

**READING MUNICIPAL
LIGHT DEPARTMENT**

**BOARD
OF
COMMISSIONERS**

REGULAR SESSION

OCTOBER 30, 2013



READING MUNICIPAL LIGHT DEPARTMENT
BOARD OF COMMISSIONERS MEETING

230 Ash Street
Reading, MA 01867
October 30, 2013
7:30 p.m.

1. Call Meeting to Order
2. Opening Remarks
3. Introductions
4. Public Comment
5. Regular Session Minutes August 14, 2013 (Tab A) ACTION ITEM
6. Report of the Chairman
 - a. Ad Hoc Power & Rate Committee Meeting Report
 - b. RMLD Board attendance at RMLD Citizens' Advisory Board meeting
7. Report of the Committee
 - a. Policy Committee Meeting Report – Vice Chair Pacino
8. General Manager's Report – Ms. O'Brien – General Manager ACTION ITEM
 - a. American Public Power Association (APPA) Legislative Rally
Monday, March 12, 2014 to Wednesday, March 14, 2014

Note: Board approval is necessary for attendance.
 - b. LED Streetlights
9. Power Supply Report – September 2013 – Ms. Parenteau (Tab B)
10. Engineering and Operations Report – September 2013 – Mr. Sullivan (Tab C)
 - a. Financial Update of Meter Upgrade Project and Fixed Network Project
Note: This was requested by Commissioner Soli.
11. Financial Report – September 2013 – Mr. Fournier (Tab D)
 - a. Other Post Employment Benefits (OPEB)
Note: At the RMLD Board meeting on February 27, 2013 the Board voted to create an OPEB Trust instrument in alignment with the Town of Reading.
 - b. RMLD Restricted Funds Investments
Note: This was discussed at the RMLD Audit Committee meeting on September 25, 2013.
12. General Discussion

BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED

Rate Comparisons, October 2013

E-Mail responses to Account Payable/Payroll Questions

RMLD Board Meetings

Tuesday, November 12, 2013 – Town of Reading, Subsequent Town Meeting

Wednesday, December 11, 2013 – RMLD Board Meeting

Thursday, January 9, 2014 – T-Shirt Award Ceremony

Citizens' Advisory Board Meeting

Wednesday, November 13, 2013

Fiscal Year 2015 Budget Meetings

April 2, 2014 – Lynnfield – April 9, 2014

13. Executive Session

ACTION ITEM

Suggested Motion:

Move that the Board go into Executive Session to approve the Executive Session minutes of August 14, 2013 and discuss mediation and union negotiations update, and return to Regular Session for the sole purpose of adjournment.

14. Adjournment

ACTION ITEM

Suggested Motion:

Move to adjourn the Regular Session.

REGULAR SESSION MEETING
MINUTES
BOARD REFERENCE TAB A



Reading Municipal Light Board of Commissioners

Regular Session

230 Ash Street

Reading, MA 01867

August 14, 2013

Start Time of Regular Session: 7:30 p.m.

End Time of Regular Session: 9:55 p.m.

Commissioners:

John Stempeck, Chairman Philip B. Pacino, Vice Chair

Robert Soli, Commissioner David Talbot, Commissioner

David Mancuso, Secretary

Staff:

Coleen O'Brien, General Manager

Jeanne Foti, Executive Assistant

Bob Fournier, Accounting/Business Manager

Priscilla Gottwald, Community Relations Manager

Jane Parenteau, Energy Services Manager

David Polson, Facilities Manager

Kevin Sullivan, Engineering and Operations Manager

Citizens' Advisory Board:

Tony Capobianco, Member

Reading Climate Advisory Committee:

Joan Boegel, Chairman

Michele Benson, Member

Ron D'Addario, Secretary

Ray Porter, Member

Michael Scola, Volunteer

Gina Snyder, Member

Laurie Ann Sylvia, Member

Call Meeting to Order

Chairman Stempeck called the meeting to order and stated that the meeting was being videotaped, it is live in Reading only.

Opening Remarks

Chairman Stempeck read the RMLD Board of Commissioners Code of Conduct. The RMLD Board of Commissioners recognizes the importance of hearing public comment, at the discretion of the Chair, on items on the official agenda as well as on item(s) not on the official agenda. We ask that all questions or comments from the public be directed to the Chair and that all parties, including members of the RMLD Board, act in a professional and courteous manner when addressing the Board or responding to comments. Once recognized by the Chair, all persons addressing the Board shall state their name and address prior to speaking. It is the role of the Chair to maintain order in all public comment or ensuing discussion.

Introductions

Chairman Stempeck welcomed Coleen O'Brien, the new RMLD General Manager. Ms. O'Brien stated that it is a privilege to serve. Chairman Stempeck also welcomed Citizens' Advisory Board member, Tony Capobianco. Also in attendance was Joan Boegel, of the Reading Climate Advisory Committee as well some of its members. Chairman Stempeck asked Ms. Boegel if she would like to speak.

Ms. Boegel stated that she is the current Chair of the Reading Climate Advisory Committee and wanted to welcome Coleen to the RMLD. They look forward to working with her. Their mission is to increase the environmental sustainability of our town and particularly to reduce the carbon footprint through energy efficiency and renewable energy. They look forward to working with Ms. O'Brien. Several members of the committee were present, including: Ron D'Addario, Ray Porter, Michele Benson, Gina Snyder, Laurie Ann Sylvia, and Michael Scola (Volunteer). Ms. O'Brien welcomed the Committee members. Chairman Stempeck welcomed and thanked them for attending the meeting.

Public Comment

There was no other public comment.

Approval of Board Minutes

May 29, 2013

Mr. Pacino made a motion seconded by Mr. Soli that the RMLD Board of Commissioners approve the Regular Session meeting minutes of May 29, 2013, as corrected.

Motion carried 5:0:0.

Approval of Board Minutes

June 26, 2013

Mr. Pacino made a motion seconded by Mr. Mancuso that the RMLD Board of Commissioners approve the Regular Session meeting minutes of June 26, 2013, as presented.

Motion carried 4:0:1. Chairman Stempeck abstained; he was not present at the meeting.

Commissioner Mancuso will be the Secretary for the meeting.

Report of the Chairman (Attachment 1)

RMLD Board of Commissioners Committees and Assignments Discussion of General Manager and Power & Rate Committees
Chairman Stempeck suggested that the General Manager Search and the General Manager Contract Negotiation Committees be removed because those Committees functions are finished.

Mr. Pacino made a motion seconded by Mr. Soli that they thank both the General Manager Search and the General Manager Contract Negotiation Committees and that they be eliminated.

Motion carried 5:0:0.

Chairman Stempeck stated that the Power & Rate Committee was tabled at the May 29 and June 26 meetings. Chairman Stempeck said that he would like to institute a discussion in terms of the role of the Power & Rate Committee and the applicability of it. This item was tabled because the Board wanted to have a General Manager on board to provide insight as to whether it was a valuable Committee. Chairman Stempeck said that Mr. Soli was a proponent and could speak to this. Mr. Soli said that in times of negotiating contracts and finding new power sources, Ms. Parenteau can speak how to get that information out and at times providing the direction Energy Services needs going forward.

Ms. Parenteau explained that historically, the RMLD had a Power & Rate Committee that consisted of three Board members which would meet more than twice annually. This Committee would cover: a review of contracts that the RMLD was looking at, Cost of Service would be proposed, and any new programs Energy Services were addressing; such programs as the Green Choice Program. The Committee served as a mechanism to get a sense of the Board in order to gauge what staff and the General Manager would be working towards. The Board also discussed having full Board meetings to ensure that everyone was informed. It was helpful in terms of getting a sense of policy from the Board, and how the contracts reflected that policy. It provided staff with direction on various contracts.

Chairman Stempeck commented that he was uncertain whether in her previous position if Ms. O'Brien had such a committee to address rates. Ms. O'Brien explained that her Board set the general policy. She developed a Power Supply Mitigation Team comprised of internal and external experts who would meet quarterly to discuss all power supply related issues including industry successful strategies on mitigating power supply costs and optimizing power supply portfolio. Since pricing on power contracts is a timing issue as the rates are generally only available to lock in for approximately an hour, then contracts were signed through her, consistent with the general policy.

Mr. Pacino said that he represents the "con" side in having a Power & Rate Committee. He stated that the Power & Rate Committee decisions should take place at the Board level, not at the Committee level. His concern is that the Renewable Energy Certificate (REC) issue was extensively discussed at the Committee level, however, never made it to the Board level, which caused him concern. Contracts should be brought to the five Commission members, not a Committee that makes recommendations. If there is need for immediate action the General Manager can contact the Chair who could be authorized to move forward if need be or designate a Commission member. The Power & Rate Committee is not needed; the decision and review should be made by the five Board members.

Mr. Soli said that the Power & Rate Committee was fact-finding. The Committee recommended to the Board if something should go forward. The Committee voted 1:1 which reflected that they were in dispute, however, it made it to the Board. The Committees provided a venue for in depth fact finding. Issues were vetted and sifted through to determine the level of importance. The issues were brought to the Board for their recommendation, and in some cases, no recommendation.

Chairman Stempeck said that the background and history that Mr. Soli brings to this particular area is valuable. Chairman Stempeck asked Ms. O'Brien if it is appropriate to have someone from the Board sit on her internal committee. Chairman Stempeck said that he would like to do is give her time to think about that with the internal working group. If it is appropriate to have Mr. Soli on this group. Chairman Stempeck said that he is not thinking in terms of a committee, but as a representative of the Board; it is a mutual recognition. Chairman Stempeck suggested that instead of deciding on this at this minute, he would like to have Ms. O'Brien set up her committee and have a special meeting with Mr. Soli, but table it until the next meeting.

Report of the Chairman (Attachment 1)

RMLD Board of Commissioners Committees and Assignments Discussion of General Manager and Power & Rate Committees

Chairman Stempeck said that the General Manager should set the tone. Chairman Stempeck said that the Board should not have committees for the sake of having them. If it makes sense to have a committee, the Board will have one. It can be one member of the Board with no decision being made to conform with the Open Meeting Laws. Mr. Soli said that he has a concern sitting on a committee run by the General Manager. Is the Board interfering with day-to-day operations and Chapter 164? Ms. O'Brien said that when she discusses the Power Supply Mitigation Strategic Committee it will consist of strategizing, networking, and will not consist solely of internal employees. This process brings recognition to the industry as a whole, including lessons learned. The think tank provides valuable input to RMLD that works to validate existing strategies or provide insight to necessary changes that may be due to forecasted volatility in pricing due to a host of impact parameters. We want to ensure what works best for RMLD and with some of the lowest rates in the state; she would say that the policies and strategies thus far are working very well. The previous iteration of her last Power Supply Mitigation Team consisted of a person that had the position Ms. Parenteau has, the General Manager, a legal power supply expert, energy efficiency expert, and a rate design/economist expert. Chairman Stempeck suggested revisiting the Power & Rate Committee once Ms. O'Brien provides her report. Chairman Stempeck said that Vice Chair Pacino and Commissioner Soli should be considered on the Power & Rate Committee.

RMLD Board of Commissioners Committees Expectations of Each Committee for the Upcoming Year.

Chairman Stempeck explained that he asked each committee member to speak to what they will be doing in the upcoming year as a means of information, expectation and open forum for feedback.

Public Relations Committee has four items that need to be addressed:

1. How to get requests or warnings out to the public, Commercial and Industrial customers when facing extreme heat or cold. How would that affect the power supply? Are there other mechanisms or benchmarks that have been used in order to be proactive instead of reactive?
2. How to get more customers on energy savings programs whether it be Time of Use, Water Heaters and other types of things. There is not sufficient participation in these good programs. Chairman Stempeck asked the Board and CAB members to lead by example.
3. How to target information to consumers at point of purchase. It is not in our purview to influence manufacturers for air conditioners, washers or dryers. However, we can work with retailers at points of purchase that there are rebates available for our particular areas so they make wise choices. You want to influence customers to make energy efficient choices.
4. How to create a better web navigation for RMLD's website. It is difficult to find information. Getting professional assistance aids in the navigation and provides assistance to our customers.

Mr. Talbot stated that in order to guide those initiatives we need to say what we are trying to achieve. We could set a demand reduction goal for one megawatt of demand reduction, with the water heaters or five megawatts. That will form what we are trying to promote. Similarly, if we want peak reduction we have to define the quantity of time of use meters we want installed. Currently, one percent of RMLD customers have the time-of-use-meters, although they are a great deal. A goal could be ten percent. We should set what the ends are in order that we have the means to achieve it. Mr. Talbot pointed out that there is an opportunity that the RMLD can take advantage of. There is a regional agency, the Metropolitan Planning Council, which is governed by the municipalities in the state. In the last eighteen months, after a request from the RMLD and the four towns they produced a Local Energy Action Program that is now in a draft form. This report suggests ways that we can efficiently use surcharges to achieve goals across the four towns and at the RMLD. The plan is out there and will be in final form. It has some great ideas. Mr. Talbot mentioned that he spoke with Helen Aki who is writing the report. There are monies available to assist with the technical support for implementation. The RMLD has an opportunity to take advantage of free expertise through the end of the year. Mr. Talbot seeks the best way of adding and efficiently implementing such items without adding to the bureaucracy. During the heat wave it was made apparent that there is more the RMLD can do such as group e-mailing, via listings, schools and Chamber of Commerce on that peak day to assist to lower this. Using real time lists are more effective than press releases.

Policy Committee

Mr. Pacino said that they have not formally met. What he would like to see, this has already been touched upon, is what we are trying to achieve, in terms of looking at the policies in the coming year, setting some sort of priorities and aligning the policies accordingly.

Mr. Mancuso said that from his perspective, the Policy Committee provides the opportunity to ensure that we are operating in a fashion that is in alignment with Chapter 164, which governs the way we should be operating.

Report of the Chairman (Attachment 1)

RMLD Board of Commissioners Committees and Assignments Discussion of General Manager and Power & Rate Committees Policy Committee

Mr. Mancuso said that we can focus on the types of activities to align ourselves with the law, the regulatory environment, and to make sure that we are operating in a manner that provides good governance for the organization. There are some easy things that can be done and some that need to be fixed relative to Chapter 164.

Audit Committee

Mr. Pacino said that the Audit Committee's function is to sit with the auditors when they present the audit results and make a recommendation to the Commission. It is also the Audit Committee's purpose to address any issue that needs to be acted upon urgently. Beyond that, he will be serving on the Town of Reading Audit Committee. The Town of Reading's Auditor makes a presentation then priorities are set such as the school lunch program. Chairman Stempeck asked, given that there are two members should both be present at the annual meeting. Mr. Pacino explained that the Town of Reading Audit Committee meets one time before the audit in September then meets for the final result. Town of Reading Charter states that only one Board member is on the Town of Reading Audit Committee. Mr. Soli stated that typically the Town of Reading and RMLD Audit Committee meet with the auditor on the result of RMLD's audit in which both Commission members are present. Also, twice annually, one member of the RMLD Audit Committee meets with the RMLD Accountant and the Town Accountant to go over how things are as well as new things which Mr. Soli attends.

Budget Committee

Mr. Soli said that this is his first time on the Budget Committee. Mr. Soli commented that Mr. Pacino is well experienced and will follow his guide. Mr. Pacino explained that the Budget Committee, once the budget is presented by the Department, the Committee then reviews the preliminary budget and make recommendations. This year, the Committee as in the past years has asked for information. They usually meet at the same time as the CAB does its budget review. Under the Twenty Year Agreement the CAB has to recommend the budget before the Board can act on the budget. The Budget Committee makes the final recommendation to the Board.

Mr. Mancuso said that one observation, based on what we discussed, is the focus on policy or operations. Some of the things he has heard sounds like they step into the operation space. He is raising the flag that under Chapter 164, the operations side is Ms. O'Brien's. We can make all the policy recommendations that we want, but once we get into the details that becomes operational. A word of caution is that we stay on the right side of that. Chairman Stempeck fully agrees. Mr. Mancuso said that we can stay on the right side of that with strategic planning and what some of those policies would be. What he has heard is that there are things to look at the strategic planning process which allows Ms. O'Brien and her team to operationalize them. Mr. Talbot added point well taken. Chairman Stempeck said that we are trying to be a sounding board for the General Manager. We can provide expertise as a collective group.

Mr. Capobianco asked relative to the Public Relations Committee, is there low participation in the appliance rebate programs? Chairman Stempeck commented that is a good question because there are statistics on this that speak to that program; however, what they do not show is what the participation could be. Mr. Talbot said that when you go to the big box stores that there are pallets of low efficiency products. If customers spent an extra fifty dollars, they would get a better product in which RMLD would give them the product. When a customer buys the lower price inefficient model it is because they do not know what is available. Mr. Capobianco said that the rebate program has not got the attention of the customer. Mr. Capobianco pointed out he received a two hundred dollar rebate from the water department for his washing machine which got his attention. Mr. Talbot said that we need to look at the delta for the lower and better efficiency appliance and make sure the rebates are in alignment with that. Mr. Capobianco suggested tying that in with the tax-free weekends to partner with local appliance retailers to list them for a quid pro quo. Mr. Talbot said that to Mr. Mancuso's point, the policy would not change the amount of the rebate, but to encourage customers. Mr. Capobianco suggested having it on the tax-free weekend to latch on the public relations aspect of that. Chairman Stempeck thanked Mr. Capobianco.

Retroactive Step Up for Interim General Manager Kevin Sullivan

Mr. Sullivan covered in this position January 11, 2013 to July 14, 2013.

Chairman Stempeck stated that this is a retroactive step up which is a one-time payment for the Interim General Manager, Kevin Sullivan. He stepped into the position of Interim General Manager for about a six month timeframe. Chairman Stempeck wanted to provide a monetary recognition to the fact he did take the position, assumed the role and performed the functions. The amount is \$25,000 for six months which is the delta that position carries. He has discussed this with Ms. Antonio and it is an appropriate amount.

Mr. Pacino made a motion seconded by Mr. Mancuso that the Commission authorize the Department to compensate Mr. Kevin Sullivan for stepping into the General Manager position for the interim period January 11, 2013 to July 14, 2013 in the amount of \$25,000.

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

Retroactive Step Up for Interim General Manager Kevin Sullivan

Mr. Sullivan covered in this position January 11, 2013 to July 14, 2013.

Mr. Talbot asked why this did not come up at the beginning of the interim period. Why is it coming up now? Chairman Stempeck replied that there were too many variables. The interim position could have been one week, one month and the amount is pro-rated.

Mr. Mancuso clarified that in essence this is a bonus for a job well performed during a period of time. Chairman Stempeck said that the minutes reflect Mr. Sullivan's extra effort. Chairman Stempeck said that the most tangible way to recognize that is through a bonus, all the words in the world are wonderful. He did step in and help the Department.

Mr. Mancuso added that to have someone that was willing to step up and help us bridge the former General Manager and future situation with Ms. O'Brien. It is a customary practice in the business community, particularly those that go up and beyond what the job would require to do. Mr. Talbot said that he is not comfortable with a raise for an interim position. However, it should have been done up front and is unsure of the precedent, it is unusual for him. Chairman Stempeck said that in the business community it is commonplace for the assistance during the timeframe and for a job well done, typically with a one-time bonus. Chairman Stempeck said that at the time there were a lot of variables.

Mr. Sullivan thanked the Commission for the recognition.

Comprehensive Update of the Reading Zoning Bylaw

Chairman Stempeck reported that the Town of Reading Community Planning and Development Commission are asking for input in terms of identifying potential zoning issues. Chairman Stempeck added that he is unsure if there is any zoning issue that is why it is on the agenda. Some items listed are possible amendments to prohibiting billboard signs, and carriage houses. The focus is how it is going to affect the RMLD. The thought of the RMLD putting a road behind the back portion of the property to help mitigate traffic flow or the front of the property for egress issues for trucks. Chairman Stempeck said that based on what the Department plans on doing with its facility we should get our concerns to the Zoning Board so they can react in a quick manner. Mr. Mancuso suggested finding out at the Town level what demand might be created over time for strategic planning purposes. Somehow we should be involved in that developing and planning process. Ms. O'Brien stated that she went to the Town Manager meeting in which the Planning Director was in attendance. She did mention that the RMLD was working on a master site plan and she is going to meet with the Planning Director for input as well as impact of changes to the system. Ms. O'Brien stated that meetings are being set up with the Town Planners for all four towns.

General Manager's Report – Ms. O'Brien – General Manager RMLD Initial Assessments

Ms. O'Brien said that tomorrow marked her first thirty days and has been pretty busy with the heat wave. Within that time frame she has had the opportunity to meet with each Commission member. She has met with the Town of Reading, Town Manager, Board of Selectmen and senior staff, Town of Wilmington, Town Manager and Board of Selectmen, Citizens' Advisory Board members, Chairman John Norton and Vice Chairman George Hooper. She is scheduled to meet with the Town of North Reading, Town Administrator and Board of Selectmen, Town of Lynnfield, Town Administrator and Board of Selectmen. The Planning Board will be next.

Ms. O'Brien stated that the initial assessment is required in order to lay out the road map for a twenty-five year plan for each of the six main components of the RMLD. She has commenced the critical initial assessments. The main components consist of system reliability, power supply, financial control, organization, staffing, facilities assets, and customer information systems.

System Reliability

This will include scheduled electric system assessment to review system configuration, capacity, power quality, safety, construction standards, product materials, protection coordination schemes, system functionality under normal and abnormal conditions. The recent heat wave is an example of an abnormal situation. The heat wave gave her an opportunity to see how they system works and it went well. With the GIS assessment, she is looking at a timeline for functionality including the ability to maintain accuracy and to implement Milsoft. This is an engineering modeling software system whose capabilities get that engine working for us.

Power Supply

There is an independent audit being performed which we are awaiting the results with the focus on the process. We have heard from the auditor and there are no smoking guns. In speaking with Ms. Parenteau that report is due shortly. Ms. O'Brien stated that as she explained earlier, she has developed a Power Supply Mitigation Team in which she is interviewing a couple of people to ensure she has the right people for the team. That is established to meet quarterly. It is made up of key experts in the field that we work in the industry who are familiar with the New England, Independent System Operator (ISO). We evaluate the portfolio, provide industry lessons learned, think tank, strategic plan, mitigate legislative issues, network cost share, evaluate energy efficiency, evaluate demand response reduction programs, review the cost allocation and rate design to make sure that we are in line with the rest of the utility industry and providing the best for what fits for the RMLD and its service territory. That meeting is scheduled for September.

General Manager's Report – Ms. O'Brien – General Manager

RMLD Initial Assessments

Financial Control

The auditors are currently here and Mr. Fournier has been working with them daily. We have spoken to Standard & Poor's on the phone. Our crediting rating has commenced and currently is underway. Ms. O'Brien stated that she is in the process of reviewing the fiscal year budget. Ms. O'Brien is evaluating our fiduciary responsibilities as well as the processes and efficiencies associated with that.

Organizational/Staff

Ms. O'Brien stated that she will be working with Roger Cotte, formerly of RW Beck. He will be assisting her in developing the scope of work to determine the appropriate functions and manpower required of the utility and system this size. The work processes and efficiencies, the staff abilities, the required training and things of that nature.

She is in the process of reviewing the Human Resources policies, safety policies, and looking at the existing training of the staff so she can have input into the organizational study and start the career development program for each of the titles.

Facilities Assets

Ms. O'Brien stated that Dave Polson has started to draft a scope for a master site plan which was mentioned earlier. This will look at 230 Ash Street and the Barbas building. The zoning by law changes and input is part of that; they will leave no stone unturned as far as what they will look at. They will look at the organizational study for the potential outcome, the physical condition of the building, the efficiencies including business and operations sections. The main building HVAC project will be discussed under Engineering and Operations as far as any major changes known to this building.

Customer Information Systems

This is an assessment of what we will provide for customer service. It is a broad topic from the respect of what does the system have for ability to provide to the customer, power supply opportunities and programs, community relations, customer communication, customer training, emergency preparedness. How we work with the other town departments in the event of an emergency, developing an emergency operating procedure, terms and conditions, service requirements handbook for residential and commercial customers and to make sure that the terms and conditions are comprehensive. To evaluate our mission statement to make sure we will be commensurate with the policies that are in the twenty-five year strategic plan and that there is a consistent message throughout the company and within our service territory.

Ms. O'Brien said that she will be working on these to lay out the road map. Ms. O'Brien commented that when she met with Commissioner Mancuso on the strategic plan, he asked if any lines were drawn. We made it through a difficult heat wave and our customers are happy. The reliability indices appear solid at this point. It is a perfect time to develop a strategic plan and she will be moving forward with that.

Power Supply Report – June 2013 – Ms. Parenteau (Attachment 2)

Ms. Parenteau presented the June Power Supply Report provided in the Commissioner packets covering power supply charges, energy costs, fuel charges and collections, fuel reserve balance, spot market purchases, capacity costs, as well as the percentage of RMLD's hydro projects and energy efficiency measures installed.

Ms. Parenteau reported that RMLD's load for June was approximately 65 million kilowatt hours which was approximately a 3.5% increase compared to June 2012. RMLD's energy cost came in at approximately \$2.5 million that is equivalent to approximately \$.038 per kilowatt hour. Ms. Parenteau stated that the Fuel Charge adjustment was set at \$.045 per kilowatt hour for the month of June; the sales totaled 58.9 million kilowatt hours, prior to the fiscal year adjustments, the RMLD over collected by approximately \$169,000 which resulted in a preliminary estimated Deferred Fuel Cash Reserve balance of \$2.6 million. The Fuel Charge for June remains at \$.045 per kilowatt hour. The Fuel Charge was increased to \$.05 for the month of August.

The RMLD purchased about 17% of its energy requirements from the ISO New England Spot Market at an average cost of about \$47 per megawatt hour. Ms. Parenteau reported on the capacity side, the RMLD hit a peak demand of 162 megawatts on June 24, 2013 at 5:00 p.m., the average temperature was about 91 degrees which is pretty close to the peak demand for last year of 163 megawatts at 5:00 p.m. the average temperature was 96 degrees. The RMLD's monthly capacity requirement which is based on the prior year peak was set at 214 megawatts; the total dollars paid for capacity totaled \$1.47 million which is equivalent to approximately \$6.87 per kilowatt month.

Ms. Parenteau reported that the month of June, 8.65% of energy came from hydro generation from the purchase power agreements that RMLD has in place. The RMLD receives Renewable Energy Certificates (RECs) from four hydro projects. For the first quarter there were approximately 4,800 banked RECs as well as projected 7,555 as of July 2013. The total estimated market value of the RECs is \$455,000. In July, 4,600 RECs from quarter one, 2013 were sold to EDF Trading for \$246,000, pricing out at \$53 per REC. There were significant increases in transmission for the month of June in the amount of \$1 million. This reflects a 60% increase from May.

Power Supply Report – June 2013 – Ms. Parenteau (Attachment 2)

Chairman Stempeck clarified that the transmission cost was up 60%. Ms. Parenteau explained that it is a twofold increase on the transmission cost. When RMLD is billed the bulk of the transmission is based on the Regional Network Service which is charged from the ISO New England. There is a month lag in that billing, therefore the June billing is reflective of May transmission. There are two components that contributed to that increase.

Ms. Parenteau explained that there was an increase in peak demand of 33% May 2012 to May 2013. Much of this was temperature driven. Last year the average temperature on the peak day was 73 degrees in which the RMLD peaked at 107 megawatts. This past May it was 92 degrees and we peaked at 144 megawatts. In addition, the transmission costs year to year from June to May costs increased 18%. Chairman Stempeck added that is a large increase in cost. Ms. Parenteau said that it is projected to increase 16% in June with the forward projection of 10% over the next five years, each year. Chairman Stempeck asked if he had a sense of what was driving that. Ms. Parenteau responded, it is the building of infrastructure. Historically, utilities have not put money into upgrading systems with some of the systems ranging forty to sixty years old. Billions of dollars are being spent on transmission upgrades. The markets are also driving that as well where they want to wheel power down from Maine into the region. Because this is regionalized all of New England we are forced to pick up a piece of this.

Mr. Mancuso said that the Attorney General has spoken about putting caps on the profitability of transmission companies. He asked if any of our organizations have a voice in that on our behalf. Ms. Parenteau responded that the RMLD has been following that very closely, working with our legal counsel, John Coyle from Duncan & Allen. RMLD received a ruling from the Administrative Law Judge that the return on equity is going to be reduced from 11.2% to 10.7% retroactively until 2013. The Return on Equity will go down to 9.7% after that. The state has been fighting that; the RMLD has been involved with that as well as other public power systems.

Mr. Soli asked if there is an appeal. Ms. Parenteau responded that there is an appeal because our attorneys feel that there were errors made in the initial ruling and our hope is to get that down closer to 9%.

Mr. Talbot asked how the huge projected increase in transmission costs influences the calculation in the value of local generation and the value of demand reduction, especially peak reduction. Ms. Parenteau explained that transmission charges are based on your monthly peak value. If the RMLD is able to institute programs which can reduce that you will receive the actual benefit of that. Mr. Talbot said that the one day of the month when it is the hottest it is pegged for the whole month. Ms. Parenteau responded that is correct. Ms. Parenteau pointed out that capacity occurs one time during the summer which you are then forced to carry that payment for the next twelve months. Mr. Talbot said that the take away is to see what we can do on that peak day and also each peak month. Mr. Talbot said that this feeds into the Local Energy Action Plan. He hopes this can be fed into RMLD's long range plan.

Ms. O'Brien said that Ms. Parenteau's group projected that peak spot on. In doing so we extended our water heater program for two hours that day. We were able to make some customer appeals and impact.

Mr. Pacino said that in the report it contained the description of RMLD's power supply which he found very good. Ms. O'Brien commented that with coming on board she had to go through some training in order to understand RMLD's power supply. Ms. O'Brien said that she and Ms. Parenteau thought it would be good where there were new Board members to put some educational tools in there.

Mr. Pacino commented that this educational information can it be provided to RMLD's customers on the website. Ms. O'Brien said that it happens to coincide with what Chairman Stempeck addressed; she is looking at the website, establishing who is responsible for the website and has an upcoming committee meeting. The Town of Reading has changed their website and RMLD is looking that to explore if it is more user friendly. It is our intention to put more educational information on there.

Mr. Pacino added that he has been on the Board for twenty-six years and found the information provided in the power supply report very useful.

Peak and Potential Cost Savings

Note: This was requested by Commissioner Talbot at the last meeting.

Ms. Parenteau said that at the June RMLD Board meeting, Commissioner Talbot asked for the estimated savings due to demand reduction. Ms. Parenteau said that she and Mr. Seldon put a memo together to explain this. This memo represents a snapshot in time of in terms of the estimated financial savings for the capacity and transmission costs if the peak demand was reduced. The peak on July 19 was used as an example because it was a hot day with a peak demand was just under 168 megawatts, and the calculation are based on current costs. Ms. Parenteau stated that as she has pointed out that costs are expected to increase. Any programs they will be developing will be targeted against those future costs and the costs benefits associated with such programs. Mr. Talbot thanked Ms. Parenteau.

Peak and Potential Cost Savings

Note: This was requested by Commissioner Talbot at the last meeting.

Ms. Parenteau added that one of the attributes that Ms. O'Brien had her include was the RMLD's current Hot Water Rate which was extended for an extra two hours so those systems were off. Based on the two hundred fifty customers on that rate we estimate that there was 500KW reduction on that peak that translates into \$18,000 in capacity and for transmission reduction in the monthly translates into \$42,000 annually.

Mr. Talbot asked if that is for one day. Ms. Parenteau explained that since the hot water heaters are shut off Monday through Friday, we are able to achieve that on a monthly basis. In the winter time those hours will be restructured. Mr. Talbot asked if 500 kilowatts is our demand side capacity management that can be shut off from this building. Ms. Parenteau replied that is correct. Mr. Talbot asked how many electric water heaters have been captured versus what is out there. Ms. Parenteau responded that based on the GDS Study performed several years back there is an extensive amount. Mr. Talbot said that we know where they are because we can see them in the load profile. Ms. Parenteau said that we analyze the load and target them. Mr. Talbot asked how many are there. Ms. Parenteau responded there have been estimates up to 4,000 based on historical studies. Mr. Talbot asked what it takes to have the remainder of these customers approached. Ms. O'Brien responded that we are working on a program to try to reach more customers however, the person responsible for that program there is a vacated; we are looking at staff augmentation. We cannot have customers right now until we can figure out that process. The water heater program is a great program for the customers. However, as Ms. Parenteau has stated the transmission costs are increasing, the water heaters make a dent, but want to run all the demand reduction potentials through this analysis. We are fortunate to have that in house talent to perform such calculations. Ms. O'Brien said that as Mr. Talbot had stated one megawatt would be a good target. System flexibility is another manner to achieve this, behind the meter generation. There are many ways to address this. Mr. Talbot asked of Ms. O'Brien is there anything the Department needs the Board to do. Ms. O'Brien said that it is currently being assessed and this is what the Power Supply Mitigation Team will be looking at. We need larger programs that have a more dramatic effect even though the water heater is a good program; when we are peaking we need to be able to call on a larger effort of impact.

Mr. Mancuso added that demand response is the way of the future and the important part of that is how we manage the energy, it is very complex. He would ask as we go forward, the general rule for the customers sake are made crystal clear on the cost benefit analysis and what the risk is. Mr. Mancuso is unsure if we can run programs outside of ISO for reduction in demand 24/7, 365 day commitments. It is something we need to focus on that comes with a significant amount of risk and cost. It could be in the form of a full time employee, compliance requirements as examples. It is for everyone's benefit to cut the demand but needs to be crystal clear as a Commission and organization what the benefits and risks are as we articulate those decisions. Mr. Mancuso cautioned about being tempted by big numbers on the front end, which may require big numbers to support the back end. He does not foresee that, however, it is a marker for him. Mr. Talbot does not follow the risk. Chairman Stempeck said that in terms of industrial, commercial versus residential a statistical analyses needs to be performed to see who benefits the most, need to see who is most receptive, and this needs to be balanced with what you can get in a short time. Chairman Stempeck said that the Board will wait for Ms. O'Brien's analysis. The timetable is based on the level of importance for Ms. O'Brien.

Engineering and Operations Report – June 2013 – Mr. Sullivan (Attachment 3)

Mr. Sullivan presented the June Engineering and Operations Report included in the Commissioner packet covering the monthly capital projects, an update on the metering project, and reliability reporting.

Mr. Sullivan reported that the Customer Average Interruption Duration Index (CAIDI) monthly average value is at the lowest level it has been within the last twelve months. That was due to the number of customers that saw outages in June which peaked at 3,819 for various reasons, but were restored under the RMLD four year average outage duration of 51 minutes.

The average June System Average Interruption Frequency (SAIFI) is the highest value in the past twelve months. The outage of 3,819 customers caused this increase. The average June SAIFI over 7 years is at a frequency of 1.15 outage incidents which makes the other values for the past eleven months look good. Months Between Interruptions (MBTI) is at 31 months.

Mr. Sullivan reported on the meter upgrade project. The Department is tweaking the optimum placement of the repeaters which will be ongoing for some time. The commercial meters replacement will happen once the weather gets cooler during September.

Mr. Soli said that Mr. Sullivan recalls the October storm. Mr. Soli pointed out that neighbors nearby still have double poles, Reading Light has done their job, can Mr. Sullivan get in touch with the others to remove them. There are three or four double poles on Gleason Road. Mr. Sullivan said that on a quarterly basis they work with each town and are in contact with Verizon. Mr. Sullivan will look into this and get back to Mr. Soli.

HVAC Design

Mr. Polson briefed the Board on the status of the HVAC system. On July 11, the RMLD had a pre-conference for the design firms interested in performing the engineering design, construction oversight for the HVAC system. Mr. Polson reported that nine firms attended the mandatory conference. The proposals were due on August 1 with five submittals.

HVAC Design

All submittals were reviewed to ensure that they were compliant with statutory requirements and all complied. A team was designated to review, prioritize and prepare questions for interviews on all five proposals. The first phase of the review was concluded yesterday. Next week involves meeting with the firms, reviewing and checking references, and checking their financial status. Interviews will be scheduled in early September. The plan is to have the firm on board in early September.

Financial Report – June 2013 – Mr. Fournier (Attachment 4)

Mr. Fournier apologized for not having the June Draft Financials timely. Mr. Fournier stated that these are the Draft Financials for fiscal year 2013. Once he receives his final numbers from the auditors he will distribute it. The auditors will be making their full presentation at the September Board meeting. As Ms. O'Brien mentioned, the auditors have been in this week. There will be no changes to the numbers presented this evening.

Mr. Fournier presented the financial report included in the Commissioner packet. The net loss for June was \$640,000, reducing the year to date net income to \$1,795,000. Year to date kilowatt hour sales were a little under 702,000,000 kilowatt hours sold which is 15.9 million kilowatt hours ahead of last year's actual figure. The Gaw revenues collected year-to-date this year are \$700,000; total collected since inception is \$1.9 million.

Chairman Stempeck asked if the cash within the targeted amount. Mr. Fournier said that one of the first things that the auditors look at is cash which has been reconciled. The numbers will stand as is. Mr. Pacino asked if there will be any year-end transfers. Mr. Fournier said that it will be done once the final draft numbers are confirmed. Based on his calculations we are allowed to earn 8% on net plant. This figure represents 5.25% of the allowable 8% to earn. The RMLD did not earn its 8% this year. We will determine what amounts if any need to be transferred.

Mr. Soli clarified that the net is \$1.8 million. Mr. Fournier said that there is a final calculation based on how the Department of Utilities calculates the 8%. It brings us higher than the \$1.8 million, but GASB makes us report what is shown as our official financial document. With the \$1.8 million it comes out to 5.25%. Mr. Soli asked on the revenues that the base was \$45.2 million and the budgeted was \$47.3 million. Mr. Fournier replied that is correct. Mr. Soli asked did we not have enough degree-days, did we charge too little. Mr. Fournier said that he would follow up on this. Mr. Pacino pointed out that the purchase power base budget figure was down compared to the actual. Mr. Pacino said that less was used which could be a function of the economy and purchase power base was less.

General Discussion

Ms. Gottwald provided an update on public relations. Ms. Gottwald reported that the RMLD recently partook in a vehicle day in North Reading which involved RMLD trucks. Educational material was distributed. There will be a vehicle day at the Reading Library this week with an RMLD truck in attendance. The Fall Street Faire will be on September 8 and the RMLD will be setting up a booth. RMLD traditionally hosts the T-Shirt Contest during Public Power Week. This involves four elementary schools in the four towns and there is a ceremony in January for the contest winners. The annual report is currently underway as well as the historical calendar.

Ms. Gottwald added that this year, in October, 22,000 utilities celebrate Public Power Week. Ms. Gottwald said that with Ms. O'Brien's direction there will be a breakfast for all employees, an employee recognition luncheon and the final day Thursday, October 10, there will be an Open House for the public at the garage area which will be geared for children between five and twelve. Each RMLD Department will be represented.

Ms. O'Brien said that the intent of the open house, in addition to fun activities for the children, would be providing booths that will be geared toward education. This addresses all the things that have been discussed this evening. For the Time of Use there will be drawings and education. The same holds true for the Street Faire. Any opportunity we have to let our customers know the programs we have as well as providing incentives for people to sign up for favorable rates. In addition, we will also be educating the children; there will demonstrations by the linemen, and energy efficiency. There will be booths that parents can take their children to learn things. There will be small bucket truck rides that leave a foot off the ground and the linemen can hold the control. Ms. O'Brien said that Mr. Polson is working hard to ensure that the garage is safe and accommodating. Ms. O'Brien said that Ms. Gottwald did a great job with the previous Halloween parties which were inside. The RMLD is a utility, it is construction and wants to educate the public to understand what we do both the positive and dangers of it.

Mr. Mancuso said that he would like to help in any way to get folks to participate. Ms. O'Brien said that the committee is working on the format and what the booths will be. There will be no rain date. There will be a flyer within two to three weeks and will e-mail it out.

Ms. Gottwald added that the Town of Reading has a fall book and will give them the public event information. Ms. Gottwald said that for the Halloween party there were six hundred children. Ms. O'Brien said that one of the challenges will be a tactile function consisting of putting on linemen's gloves and seeing what it is like to attempt fine motor skills.

General Discussion

Mr. Talbot said that he was presenting ideas, if you need help come to us. Mr. Talbot commented that Mr. Mancuso knows a lot about communications. It can be more informal.

Ms. Gottwald said that many times, social media such as the website, Facebook, and Twitter in response to storms has been discussed. Ms. O'Brien stated that they will be going to Shrewsbury to discuss the lessons learned with the communications person in September. Ms. O'Brien said that she will also ask her about the reverse 911.

Ms. O'Brien said that Ms. Gottwald spoke to Lynnfield relative to reverse 911. It is problematic because half of Lynnfield is covered by Peabody for their electric service. They will evaluate the communication methods and get back to the Board.

BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED

Rate Comparisons, July 2013

E-Mail responses to Account Payable/Payroll Questions

RMLD Board Meetings

Chairman Stempeck suggested changing Board meeting from Wednesday to Thursday evenings.

Wednesday, September 25, 2013

Wednesday, October 30, 2013

Citizens' Advisory Board Meeting

September 18, 2013 – 6:30 pm - RMLD

Fiscal Year 2015 Budget Meetings

April 2, 2014 – Lynnfield – April 9, 2014

Executive Session

At 9:20 pm. Mr. Pacino made a motion seconded by Mr. Soli that the Board go into Executive Session to approve the Executive Session meeting minutes of May 29, 2013, to discuss mediation and union negotiations update, MMWEC Settlement and return to Regular Session for the sole purpose of adjournment.

Chairman Stempeck polled the Board. Motion carried by a polling of the Board:

Mr. Soli, Aye; Mr. Pacino, Aye; Chairman Stempeck, Aye; Mr. Mancuso, Aye, and Mr. Talbot, Aye.

Motion carried 5:0:0.

Adjournment

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

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

David Mancuso, Secretary
RMLD Board of Commissioners

POWER SUPPLY REPORT
BOARD REFERENCE TAB B



To: Coleen O'Brien
 From: Maureen McHugh, Jane Parenteau
 Date: October 23, 2013
 Subject: Purchase Power Summary – September, 2013

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of September, 2013.

ENERGY

The RMLD's total metered load for the month was 58,602,233 kWh, which is a .11% increase from the September, 2012 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 | 3,547,380 | \$6.99 | 6.05% | \$24,788 | 1.14% |
| Seabrook | 5,696,515 | \$8.22 | 9.72% | \$46,805 | 2.16% |
| Stonybrook Intermediate | 967,192 | \$67.34 | 1.65% | \$65,135 | 3.00% |
| JP Morgan | 5,596,000 | \$59.24 | 9.55% | \$331,492 | 15.29% |
| NextEra | 9,022,000 | \$46.05 | 15.39% | \$415,504 | 19.16% |
| NYPA | 1,750,812 | \$4.92 | 2.99% | \$8,614 | 0.40% |
| ISO Interchange | 8,731,283 | \$32.33 | 14.90% | \$282,259 | 13.02% |
| NEMA Congestion | 0 | \$0.00 | 0.00% | \$38,329 | 1.77% |
| Coop Resales | 13,183 | \$137.18 | 0.02% | \$1,808 | 0.08% |
| MacQuarie | 9,520,000 | \$40.12 | 16.24% | \$381,910 | 17.61% |
| Summit Hydro/Collins/Pioneer | 270,248 | \$70.07 | 0.46% | \$18,936 | 0.87% |
| Braintree Watson Unit | 663,329 | \$61.19 | 1.13% | \$40,587 | 1.87% |
| Swift River Projects | 518,933 | \$101.52 | 0.89% | \$52,680 | 2.43% |
| Exelon | 12,318,000 | \$37.27 | 21.02% | \$459,115 | 21.17% |
| Stonybrook Peaking | 0 | \$0.00 | 0.00% | \$272 | 0.01% |
| Monthly Total | 58,614,875 | \$36.99 | 100.00% | \$2,168,234 | 100.00% |

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of September, 2013.

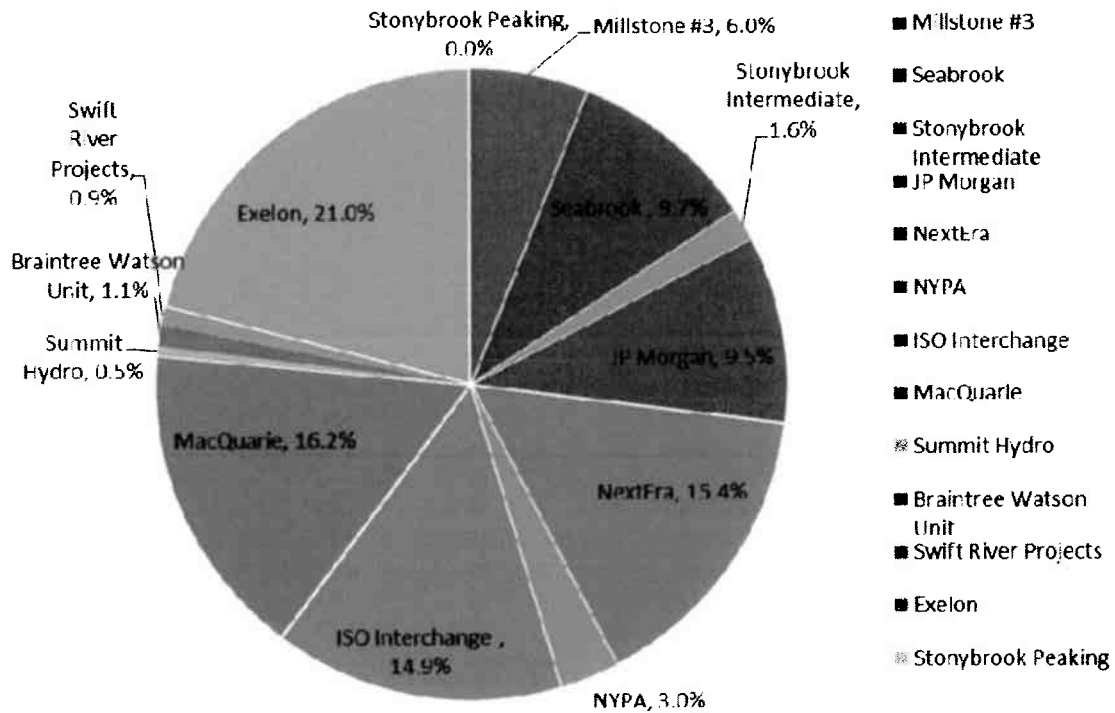
Table 2

| Resource | Amount of Energy (kWh) | Cost of Energy (\$/Mwh) | % of Total Energy |
|----------------------------|------------------------|-------------------------|-------------------|
| ISO DA LMP * | 8,696,798 | 36.55 | 14.84% |
| Settlement | | | |
| RT Net Energy ** | 34,485 | -1033.02 | 0.06% |
| Settlement | | | |
| ISO Interchange (subtotal) | 8,731,283 | 32.33 | 14.90% |

* Independent System Operator Day-Ahead Locational Marginal Price

** Real Time Net Energy

SEPTEMBER 2013 ENERGY BY RESOURCE



CAPACITY

The RMLD hit a demand of 156,230 kW, which occurred on September 11, at 5 pm. The RMLD's monthly UCAP requirement for September, 2013 was 214,413 kW.

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

Table 3

| Source | Amount (kW) | Cost (\$/kW-month) | Total Cost \$ | % of Total Cost |
|-----------------------|----------------|--------------------|--------------------|-----------------|
| Millstone #3 | 4,950 | 49.22 | \$243,616 | 16.35% |
| Seabrook | 7,903 | 46.99 | \$371,327 | 24.93% |
| Stonybrook Peaking | 24,981 | 1.98 | \$49,459 | 3.32% |
| Stonybrook CC | 42,925 | 3.29 | \$141,362 | 9.49% |
| NYPA | 4,019 | 4.02 | \$16,172 | 1.09% |
| Hydro Quebec | 4,683 | 4.35 | \$20,386 | 1.37% |
| Nextera | 60,000 | 5.50 | \$330,000 | 22.15% |
| Braintree Watson Unit | 10,520 | 10.93 | \$115,027 | 7.72% |
| ISO-NE Supply Auction | 54,432 | 3.72 | \$202,388 | 13.59% |
| Total | 214,413 | \$6.95 | \$1,489,738 | 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 | \$24,788 | \$243,616 | \$268,403 | 7.34% | 3,547,380 | 0.0757 |
| Seabrook | \$46,805 | \$371,327 | \$418,132 | 11.43% | 5,696,515 | 0.0734 |
| Stonybrook Intermediate | \$65,135 | \$141,362 | \$206,497 | 5.65% | 967,192 | 0.2135 |
| Hydro Quebec | \$0 | \$20,386 | \$20,386 | 0.56% | - | 0.0000 |
| JP Morgan | \$331,492 | \$0 | \$331,492 | 9.06% | 5,596,000 | 0.0592 |
| NextEra | \$415,504 | \$330,000 | \$745,504 | 20.38% | 9,022,000 | 0.0826 |
| * NYPA | \$8,614 | \$16,172 | \$24,786 | 0.68% | 1,750,812 | 0.0142 |
| ISO Interchange | \$282,259 | \$202,388 | \$484,647 | 13.25% | 8,731,283 | 0.0555 |
| Nema Congestion | \$38,329 | \$0 | \$38,329 | 1.05% | - | 0.0000 |
| MacQuarie | \$381,910 | \$0 | \$381,910 | 10.44% | 9,520,000 | 0.0401 |
| * Summit Hydro/Collins/Pioneer | \$18,936 | \$0 | \$18,936 | 0.52% | 270,248 | 0.0701 |
| Braintree Watson Unit | \$40,587 | \$115,027 | \$155,615 | 4.25% | 663,329 | 0.2346 |
| * Swift River Projects | \$52,680 | \$0 | \$52,680 | 1.44% | 518,933 | 0.1015 |
| Coop Resales | \$1,808 | \$0 | \$1,808 | 0.05% | 47,382 | 0.0382 |
| Constellation Energy | \$459,115 | \$0 | \$459,115 | 12.55% | 12,318,000 | 0.0373 |
| Stonybrook Peaking | \$272 | \$49,459 | \$49,731 | 1.36% | - | 0.0000 |
| Monthly Total | \$2,168,234 | \$1,489,738 | \$3,657,972 | 100.00% | 58,649,074 | 0.0624 |
| * Renewable Resources | | | | | | 4.33% |

RENEWABLE ENERGY CERTIFICATES (RECs)

Table 5 shows the amount of banked and projected RECs for the Swift River Hydro Projects through September, 2013, as well as their estimated market value.

Table 5
Swift River RECs Summary
Period - January 2013 - September 2013

| | Banked RECs | Projected RECs | Total RECs | Est. Dollars |
|----------------------|------------------------|---------------------------|-----------------------|-------------------------|
| Woronoco | 3,652 | 929 | 4,581 | \$239,305 |
| Pepperell | 1483 | 926 | 2409 | \$142,131 |
| Indian River | 1251 | 396 | 1647 | \$97,173 |
| Turners Falls | 1172 | 269 | 1441 | \$0 |
| RECs Sold | | | 4605 \$ | 245,712 |
| Grand Total | 7,558 | 2,520 | 14,683 | \$724,321 |

TRANSMISSION

The RMLD's total transmission costs for the month of September were \$931,368. This is a decrease of 23.8% from the August transmission cost of \$1,223,588. In September, 2012 the transmission costs were \$979,543.

Table 6

| | Current Month | Last Month | Last Year |
|-------------------------|----------------------|--------------------|--------------------|
| Peak Demand (kW) | 156,230 | 140,045 | 129,569 |
| Energy (kWh) | 58,649,074 | 67,363,709 | 58,633,476 |
| Energy (\$) | \$2,168,234 | \$2,767,250 | \$2,646,309 |
| Capacity (\$) | \$1,489,738 | \$1,485,670 | \$1,540,823 |
| Transmission(\$) | \$931,368 | \$1,223,588 | \$979,543 |
| Total | \$4,589,340 | \$5,476,509 | \$5,166,675 |

ENERGY EFFICIENCY

Table 7 shows the comprehensive results from the Energy Conservation program. The amount of savings is broken down by both demand and energy for the Commercial and Residential sectors.

| Table 7 | Commercial | Year | Total \$ | | | Total | | | Total \$ | | | |
|---------|--------------------|---------|---------------------|--------------------|--------------|----------|-----------|---------|--------------|------------|-----------|-----------------|
| | | | Capacity Saved (kW) | Energy Saved (kwh) | Capacity | \$/kW | Energy | \$/kWh | Rebate | Rebate/kWh | Rebate/kW | Cost Benefit |
| | Total to date | FY07-13 | 11,346 | 46,338,741 | \$ 1,053,256 | | 2592993 | | \$ 1,455,819 | \$ 0.03 | \$ 128.31 | \$ 2,190,431 |
| | Current | FY14 | 76 | 319,351 | \$ 10,485 | \$ 11.45 | 15968 | \$ 0.05 | \$ 28,670 | \$ 0.09 | \$ 375.72 | \$ (2,218) |
| | Residential | | | | | | | | | | | |
| | Total to date | FY07-13 | 1,795 | 1,593,066 | \$ 168,790 | | 83,191 | | \$ 568,591 | \$ 0.36 | \$ 316.79 | \$ (316,610) |
| | Current | FY14 | 58 | 47,676 | \$ 7,911 | \$ 11.45 | 2,384 | \$ 0.05 | \$ 42,440 | \$ 0.89 | \$ 737.11 | \$ (32,145) |
| | Total | | | | | | | | | | | |
| | Total to date | FY07-13 | 13,141 | 47,931,807 | \$ 1,222,046 | | 2,676,184 | | \$ 2,049,410 | \$ 0.04 | \$ 155.96 | \$ 1,848,820.24 |
| | Current | FY14 | 134 | 367,027 | \$ 18,396 | \$ 11.45 | 18,351 | \$ 0.05 | \$ 71,110 | \$ 0.19 | \$ 531.14 | \$ (34,363) |

Table 8 shows the breakdown for residential appliance rebates by type and year.

| Table 8 | Year | Washing Machine | | Refrigerator | | Dishwasher | | Dehumidifier | | Central A/C | | Window A/C | | Thermostat | | Audits | | Renewable | | Air Source Heat Pump | | HP Water Heater | | Fan | | | | | |
|---------|-------|-----------------|------------|--------------|-----------|------------|-----------|--------------|----------|-------------|-----------|------------|----------|------------|----------|--------|------------|-----------|-----------|----------------------|----------|-----------------|----------|-----|---------|-----|---------|--|--|
| | | QTY | Dollars | QTY | Dollars | QTY | Dollars | QTY | Dollars | QTY | Dollars | QTY | Dollars | QTY | Dollars | QTY | Dollars | TY | Dollars | QTY | Dollars | QTY | Dollars | QTY | Dollars | QTY | Dollars | | |
| | 2007 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2008 | 86 | \$ 4,300 | 47 | \$ 2,350 | 55 | \$ 2,750 | 71 | \$ 1,750 | 17 | \$ 1,700 | 10 | \$ 250 | 23 | \$ 230 | 107 | \$ 14,940 | | | | | | | | | | | | |
| | 2009 | 406 | \$ 20,300 | 259 | \$ 12,950 | 235 | \$ 11,750 | 40 | \$ 1,000 | 41 | \$ 4,100 | 50 | \$ 1,250 | 114 | \$ 1,140 | 107 | \$ 14,940 | | | | | | | | | | | | |
| | 2010 | 519 | \$ 25,950 | 371 | \$ 18,550 | 382 | \$ 19,100 | 37 | \$ 925 | 64 | \$ 6,400 | 49 | \$ 1,225 | 127 | \$ 1,270 | 64 | \$ 8,960 | 6 | \$ 20,700 | | | | | | | | | | |
| | 2011 | 425 | \$ 21,250 | 383 | \$ 19,150 | 313 | \$ 15,650 | 47 | \$ 1,175 | 57 | \$ 5,700 | 65 | \$ 1,625 | 118 | \$ 1,180 | 180 | \$ 26,960 | 4 | \$ 18,000 | | | | | | | | | | |
| | 2012 | 339 | \$ 16,950 | 354 | \$ 17,700 | 289 | \$ 14,450 | 38 | \$ 950 | 44 | \$ 4,400 | 56 | \$ 1,400 | 105 | \$ 1,050 | 219 | \$ 32,731 | 3 | \$ 14,000 | | | | | | | | | | |
| | 2013 | 285 | \$ 14,250 | 336 | \$ 16,800 | 311 | \$ 15,550 | 29 | \$ 725 | 24 | \$ 2,400 | 54 | \$ 1,350 | 57 | \$ 570 | 375 | \$ 75,000 | 3 | \$ 15,000 | 19 | \$ 1,900 | 4 | \$ 1,000 | 5 | \$ 50 | | | | |
| | 2014 | 71 | \$ 3,550 | 79 | \$ 3,950 | 56 | \$ 2,800 | 15 | \$ 375 | 10 | \$ 1,000 | 54 | \$ 1,350 | 19 | \$ 285 | 56 | \$ 11,200 | 4 | \$ 17,250 | 4 | \$ 400 | 1 | \$ 250 | 3 | \$ 30 | | | | |
| | Total | 2,131 | \$ 106,550 | 1,829 | \$ 91,450 | 1,641 | \$ 82,050 | 213 | \$ 5,325 | 257 | \$ 25,700 | 338 | \$ 8,450 | 563 | \$ 5,725 | 1,108 | \$ 184,731 | 20 | \$ 84,950 | 23 | \$ 2,300 | 14 | \$ 3,500 | 11 | \$ 110 | | | | |



ENGINEERING AND OPERATIONS
REPORT
BOARD REFERENCE TAB C



ANALYSIS OF CAPITAL PROJECTS



Analysis of Capital Projects

Meter Upgrade Project

As of 6/30/13

| Budget | Actual | Variance |
|---------------|---------------|-----------------|
| 1,912,973 | 1,613,801 | (299,172) |

Project Timeline

Contract award for meters 11/2010

Residential installations complete 6/2013

Commercial installations expected completion 12/2013

Fixed Network Project

As of 6/30/13

| Budget | Actual | Variance |
|---------------|---------------|-----------------|
| 1,502,514 | 1,451,414 | (51,100) |

Project Timeline

Contract award for fixed network equipment 12/2011

Fixed network installation completed 6/2013



READING MUNICIPAL LIGHT DEPARTMENT
 FY 14 CAPITAL BUDGET VARIANCE REPORT
 FOR PERIOD ENDING SEPTEMBER 30, 2013

| PROJECT DESCRIPTION | TOWN | ACTUAL COST SEP | YTD COST THRU SEP 2013 | ANNUAL BUDGET | REMAINING BALANCE |
|--|------|-------------------|------------------------|---------------------|---------------------|
| E&O Construction-System Projects | | | | | |
| 1 5W9 Reconductoring - Wildwood Street | W | | | \$ 169,494 | \$ 169,494 |
| 2 4W4 Reconductoring | W | | | \$ 166,340 | \$ 166,340 |
| 3 Upgrading Old Lynnfield Center URDs (Trog Hawley) (Partial Carryover) | LC | 22,555 | 37,794 | \$ 140,827 | \$ 103,033 |
| 4 Upgrading Old Lynnfield Center URDs (Cook's Farm) | LC | | | \$ 410,983 | \$ 410,983 |
| 5 4W5 - 4W6 Tie | R | | | \$ 96,596 | \$ 96,596 |
| 6 URD Upgrades - All Towns | ALL | 2,208 | 2,208 | \$ 210,005 | \$ 207,797 |
| 7 Stepdown Area Upgrades - All Towns | ALL | | | \$232,817 | \$ 232,817 |
| Total System Projects | | | | | |
| Station Upgrades | | | | | |
| 8 Relay Replacement Project - Gaw Station (Carryover) | R | | | \$ 117,181 | \$ 117,181 |
| 9 Gaw Station 35 kv Potential Transformer (PT) Replacement | R | | | \$ 40,288 | \$ 40,288 |
| 10 Station 3 - Replacement of Service Cutouts | NR | | | \$ 30,126 | \$ 30,126 |
| 11 Station 4 Getaway Replacement - 4W13 | R | | | \$ 245,147 | \$ 245,147 |
| 15 Station 5 - Getaway Replacements 5W9 and 5W10 | W | | | \$ 95,343 | \$ 95,343 |
| Total Station Projects | | | | | |
| SCADA Projects | | | | | |
| 30 RTU Replacement - Station 3 | NR | | | \$ 84,109 | \$ 84,109 |
| Total SCADA Projects | | | | | |
| New Customer Service Connections | | | | | |
| 12 Service Installations-Commercial/Industrial | ALL | 2,904 | 19,294 | \$ 55,549 | \$ 36,255 |
| 13 Service Installations - Residential Customers | ALL | 24,523 | 53,951 | \$ 200,302 | \$ 146,351 |
| Total Service Connections | | | | | |
| 14 Routine Construction Various | ALL | 166,829 | 463,114 | \$ 1,014,306 | \$ 551,192 |
| Total Construction Projects | | | | | |
| Other Projects | | | | | |
| 16 Transformers | | | | \$ 284,000 | \$ 284,000 |
| 17A Meter Purchases | | | | \$ 138,000 | \$ 138,000 |
| 17C AMR High-Powered ERT Comm. Meter Upgrade Project (Partial Carryover) | | 8,703 | 148,177 | \$ 114,601 | \$ (33,576) |
| 17D AMR High-Powered ERT 500 Club Meter Upgrade Project | | | | \$ 92,713 | \$ 92,713 |
| 18 Purchase New Pick-up Trucks | | | | \$ 70,000 | \$ 70,000 |
| 19 Purchase Two New Line Department Vehicles | | | | \$ 400,000 | \$ 400,000 |
| 20 Build Covered Storage (Multi-year Project) | | | | \$ 150,000 | \$ 150,000 |
| 21 HVAC System Upgrade (Multi-year Project) | | | | \$ 275,000 | \$ 275,000 |
| 22 Engineering Analysis Software and Data Conversion (Partial Carryover) | | | | \$ 37,081 | \$ 37,081 |
| 23 New Radio System (Multi-year Project) | | | | \$ 100,000 | \$ 100,000 |
| 24 Repairs - 226 Ash Street, Station 1 (Multi-year Project) | | | | \$ 520,000 | \$ 520,000 |
| 26 Communication Equipment | | | | \$ 100,000 | \$ 100,000 |
| 27 Hardware Upgrades | | 4,113 | 4,113 | \$ 181,000 | \$ 176,887 |
| 28 Software and Licensing | | 3,415 | 30,857 | \$ 180,200 | \$ 149,343 |
| 29 Master Site Plan and Photovoltaic Generation Installation | | | | \$ 150,000 | \$ 150,000 |
| Total Other Projects | | | | | |
| TOTAL CAPITAL BUDGET | | | | | |
| | | \$ 16,231 | 183,147 | \$ 2,792,594 | \$ 2,609,447 |
| | | \$ 235,251 | 759,508 | \$ 6,102,008 | \$ 5,342,501 |



**Reading Municipal Light Department
Engineering and Operations
Monthly Report
September 2013**

FY 2014 Capital Plan

E&O Construction – System Projects

- 1 **5W9 Reconductoring – Wildwood Street:** *Project scheduled for October.*
- 2 **4W4 Reconductoring:** *Project not yet scheduled.*
- 3 **Upgrading of Old Lynnfield Center URDs (Trog Hawley - Partial Carryover):**
Installed splices to connect into primary loop. Energized new primary. Finished primary loop. Installed pull boxes. Cut over services. Line department installed new padmount transformers and secondary.
- 4 **Upgrading of Old Lynnfield Center URDs (Cook's Farm):** *Project not yet scheduled.*
- 5 **4W5-4W6 Tie:** *Project scheduled for October*
- 6 **URD Upgrades – All Towns:** Quail Run, Wilmington – Replaced padmount transformer and repaired faulted primary loop
- 7 **Stepdown Area Upgrades – All Towns:** *No charges for the month.*

Station Upgrades

- 8 **Station 4 (Gaw) Relay Replacement Project (Partial Carryover):** Project not yet scheduled.
- 9 **Station 4 (Gaw) 35kv Potential Transformer Replacement:** Project not yet scheduled.
- 10 **Station 3 – Replacement of Service Cutouts:** Project not yet scheduled.
- 11 **Station 4 (Gaw) Getaway Replacement – 4W13:** Project not yet scheduled.
- 15 **Station 5 – Getaway Replacements 5W9 and 5W10:** Project schedule for November.

SCADA Projects

- 30 **Station 3 - RTU Replacement:** *Project not yet scheduled.*

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 replacements/installations, primary or secondary cable replacements/installations, etc. This portion of the project comes under routine construction. *Projects include North Reading Middle and High Schools and 300 Lowell Street (Burton's Grill) in Wilmington.*
- 13 **Service Installations – Residential Customers** – This item includes new or upgraded overhead and underground services, temporary overhead services.

Routine Construction

- 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.

| | |
|---|----------------------------|
| Pole Setting/Transfers | 70,351.53 |
| Maintenance Overhead/Underground | 170,151.70 |
| Projects Assigned as Required | 85,700.66 |
| Pole Damage/Knockdowns - Some Reimbursable | 22,688.44 |
| Station Group | 2,067.14 |
| Hazmat/Oil Spills | 51,785.61 |
| Porcelain Cutout Replacement Program (1) | - |
| Lighting (Street Light Connections) | 6,195.09 |
| Storm Trouble | 6,450.72 |
| Underground Subdivisions (new construction) | 4,205.11 |
| Animal Guard Installation | 1,021.55 |
| Miscellaneous Capital Costs | 42,496.45 |
| YTD TOTAL: | <u>\$463,114.00</u> |

- (1) In September (0) cutouts were charged under this program. Approximately 19 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.

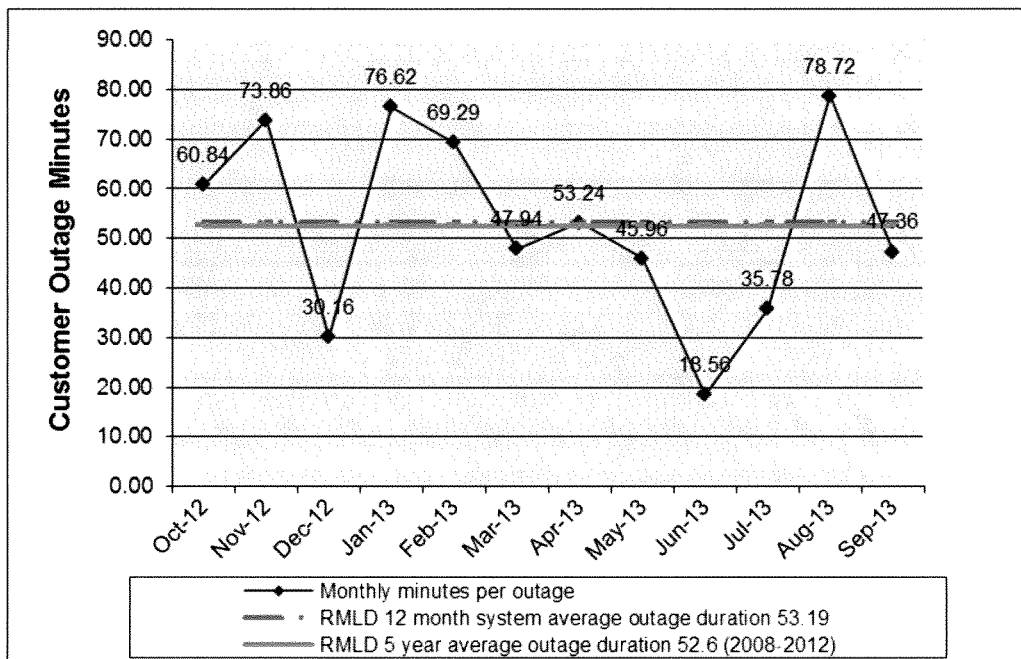
Customer Average Interruption Duration Index (CAIDI) measures how quickly the RMLD restores power to customers when their power goes out.

CAIDI = Total of Customer Interruption Duration for the Month in Minutes ÷ Total Number of Customers Interrupted.

RMLD 12-month system average outage duration: 53.19 minutes

RMLD five-year average outage (2008-12): 52.6 minutes per outage

On average, RMLD customers that experience an outage are restored in 53.19 minutes.

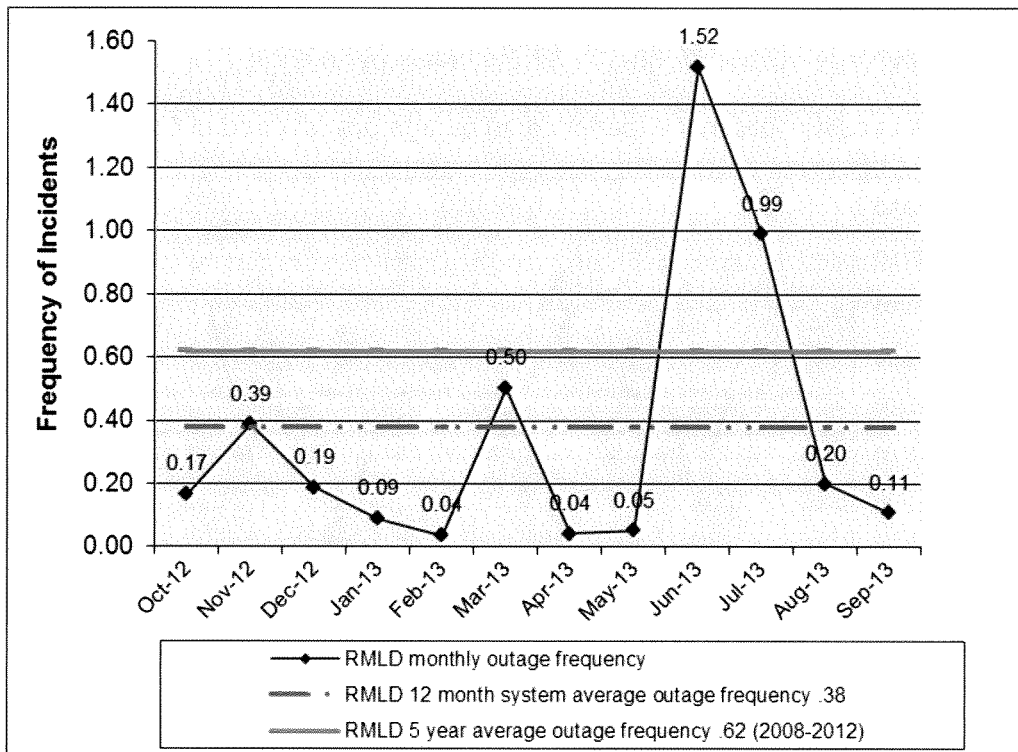


System Average Interruption Frequency (SAIFI) – Measures how many outages each customer experiences per year on average.

$$\text{SAIFI} = \frac{\text{Total Number of Customers Interrupted}}{\text{Total Number of Customers}}$$

RMLD 12-month system average: 0.38 outages per year
 RMLD five-year average outage frequency (2008-12): 0.62

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 RMLD customers have no interruptions. At this time, the average RMLD customer experiences an outage approximately every 32 months.

FINANCIAL REPORT
BOARD REFERENCE TAB D



Dt: October 25, 2013

To: RMLB, Coleen O'Brien, Jeanne Foti

Fr: Bob Fournier

Sj: September 30, 2013 Report

The results for the first three months ending September 30, 2013, for the fiscal year 2014 will be summarized in the following paragraphs.

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

For the month of September, the net income or the positive change in net assets was \$1,463,882, bringing the year to date net income to \$1,907,009. The year to date budgeted net income was \$2,828,292, resulting in net income being under budget by \$921,282 or 32.6%. Actual year to date fuel revenues exceeded fuel expenses by \$885,517.

2) Revenues: (Page 11B)

Year to date base revenues were under budget by \$659,035 or 4.8%. Actual base revenues were \$13.1 million compared to the budgeted amount of \$13.8 million.

3) Expenses: (Page 12A)

*Year to date purchased power base expense was under budget by \$85,514 or 1.1%. Actual purchased power base costs were \$7.8 million compared to the budgeted amount of \$7.9 million.

*Year to date operating and maintenance (O&M) expenses combined were under budget by \$68,868 or 2.1%. Actual O&M expenses were \$3.2 million compared to the budgeted amount of \$3.3 million.

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

4) Cash: (Page 9)

*Operating Fund was at \$8,226,356.

* Capital Fund balance was at \$4,420,232.

* Rate Stabilization Fund was at \$6,695,667.

* Deferred Fuel Fund was at \$3,495,004.

* Energy Conservation Fund was at \$437,139.

5) General Information:

Year to date kwh sales (Page 5) were 202,169,978 which is 6.3 million kwh or 3.1%, behind last year's actual figure. GAW revenues collected ytd were \$202,191 bringing the total collected since inception to \$2,195,416.

6) Budget Variance:

Cumulatively, the five divisions were under budget by \$67,830 or 1.3%.



FINANCIAL REPORT

SEPTEMBER 30, 2013

ISSUE DATE: OCTOBER 25, 2013



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF NET ASSETS
9/30/13

| | PREVIOUS YEAR | CURRENT YEAR |
|---|----------------|----------------|
| ASSETS | | |
| CURRENT | | |
| UNRESTRICTED CASH (SCH A P.9) | 11,444,830.39 | 8,229,356.39 |
| RESTRICTED CASH (SCH A P.9) | 19,639,949.68 | 20,202,747.62 |
| RECEIVABLES, NET (SCH B P.10) | 9,405,647.09 | 8,195,375.49 |
| PREPAID EXPENSES (SCH B P.10) | 1,669,804.18 | 1,411,727.14 |
| INVENTORY | 1,449,231.83 | 1,521,933.75 |
| TOTAL CURRENT ASSETS | 43,609,463.17 | 39,561,140.39 |
| NONCURRENT | | |
| INVESTMENT IN ASSOCIATED CO (SCH C P.2) | 61,574.36 | 37,060.48 |
| CAPITAL ASSETS, NET (SCH C P.2) | 69,277,575.61 | 70,009,019.31 |
| TOTAL NONCURRENT ASSETS | 69,339,149.97 | 70,046,079.79 |
| TOTAL ASSETS | 112,948,613.14 | 109,607,220.18 |
| LIABILITIES | | |
| CURRENT | | |
| ACCOUNTS PAYABLE | 8,110,834.57 | 4,906,426.64 |
| CUSTOMER DEPOSITS | 581,105.60 | 746,358.61 |
| CUSTOMER ADVANCES FOR CONSTRUCTION | 388,559.17 | 427,384.15 |
| ACCRUED LIABILITIES | 1,812,646.43 | 170,301.90 |
| TOTAL CURRENT LIABILITIES | 10,893,145.77 | 6,250,471.30 |
| NONCURRENT | | |
| ACCRUED EMPLOYEE COMPENSATED ABSENCES | 2,982,915.76 | 3,132,560.84 |
| TOTAL NONCURRENT LIABILITIES | 2,982,915.76 | 3,132,560.84 |
| TOTAL LIABILITIES | 13,876,061.53 | 9,383,032.14 |
| NET ASSETS | | |
| INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT | 69,277,575.61 | 70,009,019.31 |
| RESTRICTED FOR DEPRECIATION FUND (P.9) | 3,553,748.93 | 3,679,743.06 |
| UNRESTRICTED | 26,241,227.07 | 26,535,425.67 |
| TOTAL NET ASSETS (P.3) | 99,072,551.61 | 100,224,188.04 |
| TOTAL LIABILITIES AND NET ASSETS | 112,948,613.14 | 109,607,220.18 |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
NONCURRENT ASSET SCHEDULE
9/30/13

SCHEDULE C

| | PREVIOUS YEAR | CURRENT YEAR |
|---|----------------------|----------------------|
| SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES | | |
| NEW ENGLAND HYDRO ELECTRIC | 2,975.74 | 3,261.87 |
| NEW ENGLAND HYDRO TRANSMISSION | 58,598.62 | 33,798.61 |
| TOTAL INVESTMENTS IN ASSOCIATED COMPANIES | <u>61,574.36</u> | <u>37,060.48</u> |
| SCHEDULE OF CAPITAL ASSETS | | |
| LAND | 1,265,842.23 | 1,265,842.23 |
| STRUCTURES AND IMPROVEMENTS | 6,685,437.16 | 6,430,802.65 |
| EQUIPMENT AND FURNISHINGS | 12,341,591.34 | 12,464,470.46 |
| INFRASTRUCTURE | <u>48,984,704.88</u> | <u>49,847,903.97</u> |
| TOTAL CAPITAL ASSETS, NET | <u>69,277,575.61</u> | <u>70,009,019.31</u> |
| TOTAL NONCURRENT ASSETS | <u>69,339,149.97</u> | <u>70,046,079.79</u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
9/30/13

| | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|--|---------------------|-----------------------|----------------------|-------------------------|-----------------|
| OPERATING REVENUES: (SCH D P.11) | | | | | |
| BASE REVENUE | 4,657,037.84 | 4,388,093.22 | 13,449,113.84 | 13,155,956.58 | -2.18% |
| FUEL REVENUE | 3,486,749.45 | 3,096,134.62 | 9,894,571.41 | 9,434,647.92 | -4.65% |
| PURCHASED POWER CAPACITY | 222,443.57 | 23,406.80 | 631,177.04 | 68,739.15 | -89.11% |
| FORFEITED DISCOUNTS | 93,328.33 | 76,781.85 | 278,889.48 | 223,391.10 | -19.90% |
| ENERGY CONSERVATION REVENUE | 72,361.13 | 67,828.50 | 205,304.34 | 199,262.86 | -2.94% |
| GAW REVENUE | 73,418.73 | 68,822.22 | 208,347.42 | 202,191.02 | -2.95% |
| NYPA CREDIT | (47,478.80) | (61,811.13) | (152,951.50) | (149,297.25) | -2.39% |
| TOTAL OPERATING REVENUES | 8,557,860.25 | 7,659,256.08 | 24,514,452.03 | 23,134,891.38 | -5.63% |
| OPERATING EXPENSES: (SCH E P.12) | | | | | |
| PURCHASED POWER BASE | 2,520,662.38 | 2,424,682.96 | 7,800,416.79 | 7,811,025.76 | 0.14% |
| PURCHASED POWER FUEL | 2,646,309.32 | 2,168,234.24 | 9,806,635.80 | 8,399,833.69 | -14.35% |
| OPERATING MAINTENANCE | 607,564.45 | 778,965.79 | 2,152,869.97 | 2,567,919.66 | 19.28% |
| DEPRECIATION | 155,083.78 | 280,641.65 | 458,820.32 | 673,512.51 | 46.79% |
| VOLUNTARY PAYMENTS TO TOWNS | 305,469.18 | 314,969.55 | 916,407.54 | 944,908.65 | 3.11% |
| | 114,000.00 | 116,666.67 | 342,000.00 | 350,000.01 | 2.34% |
| TOTAL OPERATING EXPENSES | 6,349,089.11 | 6,084,160.86 | 21,477,150.42 | 20,747,200.28 | -3.40% |
| OPERATING INCOME | 2,208,771.14 | 1,575,095.22 | 3,037,301.61 | 2,387,691.10 | -21.39% |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| CONTRIBUTIONS IN AID OF CONST | 4,051.18 | (280.37) | 36,746.75 | 4,937.38 | -86.56% |
| RETURN ON INVESTMENT TO READING | (188,785.58) | (191,768.41) | (566,356.74) | (575,305.25) | 1.58% |
| INTEREST INCOME | 2,970.63 | 2,285.65 | 9,612.94 | 7,361.47 | -23.42% |
| INTEREST EXPENSE | (257.20) | (254.60) | (776.46) | (770.38) | -0.78% |
| OTHER (MDSE AND AMORT) | 4,953.18 | 78,804.93 | 21,963.52 | 83,094.93 | 278.33% |
| TOTAL NONOPERATING REV (EXP) | (177,067.79) | (111,212.80) | (498,809.99) | (480,681.85) | -3.63% |
| CHANGE IN NET ASSETS | 2,031,703.35 | 1,463,882.42 | 2,538,491.62 | 1,907,009.25 | -24.88% |
| NET ASSETS AT BEGINNING OF YEAR | | | 96,534,059.99 | 98,317,178.79 | 1.85% |
| NET ASSETS AT END OF SEPTEMBER | | | 99,072,551.61 | 100,224,188.04 | 1.16% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
9/30/13

| | ACTUAL YEAR TO DATE | BUDGET YEAR TO DATE | VARIANCE* | % CHANGE |
|--|------------------------|------------------------|-----------------------|----------------|
| OPERATING REVENUES: (SCH F P.11B) | | | | |
| BASE REVENUE | 13,155,956.58 | 13,814,992.00 | (659,035.42) | -4.77% |
| FUEL REVENUE | 9,434,647.92 | 9,582,134.00 | (147,486.08) | -1.54% |
| PURCHASED POWER CAPACITY | 68,739.15 | 309,819.00 | (241,079.85) | -77.81% |
| FORFEITED DISCOUNTS | 223,391.10 | 303,930.00 | (80,538.90) | -26.50% |
| ENERGY CONSERVATION REVENUE | 199,262.86 | 208,522.00 | (9,259.14) | -4.44% |
| GAW REVENUE | 202,191.02 | 208,522.00 | (6,330.98) | -3.04% |
| NYPA CREDIT | (149,297.25) | (174,999.00) | 25,701.75 | -14.69% |
| TOTAL OPERATING REVENUES | 23,134,891.38 | 24,252,920.00 | (1,118,028.62) | -4.61% |
| OPERATING EXPENSES: (SCH G P.12A) | | | | |
| PURCHASED POWER BASE | 7,811,025.76 | 7,896,540.00 | (85,514.24) | -1.08% |
| PURCHASED POWER FUEL | 8,399,833.69 | 8,470,341.00 | (70,507.31) | -0.83% |
| OPERATING MAINTENANCE | 2,567,919.66 | 2,520,522.00 | 47,397.66 | 1.88% |
| DEPRECIATION | 673,512.51 | 789,778.00 | (116,265.49) | -14.72% |
| VOLUNTARY PAYMENTS TO TOWNS | 944,908.65 | 943,800.00 | 1,108.65 | 0.12% |
| | 350,000.01 | 349,998.00 | 2.01 | 0.00% |
| TOTAL OPERATING EXPENSES | 20,747,200.28 | 20,970,979.00 | (223,778.72) | -1.07% |
| OPERATING INCOME | 2,387,691.10 | 3,281,941.00 | (894,249.90) | -27.25% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| CONTRIBUTIONS IN AID OF CONST | 4,937.38 | 50,000.00 | (45,062.62) | -90.13% |
| RETURN ON INVESTMENT TO READING | (575,305.25) | (575,400.00) | 94.75 | -0.02% |
| INTEREST INCOME | 7,361.47 | 12,501.00 | (5,139.53) | -41.11% |
| INTEREST EXPENSE | (770.38) | (750.00) | (20.38) | 2.72% |
| OTHER (MDSE AND AMORT) | 83,094.93 | 60,000.00 | 23,094.93 | 38.49% |
| TOTAL NONOPERATING REV (EXP) | (480,681.85) | (453,649.00) | (27,032.85) | 5.96% |
| CHANGE IN NET ASSETS | 1,907,009.25 | 2,828,292.00 | (921,282.75) | -32.57% |
| NET ASSETS AT BEGINNING OF YEAR | 98,317,178.79 | 98,317,178.79 | 0.00 | 0.00% |
| NET ASSETS AT END OF SEPTEMBER | 100,224,188.04 | 101,145,470.79 | (921,282.75) | -0.91% |

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
RECONCILIATION OF CAPITAL FUNDS
9/30/13

SOURCE OF CAPITAL FUNDS:

| | |
|-------------------------------------|-------------------|
| DEPRECIATION FUND BALANCE 7/1/13 | 2,733,146.78 |
| CONSTRUCTION FUND BALANCE 7/1/13 | 1,500,000.00 |
| INTEREST ON DEPRECIATION FUND FY 14 | 1,687.63 |
| DEPRECIATION TRANSFER FY 14 | <u>944,908.65</u> |
| TOTAL SOURCE OF CAPITAL FUNDS | 5,179,743.06 |

USE OF CAPITAL FUNDS:

| | |
|--|----------------------------|
| LESS PAID ADDITIONS TO PLANT THRU SEPTEMBER | 759,510.35 |
| GENERAL LEDGER CAPITAL FUNDS BALANCE 9/30/13 | <u><u>4,420,232.71</u></u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SALES OF KILOWATT HOURS
9/30/13

| SALES OF ELECTRICITY: | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|----------------------------------|--------------------|-----------------------|----------------------|-------------------------|-----------------|
| RESIDENTIAL SALES | 28,615,201 | 25,540,399 | 82,232,730 | 80,169,552 | -2.51% |
| COMM. AND INDUSTRIAL SALES | 42,247,434 | 40,557,855 | 118,741,155 | 114,464,916 | -3.60% |
| PRIVATE STREET LIGHTING | 72,942 | 73,957 | 219,287 | 222,003 | 1.24% |
| TOTAL PRIVATE CONSUMERS | <u>70,935,577</u> | <u>66,172,211</u> | <u>201,193,172</u> | <u>194,856,471</u> | -3.15% |
| MUNICIPAL SALES: | | | | | |
| STREET LIGHTING | 237,606 | 239,515 | 712,778 | 718,505 | 0.80% |
| MUNICIPAL BUILDINGS | 894,308 | 875,317 | 2,566,286 | 2,461,219 | -4.09% |
| TOTAL MUNICIPAL CONSUMERS | <u>1,131,914</u> | <u>1,114,832</u> | <u>3,279,064</u> | <u>3,179,724</u> | -3.03% |
| SALES FOR RESALE | 401,955 | 365,264 | 1,138,220 | 1,089,486 | -4.28% |
| SCHOOL | 1,153,299 | 1,159,553 | 2,910,602 | 3,044,297 | 4.59% |
| TOTAL KILOWATT HOURS SOLD | <u>73,622,745</u> | <u>68,811,860</u> | <u>208,521,058</u> | <u>202,169,978</u> | -3.05% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
KILOWATT HOURS SOLD BY TOWN
9/30/13

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|---------------|-------------------|-------------------|------------------|-------------------|-------------------|
| RESIDENTIAL | 25,540,399 | 8,355,664 | 3,678,696 | 6,082,559 | 7,423,480 |
| COMM & IND | 40,557,855 | 4,937,863 | 396,805 | 6,260,065 | 28,963,122 |
| PVT ST LIGHTS | 73,957 | 13,129 | 1,360 | 22,030 | 37,438 |
| PUB ST LIGHTS | 239,515 | 80,662 | 32,500 | 41,686 | 84,667 |
| MUNI BLDGS | 875,317 | 197,823 | 179,751 | 166,202 | 331,541 |
| SALES/RESALE | 365,264 | 365,264 | 0 | 0 | 0 |
| SCHOOL | 1,159,553 | 406,306 | 265,058 | 138,280 | 349,909 |
| TOTAL | 68,811,860 | 14,356,711 | 4,554,170 | 12,710,822 | 37,190,157 |

YEAR TO DATE

| | | | | | |
|---------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| RESIDENTIAL | 80,169,552 | 24,831,914 | 11,854,932 | 18,651,433 | 24,831,273 |
| COMM & IND | 114,464,916 | 14,024,549 | 961,054 | 17,719,602 | 81,759,711 |
| PVT ST LIGHTS | 222,003 | 39,387 | 4,080 | 66,526 | 112,010 |
| PUB ST LIGHTS | 718,505 | 241,986 | 97,500 | 125,018 | 254,001 |
| MUNI BLDGS | 2,461,219 | 567,020 | 505,645 | 495,125 | 893,429 |
| SALES/RESALE | 1,089,486 | 1,089,486 | 0 | 0 | 0 |
| SCHOOL | 3,044,297 | 1,111,061 | 726,618 | 358,960 | 847,658 |
| TOTAL | 202,169,978 | 41,905,403 | 14,149,829 | 37,416,664 | 108,698,082 |

LAST YEAR
TO DATE

| | | | | | |
|---------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| RESIDENTIAL | 82,232,730 | 25,054,849 | 12,296,002 | 19,195,943 | 25,685,936 |
| COMM & IND | 118,741,155 | 15,048,939 | 912,707 | 18,540,415 | 84,239,094 |
| PVT ST LIGHTS | 219,287 | 40,755 | 4,080 | 63,888 | 110,564 |
| PUB ST LIGHTS | 712,778 | 241,608 | 97,460 | 120,129 | 253,581 |
| MUNI BLDGS | 2,566,286 | 582,673 | 461,828 | 551,632 | 970,153 |
| SALES/RESALE | 1,138,220 | 1,138,220 | 0 | 0 | 0 |
| SCHOOL | 2,910,602 | 1,050,100 | 628,601 | 345,680 | 886,221 |
| TOTAL | 208,521,058 | 43,157,144 | 14,400,678 | 38,817,687 | 112,145,549 |

KILOWATT HOURS SOLD TO TOTAL

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|---------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 37.12% | 12.14% | 5.35% | 8.84% | 10.79% |
| COMM & IND | 58.93% | 7.18% | 0.58% | 9.10% | 42.07% |
| PVT ST LIGHTS | 0.11% | 0.02% | 0.00% | 0.03% | 0.06% |
| PUB ST LIGHTS | 0.35% | 0.12% | 0.05% | 0.06% | 0.12% |
| MUNI BLDGS | 1.27% | 0.29% | 0.26% | 0.24% | 0.48% |
| SALES/RESALE | 0.53% | 0.53% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.69% | 0.59% | 0.39% | 0.20% | 0.51% |
| TOTAL | 100.00% | 20.87% | 6.63% | 18.47% | 54.03% |

YEAR TO DATE

| | | | | | |
|---------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 39.65% | 12.28% | 5.86% | 9.23% | 12.28% |
| COMM & IND | 56.62% | 6.94% | 0.48% | 8.76% | 40.44% |
| PVT ST LIGHTS | 0.11% | 0.02% | 0.00% | 0.03% | 0.06% |
| PUB ST LIGHTS | 0.36% | 0.12% | 0.05% | 0.06% | 0.13% |
| MUNI BLDGS | 1.21% | 0.28% | 0.25% | 0.24% | 0.44% |
| SALES/RESALE | 0.54% | 0.54% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.51% | 0.55% | 0.36% | 0.18% | 0.42% |
| TOTAL | 100.00% | 20.73% | 7.00% | 18.50% | 53.77% |

LAST YEAR
TO DATE

| | | | | | |
|---------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 39.43% | 12.02% | 5.90% | 9.21% | 12.30% |
| COMM & IND | 56.94% | 7.22% | 0.44% | 8.89% | 40.39% |
| PVT ST LIGHTS | 0.11% | 0.02% | 0.00% | 0.03% | 0.06% |
| PUB ST LIGHTS | 0.34% | 0.12% | 0.05% | 0.06% | 0.11% |
| MUNI BLDGS | 1.23% | 0.28% | 0.22% | 0.26% | 0.47% |
| SALES/RESALE | 0.55% | 0.55% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.40% | 0.50% | 0.30% | 0.17% | 0.43% |
| TOTAL | 100.00% | 20.71% | 6.91% | 18.62% | 53.76% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
FORMULA INCOME
9/30/13

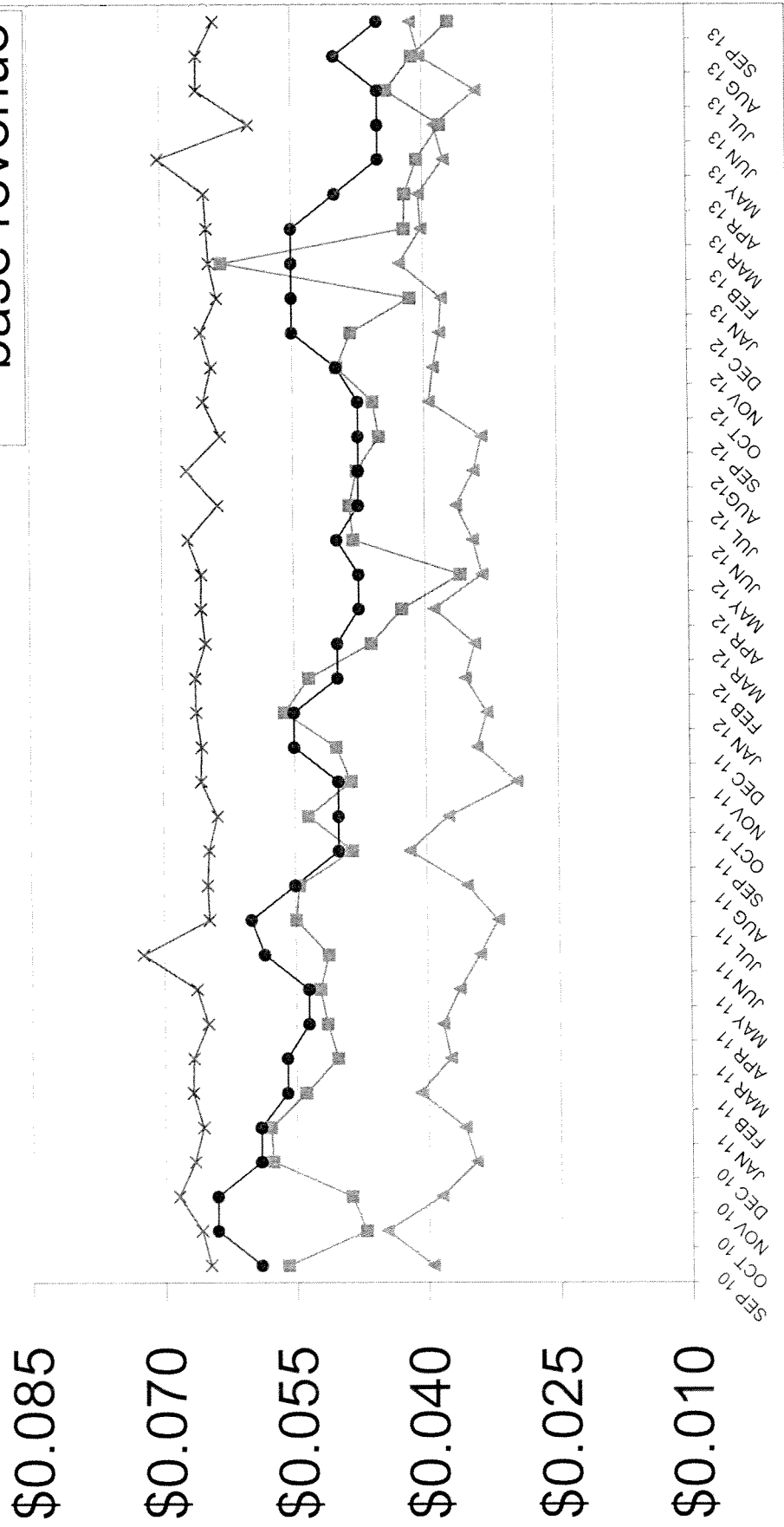
| | | |
|--------------------------------------|-------|---------------------|
| TOTAL OPERATING REVENUES | (P.3) | 23,134,891.38 |
| ADD: | | |
| POLE RENTAL | | 77,296.08 |
| INTEREST INCOME ON CUSTOMER DEPOSITS | | 347.94 |
| LESS: | | |
| OPERATING EXPENSES | (P.3) | (20,747,200.28) |
| CUSTOMER DEPOSIT INTEREST EXPENSE | | (770.38) |
| FORMULA INCOME (LOSS) | | <u>2,464,564.74</u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
GENERAL STATISTICS
9/30/13

| | | MONTH OF SEP 2012 | MONTH OF SEP 2013 | % CHANGE | | YEAR SEP 2012 | THRU SEP 2013 |
|---------------------------|-------|----------------------|----------------------|----------|--------|------------------|------------------|
| | | | | 2012 | 2013 | | |
| SALE OF KWH | (P.5) | 73,622,745 | 68,811,860 | 3.13% | -3.05% | 208,521,058 | 202,169,978 |
| KWH PURCHASED | | 58,633,476 | 58,649,074 | 1.22% | -3.68% | 207,546,400 | 199,904,885 |
| AVE BASE COST PER KWH | | 0.042990 | 0.041342 | 6.42% | 3.96% | 0.037584 | 0.039074 |
| AVE BASE SALE PER KWH | | 0.063255 | 0.063769 | -0.52% | 0.89% | 0.064498 | 0.065074 |
| AVE COST PER KWH | | 0.088123 | 0.078312 | -3.81% | -4.41% | 0.084834 | 0.081093 |
| AVE SALE PER KWH | | 0.110615 | 0.108764 | -6.66% | -0.19% | 0.111949 | 0.111741 |
| FUEL CHARGE REVENUE (P.3) | | 3,486,749.45 | 3,096,134.62 | -11.19% | -4.65% | 9,894,571.41 | 9,434,647.92 |
| LOAD FACTOR | | 61.99% | 51.42% | | | | |
| PEAK LOAD | | 129,569 | 156,230 | | | | |

kwh analysis

- ▲ base cost
- fuel cost
- fuel revenue
- * base revenue



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF CASH AND INVESTMENTS
9/30/13

SCHEDULE A

| | PREVIOUS YEAR | CURRENT YEAR |
|------------------------------------|---------------|---------------|
| UNRESTRICTED CASH | | |
| CASH - OPERATING FUND | 11,441,830.39 | 8,226,356.39 |
| CASH - PETTY CASH | 3,000.00 | 3,000.00 |
| TOTAL UNRESTRICTED CASH | 11,444,830.39 | 8,229,356.39 |
| | | |
| RESTRICTED CASH | | |
| CASH - DEPRECIATION FUND | 3,553,748.93 | 3,679,743.06 |
| CASH - CONSTRUCTION FUND | 656,100.32 | 740,489.65 |
| CASH - TOWN PAYMENT | 908,356.50 | 925,305.27 |
| CASH - DEFERRED FUEL RESERVE | 2,205,028.59 | 3,495,004.36 |
| CASH - RATE STABILIZATION FUND | 6,683,641.82 | 6,695,667.22 |
| CASH - UNCOLLECTIBLE ACCTS RESERVE | 200,000.00 | 200,000.00 |
| CASH - SICK LEAVE BENEFITS | 2,984,836.31 | 3,133,039.93 |
| CASH - HAZARD WASTE RESERVE | 150,000.00 | 150,000.00 |
| CASH - CUSTOMER DEPOSITS | 581,105.60 | 746,358.61 |
| CASH - ENERGY CONSERVATION | 371,427.19 | 437,139.52 |
| CASH - OPEB | 1,345,704.42 | 0.00 |
| TOTAL RESTRICTED CASH | 19,639,949.68 | 20,202,747.62 |
| | | |
| TOTAL CASH BALANCE | 31,084,780.07 | 28,432,104.01 |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF ACCOUNTS RECEIVABLE
9/30/13

SCHEDULE B

| SCHEDULE OF ACCOUNTS RECEIVABLE | PREVIOUS YEAR | CURRENT YEAR |
|---|----------------------------|----------------------------|
| RESIDENTIAL AND COMMERCIAL | 4,593,945.14 | 4,382,722.72 |
| ACCOUNTS RECEIVABLE - OTHER | 443,722.77 | 191,098.46 |
| ACCOUNTS RECEIVABLE - LIENS | 28,084.71 | 28,097.35 |
| ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES | 892.14 | 892.14 |
| SALES DISCOUNT LIABILITY | (345,386.49) | (336,183.12) |
| RESERVE FOR UNCOLLECTIBLE ACCOUNTS | (231,548.01) | (229,274.56) |
| TOTAL ACCOUNTS RECEIVABLE BILLED | <u>4,489,710.26</u> | <u>4,037,352.99</u> |
| UNBILLED ACCOUNTS RECEIVABLE | 4,915,936.83 | 4,158,022.50 |
| TOTAL ACCOUNTS RECEIVABLE, NET | <u><u>9,405,647.09</u></u> | <u><u>8,195,375.49</u></u> |

SCHEDULE OF PREPAYMENTS

| | | |
|---------------------------------|----------------------------|----------------------------|
| PREPAID INSURANCE | 889,827.35 | 878,713.48 |
| PREPAYMENT PURCHASED POWER | 278,189.85 | 45,427.17 |
| PREPAYMENT PASNY | 241,849.32 | 242,260.90 |
| PREPAYMENT WATSON | 245,413.96 | 230,801.89 |
| PURCHASED POWER WORKING CAPITAL | 14,523.70 | 14,523.70 |
| TOTAL PREPAYMENT | <u><u>1,669,804.18</u></u> | <u><u>1,411,727.14</u></u> |

ACCOUNTS RECEIVABLE AGING SEPTEMBER 2013:

| | |
|--------------------------------|----------------------------|
| RESIDENTIAL AND COMMERCIAL | 4,382,722.72 |
| LESS: SALES DISCOUNT LIABILITY | (336,183.12) |
| GENERAL LEDGER BALANCE | <u><u>4,046,539.60</u></u> |

| | | |
|--------------|----------------------------|-----------------------|
| CURRENT | 3,529,054.48 | 87.21% |
| 30 DAYS | 375,232.35 | 9.27% |
| 60 DAYS | 85,673.12 | 2.12% |
| 90 DAYS | 9,169.21 | 0.23% |
| OVER 90 DAYS | <u>47,410.44</u> | <u>1.17%</u> |
| TOTAL | <u><u>4,046,539.60</u></u> | <u><u>100.00%</u></u> |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE
9/30/13

SCHEDULE D

| SALES OF ELECTRICITY: | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|-----------------------------------|---------------------|-----------------------|----------------------|-------------------------|-----------------|
| RESIDENTIAL SALES | 3,562,227.24 | 3,132,641.80 | 10,250,398.47 | 9,961,643.09 | -2.82% |
| COMM AND INDUSTRIAL SALES | 4,273,355.21 | 4,057,260.29 | 12,243,894.19 | 11,788,188.40 | -3.72% |
| PRIVATE STREET LIGHTING | 5,660.95 | 5,595.73 | 17,070.67 | 17,178.79 | 0.63% |
| TOTAL PRIVATE CONSUMERS | <u>7,841,243.40</u> | <u>7,195,497.82</u> | <u>22,511,363.33</u> | <u>21,767,010.28</u> | -3.31% |
| | | | | | |
| MUNICIPAL SALES: | | | | | |
| STREET LIGHTING | 27,917.05 | 27,072.58 | 83,745.15 | 82,409.26 | -1.60% |
| MUNICIPAL BUILDINGS | 99,752.10 | 95,737.98 | 289,709.14 | 278,037.77 | -4.03% |
| TOTAL MUNICIPAL CONSUMERS | <u>127,669.15</u> | <u>122,810.56</u> | <u>373,454.29</u> | <u>360,447.03</u> | -3.48% |
| | | | | | |
| SALES FOR RESALE | 46,702.18 | 41,577.45 | 132,251.36 | 125,818.59 | -4.86% |
| | | | | | |
| SCHOOL | 128,172.56 | 124,342.01 | 326,616.27 | 337,328.60 | 3.28% |
| | | | | | |
| SUB-TOTAL | <u>8,143,787.29</u> | <u>7,484,227.84</u> | <u>23,343,685.25</u> | <u>22,590,604.50</u> | -3.23% |
| | | | | | |
| FORFEITED DISCOUNTS | 93,328.33 | 76,781.85 | 278,889.48 | 223,391.10 | -19.90% |
| | | | | | |
| PURCHASED POWER CAPACITY | 222,443.57 | 23,406.80 | 631,177.04 | 68,739.15 | -89.11% |
| | | | | | |
| ENERGY CONSERVATION - RESIDENTIAL | 28,614.91 | 25,554.01 | 82,265.53 | 80,206.52 | -2.50% |
| ENERGY CONSERVATION - COMMERCIAL | 43,746.22 | 42,274.49 | 123,038.81 | 119,056.34 | -3.24% |
| GAW REVENUE | 73,418.73 | 68,822.22 | 208,347.42 | 202,191.02 | -2.95% |
| NYPA CREDIT | (47,478.80) | (61,811.13) | (152,951.50) | (149,297.25) | -2.39% |
| TOTAL REVENUE | <u>8,557,860.25</u> | <u>7,659,256.08</u> | <u>24,514,452.03</u> | <u>23,134,891.38</u> | -5.63% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE BY TOWN
9/30/13

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-----------------|---------------------|---------------------|-------------------|---------------------|---------------------|
| RESIDENTIAL | 3,132,641.80 | 1,027,167.11 | 449,253.91 | 744,412.98 | 911,807.80 |
| INDUS/MUNI BLDG | 4,152,998.27 | 548,281.45 | 60,207.74 | 660,125.00 | 2,884,384.08 |
| PUB. ST. LIGHTS | 27,072.58 | 8,808.47 | 3,479.27 | 4,793.23 | 9,991.61 |
| PRV. ST. LIGHTS | 5,595.73 | 979.46 | 101.21 | 1,728.85 | 2,786.21 |
| CO-OP RESALE | 41,577.45 | 41,577.45 | 0.00 | 0.00 | 0.00 |
| SCHOOL | 124,342.01 | 44,032.99 | 28,199.54 | 15,044.46 | 37,065.02 |
| TOTAL | 7,484,227.84 | 1,670,846.93 | 541,241.67 | 1,426,104.52 | 3,846,034.72 |

| THIS YEAR TO DATE | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-------------------|----------------------|---------------------|---------------------|---------------------|----------------------|
| RESIDENTIAL | 9,961,643.09 | 3,102,957.12 | 1,463,052.89 | 2,319,914.15 | 3,075,718.93 |
| INDUS/MUNI BLDG | 12,066,226.17 | 1,606,957.16 | 161,557.73 | 1,926,936.10 | 8,370,775.18 |
| PUB. ST. LIGHTS | 82,409.26 | 26,828.72 | 10,600.31 | 14,582.09 | 30,398.14 |
| PRV. ST. LIGHTS | 17,178.79 | 3,025.09 | 310.43 | 5,319.37 | 8,523.90 |
| CO-OP RESALE | 125,818.59 | 125,818.59 | 0.00 | 0.00 | 0.00 |
| SCHOOL | 337,328.60 | 123,798.95 | 78,654.72 | 40,968.64 | 93,906.29 |
| TOTAL | 22,590,604.50 | 4,989,385.63 | 1,714,176.06 | 4,307,720.36 | 11,579,322.45 |

| LAST YEAR TO DATE | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-------------------|----------------------|---------------------|---------------------|---------------------|----------------------|
| RESIDENTIAL | 10,250,398.47 | 3,134,474.44 | 1,524,375.47 | 2,390,490.24 | 3,201,058.32 |
| INDUS/MUNI BLDG | 12,533,603.33 | 1,716,137.82 | 154,336.07 | 2,022,039.60 | 8,641,089.84 |
| PUB. ST. LIGHTS | 83,745.15 | 26,928.90 | 10,649.37 | 15,688.50 | 30,478.38 |
| PRV. ST. LIGHTS | 17,070.67 | 3,132.01 | 312.75 | 5,159.59 | 8,466.32 |
| CO-OP RESALE | 132,251.36 | 132,251.36 | 0.00 | 0.00 | 0.00 |
| SCHOOL | 326,616.27 | 118,781.58 | 69,948.84 | 40,252.45 | 97,633.40 |
| TOTAL | 23,343,685.25 | 5,131,706.11 | 1,759,622.50 | 4,473,630.38 | 11,978,726.26 |

PERCENTAGE OF OPERATING INCOME TO TOTAL

| MONTH | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-----------------|----------------|--------------|--------------|---------------|---------------|
| RESIDENTIAL | 41.86% | 13.72% | 6.00% | 9.95% | 12.19% |
| INDUS/MUNI BLDG | 55.49% | 7.33% | 0.80% | 8.82% | 38.54% |
| PUB. ST. LIGHTS | 0.36% | 0.12% | 0.05% | 0.06% | 0.13% |
| PRV. ST. LIGHTS | 0.07% | 0.01% | 0.00% | 0.02% | 0.04% |
| CO-OP RESALE | 0.56% | 0.56% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.66% | 0.59% | 0.38% | 0.20% | 0.49% |
| TOTAL | 100.00% | 2.33% | 7.23% | 19.05% | 51.39% |

| THIS YEAR TO DATE | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-------------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 44.10% | 13.74% | 6.48% | 10.27% | 13.61% |
| INDUS/MUNI BLDG | 53.41% | 7.11% | 0.72% | 8.53% | 37.05% |
| PUB. ST. LIGHTS | 0.36% | 0.12% | 0.05% | 0.06% | 0.13% |
| PRV. ST. LIGHTS | 0.08% | 0.01% | 0.00% | 0.02% | 0.05% |
| CO-OP RESALE | 0.56% | 0.56% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.49% | 0.55% | 0.35% | 0.18% | 0.41% |
| TOTAL | 100.00% | 22.09% | 7.60% | 19.06% | 51.25% |

| LAST YEAR TO DATE | TOTAL | READING | LYNNFIELD | NO. READING | WILMINGTON |
|-------------------|----------------|---------------|--------------|---------------|---------------|
| RESIDENTIAL | 43.91% | 13.43% | 6.53% | 10.24% | 13.71% |
| INDUS/MUNI BLDG | 53.69% | 7.35% | 0.66% | 8.66% | 37.02% |
| PUB. ST. LIGHTS | 0.36% | 0.12% | 0.05% | 0.07% | 0.12% |
| PRV. ST. LIGHTS | 0.07% | 0.01% | 0.00% | 0.02% | 0.04% |
| CO-OP RESALE | 0.57% | 0.57% | 0.00% | 0.00% | 0.00% |
| SCHOOL | 1.40% | 0.51% | 0.30% | 0.17% | 0.42% |
| TOTAL | 100.00% | 21.99% | 7.54% | 19.16% | 51.31% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED REVENUE VARIANCE REPORT
9/30/13

SCHEDULE F

| | ACTUAL YEAR TO DATE | BUDGET YEAR TO DATE | VARIANCE * | % CHANGE |
|---|---------------------------------|---------------------------------|----------------------------------|-------------|
| SALES OF ELECTRICITY: | | | | |
| RESIDENTIAL | 6,216,924.02 | 6,554,255.00 | (337,330.98) | -5.15% |
| COMM AND INDUSTRIAL SALES PRIVATE STREET LIGHTING MUNICIPAL BUILDINGS | 6,618,935.32 | 6,928,531.00 | (309,595.68) | -4.47% |
| PUBLIC STREET LIGHTING | 48,878.99 | 49,894.00 | (1,015.01) | -2.03% |
| SALES FOR RESALE | 75,145.02 | 91,864.00 | (16,718.98) | -18.20% |
| SCHOOL | <u>196,073.23</u> | <u>190,448.00</u> | <u>5,625.23</u> | 2.95% |
| TOTAL BASE SALES | 13,155,956.58 | 13,814,992.00 | (659,035.42) | -4.77% |
| TOTAL FUEL SALES | <u>9,434,647.92</u> | <u>9,582,134.00</u> | <u>(147,486.08)</u> | -1.54% |
| TOTAL OPERATING REVENUE | 22,590,604.50 | 23,397,126.00 | (806,521.50) | -3.45% |
| FORFEITED DISCOUNTS | 223,391.10 | 303,930.00 | (80,538.90) | -26.50% |
| PURCHASED POWER CAPACITY | 68,739.15 | 309,819.00 | (241,079.85) | -77.81% |
| ENERGY CONSERVATION - RESIDENTIAL | 80,206.52 | 82,233.00 | (2,026.48) | -2.46% |
| ENERGY CONSERVATION - COMMERCIAL | 119,056.34 | 126,289.00 | (7,232.66) | -5.73% |
| GAW REVENUE | 202,191.02 | 208,522.00 | (6,330.98) | -3.04% |
| PASNY CREDIT | (149,297.25) | (174,999.00) | 25,701.75 | -14.69% |
| TOTAL OPERATING REVENUES | <u><u>23,134,891.38</u></u> | <u><u>24,252,920.00</u></u> | <u><u>(1,118,028.62)</u></u> | -4.61% |

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING EXPENSES
9/30/13

SCHEDULE E

| OPERATION EXPENSES: | MONTH LAST YEAR | MONTH CURRENT YEAR | LAST YEAR TO DATE | CURRENT YEAR TO DATE | YTD % CHANGE |
|-----------------------------------|---------------------|-----------------------|----------------------|-------------------------|-----------------|
| PURCHASED POWER BASE EXPENSE | 2,520,662.38 | 2,424,682.96 | 7,800,416.79 | 7,811,025.76 | 0.14% |
| OPERATION SUP AND ENGINEERING EXP | 30,352.73 | 44,470.64 | 119,542.30 | 132,154.69 | 10.55% |
| STATION SUP LABOR AND MISC | 2,692.85 | 6,742.17 | 15,787.47 | 27,001.79 | 71.03% |
| LINE MISC LABOR AND EXPENSE | 36,659.87 | 42,755.50 | 132,939.36 | 160,485.30 | 20.72% |
| STATION LABOR AND EXPENSE | 28,972.30 | 35,871.02 | 109,359.78 | 121,955.72 | 11.52% |
| STREET LIGHTING EXPENSE | 4,422.61 | 6,799.51 | 17,528.42 | 16,627.25 | -5.14% |
| METER EXPENSE | 7,330.11 | 12,591.25 | 34,112.36 | 42,963.09 | 25.95% |
| MISC DISTRIBUTION EXPENSE | 21,854.51 | 30,154.36 | 73,958.94 | 81,911.70 | 10.75% |
| METER READING LABOR & EXPENSE | 5,138.91 | 3,254.48 | 23,970.02 | 11,026.42 | -54.00% |
| ACCT & COLL LABOR & EXPENSE | 88,633.79 | 104,316.38 | 336,182.53 | 364,441.99 | 8.41% |
| UNCOLLECTIBLE ACCOUNTS | 8,333.33 | 10,500.00 | 24,999.99 | 31,500.00 | 26.00% |
| ENERGY AUDIT EXPENSE | 20,280.75 | 32,558.81 | 95,745.96 | 107,744.30 | 12.53% |
| ADMIN & GEN SALARIES | 47,652.90 | 67,215.62 | 165,427.49 | 225,991.98 | 36.61% |
| OFFICE SUPPLIES & EXPENSE | 20,647.93 | 27,251.18 | 49,065.60 | 61,434.14 | 25.21% |
| OUTSIDE SERVICES | 49,522.36 | 61,252.60 | 79,932.08 | 70,634.39 | -11.63% |
| PROPERTY INSURANCE | 31,678.42 | 29,926.02 | 95,035.26 | 89,778.06 | -5.53% |
| INJURIES AND DAMAGES | 3,940.15 | 3,305.95 | 10,316.44 | 9,480.60 | -8.10% |
| EMPLOYEES PENSIONS & BENEFITS | 148,298.34 | 172,913.94 | 540,974.04 | 832,793.43 | 53.94% |
| MISC GENERAL EXPENSE | 13,888.61 | 23,952.65 | 38,614.87 | 44,291.16 | 14.70% |
| RENT EXPENSE | 13,837.19 | 27,323.71 | 62,338.88 | 54,558.65 | -12.48% |
| ENERGY CONSERVATION | 23,426.79 | 35,810.00 | 127,038.18 | 81,145.00 | -36.13% |
| TOTAL OPERATION EXPENSES | 607,564.45 | 778,965.79 | 2,152,869.97 | 2,567,919.66 | 19.28% |
| MAINTENANCE EXPENSES: | | | | | |
| MAINT OF TRANSMISSION PLANT | 227.10 | 227.08 | 681.30 | 681.24 | -0.01% |
| MAINT OF STRUCT AND EQUIPMT | 9,253.18 | 14,459.58 | 21,697.57 | 40,968.41 | 88.82% |
| MAINT OF LINES - OH | 81,152.83 | 121,256.10 | 249,483.96 | 359,467.03 | 44.08% |
| MAINT OF LINES - UG | 9,838.13 | 17,856.13 | 24,072.65 | 49,853.69 | 107.10% |
| MAINT OF LINE TRANSFORMERS | 6,231.04 | 71,367.07 | 10,383.59 | 73,450.55 | 0.00% |
| MAINT OF ST LT & SIG SYSTEM | (83.18) | (64.26) | (220.45) | (235.11) | 6.65% |
| MAINT OF GARAGE AND STOCKROOM | 40,740.81 | 39,282.19 | 114,940.90 | 109,480.40 | -4.75% |
| MAINT OF METERS | 397.31 | 3,026.99 | 10,151.48 | 7,602.46 | -25.11% |
| MAINT OF GEN PLANT | 7,326.56 | 13,230.77 | 27,629.32 | 32,243.84 | 16.70% |
| TOTAL MAINTENANCE EXPENSES | 155,083.78 | 280,641.65 | 458,820.32 | 673,512.51 | 46.79% |
| DEPRECIATION EXPENSE | 305,469.18 | 314,969.55 | 916,407.54 | 944,908.65 | 3.11% |
| PURCHASED POWER FUEL EXPENSE | 2,646,309.32 | 2,168,234.24 | 9,806,635.80 | 8,399,833.69 | -14.35% |
| VOLUNTARY PAYMENTS TO TOWNS | 114,000.00 | 116,666.67 | 342,000.00 | 350,000.01 | 2.34% |
| TOTAL OPERATING EXPENSES | 6,349,089.11 | 6,084,160.86 | 21,477,150.42 | 20,747,200.28 | -3.40% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
9/30/13

SCHEDULE G

| OPERATION EXPENSES: | ACTUAL YEAR TO DATE | BUDGET YEAR TO DATE | VARIANCE * | % CHANGE |
|-----------------------------------|------------------------|------------------------|---------------------|----------------|
| PURCHASED POWER BASE EXPENSE | 7,811,025.76 | 7,896,540.00 | (85,514.24) | -1.08% |
| OPERATION SUP AND ENGINEERING EXP | 132,154.69 | 115,162.00 | 16,992.69 | 14.76% |
| STATION SUP LABOR AND MISC | 27,001.79 | 22,159.00 | 4,842.79 | 21.85% |
| LINE MISC LABOR AND EXPENSE | 160,485.30 | 185,567.00 | (25,081.70) | -13.52% |
| STATION LABOR AND EXPENSE | 121,955.72 | 109,406.00 | 12,549.72 | 11.47% |
| STREET LIGHTING EXPENSE | 16,627.25 | 22,943.00 | (6,315.75) | -27.53% |
| METER EXPENSE | 42,963.09 | 48,416.00 | (5,452.91) | -11.26% |
| MISC DISTRIBUTION EXPENSE | 81,911.70 | 97,664.00 | (15,752.30) | -16.13% |
| METER READING LABOR & EXPENSE | 11,026.42 | 11,588.00 | (561.58) | -4.85% |
| ACCT & COLL LABOR & EXPENSE | 364,441.99 | 386,662.00 | (22,220.01) | -5.75% |
| UNCOLLECTIBLE ACCOUNTS | 31,500.00 | 31,500.00 | 0.00 | 0.00% |
| ENERGY AUDIT EXPENSE | 107,744.30 | 101,814.00 | 5,930.30 | 5.82% |
| ADMIN & GEN SALARIES | 225,991.98 | 196,221.00 | 29,770.98 | 15.17% |
| OFFICE SUPPLIES & EXPENSE | 61,434.14 | 67,050.00 | (5,615.86) | -8.38% |
| OUTSIDE SERVICES | 70,634.39 | 142,027.00 | (71,392.61) | -50.27% |
| PROPERTY INSURANCE | 89,778.06 | 115,125.00 | (25,346.94) | -22.02% |
| INJURIES AND DAMAGES | 9,480.60 | 14,924.00 | (5,443.40) | -36.47% |
| EMPLOYEES PENSIONS & BENEFITS | 832,793.43 | 561,574.00 | 271,219.43 | 48.30% |
| MISC GENERAL EXPENSE | 44,291.16 | 78,533.00 | (34,241.84) | -43.60% |
| RENT EXPENSE | 54,558.65 | 53,001.00 | 1,557.65 | 2.94% |
| ENERGY CONSERVATION | 81,145.00 | 159,186.00 | (78,041.00) | -49.03% |
| TOTAL OPERATION EXPENSES | 2,567,919.66 | 2,520,522.00 | 47,397.66 | 1.88% |
| MAINTENANCE EXPENSES: | | | | |
| MAINT OF TRANSMISSION PLANT | 681.24 | 750.00 | (68.76) | -9.17% |
| MAINT OF STRUCT AND EQUIPMENT | 40,968.41 | 25,735.00 | 15,233.41 | 59.19% |
| MAINT OF LINES - OH | 359,467.03 | 399,281.00 | (39,813.97) | -9.97% |
| MAINT OF LINES - UG | 49,853.69 | 121,387.00 | (71,533.31) | -58.93% |
| MAINT OF LINE TRANSFORMERS | 73,450.55 | 41,851.00 | 31,599.55 | 75.50% |
| MAINT OF ST LT & SIG SYSTEM | (235.11) | 2,644.00 | (2,879.11) | -108.89% |
| MAINT OF GARAGE AND STOCKROOM | 109,480.40 | 147,194.00 | (37,713.60) | -25.62% |
| MAINT OF METERS | 7,602.46 | 14,960.00 | (7,357.54) | -49.18% |
| MAINT OF GEN PLANT | 32,243.84 | 35,976.00 | (3,732.16) | -10.37% |
| TOTAL MAINTENANCE EXPENSES | 673,512.51 | 789,778.00 | (116,265.49) | -14.72% |
| DEPRECIATION EXPENSE | 944,908.65 | 943,800.00 | 1,108.65 | 0.12% |
| PURCHASED POWER FUEL EXPENSE | 8,399,833.69 | 8,470,341.00 | (70,507.31) | -0.83% |
| VOLUNTARY PAYMENTS TO TOWNS | 350,000.01 | 349,998.00 | 2.01 | 0.00% |
| TOTAL OPERATING EXPENSES | 20,747,200.28 | 20,970,979.00 | (223,778.72) | -1.07% |

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
9/30/13

| OPERATION EXPENSES: | RESPONSIBLE SENIOR MANAGER | 2014 ANNUAL BUDGET | ACTUAL YEAR TO DATE | REMAINING BUDGET BALANCE | REMAINING BUDGET % |
|-----------------------------------|----------------------------------|-----------------------|------------------------|--------------------------------|-----------------------|
| PURCHASED POWER BASE EXPENSE | JP | 29,123,336.00 | 7,811,025.76 | 21,312,310.24 | 73.18% |
| OPERATION SUP AND ENGINEERING EXP | KS | 467,978.00 | 132,154.69 | 335,823.31 | 71.76% |
| STATION SUP LABOR AND MISC | KS | 90,088.00 | 27,001.79 | 63,086.21 | 70.03% |
| LINE MISC LABOR AND EXPENSE | KS | 729,521.00 | 160,485.30 | 569,035.70 | 78.00% |
| STATION LABOR AND EXPENSE | KS | 446,308.00 | 121,955.72 | 324,352.28 | 72.67% |
| STREET LIGHTING EXPENSE | KS | 90,729.00 | 16,627.25 | 74,101.75 | 81.67% |
| METER EXPENSE | KS | 218,064.00 | 42,963.09 | 175,100.91 | 80.30% |
| MISC DISTRIBUTION EXPENSE | KS | 396,379.00 | 81,911.70 | 314,467.30 | 79.34% |
| METER READING LABOR & EXPENSE | KS | 46,322.00 | 11,026.42 | 35,295.58 | 76.20% |
| ACCT & COLL LABOR & EXPENSE | RF | 1,570,864.00 | 364,441.99 | 1,206,422.01 | 76.80% |
| UNCOLLECTIBLE ACCOUNTS | RF | 126,000.00 | 31,500.00 | 94,500.00 | 75.00% |
| ENERGY AUDIT EXPENSE | JP | 416,982.00 | 107,744.30 | 309,237.70 | 74.16% |
| ADMIN & GEN SALARIES | CO | 794,002.00 | 225,991.98 | 568,010.02 | 71.54% |
| OFFICE SUPPLIES & EXPENSE | CO | 268,000.00 | 61,434.14 | 206,565.86 | 77.08% |
| OUTSIDE SERVICES | CO | 419,150.00 | 70,634.39 | 348,515.61 | 83.15% |
| PROPERTY INSURANCE | KS | 460,600.00 | 89,778.06 | 370,821.94 | 80.51% |
| INJURIES AND DAMAGES | KS | 58,206.00 | 9,480.60 | 48,725.40 | 83.71% |
| EMPLOYEES PENSIONS & BENEFITS | KS | 1,870,479.00 | 832,793.43 | 1,037,685.57 | 55.48% |
| MISC GENERAL EXPENSE | CO | 219,695.00 | 44,291.16 | 175,403.84 | 79.84% |
| RENT EXPENSE | KS | 212,000.00 | 54,558.65 | 157,441.35 | 74.26% |
| ENERGY CONSERVATION | JP | 636,761.00 | 81,145.00 | 555,616.00 | 87.26% |
| TOTAL OPERATION EXPENSES | | <u>9,538,128.00</u> | <u>2,567,919.66</u> | <u>6,970,208.34</u> | 73.08% |
| MAINTENANCE EXPENSES: | | | | | |
| MAINT OF TRANSMISSION PLANT | KS | 3,000.00 | 681.24 | 2,318.76 | 77.29% |
| MAINT OF STRUCT AND EQUIPMT | KS | 105,738.00 | 40,968.41 | 64,769.59 | 61.25% |
| MAINT OF LINES - OH | KS | 1,604,829.00 | 359,467.03 | 1,245,361.97 | 77.60% |
| MAINT OF LINES - UG | KS | 485,432.00 | 49,853.69 | 435,578.31 | 89.73% |
| MAINT OF LINE TRANSFORMERS | KS | 160,000.00 | 73,450.55 | 86,549.45 | 54.09% |
| MAINT OF ST LT & SIG SYSTEM | KS | 10,487.00 | (235.11) | 10,722.11 | 102.24% |
| MAINT OF GARAGE AND STOCKROOM | KS | 668,507.00 | 109,480.40 | 559,026.60 | 83.62% |
| MAINT OF METERS | KS | 41,160.00 | 7,602.46 | 33,557.54 | 81.53% |
| MAINT OF GEN PLANT | RF | 145,480.00 | 32,243.84 | 113,236.16 | 77.84% |
| TOTAL MAINTENANCE EXPENSES | | <u>3,224,633.00</u> | <u>673,512.51</u> | <u>2,551,120.49</u> | 79.11% |
| DEPRECIATION EXPENSE | RF | 3,775,200.00 | 944,908.65 | 2,830,291.35 | 74.97% |
| PURCHASED POWER FUEL EXPENSE | JP | 31,789,470.00 | 8,399,833.69 | 23,389,636.31 | 73.58% |
| VOLUNTARY PAYMENTS TO TOWNS | RF | 1,400,000.00 | 350,000.01 | 1,049,999.99 | 75.00% |
| TOTAL OPERATING EXPENSES | | <u>78,850,767.00</u> | <u>20,747,200.28</u> | <u>58,103,566.72</u> | 73.69% |

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
PROFESSIONAL SERVICES
9/30/2013

PROFESSIONAL SERVICES BY PROJECT

| ITEM | DEPARTMENT | ACTUAL | BUDGET |
|-------------------------------------|----------------|------------------|-------------------|
| 1 RMLD AND PENSION TRUST AUDIT FEES | ACCOUNTING | 17,000.00 | 32,250.00 |
| 2 PENSION ACTUARIAL EVALUATION | ACCOUNTING | 0.00 | 0.00 |
| 3 LEGAL- FERC/ISO ISSUES | ENERGY SERVICE | 0.00 | 4,500.00 |
| 4 LEGAL- POWER SUPPLY ISSUES | ENERGY SERVICE | 14,726.72 | 11,250.00 |
| 5 PROFESSIONAL SERVICES | ENERGY SERVICE | 4,144.00 | 6,000.00 |
| 6 NERC COMPLIANCE AND AUDIT | E & O | 3,714.50 | 4,000.00 |
| 7 LEGAL | ENGINEERING | 0.00 | 3,750.00 |
| 8 LEGAL-GENERAL | GM | 10,382.89 | 37,500.00 |
| 9 LEGAL SERVICES- OTHER | HR | 495.05 | 10,500.00 |
| 10 LEGAL SERVICES-NEGOTIATIONS | HR | 13,966.51 | 0.00 |
| 11 LEGAL SERVICES-ARBITRATION | HR | 4,629.73 | 21,900.00 |
| 12 LEGAL GENERAL | BLDG. MAINT. | 0.00 | 375.00 |
| 13 SURVEY RIGHT OF WAY | BLDG. MAINT. | 0.00 | 1,251.00 |
| 14 ENVIRONMENTAL | BLDG. MAINT. | 0.00 | 1,251.00 |
| 15 INSURANCE CONSULTANT | GEN. BENEFIT | 0.00 | 2,499.00 |
| 16 LEGAL | GEN. BENEFIT | 0.00 | 1,251.00 |
| 17 LEGAL MATS MGMT | GEN. BENEFIT | 950.00 | 3,750.00 |
| 18 DSA BASIC CLIENT SERVICE | ENGINEERING | 624.99 | 0.00 |
| TOTAL | | <u>70,634.39</u> | <u>142,027.00</u> |

PROFESSIONAL SERVICES BY VENDOR

| | ACTUAL |
|--------------------------|------------------|
| MELANSON HEATH & COMPANY | 17,000.00 |
| UTILITY SERVICES, INC. | 2,362.50 |
| DUNCAN AND ALLEN | 4,981.54 |
| RUBIN AND RUDMAN | 18,998.07 |
| DOBLE ENGINEERING | 624.99 |
| CHOATE HALL & STEWART | 19,091.29 |
| WILLIAM CROWLEY | 2,080.00 |
| BERRYDUNN | 4,144.00 |
| PLM | 1,352.00 |
| TOTAL | <u>70,634.39</u> |

RMLD
DEFERRED FUEL CASH RESERVE ANALYSIS
9/30/13

| DATE | GROSS CHARGES | REVENUES | NYPA CREDIT | MONTHLY DEFERRED | TOTAL DEFERRED |
|--------|------------------|--------------|-------------|---------------------|-------------------|
| Jun-13 | | | | | 2,609,487.38 |
| Jul-13 | 3,464,349.32 | 2,953,072.91 | (53,841.00) | (565,117.41) | 2,044,369.97 |
| Aug-13 | 2,767,250.13 | 3,385,440.39 | (33,645.12) | 584,545.14 | 2,628,915.11 |
| Sep-13 | 2,168,234.24 | 3,096,134.62 | (61,811.13) | 866,089.25 | 3,495,004.36 |

RMLD
STAFFING REPORT
FOR FISCAL YEAR ENDING JUNE, 2014

| | 14 BUD TOTAL | JUL 13 | AUG 13 | SEP 13 |
|-------------------------------------|-----------------|--------------|--------------|--------------|
| <u>GENERAL MANAGER</u> | | | | |
| GENERAL MANAGER | 2.00 | 2.00 | 2.00 | 2.00 |
| HUMAN RESOURCES | 1.00 | 1.00 | 1.00 | 1.00 |
| COMMUNITY RELATIONS | 1.00 | 1.00 | 1.00 | 1.00 |
| TOTAL | <u>4.00</u> | <u>4.00</u> | <u>4.00</u> | <u>4.00</u> |
| <u>BUSINESS</u> | | | | |
| ACCOUNTING | 2.00 | 2.00 | 2.00 | 2.00 |
| CUSTOMER SERVICE | 7.75 | 7.75 | 7.75 | 7.75 |
| MGMT INFORMATION SYS | 6.00 | 6.00 | 6.00 | 6.00 |
| MISCELLANEOUS | 1.00 | 1.00 | 1.00 | 1.00 |
| TOTAL | <u>16.75</u> | <u>16.75</u> | <u>16.75</u> | <u>16.75</u> |
| <u>ENGINEERING & OPERATIONS</u> | | | | |
| AGM E&O | 2.00 | 2.00 | 2.00 | 2.00 |
| ENGINEERING | 5.00 | 5.00 | 5.00 | 5.00 |
| LINE | 22.00 | 21.00 | 21.00 | 21.00 |
| METER | 3.00 | 3.00 | 3.00 | 3.00 |
| STATION | 8.00 | 8.00 | 8.00 | 8.00 |
| TOTAL | <u>40.00</u> | <u>39.00</u> | <u>39.00</u> | <u>39.00</u> |
| <u>PROJECT</u> | | | | |
| BUILDING | 2.00 | 2.00 | 2.00 | 2.00 |
| GENERAL BENEFITS | 2.00 | 2.00 | 2.00 | 2.00 |
| TRANSPORTATION | - | - | - | - |
| MATERIALS MGMT | 4.00 | 4.00 | 4.00 | 4.00 |
| TOTAL | <u>8.00</u> | <u>8.00</u> | <u>8.00</u> | <u>8.00</u> |
| <u>ENERGY SERVICES</u> | | | | |
| ENERGY SERVICES | 4.50 | 3.50 | 3.50 | 3.50 |
| TOTAL | <u>4.50</u> | <u>3.50</u> | <u>3.50</u> | <u>3.50</u> |
| RMLD TOTAL | <u>73.25</u> | <u>71.25</u> | <u>71.25</u> | <u>71.25</u> |
| <u>CONTRACTORS</u> | | | | |
| UG LINE | 2.00 | 2.00 | 2.00 | 2.00 |
| TOTAL | <u>2.00</u> | <u>2.00</u> | <u>2.00</u> | <u>2.00</u> |
| GRAND TOTAL | <u>75.25</u> | <u>73.25</u> | <u>73.25</u> | <u>73.25</u> |

RMLD
 BUDGET VARIANCE REPORT
 FOR PERIOD ENDING SEPTEMBER 30, 2013

| DIVISION | ACTUAL | BUDGET | VARIANCE | CHANGE |
|----------------------------|------------------------------|------------------------------|-----------------------------|------------|
| ENGINEERING AND OPERATIONS | 1,121,957 | 1,181,442 | (59,485) | -5.03% |
| ENERGY SERVICES | 207,292 | 282,751 | (75,460) | -26.69% |
| GENERAL MANAGER | 177,748 | 247,723 | (69,975) | -28.25% |
| FACILITY MANAGER | 1,223,813 | 1,040,879 | 182,934 | 17.57% |
| BUSINESS DIVISION | 2,381,607 | 2,427,452 | (45,845) | -1.89% |
| SUB-TOTAL | <u>5,112,417</u> | <u>5,180,247</u> | <u>(67,830)</u> | -1.31% |
| PURCHASED POWER - BASE | 7,811,026 | 7,896,540 | (1,321,494) | -1.08% |
| PURCHASED POWER - FUEL | 8,399,834 | 8,470,341 | 728,144 | -0.83% |
| TOTAL | <u><u>21,323,276</u></u> | <u><u>21,547,128</u></u> | <u><u>(661,180)</u></u> | -1.04% |

BOARD MATERIAL AVAILABLE
BUT NOT DISCUSSED



Jeanne Foti

From: Jeanne Foti
Sent: Thursday, October 24, 2013 11:18 AM
To: RMLD Board Members Group
Subject: Account Payable Warrant and Payroll - No Questions

Good morning.

In an effort to save paper, the following timeframes had no Account Payable Warrant and Payroll questions. This e-mail will be printed for the Board Book for the RMLD Board meeting on October 30, 2013.

Account Payable Warrant – No Questions

September 20, September 27, October 4, October 18

Payroll – No Questions

September 23, October 7 and October 21.

Jeanne Foti
Reading Municipal Light Department
Executive Assistant
230 Ash Street
Reading, MA 01867

781-942-6434 Phone
781-942-2409 Fax

Please consider the environment before printing this e-mail.

Jeanne Foti

From: Coleen O'Brien
Sent: Wednesday, October 16, 2013 10:23 AM
To: John Stempeck
Cc: Jeanne Foti; Patricia Mellino; Accounting Group
Subject: RE: Account Payable Warrant Questions - October 14

Good morning:

Below, please find information pertaining to each of your AP questions.

1. Avis Car Rental moved out of the service territory. This is a refund.
2. Exelon Energy always sends a reconciliation email prior to sending out monthly invoice. The correspondence is done with an email in lieu of phone, for formal paper trail. Macqueire reconciliation is also done by email similarly, as well as JP Morgan. The amount of on peak and off peak as per the contract is verified by calculation based on hours. Jane or Bill verifies the actual MWH deliveries through CMARS. A copy of the email relating to the reconciliation request may not always be attached to the invoice as you saw it this time, but always occurs.
3. In 2012, Business wanted to set up a customer relationship management database to track payment plans that were arranged with RMLD customers. RMLD used it for 2012 and then only had two log ins for 2013. Intuit billed for the entire year of 2013. RMLD called Intuit to inquire about the charge for 2013 and Franklin Perkins, Sales Rep, said that RMLD would not have to pay for 2013 for only two log ins. The software was unsustainable due to high maintenance. Even though the Sales Rep said that RMLD could disregard the bill for 2013, it had already been given to a collection agency.

Please let me know if you need further information on any of the items.

Enjoy your day. Coleen

Coleen M. O'Brien
General Manager
Reading Municipal Light Department
230 Ash Street
Reading, MA 01867

From: Patricia Mellino
Sent: Tuesday, October 15, 2013 7:39 AM
To: Accounting Group
Cc: Coleen O'Brien; Jeanne Foti
Subject: Account Payable Warrant Questions - October 14

Good Morning,

Attached are the Account Payable Warrant Questions for October 14, 2013.

Thanks.

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

October-13

| | RESIDENTIAL 750 kWh's | RESIDENTIAL-TOW 75/25 Spk 1500 kWh's | 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 260,000 kW Demand 80/20 Spk |
|---------------------------------|--------------------------|--|------------------------------|---|---|---|---|
| READING MUNICIPAL LIGHT DEPT. | | | | | | | |
| TOTAL BILL | \$90.15 | \$157.78 | \$103.32 | \$794.35 | \$157.54 | \$3,676.63 | \$9,923.67 |
| PER KWH CHARGE | \$0.12021 | \$0.10519 | \$0.10332 | \$0.10882 | \$0.14587 | \$0.10505 | \$0.09063 |
| NATIONAL GRID | | | | | | | |
| TOTAL BILL | \$108.55 | \$202.60 | \$144.73 | \$976.70 | \$139.12 | \$4,047.22 | \$11,143.89 |
| PER KWH CHARGE | \$0.14474 | \$0.13507 | \$0.14473 | \$0.13380 | \$0.12882 | \$0.11563 | \$0.10177 |
| % DIFFERENCE | 20.41% | 28.41% | 40.08% | 22.96% | -11.69% | 10.08% | 12.30% |
| NSTAR COMPANY | | | | | | | |
| TOTAL BILL | \$124.94 | \$228.28 | \$164.44 | \$1,125.89 | \$169.40 | \$6,231.35 | \$15,385.24 |
| PER KWH CHARGE | \$0.16658 | \$0.15218 | \$0.16444 | \$0.15423 | \$0.15685 | \$0.17804 | \$0.14032 |
| % DIFFERENCE | 38.58% | 44.68% | 59.16% | 41.74% | 7.53% | 69.49% | 54.83% |
| PEABODY MUNICIPAL LIGHT PLANT | | | | | | | |
| TOTAL BILL | \$92.35 | \$178.08 | \$120.65 | \$980.86 | \$149.79 | \$4,846.08 | \$11,188.60 |
| PER KWH CHARGE | \$0.12313 | \$0.11872 | \$0.12065 | \$0.13436 | \$0.13870 | \$0.13946 | \$0.10218 |
| % DIFFERENCE | 2.43% | 12.87% | 16.78% | 23.48% | -4.92% | 31.81% | 12.75% |
| 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 | 10.67% | 25.74% | 28.38% | 20.79% | 6.91% | 29.55% | 34.33% |
| WAKEFIELD MUNICIPAL LIGHT DEPT. | | | | | | | |
| TOTAL BILL | \$104.99 | \$203.67 | \$137.88 | \$1,045.64 | \$168.46 | \$4,895.58 | \$13,519.62 |
| PER KWH CHARGE | \$0.13998 | \$0.13578 | \$0.13788 | \$0.14327 | \$0.15599 | \$0.13987 | \$0.12347 |
| % DIFFERENCE | 16.45% | 29.08% | 33.45% | 31.66% | 6.93% | 33.15% | 36.24% |

