD Board Meetings

Wednesday, September 28, 2011 and Wednesday, October 26, 2011

RMLD Board Committee Meetings

Tuesday, September 13, 2011, General Manager Committee

Wednesday, September 28, 2011 Audit Committee with the Town of Reading Audit Committee

Executive Session

At 8:35 p.m. Ms. O'Neill made a motion seconded by Mr. Pacino that the Board go into Executive Session to approve Executive Session meeting minutes of July 27, 2011, to discuss MMWEC Arbitration and return to Regular Session for adjournment.

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

Motion carried 4:0:0.

Adjournment

At 8:59 p.m. Mr. Pacino made a motion seconded by Ms. O'Neill to adjourn the Regular Session.

Motion carried 4:0:0.

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

Mary Ellen O'Neill, Secretary
RMLD Board of Commissioners



REPORT OF BOARD COMMITTEE
BOARD REFERENCE TAB D



***PERFORMANCE REVIEW
READING MUNICIPAL LIGHT DEPARTMENT
GENERAL MANAGER***

PROCESS

The Board of Commissioners (Board) of the Reading Municipal Light Department (RMLD) is responsible for hiring and evaluating the General Manager (GM), setting his/her compensation and establishing policies that guide the GM in the operations of the RMLD, according to Chapter 164 of the Massachusetts General Laws..

The Board has established the following seven criteria for evaluating the GM's performance for the period July 1, 2010 – June 30, 2011, with the relative weight to be given each factor:

Finance.....	20%
Energy Efficiency and Load Management.....	20%
System Reliability.....	20%
Leadership.....	10%
Board Relations.....	10%
Employee Relations.....	10%
Community Relations.....	10%

Each Commissioner is expected to complete this evaluation form within two weeks after receiving it. In addition, the GM will be required to do a self-assessment on the same form. The General Manager Subcommittee will review all evaluation forms and make a recommendation to the Board regarding the GM's compensation for fiscal year 2011 – 2012.¹ The Committee will also recommend to the Board goals for future performance including priorities, goals, and timetables.

I. FINANCE

Goal: Meaningful budgets are developed in a timely manner. Expenses are accurately tracked and reported. Cash reserves are prudently invested. Financial targets are met. Plans are developed to meet unexpected contingencies.

Minimum Tasks to be completed:

1. Provide the basis for the estimates found in the Capital & Operating budgets.
2. Create Capital & Operating budgets and submit to CAB and the Board.
3. On a **monthly basis** provide the Board with actual expenditures and variance with respect to the Capital and Operating Budgets.
4. On a **quarterly basis** update the Six Year Financial Plan and provide to the Board.
5. On a **quarterly basis** provide the Board with a report on the Retirement trust general ledger & Town cash reconciliation.
6. Perform a Cost of Service (COS) study, when necessary, and provide the CAB and the Board with a rate adjustment recommendation.
7. Create a plan to show how the RMLD will meet its 8% return.
8. If required, report to the Board on matters raised in the FY2010 audit letter.
9. If the rate-stabilization fund misses its **year-end goal** of \$6.5 million by more than \$0.5 million, prepare a plan to address the issue..

Overall Score: _____
(1 – 20 points)

II. ENERGY EFFICIENCY AND LOAD MANAGEMENT

Goal: Assess peak demand and energy needs to determine amounts of capacity and energy necessary to meet system requirements. Consider and implement energy efficiency, load management and conservation measures. Seek a diverse power supply portfolio, including environmentally responsible power.

Minimum Tasks to be completed:

1. Continue the power supply procurement strategy, including obtaining bids from renewable projects.
2. Manage the fuel clause and deferred-fuel-account balance.
3. Implement the Conservation and Energy Efficiency Program approved by the Board.
4. Keep up to date on new industry technologies and inform the Board of suggested operational changes to meet these trends.
5. Create new initiatives to address the Board's commitment to green power.
6. Continue the RMLD's efforts to maintain reasonable rates including the provision of monthly rate comparisons to the Board.

Overall Score: _____

(1 – 20 points)

III. THE RELIABILITY OF THE RMLD SYSTEM

Goal: Construct and maintain an electric distribution system capable of delivering electric service with a high degree of reliability. Measure the reliability of the RMLD's distribution system against industry standards.

Minimum Tasks to be completed:

1. Provide an annual report to the Board dated December 31 of the previous year's safety incidents..
2. Provide an annual report to the Board dated December 31 regarding security issues, including the recommendation of new measures and/or procedures.
43. Maintain SAIFI and CAIDI indices on a monthly basis and provide an explanation if RMLD's reliability measures exceed industry standards or

RMLD's historical performance.

4. Maintain an outage database detailing the nature and duration of an outage and RMLD's response to the outage.
5. Prepare a five-year capital plan report annually for presentation to the Board that addresses future needs of the RMLD's distribution system, the date of the report to be in conjunction with the release of the Capital Budget.
6. Modify and re-evaluate the capital and operating budgets throughout the year to address concerns affecting the reliability of the distribution system.
7. Complete the Gaw Substation Transformer Upgrade project.
8. Complete the first phase of the Meter Upgrade Project.

Overall Score: _____
(1 – 20 points)

IV. MANAGE EMPLOYEES

Goal: Keep employees informed about Board initiatives and policies. Assure that competent individuals are hired, trained and promoted. Negotiate contracts and conduct business with the bargaining units in a professional manner. Provide effective leadership to direct reports.

Minimum Tasks to be completed:

1. Maintain a highly skilled and knowledgeable workforce.
2. On an annual basis, provide a Summary of Grievances report to the Board dated December 31

3. Participate in negotiations, when necessary, with the three bargaining units for renewal contracts; keep the Board apprised of the outcome of these negotiations.
4. Assure that appropriate training is provided for all staff.

Overall Score: _____
(1 – 10 points)

V. LEADERSHIP

Goal: Delegate tasks and monitor performance of key staff. Identify and bring to the attention of the Board changes in legislation that may affect the running of a public power utility. Participate in training programs, conferences and seminars to develop enhanced personal skills and to contribute to the development of others.

Minimum Tasks to be completed:

1. Maintain comprehensive coverage of new information related to governmental regulations, financial conditions, technological changes, energy and resource developments as they relate to public utilities.
2. Bring issues regarding these matters to the attention of the Board.
3. Discuss long-range goals for capital expansion with the Board.
4. Assure that the goals and implementing strategies of the strategic plan are being followed.

Overall Score: _____
(1 – 10 points)

VI. RELATIONSHIP WITH THE BOARD

Goal: Actively keep the Board informed of major issues and strategic direction of the RMLD. Maintain professional working relationships with elected Commissioners. Provide needed information to the Board to assist it in making decisions.

Minimum Tasks to be completed:

1. Communicate effectively with Board members.
2. Provide useful information to the Board that is helpful in Board decision-making.
3. Respond to the voted requests of the Board and meet time commitments made to the Board.
4. Provide quarterly updates to the Board on the progress of the “implementing strategies” from the RMLD’s strategic plan.
5. Identify current issues, problems or projects that should concern the Board.

Overall Score: _____
(1 – 10 points)

VII. RELATIONSHIP WITH THE COMMUNITY SERVED BY THE RMLD

Goal: Maintain good working relationships with all the constituent groups that interface with the RMLD

Minimum Tasks to be completed:

1. Continue a good working relationship with the Town Managers in the four towns served by RMLD.
2. Attend all meetings of the CAB.
3. Continue to maintain working relationships with state and national utility associations and groups, and forward to the Board's attention new matters being raised by these entities.
4. Assure that an Annual report is given at the Subsequent Town Meeting of the Town of Reading.
5. Communicate effectively with community and business interests in the four towns served by the RMLD.
6. Communicate effectively with customers regarding rate increases, or other relevant information.
7. Seek to influence government concerning the emerging needs of the RMLD.
8. From time to time, conduct a customer satisfaction survey and share the survey results with the Board, staff and customers.
9. Provide an annual report to the Board on Customer Service programs.
10. Assure that Customer Service training is provided to all positions that have consistent contact with residential or commercial customers.

Overall Score: _____
(1 – 10 points)

Calculation of Annual Raise:

Total Score Possible: 100 points

Calculation of Annual Increase:

Composite Score:	greater than 90	CPI + 2%*
	81 – 90	CPI + 1.5%
	71 – 80	CPI + .5%
	61 – 70	CPI %
	< 61%	No Raise.

* The Board may consider awarding an increase in pay that is higher than CPI + 2% if the GM performs extraordinary work during the period, July 1, 2010 – June 30, 2011.

FINANCIAL REPORTS BOARD REFERENCE TAB E

August financials will be available prior to the RMLD Board Meeting



POWER SUPPLY REPORT
BOARD REFERENCE TAB F



To: Vincent Cameron
 From: Energy Services
 Date: September 22, 2011
 Subject: **Purchase Power Summary – August, 2011**

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of August, 2011.

ENERGY

The RMLD's total metered load for the month was 69,559,869 kWh, which was a decrease of 2.81 % compared to August, 2010 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	3,522,327	\$5.54	5.06%	\$19,512	0.51%
Seabrook	5,879,525	\$8.86	8.44%	\$52,092	1.37%
JP Morgan	13,138,000	\$54.82	18.86%	\$720,215	18.97%
Stonybrook CC	1,938,778	\$58.06	2.78%	\$112,575	2.97%
Constellation	7,440,000	\$63.00	10.68%	\$468,741	12.35%
NYPA	1,674,030	\$4.92	2.40%	\$8,236	0.22%
ISO Interchange	7,843,943	\$41.51	11.26%	\$325,633	8.58%
NEMA Congestion	0	\$0.00	0.00%	-\$42,943	-1.13%
Coop Resales	88,519	\$131.94	0.13%	\$11,679	0.31%
Stonybrook Peaking	90,399	\$165.94	0.13%	\$15,000	0.40%
MacQuarie	26,886,000	\$74.48	38.60%	\$2,002,479	52.76%
Braintree Watson Unit	397,465	\$77.93	0.57%	\$30,973	0.82%
Swift River Projects	748,494	\$95.41	1.07%	\$71,416	1.88%
Monthly Total	69,647,480	\$54.50	100.00%	\$3,795,608	100.00%

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for month of August, 2011.

Table 2

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP* Settlement	12,338,370	44.92	16.41%
RT Net Energy** Settlement	-4,494,428	63.55	-5.98%
ISO Interchange (subtotal)	7,843,943	41.53	10.43%

CAPACITY

The RMLD hit a demand of 144,051 kW, which occurred on August 1, 2011 at 2 pm. The RMLD's monthly UCAP requirement for August, 2011 was 199,846 kW.

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

Table 3

Source	Amount of Capacity (kWs)	Cost of Capacity (\$/kW-month)	% of Total Capacity	Total Cost \$	% of Total Cost
Millstone #3	4,991	\$57.77	2.50%	\$288,314	20.39%
Seabrook	7,910	\$55.16	3.96%	\$436,316	30.85%
Stonybrook Peaking	24,981	\$1.95	12.50%	\$48,670	3.44%
Stonybrook CC	42,925	\$3.74	21.48%	\$160,419	11.34%
NYP&A	4,666	\$2.55	2.33%	\$11,896	0.84%
Hydro Quebec	4,274	\$5.05	2.14%	\$21,596	1.53%
ISO-NE Supply Auction	99,579	\$3.34	49.83%	\$332,662	23.52%
Braintree Watson Unit	10,520	\$10.86	5.26%	\$114,219	8.08%
Total	199,846	\$7.08	100.00%	\$1,414,091	100.00%

**RT Net Energy: Real-Time Net Energy

*ISO DA LMP: Independent System Operator Day-Ahead Locational Marginal Price

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

Table 4

Resource	Energy	Capacity	Total cost	% of Total Cost
Millstone #3	\$19,512	\$288,314	\$307,825	5.91%
Seabrook	\$52,092	\$436,316	\$488,408	9.37%
Stonybrook CC	\$112,575	\$160,419	\$272,994	5.24%
Hydro Quebec	\$0	\$21,596	\$21,596	0.41%
Constellation	\$468,741	\$0	\$468,741	9.00%
NYPA	\$8,236	\$11,896	\$20,132	0.39%
ISO Interchange	\$325,633	\$332,662	\$658,296	12.64%
NEMA Congestion	-\$42,943	\$0	-\$42,943	-0.82%
Coop Resales	\$11,679	\$0	\$11,679	0.22%
Stonybrook Peaking	\$15,000	\$48,670	\$63,670	1.22%
JP Morgan	\$720,215	\$0	\$720,215	13.82%
MacQuarie	\$2,002,479	\$0	\$2,002,479	38.44%
Braintree Watson Unit	\$30,973	\$114,219	\$145,192	2.79%
Swift River Projects	\$71,416	\$0	\$71,416	1.37%
Monthly Total	\$3,795,608	\$1,414,091	\$5,209,698	100.00%

TRANSMISSION

The RMLD's total transmission costs for the month of August, 2011 are \$960,534. This is an increase of 10.92% from the July 2011 cost of \$855,671. In 2010, the transmission costs for the month of August, 2010 were \$922,671.

Table 5 shows the current month vs. last month and last year (August, 2010).

Table 5

	Current Month	Last Month	Last Year
Peak Demand (kW)	144,051	170,351	159,614
Energy (kWh)	69,647,480	75,197,704	71,625,136
Energy (\$)	\$3,795,608	\$4,131,397	\$4,151,871
Capacity (\$)	\$1,414,091	\$1,391,058	\$1,567,802
Transmission (\$)	\$960,534	\$855,671	\$922,671
Total	\$6,170,233	\$6,378,125	\$6,642,344



ENGINEERING AND OPERATIONS
REPORT
BOARD REFERENCE TAB G



Gaw Transformer Upgrade Project

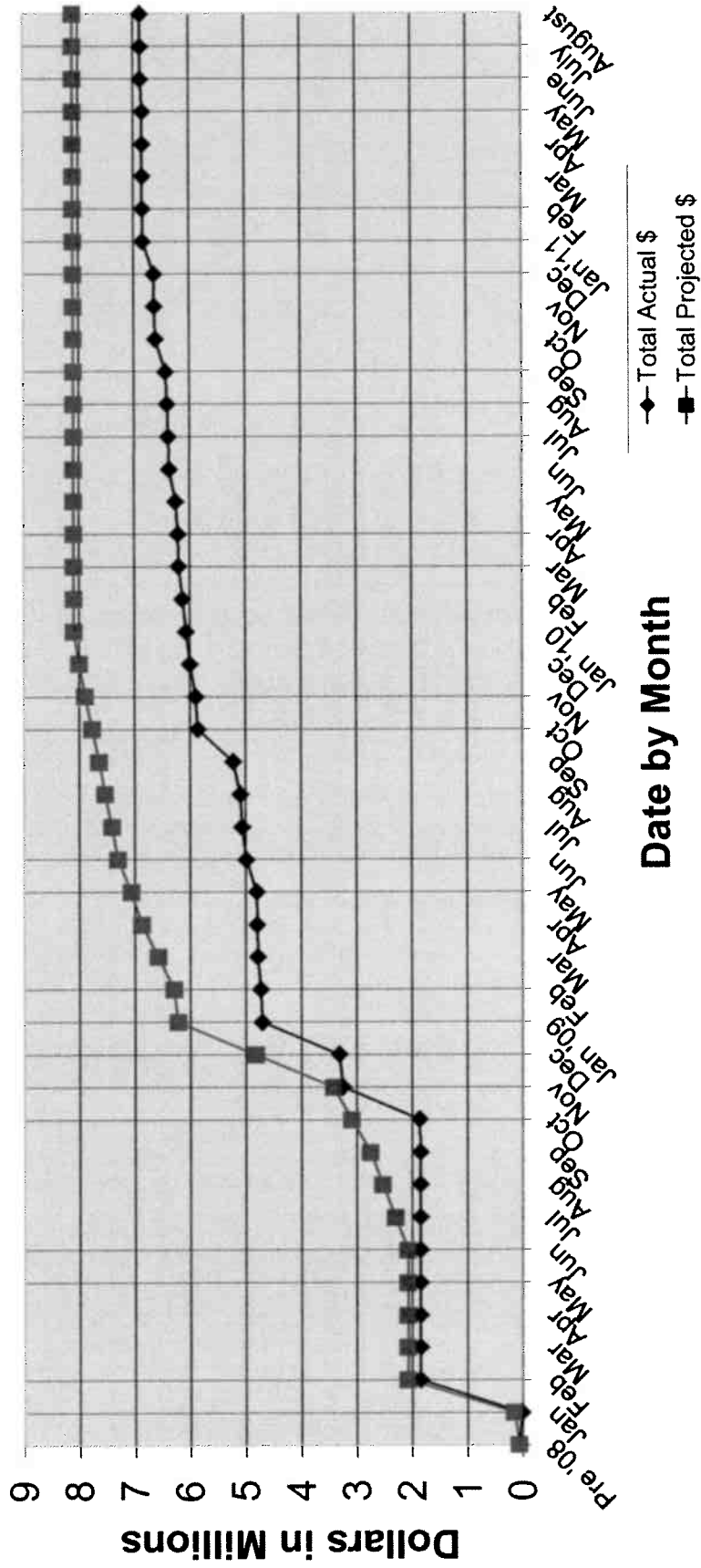
Schedule Milestones	Start Date	% Complete	Completion Date	Notes
Conceptual Engineering	Jul-08	100	Jun-09	Complete
Major Equipment Procurement	Feb-09	100	Oct-10	Complete
Design Engineering	Jul-08	100	Jun-09	Complete
Scheduled Transformer Delivery	Dec-08	100	Dec-08	Complete
Construction Bid	Jan-09	100	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

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	<u>Budget</u>		<u>Expenditure</u>		<u>Delta</u> by FY
		Item	Cumulative	Actual	Cumulative	
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	
Project Sub-Total		0.875	8.095	6.879	6.879	
Project Total					6.879	-1.216







READING MUNICIPAL LIGHT DEPARTMENT
FY 11 CAPITAL BUDGET VARIANCE REPORT
FOR PERIOD ENDING AUGUST 31, 2011

#	PROJECT DESCRIPTION	TOWN	ACTUAL COST AUGUST	YTD ACTUAL COST THRU 8/31/11	ANNUAL BUDGET AMOUNT	VARIANCE
<u>E&O Construction - System Projects</u>						
1	5W9 Reconductoring - Ballardvale Street	W	619	619	242,649	242,030
2	High Capacity Tie 4W18 and 3W8 Franklin Street	R	5,764	16,218	157,766	141,548
3	Upgrading Old Lynnfield Ctr URDs	LC			579,927	579,927
<u>SCADA Projects</u>						
4	RTU Replacement	R			130,255	130,255
<u>Distribution Automation Projects</u>						
5	Reclosures	ALL			197,901	197,901
6	Capicitor Banks	ALL			105,052	105,052
7	SCADA Radio Communication System	ALL			231,386	231,386
<u>Station Upgrades (Station #4 GAW)</u>						
8	Relay Replacement Project	R			99,656	99,656
9	115kV Disconnect Replacement	R			88,585	88,585
<u>New Customer Service Connections</u>						
12	Service Installations - Commercial/Industrial Customers	ALL		3,857	62,530	58,673
13	Service Installations - Residential Customers	ALL	17,721	32,175	206,017	173,842
<u>Routine Construction</u>						
14	Various Routine Construction	ALL	228,240	409,876	1,016,382	606,506
Total Construction Projects			252,344	462,745	3,118,106	2,655,361
<u>Other Projects</u>						
15	GIS				50,000	50,000
16	Transformers/Capacitors Annual Purchases				198,800	198,800
17	Meter Annual Purchases				46,360	46,360
17A	Meter Upgrade Project		8,206	12,203	1,740,656	1,728,453
18	Purchase New Small Vehicle		31,544	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		8,901	8,901	40,000	31,099
28	Software and Licensing		9,640	9,640	94,435	84,795
Total Other Projects			58,291	62,288	2,791,941	2,729,653
TOTAL RMLD CAPITAL PROJECT EXPENDITURES			310,635	525,033	5,910,047	5,385,014
29	Force Account/Reimbursable Projects	ALL	-	-	-	-
TOTAL FY 12 CAPITAL PROJECT EXPENDITURES			310,635	525,033	5,910,047	5,385,014



**Reading Municipal Light Department
Engineering and Operations
Monthly Report
August, 2011**

FY 2012 Capital Plan

E&O Construction – System Projects

1. **5W9 Reconductoring – Ballardvale Street - Wilmington** – *Engineering labor; Install spacer cable;*
2. **High Capacity Tie 4W18/3W8 Franklin Street – Reading** – *Frame; make ready work for new spacer cable; transferred circuit.*
3. **Upgrading of Old Lynnfield Center URDs** – *No activity.*

SCADA Projects

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

Distribution Automation (DA) Projects

5. **Reclosers** – *No activity.*
6. **Capacitor Banks** – *No activity.*
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. *Note: No commercial services this month.*

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>	\$74,106
<i>Maintenance Overhead/Underground</i>	\$117,956
<i>Projects Assigned as Required</i>	\$31,850
<i>Pole Damage (includes knockdowns) some reimbursable</i>	\$1,387
<i>Station Group</i>	\$0
<i>Hazmat/Oil Spills</i>	\$3,118
<i>Porcelain Cutout Replacement Program</i>	\$563
<i>Lighting (Street Light Connections)</i>	\$8,635
<i>Storm Trouble</i>	\$24,313
<i>Underground Subdivisions</i>	\$9,686
<i>Animal Guard Installation</i>	\$14,250
<i>Miscellaneous Capital Costs</i>	\$124,012
TOTAL	\$409,876

*In the month of August, zero cutouts were charged under this program. Approximately 44 cutouts were installed new or replaced because of damage making a total of 44 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.

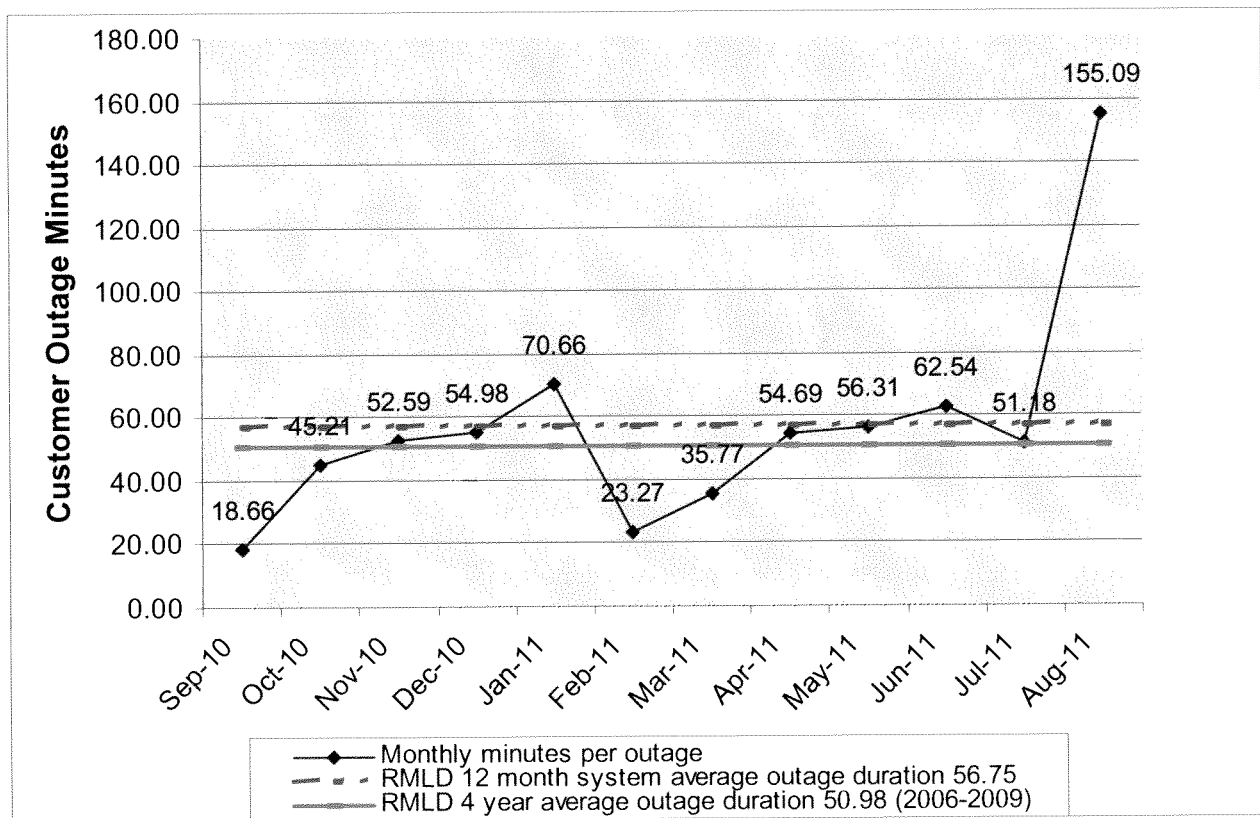
Customer Average Interruption Duration Index (CAIDI) – Measures how quickly the RMLD restores power to customers when their power goes out.

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

RMLD 12 month system average outage duration – 56.75 minutes

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

On average, RMLD customers that experience an outage are restored in 56.75 minutes.



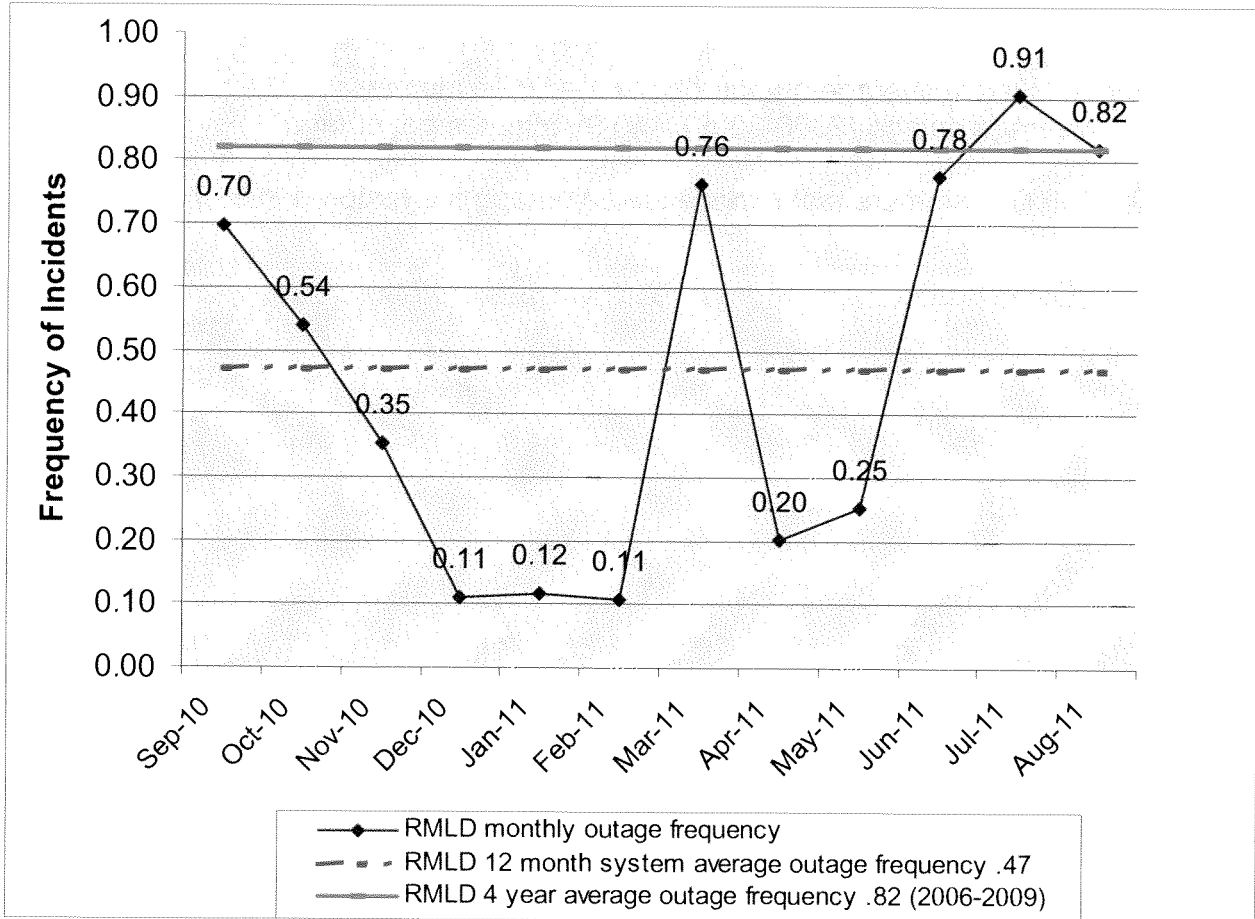
System Average Interruption Frequency (SAIFI) – Measures how many outages each customer experiences per year on average.

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

RMLD 12 month system average - .47 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 months.

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





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

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

September 15, 2011

Town of Reading Municipal Light Board

Subject: 115KV, 2000 Amp Horizontal Disconnect Switches

On August 5, 2011 a bid invitation was placed as a legal notice in the Reading Chronicle requesting proposals for 115KV, 2000 Amp Horizontal Disconnect Switches for the Reading Municipal Light Department.

An invitation to bid was emailed to the following:

Stuart C. Irby Co.	WESCO	Genergy Corp.	HD Supply
Graybar Electric	Power Tech (UPSC)	Yale Electric	Shamrock Power Sales
HD Industrial Services			

Bids were received from EMSPEC Electro Mechanical Systems, Inc., HD Supply, New England Power, Stuart C. Irby Co., Cleaveland/Price Inc., Turner Electric and WESCO.

The bids were publicly opened and read aloud at 11:00 a.m. September 7, 2011 in the Town of Reading Municipal Light Department's Board Room, 230 Ash Street, Reading, Massachusetts.

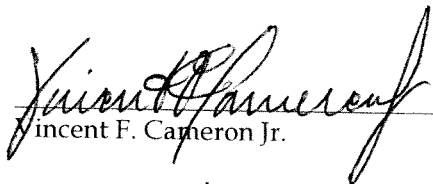
The bids were reviewed, analyzed and evaluated by the General Manager and the staff.

Move that bid 2012-10 for 115KV, 2000 Amp Horizontal Disconnect Switches be awarded to: **EMSPEC Electro Mechanical Systems Inc. for a total cost of \$44,000.00**

<u>Item (desc.)</u>	<u>Qty</u>	<u>Manufacturer</u>	<u>Unit Cost</u>	<u>Total Net Cost</u>
1 - Switches	4	EMSPEC	11,000.00	44,000.00
Option - Factory Rep		RMLD chooses not to use this option		
				44,000.00

as the lowest qualified bidder on the recommendation of the General Manager.

The total 2012 Capital Budget allocation for "GAW Station 115kV disconnect switch replacement" is \$48,000.



Vincent F. Cameron Jr.



Kevin Sullivan



Nick D'Alleva

**Disconnect Switches
Bid 2012-10**

Bidder	Manufacturer Delivery Date	Unit Cost	Qty	Total Net Cost	Meet Specification requirement	Specification Data Sheets	Firm Price	All forms filled out	Certified Check or Bid Bond	Exceptions to stated bid requirements	Authorized signature
EMSPEC Electro Mechanical Systems Inc.											
Item 1 - Switches	EMSPEC	11,000.00	4	44,000.00	yes	yes	yes	yes	yes	no	yes
Item 2 - Factory Rep	16 weeks ARO			1,600.00	RMLD chooses not to use this option						
				45,600.00							
HD Supply -- non responsive											
Item 1 - Switches	MORPAC	10,450.00	4	41,800.00	no	yes	yes	yes	yes	no	yes
Item 2 - Factory Rep	14-16 weeks ARO			6,500.00	2 days onsite						
				48,300.00							
<i>Engineers Note:</i> Data shows that Morpac has cast parts in their switch. Cast parts are not acceptable.											
New England Power -- non responsive											
Item 1 - Switches	Royal Switchgear	10,225.00	4	40,900.00	no	yes	yes	no	yes	yes	yes
Item 2 - Factory Rep	13-16 weeks ARO			1,250.00							
				42,150.00							
<i>Exceptions:</i>											
1) Royal uses cast aluminum parts that meet IEEE standards.											
2) Royal uses self lubricating maintenance free stainless steel bearings with stainless steel 2000 series shaft.											
3) Royal places full warranty on all cast parts for the life of the switch.											
Stuart C. Irby Co. -- non responsive											
Item 1 - Switches		9,856.70	4	39,426.80	no	no	yes	yes	yes	no	yes
Item 2 - Factory Rep	14-16 weeks ARO			6,369.50							
				45,796.30							
Cleaveland / Price Inc. -- non responsive											
Item 1 - Switches	Cleaveland/Price	11,131.00	4	44,524.00	yes	yes	yes	yes	no	yes	yes
Item 2 - Factory Rep	16-18 weeks ARO			1,900.00							
				46,424.00							
<i>Exceptions:</i>											
Cleaveland Price does not issue Bid Security in any amount.											
Cleaveland/Price does not agree to any liquidated damages or bill backs of any type for any reason.											
Turner Electric -- non responsive											
Item 1 - Switches		11,700.00	4	46,800.00	no	yes	yes	yes	yes	yes	yes
Item 2 - Factory Rep	12-14 weeks ARO			0.00	see rate sheet						
				46,800.00							
<i>Exceptions:</i>											
Switch contains rotating contacts in lieu of moving axially into the jaw.											
Switches containing self lubricating bearings, however they are not bronze.											
Standard warranty is 1 year.											
Field service rate sheet is attached in lieu of a fixed price.											
Warranty - we take exception to the terms, at the sole discretion of RMLD on page IBTC-1. Acceptable wording shall be upon written agreement between RMLD and Turner Electric.											
WESCO -- non responsive											
Item 1 - Switches	MORPAC	10,290.00	4	41,160.00	no	no	yes	yes	yes	yes	yes
Item 2 - Factory Rep	12 weeks ARO			6,320.00							
				47,480.00							
<i>Exceptions:</i>											
Pricing quoted above and on the attached documents are firm for the duration of the contract.											
Although Morpac Industries, Inc. switches use extruded aluminum for its major hinge jaw assemblies, some casting are used as well. Switch bearings are not bronze but stainless steel, sealed bearings. Bearing shafts are galvanized steel.											
See attached exceptions to Warranty Terms and Conditions.											
Quoting to Morpac Industries, Inc. Terms & Conditions of Sale only.											



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

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

September 16, 2011

Town of Reading Municipal Light Board

Subject: Three Phase Pad Mounted Dead Front Loop Feed Transformers

On August 11, 2011 a bid invitation was placed as a legal notice in the Reading Chronicle requesting proposals for Three Phase Pad Mounted Dead Front Loop Feed Transformers for the Reading Municipal Light Department.

An invitation to bid was emailed to the following:

Power Sales Group	WESCO	Graybar Electric Company	Yale Electric Supply
EDI	IF Gray	Jordan Transformer	Stuart C. Irby Co.
Ward Transformer Sales	Hasgo Power	Hughes Supply	HD Supply Utilities
Shamrock Power Sales	Power Tech UPSC	Robinson Sales	
HD Industrial Services	Metro West Electric Sales, Inc.		

Bids were received from Power Sales Group, Yale Electric East, Stuart C. Irby Co. and WESCO.

The bids were publicly opened and read aloud at 11:00 a.m. September 7, 2011 in the Town of Reading Municipal Light Department's Board Room, 230 Ash Street, Reading, Massachusetts.

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

Move that bid 2012-11 for Three Phase Pad Mounted Dead Front Loop Feed Transformers be awarded to: **Power Sales for a total cost of \$157,352.00**

<u>Item (desc.)</u>	<u>Qty</u>	<u>Manufacturer</u>	<u>Unit Cost</u>	<u>Total Net Cost</u>
1 (300 kVa 208Y/120)	4	Howard 5% bandwidth	10,098.00	40,392.00
2 (500 kVa 208Y/120)	8	Howard 5% bandwidth	14,620.00	116,960.00

as the lowest qualified bidder on the recommendation of the General Manager.

These units will be used in the Reading Woods project in Reading and 10 Burlington Avenue Condo project in Wilmington and the costs for these transformers will charged to these projects.

Vincent F. Cameron Jr.

Kevin Sullivan

Peter Price

**Three Phase Pad Mounted Dead Front Loop Feed Transformers
Bid 2012-11**

Bidder	<u>Manufacturer</u>	<u>Delivery Date</u>	<u>Unit Cost</u>	<u>Qty</u>	<u>Total Net Cost</u>	<u>Meet Specification requirement</u>	<u>Specification Data Sheets</u>	<u>Firm Price</u>	<u>All forms filled out</u>	<u>Certified Check or Bid Bond</u>	<u>Exceptions to stated bid requirements</u>	<u>Authorized signature</u>
Power Sales												
Item 1 (300 KVA 208Y/120)	Howard	6-8 weeks	12,503.00	4	50,012.00	yes	yes	yes	yes	yes	no	yes
Item 2 (500 KVA 208Y/120)	Howard	6-8 weeks	17,248.00	8	137,984.00							
Amorphous												
Item 1 (300 KVA 208Y/120)	Howard	6-8 weeks	12,630.00	4	50,520.00	yes	yes	yes	yes	yes	no	yes
Item 2 (500 KVA 208Y/120)	Howard	6-8 weeks	15,687.00	8	125,496.00							
5% Bandwidth												
Item 1 (300 KVA 208Y/120)	Howard	6-8 weeks	10,098.00	4	40,392.00	yes	yes	yes	yes	yes	no	yes
Item 2 (500 KVA 208Y/120)	Howard	6-8 weeks	14,620.00	8	116,960.00							
Yale Electric East												
Item 1 (300 KVA 208Y/120)	Central Moloney	12 weeks	12,452.00	4	49,808.00	yes	yes	yes	yes	yes	no	yes
Item 2 (500 KVA 208Y/120)	Central Moloney	12 weeks	15,667.00	8	125,336.00							
Stuart C. Irby Co. -- non responsive												
Item 1 (300 KVA 208Y/120)	Central Moloney	12 weeks	12,849.00	4	51,396.00	yes	partial	yes	yes	yes	no	yes
Item 2 (500 KVA 208Y/120)	Central Moloney	12 weeks	16,168.00	8	129,344.00							
<i>Engineers Note: Did not provide weight or dimensional data of units.</i>												
Stuart C. Irby Co. (2) -- non responsive												
Item 1 (300 KVA 208Y/120)	CG Power Systems	6-8 weeks	9,204.00	4	36,816.00	yes	partial	yes	yes	yes	no	yes
Item 2 (500 KVA 208Y/120)	CG Power Systems	6-8 weeks	11,582.00	8	92,656.00							
<i>Engineers Note: Did not provide weight or dimensional data of units.</i>												
WESCO												
Item 1 (300 KVA 208Y/120)	ABB	10-12 weeks	12,320.00	4	49,280.00	yes	partial	yes	yes	yes	yes	yes
Item 2 (500 KVA 208Y/120)	ABB	10-12 weeks	16,106.00	8	128,848.00							
<i>Exception: No undercoat supplied. Our finish does not require undercoat to maintain integrity.</i>												
<i>Engineers Note: Did not include weight or dimensional data of units.</i>												

BOARD MATERIALS AVAILABLE BUT
NOT DISCUSSED



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

September-11

	RESIDENTIAL 750 kWh's	RESIDENTIAL-TOU 1500 kWh's 7525 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 3500 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	\$96.24	\$169.95	\$111.43	\$861.90	\$167.54	\$4,000.49	\$10,937.39
PER KWH CHARGE	\$0.12832	\$0.11330	\$0.11143	\$0.11807	\$0.15513	\$0.11430	\$0.09988
NATIONAL GRID							
TOTAL BILL	\$101.45	\$202.08	\$134.01	\$1,046.78	\$149.49	\$4,256.87	\$11,807.33
PER KWH CHARGE	\$0.13527	\$0.13472	\$0.13401	\$0.14340	\$0.13842	\$0.12162	\$0.10783
% DIFFERENCE	5.42%	18.90%	20.26%	21.45%	-10.77%	6.41%	7.95%
NSTAR COMPANY							
TOTAL BILL	\$114.99	\$208.21	\$151.18	\$1,060.84	\$160.47	\$5,924.76	\$14,298.56
PER KWH CHARGE	\$0.15332	\$0.13681	\$0.15118	\$0.14532	\$0.14858	\$0.16928	\$0.13058
% DIFFERENCE	19.49%	22.51%	35.67%	23.08%	-4.22%	48.10%	30.75%
PEABODY MUNICIPAL LIGHT PLANT							
TOTAL BILL	\$93.41	\$180.84	\$122.55	\$967.19	\$161.43	\$4,708.59	\$11,370.37
PER KWH CHARGE	\$0.12454	\$0.12056	\$0.12255	\$0.13249	\$0.14948	\$0.13453	\$0.10384
% DIFFERENCE	-2.94%	6.41%	9.98%	12.22%	-3.64%	17.70%	3.96%
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	3.67%	16.73%	19.03%	11.32%	0.54%	19.06%	21.88%
WAKEFIELD MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$102.36	\$198.42	\$134.38	\$1,020.29	\$164.68	\$4,773.08	\$13,136.37
PER KWH CHARGE	\$0.13648	\$0.13228	\$0.13438	\$0.13977	\$0.15249	\$0.13637	\$0.11997
% DIFFERENCE	6.36%	16.75%	20.59%	18.38%	-1.70%	19.31%	20.11%

Jeanne Foti

From: Vincent Cameron
Sent: Monday, August 29, 2011 11:57 AM
To: Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli
Cc: Bob Fournier; Steve Kazanjian; Jeanne Foti
Subject: Account Payable - August 29

O'Neill

1. Crete - GM signature needed.

Done.

Jeanne Foti

From: Vincent Cameron
Sent: Monday, September 12, 2011 8:03 AM
To: Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli
Cc: Bob Fournier; Steve Kazanjian; Jeanne Foti
Subject: Account Payable Removal - September 5 and 12
September 5 - Account Payable Questions

Snyder

1. Devejian as example, also e.g., Krasovic, Littlefield, Skin 29, Snyder, Stimac, Swix, Wardlow, Xing - Are these close outs or just ongoing accounts? If the latter, considering the costs of processing, perhaps there's a better way to handle.

We have had questions about this before. Twenty six overall. Nineteen were overpayments, 6 were final bills, and one was a rebate for a solar installation. Sometimes customers do not pay their final bills on time and we have to bill them again. During that time the customer decides to pay their final bill and then they pay it again when they receive the second notice. Many of these payments go through the lock box and we find out about them after the payment has been registered.

2. CDM - Is this report available electronically? If so, please e-mail to me.

I will send it to you.

3. NAPA - Antifreeze + gas can for ", isn't that what our service contracts are for? + P.O. is after the purchase, was this an emergency?

We needed these items quickly for maintenance and stocking the trucks.

4. Lummus + O'Connor - Chains saws - was this for the tropical storm?

Yes.

O'Neill

1. APPA - We verified that this bill from January was not previously paid?

Yes. It was not paid.

2. Bay State Envelope - Are we receiving paper products that are made with recycled, post - consumer content paper?

Yes. A 100%. I put a sample in your mail slot.

3. Graybar - Why was PO not corrected to reflect over shipment and actual type of lights shipped? Where is provision in new PO template to indicate "change orders." Should these have gone thru the bid process?

The notation on the PO states that there is a change for the over shipment. We did receive 100 watt and not 50, which will be rectified.

It was not bid because the amount of 50 watt HPS were under the \$25k limit. We did get three prices.

4. Riemitis - Where are the original bills? Copies are illegible.

Jeanne Foti

From: Vincent Cameron
Sent: Monday, September 12, 2011 8:27 AM
To: Vincent Cameron; Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli
Cc: Bob Fournier; Steve Kazanjian; Jeanne Foti
Subject: RE: Account Payable Removal - September 5 and 12
Item 4 - Reimitis Bills.

The original bills were not received by the RMLD. Reimiitis faxed the bills over. The work was verified and were processed.

From: Vincent Cameron
Sent: Monday, September 12, 2011 8:03 AM
To: Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli
Cc: Bob Fournier; Steve Kazanjian; Jeanne Foti
Subject: Account Payable Removal - September 5 and 12

September 5 - Account Payable Questions

Snyder

1. Devejian as example, also e.g., Krasovic, Littlefield, Skin 29, Snyder, Stimac, Swix, Wardlow, Xing - Are these close outs or just ongoing accounts? If the latter, considering the costs of processing, perhaps there's a better way to handle.

We have had questions about this before. Twenty six overall. Nineteen were overpayments, 6 were final bills, and one was a rebate for a solar installation. Sometimes customers do not pay their final bills on time and we have to bill them again. During that time the customer decides to pay their final bill and then they pay it again when they receive the second notice. Many of these payments go through the lock box and we find out about them after the payment has been registered.

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I will send it to you.

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4. Lummus + O'Connor - Chains saws - was this for the tropical storm?

Yes.


O'Neill

1. APPA - We verified that this bill from January was not previously paid?

Yes. It was not paid.

2. Bay State Envelope - Are we receiving paper products that are made with recycled, post - consumer content paper?

9/14/2011



I can read the copies.

September 12 Account Payable Questions

O'Neill

1. Sullivan - Why did we not use the company credit card?

It appears the Town of Reading has denied my credit card. I am working on why.

Yes. A 100%. I put a sample in your mail slot.

3. Graybar - Why was PO not corrected to reflect over shipment and actual type of lights shipped? Where is provision in new PO template to indicate "change orders." Should these have gone thru the bid process?

The notation on the PO states that there is a change for the over shipment. We did receive 100 watt and not 50, which will be rectified.

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4. Riemitis - Where are the original bills? Copies are illegible.

I can read the copies.

September 12 Account Payable Questions

O'Neill

1. Sullivan - Why did we not use the company credit card?

It appears the Town of Reading has denied my credit card. I am working on why.

Patricia Mellino

From: Vincent Cameron
Sent: Wednesday, September 21, 2011 1:29 PM
To: Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli
Cc: Bob Fournier; Steve Kazanjian; Kevin Sullivan; Patricia Mellino; Jeanne Foti
Subject: Account Payable Questions - September 19
Soli

1. Reading Square Auto Body - Sales Tax! \$29.

For car repair jobs we have to pay sales tax on parts, which occurred in this case ($\$6.25 * \$464 = \$29.00$.)

O'Neill

1. Choate - Please mention in next Executive Session.

Yes.

2. Arthur Hurley - Fourth invoice needs GM signature.

Signed.

3. WL French Excavating - What happened?

A commercial customer excavating on their property pulled up an underground line and damaged a transformer causing it to leak. The company's insurance will be paying for the RMLD costs for damages and the clean up.

Snyder

1. Cushing - Who at RMLD was involved in the communications/correspondence?

Kevin Sullivan.

2. Fischbach - The columns with hours don't add up to the totals at the bottom of the table on the cover page (eg, RT at 8, 8, 4, 4 has a total of 135?)

The sheet you are referring to is the last of three sheets with dates, names, and jobs description. If you turned to the two sheets underneath the signature sheet you will find the other hours that made up the 135 and other totals.

3. McMaster Carr - What are the solar panels for?

The solar panels were put on the "solar bike" to generate electricity, in addition to pedal power.

4. Wakefield Police - Why were we doing work in Wakefield? (Baystate Rd Wakefield is address given.)

We have fringe customers on Bay State Road. We had to work on the distribution system there and had to hire a Wakefield policeman.

5. Zanni - All PO's are after work.

Turner Farms was an emergency job but the other two jobs could have had POs done prior to the work. This was discussed with Engineering and the POs will be done prior to the work in the future, if possible.

9/21/2011